

**ONCIMMUNE HOLDINGS PLC**  
**(the “Company”)**

---

**REMUNERATION COMMITTEE**  
**TERMS OF REFERENCE**

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## 1. INTRODUCTION

- 1.1 On 14 December 2015, the board of directors of the Company (the **“Board”**) resolved to establish a committee of the Board to be known as the Remuneration Committee (the **“Committee”**) and approved these terms of reference for the Committee.

## 2. MEMBERSHIP OF THE COMMITTEE

- 2.1 The Committee shall have at least two members, one of whom shall be an independent non-executive director.
- 2.2 The chairman of the Board may be a member of (but may not chair) the Committee provided that, other than his chairmanship, he or she fulfils the test of independence (in which case he will be viewed as an independent director).
- 2.3 The members of the Committee shall be appointed by the Board, in consultation with the chairman of the Committee.
- 2.4 Appointments to the Committee shall be for a period of up to three years which may be extended for up to two additional three-year periods provided that the members of the Committee (other than the chairman of the Board if he or she is a member of the Committee) continue to be independent.
- 2.5 Only members of the Committee are entitled as of right to participate in meetings of the Committee. However, non-members (such as the chief executive, the head of human resources and external advisers) may be invited to participate in all or part of any meeting as and when the Committee considers appropriate. No person shall participate in any discussions or the taking of any decision at a meeting of the Committee regarding his or her own remuneration.

## 3. CHAIRMAN OF THE COMMITTEE

- 3.1 The Board shall appoint the chairman of the Committee who should be an independent non-executive director.
- 3.2 In the absence of the chairman of the Committee (or any deputy appointed by the Board) from any meeting of the Committee, the members of the Committee participating in the meeting shall elect one of their number (being a member who would qualify under these terms of reference to be appointed as the chairman of the Committee by the Board) to chair the meeting.

4. **SECRETARY OF THE COMMITTEE**

The secretary of the Company (or such other person as the Committee may appoint) shall act as the secretary of the Committee.

5. **FREQUENCY OF MEETINGS**

Meetings of the Committee must be held at least twice a year and at such additional times as may be required.

6. **CALLING MEETINGS**

6.1 Any member of the Committee may at any time call a meeting of the Committee. The secretary of the Committee must call a meeting of the Committee if at any time any member of the Committee so requests.

6.2 Notice of a meeting of the Committee shall be given to each member of the Committee and to any other person who is required to participate in the meeting no later than five working days before the date of the meeting (or such shorter period as all the members of the Committee may agree). The notice shall include the venue, time and date of the meeting, details of the arrangements for participating in the meeting and an agenda of items to be discussed at the meeting. Supporting papers shall be sent to members of the Committee (and, where appropriate, to other persons who are required to participate in the meeting) at the same time as the notice of meeting (or as soon as reasonably practicable thereafter).

7. **QUORUM**

7.1 The quorum necessary for the transaction of business at a meeting of the Committee is any two members.

7.2 A duly convened meeting of the Committee in which a quorum is participating shall be competent to exercise all or any of the authorities, powers or discretions vested in or exercisable by the Committee.

8. **VOTING**

8.1 Subject to these terms of reference:

(a) a decision is taken at a meeting of the Committee by a majority of the votes of the members of the Committee who are participating in the meeting; and

(b) each member of the Committee participating in the meeting has one vote.

- 8.2 If there is an equality of votes, the chairman of the Committee (or other person chairing the relevant meeting) has a casting vote. However, this does not apply if, under these terms of reference, the chairman of the Committee (or other person chairing the relevant meeting) is not entitled to vote on the relevant matter.

9. **CONFLICTS OF INTEREST**

- 9.1 Each member of the Committee must, at or prior to the commencement of each meeting of the Committee, disclose to the Committee any interest that he has in any matter to be considered at the meeting.

- 9.2 A member of the Committee must not participate in any discussions concerning, and is not entitled to vote in relation to, any matter to be considered at a meeting of the Committee in which he has a direct or indirect interest unless that interest cannot reasonably be regarded as likely to give rise to a conflict of interest.

10. **MINUTES OF MEETINGS**

- 10.1 The secretary of the Committee shall keep minutes of every meeting of the Committee (including the names of those participating in the meeting, any interests disclosed pursuant to paragraph 9 and every decision taken at the meeting).

- 10.2 The secretary of the Committee shall circulate draft minutes of each meeting of the Committee to all members of the Committee promptly following the meeting. When finalised and approved, the minutes shall be circulated to all members of the Board unless the chairman of the Committee considers that it would be inappropriate to do so.

11. **DUTIES OF THE COMMITTEE**

- 11.1 The Committee shall:
- (a) be responsible for setting the remuneration policy for all executive directors of the Company and the chairman of the Board, including pension rights and any compensation payments. The Board itself (or, where required by the articles of association, the shareholders) should determine the remuneration of the non-executive directors of the Company within the limits set in the articles of association. No person shall be involved in any decision concerning his or her own remuneration;
  - (b) recommend and monitor the level and structure of remuneration for senior management of the Company and its subsidiaries (the “**Group**”);

- (c) in determining such remuneration policy, take into account all factors which it deems necessary. The objective of the policy should be to attract, retain and motivate executive management of the quality required to run the Group successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of the Group and should be aligned to the Group's long term strategic goals. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the long term success of the Company and the Group;
- (d) when setting remuneration policy for directors, review and have regard to pay and employment conditions across the Group, especially when determining annual salary increases;
- (e) review the ongoing appropriateness and relevance of the remuneration policy;
- (f) within the terms of the agreed policy and in consultation with the chairman of the Board and/or the chief executive of the Company as appropriate, determine the total individual remuneration package of each executive director of the Company, the chairman of the Board and other designated senior executives of the Group including bonuses, incentive payments and share options or other share awards;
- (g) obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it carry out its duties, the Committee shall have full authority, at the expense of the Company but within any budgetary constraints imposed by the Board, to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary;
- (h) be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- (i) approve the design of, and determine targets for, any performance-related pay schemes operated by the Group and approve the total annual payments made under such schemes;
- (j) review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, the Committee shall determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to executive directors and other designated senior executives and the performance targets to be used;

- (k) determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives;
- (l) ensure that contractual terms on termination, and any payments made, are fair to the individual and the Group, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- (m) oversee any major changes in employee benefits structures throughout the Group; and
- (n) agree the policy for authorising claims for expenses from the directors.

## 12. **REPORTING RESPONSIBILITIES**

- 12.1 The chairman of the Committee shall report to the Board on the Committee's activities in relation to all matters within its remit after each meeting of the Committee.
- 12.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any matter within its remit where action or improvement is needed.
- 12.3 The Committee shall ensure that all relevant requirements of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and the UK Corporate Governance Code regarding the disclosure of information concerning remuneration (including pensions) are fulfilled.
- 12.4 The Committee shall produce a remuneration report for inclusion in the Company's annual report and ensure each year that it is put to shareholders for approval at the annual general meeting. Where remuneration consultants have been used, the remuneration report should identify those consultants and include a statement as to whether they have any other connection with the Group.
- 12.5 The chairman of the Committee shall attend each annual general meeting of the Company in order to respond to questions from shareholders concerning the remuneration report or the Committee's activities.
- 12.6 The Committee shall ensure that, through the chairman of the Board, the Company maintains contact as required with its principal shareholders concerning remuneration.

## 13. **OTHER MATTERS**

- 13.1 The Committee shall be provided with:

- (a) access to sufficient resources in order to carry out its duties (including access to the secretary of the Company for assistance as required); and
- (b) appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

13.2 The Committee shall:

- (a) work and liaise as necessary with all other committees of the Board; and
- (b) carry out such other duties shall consider such other matters as may be referred to it by the Board from time to time.

13.3 In carrying out its duties, the Committee shall give due consideration to all applicable laws, regulations, guidelines and recommendations including the UK Corporate Governance Code, the QCA Corporate Governance Code for Small and Mid-Size Quoted Companies, the NAPF Corporate Governance Policy and Voting Guidelines for Smaller Companies and the London Stock Exchange's AIM Rules for Companies.

13.4 The Committee shall arrange for periodic reviews of its own performance and shall, at least once a year, review its constitution and these terms of reference and recommend to the Board for approval any changes that it considers necessary to ensure that it is operating at maximum effectiveness.

#### 14. **AUTHORITY OF THE COMMITTEE**

The Committee is authorised by the Board:

- (a) to undertake such investigations and research as it considers necessary or appropriate for the purpose of carrying out its duties; and
- (b) to obtain, at the Company's expense, independent legal or other professional advice on any matter within its remit where the Committee considers it necessary or appropriate to do so.

#### 15. **AVAILABILITY OF TERMS OF REFERENCE**

These terms of reference shall be made available on the Company's website.