

**Kofax plc (the “Company”)  
Remuneration Committee Terms of Reference**

**1. Membership**

- 1.1. Members of the Remuneration Committee (the “Committee”) shall be appointed by the board of directors of the Company (the “Board”) from among the non-executive directors of the Company who in the opinion of the Board are independent.
- 1.2. The Committee shall consist of not less than three members.
- 1.3. Appointments to the Committee shall serve until their resignation, removal or replacement, provided that continuation of each appointment shall be reviewed annually by the Board.
- 1.4. The chairman of the Board may be appointed a member of the Committee only if the chairman was considered by the Board to be independent upon appointment as chairman.
- 1.5. The chairman of the Committee (the “Committee Chairman”) shall be appointed by the Board from amongst the independent non-executive directors.
- 1.6. The Company secretary shall act as the secretary of the Committee (the “Secretary”).

**2. Meetings**

- 2.1. The Committee shall hold meetings not less than three times a year. Where appropriate, meetings of the Committee should coincide with key dates in the Company’s financial reporting cycle. Meetings of the Committee shall also be called by the Secretary as agreed between the members of the Committee or at the request of the Committee Chairman. The frequency of meetings of the Committee shall be reported in the Company’s annual reports. The Secretary shall draw up an agenda for each meeting, which shall be circulated to the members prior to the meeting.
- 2.2. Quorum for meetings of the Committee shall be two members. The attendance of Committee members at meetings of the Committee shall be reported in the Company’s annual reports.
- 2.3. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the chairman of the Board (if not already a member of the Committee), other Board members, the chief executive officer and/or the chief financial officer may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.4. Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Committee.
- 2.5. If a matter that is considered by the Committee is one in which a member of the Committee, either directly or indirectly, has a personal interest, that member shall not be permitted to vote at the meeting.
- 2.6. Save where he has a personal interest, the Committee Chairman shall have a casting vote.
- 2.7. The Secretary shall minute the proceedings and resolutions of all Committee meetings and draft minutes of each meeting shall be circulated to all Committee members for approval by the Committee at the next regularly scheduled Committee meeting. On finalisation and signature by the Secretary, a copy of the minutes shall be submitted to the Board as a formal record of the decisions of the Committee on behalf of the Board.

### **3. Responsibilities**

- 3.1. The Committee shall determine, subject to ratification by the Board, the framework or broad policy for the remuneration for the executives of the Company (the "Policy").
- 3.2. In determining the Policy, the Committee shall take into account all factors which it deems necessary, and such other matters as may be requested by the Board.
- 3.3. The Policy should provide the best possible basis for the Company to recruit, motivate and retain senior executive management of the quality required to run the Company successfully. The Committee shall review the ongoing appropriateness and relevance of the Policy.
- 3.4. No director or executive shall be involved in any part of the process of the determination of their own remuneration.
- 3.5. At least annually, the Committee shall review the entire individual remuneration packages for each member of the executive management team of the Company (direct reports to the Chief Executive, the "EMT") with particular regard to:
  - 3.5.1. the composition of the total remuneration package as between salary, bonus, pension, share options and other benefits (including targets for any performance-related pay schemes) for each EMT member;
  - 3.5.2. where the Company aims to stand in relation to similar companies in its industry sector;
  - 3.5.3. the comments and recommendations of the Combined Code on Corporate Governance published by the Financial Reporting Council in June 2008 and the UK Listing Authority's Listing Rules and associated guidance (as the same may be amended from time to time);
  - 3.5.4. the need to provide the executive directors and EMT members with every encouragement to enhance the Company's performance and to ensure that these individuals are fairly, but responsibly, rewarded for their individual contributions;
  - 3.5.5. the fairness, to both the Company and the relevant EMT members, of the contractual terms on termination, and any payments made of their remuneration;
  - 3.5.6. the compensation commitments in the event of early termination of employment of an EMT member; and
  - 3.5.7. the relationship between the remuneration of EMT members and that of other employees.
- 3.6. The Committee shall have no role in the determination or review of the remuneration of non-executive directors of the Company. This shall be a matter for the chairman of the Company and the Board. Under no circumstances will any member of the Committee be involved in any part of the process of the determination of their own remuneration.
- 3.7. The Committee shall:
  - 3.7.1. be aware of, advise on and oversee all and any major changes in employee benefit structures of the Company;
  - 3.7.2. approve the design of and determine targets for any performance-related pay schemes operated by the Company, and approve the total annual payments made by the Company under such schemes;
  - 3.7.3. determine the policy for and scope of pension arrangements for EMT members; and

- 3.7.4. agree the policy for authorising claims for expenses from the Company's chairman and chief executive.
- 3.8. The Committee shall review the recommendations for annual reviews of salary and performance of the EMT members and the objective criteria to be used in granting discretionary and performance-related benefits.
- 3.9. Details of the yearly remuneration of Company's business managers shall be made available to the Committee. The Committee shall review such information and comment accordingly.
- 3.10. Upon shareholder approval if appropriate, the Committee shall determine how the Company's stock option and Long Term Incentive plans should be operated, and shall oversee the grant of options and/or allocation of shares to each executive director, EMT member or other eligible participant within the Company.
- 3.11. Upon shareholder approval if appropriate, the Committee shall determine how the Company's cash incentive compensation plan should be operated, and the criteria to be applied under this plan from time to time.
- 3.12. The Committee shall have regard in the discharge of its duties to the provisions of the Combined Code on Corporate Governance published by the Financial Reporting Council in June 2008 as appended to the Listing Rules of the FSA (as the same may be amended from time to time).

#### **4. Authority**

- 4.1. The Committee shall have the power, at the Company's expense, to employ the services of such advisers and/or consultants and the power to commission or purchase any relevant reports, surveys or information as the Committee deems necessary to fulfil its responsibilities.
- 4.2. Where remuneration consultants are appointed, a statement should be made available of whether they have any other connection with the Company.

#### **5. Reporting**

- 5.1. The Committee Chairman shall report directly to the Board on matters discussed at each Committee meeting.
- 5.2. The recommendations of the Committee, must be approved by the Board before they can be implemented by the Committee.
- 5.3. The Committee's duties, the directors' remuneration policy and information on directors' remuneration shall be disclosed in the annual financial statements and reports.
- 5.4. The Committee Chairman shall be on hand at the annual general meeting of the Company to answer any questions regarding the activities, the process used to make appointments and to provide an explanation if external advice or open advertising has not been used by the Committee in making nominations to the Board.

#### **6. Other**

- 6.1. The Committee's Terms of Reference shall be made available to anyone who requests them.
- 6.2. The Committee shall, at least once a year, review its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 6.3. These Terms of Reference may only be amended by a resolution of the Board.