

Aortech International Plc Remuneration Committee

Terms of Reference

1 Scope

1.1 Purpose

To set the principles and parameters of remuneration policy for the Group, and to oversee remuneration policy and outcomes for those colleagues specified in these Terms of Reference.

1.2 Authority

The Committee is a committee of the Board of the Company. The Committee is authorised by the Board to undertake any activity within its Terms of Reference and seek any information it requires from within the Company.

2 Responsibilities

The purpose of the Committee is to consider, agree and recommend to the Board the contracts of employment and the terms of service, including all aspects of remuneration in respect of the Group Chief Executive and the Executive Members of the Board. The Committee shall also agree the Company remuneration policy with the Group Chief Executive.

The Committee shall not set or advise the Board regarding the remuneration of non-executive directors which shall be a matter for the Board.

3 Access to Advice

The Committee will have access to whatever additional advice or support it requires in the discharge of its duties.

4 Membership and Attendance

4.1 Membership

Members of the Committee shall be appointed by the Board in consultation with the Chairman of the Remuneration Committee. The Committee shall be made up of at least three members, all of whom shall be independent non-executive directors. Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the director still meets the criteria for membership of the Committee.

4.2 Chairman

The Board shall appoint the Committee Chairman who shall be an independent non-executive director. In the absence of the Committee Chairman, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board shall not be Chairman of the Committee.

The Chairman of the Committee shall be available to meet shareholders and to answer questions in respect of the Directors' Remuneration Report at the Annual General Meeting.

4.3 Regular Attendees

Only members of the Committee have the right to attend Committee meetings unless the Chairman invites other attendees.

No person shall be in attendance when matters concerning their own remuneration or fees are discussed.

4.4 Quorum

The quorum shall be any two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4.5 Notice

Meetings of the Committee shall be called by the Company Secretary at the request of the Committee Chairman. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

4.6 Delegation

The Committee may delegate authority to any of its members or attendees as appropriate to review and approve remuneration arrangements. The Committee will set the framework and principles and there will be appropriate reporting back to the Committee on an agreed basis.

5 Committee Management

5.1 Secretary

The Secretary to the Committee shall be appointed by the Chairman or his nominee.

5.2 Papers/Agenda

Group Secretariat will support the Chairman in managing the business of the Committee. The agenda and papers will be circulated to all members of the Committee at least 4 working days before the meeting.

5.3 Minutes

The Secretary shall minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance. Minutes of Committee meetings will be circulated promptly to all members of the Committee, and the Committee Chairman will report formally to the Board on the Committee's proceedings.

5.4 Frequency

At least four meetings per annum shall be held as and when required to enable the responsibilities defined in Section 1.2 to be discharged.

6 Version Control

6.1 Review Requirements

These Terms of Reference are subject to review at least annually, or as required by the Board.

6.2 Approval

These Terms of Reference were reviewed and approved by AorTech International plc on 23 August 2018. Information on the membership, role and activities of each of the Committees can be found on the Company website and in the Annual Report and Accounts.