

**POLAR CAPITAL TECHNOLOGY TRUST PLC**  
**TERMS OF REFERENCE for the REMUNERATION COMMITTEE**

**Updated and Adopted by the Board on the recommendation of the Committee on 15 May 2019**

The AIC Code principle 8 and the UKCGC states that:

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors”.

UKCGC goes on to state that:

The Board should establish a remuneration committee ... which should make available its terms of reference, explaining its role and the authority delegated to it by the Board.

**The Remuneration Committee is appointed by the Board in accordance with the Articles of Association of the Company under the following terms of reference.**

**Composition**

The Committee shall be Chaired by the Senior Independent Director and comprise all independent non-executive directors. The Chair/Chairman of the Board shall be eligible to be a member of the Committee.

Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods. Any Committee member who fails to remain independent will step down. An independent director is one who meets the AIC guidelines as being independent of any relationships with the investment manager and is declared so by the Board.

**Quorum**

The quorum necessary for the transaction of business shall be the Senior Independent Director plus one nominated independent non-executive director.

**Attendance at Meetings**

Only members of the Committee have the right to attend Committee meetings. However, external advisers may be invited to attend for all or part of any meeting, as and when appropriate. The company secretary shall be secretary of the Committee. The Chairman of the Committee shall attend the AGM to respond to any questions which may be raised by shareholders on matters within the Committee’s area of responsibility.

**Frequency of Meetings**

There should be at least one meeting a year, close to the year-end.

**Authority**

The Committee is authorised by the Board to

- Seek any information it requires from any third party provider to the Company in order to perform its duties
- Obtain, at the company’s expense, outside legal or other professional advice on any matters within its terms of reference
- Investigate any activity within its terms of reference.

## **Responsibilities**

The Committee shall

1. determine and agree with the Board the framework or broad policy for the remuneration of the directors. The objective of the policy shall be to ensure that members of the Board are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company
2. review the ongoing appropriateness and relevance of the remuneration policy
3. in determining such arrangements, give due regard to any relevant legal requirements, the provisions and recommendations of the UKCGC, the UK Listing Authority's Listing Rules and any associated guidance
4. ensure that all provisions regarding disclosure of remuneration as set out in the Directors' Remuneration Report Regulations 2002 and the UKCGC are fulfilled and
5. be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee.

The Committee shall produce an annual remuneration report of the company's policy and practices which will form part of the company's Annual Report. The Committee shall ensure that each year the Remuneration Report is put to shareholders for approval as an advisory vote at the AGM and the Remuneration Policy is put to shareholders for approval every three years at the AGM.