

# REMUNERATION COMMITTEE TERMS OF REFERENCE

FORESIGHT VCT PLC

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# 1 Introduction

The Board has established a Committee of the Board to be known as the Remuneration Committee. The terms of reference of the Remuneration Committee consider the provisions set out in the AIC Code of Corporate Governance, the FRC Guidance on Board Effectiveness 2018 and the Chartered Governance Institute Model Terms of Reference for Remuneration Committees (*where appropriate*).

## Definitions

- (i) Reference to the "Board" shall mean the board of directors of the Company.
- (ii) Reference to the "Code" shall mean the AIC Code of Corporate Governance.
- (iii) Reference to the "Committee" shall mean the Remuneration Committee.
- (iv) Reference to the "Company" shall mean Foresight VCT plc.
- (v) Unless otherwise stated, reference to "Chair" shall mean the Chair of the Committee.

# 2 Membership

- 2.1 The committee shall comprise all board directors, all of whom shall be non-executive directors. The chair of the Board may also serve on the committee as an additional member if they were considered independent on appointment as chair but cannot chair the Committee.
- 2.2 Appointments to the Committee are made by the Board.
- 2.3 The members of the Committee are the appointed Committee members.
- 2.4 The Chair of the Committee is Patricia Dimond.
- 2.5 In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Board should establish a remuneration committee of independent non-executive directors with a minimum membership of three. In addition, the chair of the Board can only be a member if they were independent on appointment and cannot chair the committee. Before appointment as chair of the remuneration committee, the Board should satisfy itself that the appointee has relevant experience and understanding of the Company. If the Board has decided that the entire Board should fulfil the role of the remuneration committee, it will need to explain why it has done so in the annual report.

# 3 Secretary

- 3.1 The Company Secretary or their nominee shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

## 4 Quorum

- 4.1 A quorum shall be two members.

## 5 Frequency of Meetings

- 5.1 Meetings shall be held at least once a year. The external auditors may request a meeting if they consider one necessary.

## 6 Notice of Meetings

- 6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair or any of its members.
- 6.2 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 and any other person required to attend 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.

## 7 Minutes of meetings

- 7.1 The Company secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance and the existence of any conflicts of interest.
- 7.2 Draft minutes of committee meetings shall be circulated to all members of the Committee.

## 8 Engagement with Shareholders

- 8.1 The Committee Chair should attend the annual general meeting of the Company to answer any shareholder questions arising from the Committee's annual report of the Company's remuneration policy and practices, which will form part of the Company's annual report to shareholders, and generally on the Committee's activities and achievements. The Chair of the Committee should also seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

## 9 Authority

- 9.1 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek such information which is deemed necessary to fulfil its duties.

- 9.2 The Committee is entitled by the Board to obtain outside legal or other independent professional advice and to ensure the attendance of outsiders with relevant experience and expertise if it considers it necessary.

## 10 Duties

- 10.1 The Committee shall, on behalf of the Board and the shareholders of the Company:
- 10.2 Be responsible for determining and recommending to the Board the framework or broad policy for the remuneration of the Company's non-executive directors. No director should be involved in deciding their own remuneration outcome.
- 10.3 Review the ongoing appropriateness and relevance of the remuneration policy, taking into account that:
- (i) the levels of remuneration for the chair and all non-executive directors should reflect the time commitment and responsibilities of the role;
  - (ii) remuneration for all non-executive directors should not include share options or other performance-related elements;
  - (iii) provision should be made for additional directors' fees where directors are involved in duties beyond those normally expected as part of the director's appointment. In such instances the board should provide details of the events, duties and responsibilities that gave rise to any additional directors' fees in the annual report;
  - (iv) ensure that all provisions regarding disclosure of remuneration, as set out in the Directors' Remuneration Report Regulations 2002 and the Code are fulfilled.
- 10.4 Be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- 10.5 Report the frequency of, and attendance by members at, Remuneration Committee meetings in the Annual Reports;
- 10.6 Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success.
- 10.7 Consider the need to appoint external remuneration consultants where applicable.
- 10.8 Benchmark and review fees against market norms for VCT's and similar investment companies.
- 10.9 Make available the Committee's terms of reference. These should set out the Committee's delegated responsibilities and be reviewed and, where necessary, updated annually.

## 11 Reporting Procedures

- 11.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

- 11.3 The Committee shall produce an annual report of the Company's remuneration policy and practices which will form part of the Company's Annual Report and ensure each year that it is put to shareholders for approval at the AGM.
- 11.4 The Company's annual report shall contain:
- (i) a statement of remuneration policy and details of the remuneration of each Director;
  - (ii) a graph or table comparing total Directors' remuneration vs total distributions; and
  - (iii) a table of prior years' Director fees and the current year's fees.
  - (vi) Explain how remuneration supports strategy and stakeholder interests.
- 11.5 The Committee shall ensure that provisions regarding disclosure of information relating to Directors' remuneration are fulfilled where required by law or regulation.

**Dated:** 4 December 2025