

VASTox plc
(The “Company”)

Terms of Reference of the Remuneration Committee
(The “Committee”)

VASTox plc believes that there should be a formal and transparent procedure for developing policy on the remuneration of directors and the fixing of remuneration for individual directors.

1. Constitution

At a meeting held at on the Board of the Company resolved to adopt the terms of reference of the Remuneration Committee set out below.

2. Membership

- 2.1 The membership of the committee shall be appointed by the Board by formal resolution from amongst the non-executive directors of the Company and shall consist of a minimum of three members. A quorum shall be two members.
- 2.2 The duties and responsibilities of a member of a remuneration committee are in addition to those set out for a member of the Board.
- 2.3 The chairman of the committee shall be appointed by the Board by formal resolution.

3. Attendance at Meetings

- 3.1 The committee may require the group’s chief executive (and other executives) to attend its meetings for certain agenda items. No executive shall take part in decisions on his or her own remuneration.
- 3.2 At the discretion of the chairman of this committee, outside professional advisors may be in attendance for certain agenda items.
- 3.3 The company secretary shall be secretary to this committee.

4. Frequency of meetings

- 4.1 The committee shall meet at least twice a year and as frequently as is required.
- 4.2 The timing and agenda of meetings is the responsibility of the committee chairman, subject to the expressed wishes of committee members.

5. Authority

- 5.1 The committee is authorised to require the provision of such information, and access to such personnel, as it required to discharge its responsibilities.
- 5.2 The committee is authorised to take outside professional advice as appropriate in particular to make external comparisons, at the Company’s expense.

6. Duties

- 6.1 The committee’s purpose is to ensure that the group directors and senior executives are fairly rewarded for their individual contributions to overall performance, and to demonstrate that the remuneration of senior executives is set by directors who have no personal; interest in the outcome of their decisions and who will give due regard to the interests of the shareholders and to the financial and commercial needs of the group.

- 6.2 For the purposes of these terms of reference, senior executive should be interpreted as an employee with an annual base salary equal to or greater than 50% of the highest paid director, or where the remuneration of any individual could reasonably be expected, now or in the future, to call into question or influence the appropriateness of the pay of any executive director.
- 6.3 The duties of the committee shall be to recommend to and advise the Board on the remuneration (in all its forms) and associated matters of the directors and senior executives. This requires the committee to;
1. Determine appropriate remuneration in all its forms (including pension arrangements within the discretion of the company's scheme) of the group chairman, directors, chief executive and senior executives, as defined from time to time. This will bear in mind differentials between levels of personnel and market relativities.
 2. Measure the performance of key senior executives as a prelude to determining their annual remuneration, bonus rewards and award of long term incentives.
 3. See that, in exercising the rights to performance related compensation, benefits are related to the performance both of individuals and the group, and that they provide a long term incentive.
 4. Ensure that the committee only makes recommendations which it can justify to shareholders and staff alike and that the criteria on which performance is measured can be clearly explained.
- 6.4 The duties of the committee shall be to support the Company's HR function in the creation of a remuneration policy applicable to the employees generally.

7 Reporting

- 7.1 The committee makes recommendations to the Board which either approves them or, stating its reasons for not doing so, asks the committee to reconsider them.
- 7.2 The chairman of the committee shall be available to answer members' questions at the annual general meeting.
- 7.3 The committee members shall conduct an annual review of their work and these terms of reference and make recommendations to the Board.
- 7.4 The committee's duties and activities during the year shall be disclosed in the annual financial statements.