



# Remuneration and Nomination Committee Charter

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## 1. Membership

- 1.1 The Remuneration and Nomination Committee (“Committee”) is to be appointed by the Board.
- 1.2 The Committee is to consist of:
  - 1.2.1 Only non-executive directors;
  - 1.2.2 At least three members (“Members”); and
  - 1.2.3 A majority of independent non-executive directors.
- 1.3 The Chairman of the Committee (“Chairman”) is to be an independent non-executive director and is to be appointed by the Board.

## 2. Meetings

- 2.1 The Committee shall meet not less than twice each financial year (“Meetings”).
- 2.2 The Committee is to meet as requested by the Board or the Chairman.

## 3. Attendance at Meetings

- 3.1 Directors of the company, other than Members of the Committee, are welcome to attend Meetings as visitors. Management and third parties may be invited by the Committee to attend Meetings.
- 3.2 The Company Secretary or such other person as nominated by the Board will act as Secretary of the Committee.

## 4. Role of the Remuneration and Nomination Committee

- 4.1 The role of the Remuneration and Nomination Committee is to review and make recommendations to the Board in relation to:
  - 4.1.1 its periodic reviews of Board membership having regard to present and future needs of the company;
  - 4.1.2 Board composition, appointments and re-elections;
  - 4.1.3 its periodic reviews in relation to the independence of directors, at least annually;
  - 4.1.4 tenure of directors;
  - 4.1.5 its proposal for candidates for Board vacancies;

- 4.1.6 overseeing Board succession, including succession of the Chairman;
  - 4.1.7 the succession of the CEO and other senior executives;
  - 4.1.8 remuneration and incentive policies generally;
  - 4.1.9 remuneration framework for directors, including the process by which any pool of director's fees approved by shareholders is allocated to directors;
  - 4.1.10 remuneration packages, and other terms of employment for non-executive directors, executive directors and other senior executives. When setting the level and composition of remuneration, the following aspects should be balanced:
    - 4.1.10.1 Setting remuneration levels consistent with comparable roles and Starpharma's desire to attract and retain high quality directors, and attract, retain and motivate senior executives;
    - 4.1.10.2 The need to ensure that the incentives for executive directors and other senior executives is not contrary to Starpharma's values or risk appetite;
  - 4.1.11 The need to ensure that the incentives for non-executive directors do not conflict with their obligation to bring an independent judgement to matters before the Board;
  - 4.1.12 the time required from a non-executive director and whether they are able to meet that requirement, based on regular reviews;
  - 4.1.13 minimum shareholding requirements for non-executive directors and/or key management personnel, if any;
  - 4.1.14 diversity objectives, including whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees; and
  - 4.1.15 consider any other matter referred to it by the Board from time to time.
- 4.2 At least annually the Committee will prepare a Board skills matrix for review by the Board, setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

## **5. Identification of suitable candidates for Board appointment**

- 5.1 Where a new director is required, the Committee will evaluate the balance of skills, knowledge, experience, independence and diversity on the Board, and in light of this evaluation, prepare a description of the role and capabilities required for the particular appointment.
- 5.2 The Committee will prepare a shortlist of candidates with appropriate skills and experience. Where necessary, advice is sought from independent search consultants.
- 5.3 The Committee will ensure that appropriate background checks are undertaken before recommending the appointment of a person or putting forward a candidate to security holders for election as a director, and will provide all material information which is relevant to whether or not a person should be elected or re-elected as a director (including in relation to independence and recommendation regarding support or otherwise to the candidate's appointment) to the Board for provision to security holders.

**6. Provision of Induction and Training and Development Opportunities for Directors**

6.1 The Committee will liaise with the Board and relevant management in relation to the induction, training and development of non-executive directors, to ensure they have access to appropriate learning and development opportunities to develop and maintain the skills and knowledge required to effectively perform in their role as a director.

**7. Authority and Resources**

7.1 The Committee has the power to conduct or authorise investigations into any matter within the Committee's role or function. This includes a right to obtain information and interview management.

7.2 The Committee has the authority, as it deems necessary or appropriate, to retain independent legal, accounting or other advisers. Prior approval of the Board Chairman is required, but this will not be unreasonably withheld.

**8. Performance Assessment**

8.1 An assessment of the Committee's performance will be undertaken annually.