

**SCOTT TECHNOLOGY LIMITED  
GOVERNANCE, REMUNERATION & NOMINATIONS COMMITTEE  
TERMS OF REFERENCE**

---

### **Constitution**

The Governance, Remuneration and Nominations Committee shall be a Committee of the Board established by the Board.

### **Objectives**

The objective of the Committee is to assist the Board in the establishment of remuneration policies and practices for the Company, and to also assist in discharging the Board's responsibilities relative to remuneration-setting and review of, the Company's Chief Executive Officer, Directors (both Non-Executive and Executive). The Committee will also advise and assist the Chief Executive in remuneration-setting for other senior executives.

### **Membership**

Members of the Committee shall comprise non-executive members of the Board appointed by the Board.

The majority of the Committee shall be Independent Directors.

The number of members of the Committee shall be not less than three.

The Board shall appoint a Chairman from among the members of the Committee.

### **Secretarial and Meetings**

The Secretary of the Committee shall be appointed by the Board.

A quorum of members of the Committee shall be two.

The Committee may have in attendance such members of management and such other persons, including external advisers, as it considers necessary to provide appropriate information and advice.

Reasonable notice of meetings and the business to be conducted shall be given to the members of the Committee, and all other members of the Board.

Meetings shall be held not less than once per year having regard to when Director and executive remuneration is due for review in terms of the Company's remuneration policies. Any member of the Committee and the Chief Executive may request a meeting at any time if they consider it necessary.

Minutes of the meetings shall be kept.

### **Responsibilities**

Subject to the limitations on the Committee's authorities below, the responsibilities of the Committee are as follows:

- To identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- More specifically, to make recommendations to the Board with respect to:

- The re-election of any Non-Executive Director at the conclusion of their term of office (including where they have retired by rotation and are eligible to stand for re-election);
- The degree of independence of any Director, and any other matters relating to the continuation in office of any Director at any time;
- Before recommending an appointment, to evaluate the balance of skills, knowledge and experience on the Board and, in the light of the evaluation, to determine the role and capabilities required for the appointment.
- Setting and reviewing the remuneration policies and procedures of the Company.
- Setting and reviewing, in accordance with the Company's remuneration policies and practices, all components of the remuneration of the Chief Executive Officer, Executive Directors and such other senior executives as the Board may from time to time determine. The components shall include base salary, reimbursable expenses, bonuses, entitlements under employee incentive plans, company share schemes and company option schemes, and all other entitlements and benefits arising from their employment. The remuneration of senior executives who report direct to the Chief Executive will be advised to the Committee by the Chief Executive in order that the Committee and Chief Executive can be assured that the remuneration is appropriate having regard to the significance of their role and the industry.
- Setting and reviewing the terms of the Company's short and long term incentive plans, including any share and option schemes for employees and / or Directors;
- Making recommendations to the full Board on setting and reviewing all components of the remuneration of the non-executive Directors. Such components shall include base fees, supplemental fees for undertaking additional duties, reimbursement expenses, entitlements on retirement from or termination of Board membership, and all other benefits and entitlements arising from their directorships;
- Considering Chief Executive Officer succession; and
- Considering such other matters relating to remuneration issues as may be referred to it by the Board.

## Authorities

The Committee is authorised by the Board, at the expense of the Company, to obtain such outside information and advice, including market surveys and reports, and to consult with such management and executive search consultants and other outside advisers with relevant experience and expertise, as it thinks necessary for carrying out its responsibilities.

## Reporting Procedures

After each meeting the Chairman will report the Committee's decisions, recommendations and findings to the Board.

## Ownership and Review

The Board or the Committee may at any time initiate a review of the Committee and make appropriate recommendations for its alteration to the Board.

Approver:	Scott Technology Board
Reviewer:	Scott Technology Board
Ownership:	Chief Executive
Review:	Annual or as necessary
Last Review:	July 2018