

# 1pm plc Terms of Reference

## Remuneration Committee

### Version Control

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### Review and Sign Off

Date	Name / Committee and Designation
1 October 2018	Ian Smith / CEO

### Summary Information

<b>Document Owner</b>	1pm plc Head of Governance and Compliance
<b>Related Policies and Procedures</b>	<ul style="list-style-type: none"> <li>- Audit Committee TOR</li> <li>- Nominations Committee TOR</li> <li>- Risk &amp; Compliance Committee TOR</li> </ul>
<b>Monitoring/Reporting Requirements</b>	<b>Communication and Distribution</b>
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## Remuneration Committee

### 1. Overall purpose and objectives

The remuneration committee shall be appointed by the board of directors to assist the board in discharging its responsibilities

### 2. Authority

The remuneration committee shall be a committee of the board.

### 3. Membership

The remuneration committee shall comprise, where possible, independent directors of the company. Members will be appointed for a three year term of office.

The secretary of the company will act as secretary and chairman to the remuneration committee or such other person as is nominated by the board from time to time.

### 4. Meetings

Meetings shall be held not less than twice a year and should be timed to allow the remuneration committee to oversee the company's remuneration review process. Special meetings may be convened as required.

Only members of the remuneration committee shall be entitled to attend remuneration committee meetings although other individuals may be invited to attend for all or part of any meeting when considered appropriate.

In the absence of the remuneration committee chairman, or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

The quorum necessary for the transaction of business shall be two members.

The secretary of the remuneration committee shall circulate minutes of remuneration committee meetings, promptly to all members of the remuneration committee and to such other senior executives as the remuneration committee in its discretion shall decide.

### 5. Roles and responsibilities

The remuneration committee shall have delegated responsibility, within the following parameters, for setting remuneration for all executive directors as well as sanctioning any packages together with bonuses and pay rises of any employee whose salary exceeds £75,000. No director shall be involved in decisions on their own pay.

The remuneration committee shall:

- Determine and agree with the board the framework of remuneration for the group of executives within its remit;
- Ensure that effective performance management systems are in place to assess the performance of the executives and the company;
- Propose the remuneration for the executive directors;
- Oversee the implementation and operation of short-term and long-term incentive arrangements;
- Agree the policy for authorising claims for expenses from executive directors; and
- Monitor the overall cost of remuneration structures within the company

### 6. Dialogue with shareholders

The remuneration committee shall maintain a constructive dialogue with the company's major shareholders on remuneration policy for the executives within its remit and issues relating to share incentive plans.

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### 7. Reporting responsibilities

The remuneration committee shall:

- Update the board regularly about remuneration committee activities and make appropriate recommendations; and
- Prepare any reports on the remuneration committee's activities and the remuneration of executives required by law.
- Obtain, at the company's expense, independent legal, accounting or other professional advice on any matter it believes it necessary to do so;

### 8. Performance evaluation and training

The remuneration committee shall review its collective performance and that of its individual members on a regular basis.

Members of the remuneration committee should seek continually to develop and refresh their knowledge of current remuneration practices.

### 9. Terms of reference

The remuneration committee shall review the terms of reference annually and discuss any proposed changes with the board.