

**SERICA ENERGY PLC**  
**(the "Company")**

**Terms of Reference of the**  
**Remuneration Committee of the**  
**Board of Directors**

**1. Purpose**

The Remuneration Committee ('Committee') is appointed by the Board of Directors (the "Board") to assist the Board in fulfilling its responsibility for the stewardship of the Company in overseeing the business and affairs of the Company. The Committee's primary duties and responsibilities are to:

- 1.1 review and approve periodically the Company's compensation philosophy and programs for executive officers and employees of the Company that (a) supports the Company's overall business strategy and objectives; (b) attracts and retains key executives and employees; (c) links compensation with business objectives and organizational performance; and (d) provides competitive compensation opportunities;
- 1.2 approve and evaluate all compensation of executive officers including salaries, bonuses, and equity compensation plans;
- 1.3 In conjunction with the Nomination & Corporate Governance Committee of the Board arrange for the non-executive directors to review the job description and assess the performance of each of the Chairman and Chief Executive;
- 1.4 review the administration of all equity plans that the Company may establish; and
- 1.5 produce a report annually on executive officer compensation for inclusion in the proxy statement of the Company.

**2. Committee Composition, Procedures and Organization**

- 2.1 The Committee shall consist of at least three (3) directors as determined by the Board, each of whom shall be independent, non-executive directors.
- 2.2 The Board at its organisational meeting held in conjunction with each annual general meeting of the shareholders shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Remuneration Committee and may fill any vacancy in the Remuneration Committee.
- 2.3 The Board shall appoint a member of the Committee as chair of the Committee. If a Committee Chair is not designated by the Board or is not present at a meeting of the Committee, the members of the Committee may designate a chair by majority vote of the Committee membership.
- 2.4 The Secretary or the Assistant Secretary of the Company, or in their absence, an alternative secretary designated by the Committee, shall act as Secretary of the Committee.
- 2.5 The quorum for the meeting shall be two members of the Committee

present in person or by telephone or any other means which permits all persons participating in the meeting to speak to and hear each other.

- 2.6 The Committee shall meet at least annually at such times and at such locations as may be requested by the Chair of the Committee and at such times as any member of the Committee may request.
- 2.7 Only members of the Committee shall have the right to attend Committee meetings. However other persons may be invited by the Chairman with the agreement of the Committee to attend for all or any part of any meeting.

### **3. Committee Duties and Responsibilities**

The overall duties and responsibilities of the Committee shall be as follows:

- 3.1 review and approve the Company's overall compensation philosophy and programs;
- 3.2 approve and report to the Board the executive compensation plans and the compensation (including incentive awards) of executive officers of the Company;
- 3.3 in conjunction with the Nomination & Corporate Governance Committee of the Board arrange for the non-executive directors to review the job description and assess the performance of each of the Chairman and Chief Executive on an annual basis or as and when required;
- 3.4 set the Chairman's and Chief Executive's compensation level based on the evaluation pursuant to clause 3.3;
- 3.5 review and approve all changes in the compensation of the executives of the Company.
- 3.6 periodically review and approve, making recommendations to the Board concerning employee stock options;
- 3.7 review and recommend to the Board new plans or material changes to existing compensation and employee benefit plans as the Committee may deem appropriate;
- 3.8 recommend to the Board the appropriate level of director compensation;
- 3.9 issue a report annually on executive compensation in accordance with applicable rules and regulations for inclusion in the Company's proxy statement;
- 3.10 maintain the minutes of meetings and to report on a regular basis to the Board on significant results of the foregoing activities.

#### **4. Committee Authority**

- 4.1 retain and terminate any compensation consultant to be used to assist in the evaluation of the compensation of the Chairman and Chief Executive, executive officers, or employees of the Company, including the sole authority to select the consultant and to approve the firm's fees and other retention terms; and
- 4.2 obtain advice and assistance from internal or external legal, accounting or other advisors as the Committee requires for the performance of its duties.

#### **5. Reporting to the Board**

- 5.1 The Committee shall report to the Board following each meeting of the Committee and at such other times as the Remuneration Committee may determine to be appropriate.

#### **6. Evaluation of Committee Performance**

- 6.1 The Committee shall periodically assess its performance.
- 6.2 Amendments to Terms of Reference
  - a) Review by the Committee – on at least an annual basis, the Committee shall review and discuss the adequacy of these Terms of Reference and recommend any proposed changes to the Board of Directors; and
  - b) Review by the Board – The Board shall review and reassess the adequacy of the Terms of Reference on an annual basis and at such other times as it considers appropriate.

#### **7. Currency of Terms of Reference**

- 7.1 These Terms of Reference were approved by the Board on May 30<sup>th</sup> 2019

