

AURRIGO GROUP PLC
REMUNERATION COMMITTEE

TERMS OF REFERENCE

(as adopted on August 2022)

1 DEFINITIONS

- 1.1 Reference to the "**Board**" shall mean the board of directors of the Company.
- 1.2 Reference to the "**Committee**" shall mean the Remuneration Committee.
- 1.3 Reference to the "**Company**" shall mean Aurrigo Group plc.
- 1.4 Unless otherwise stated, reference to "**Chairperson**" shall mean the Chairperson of the Committee.
- 1.5 Unless otherwise stated, reference to "**Secretary**" shall mean the Secretary of the Committee.

2 MEMBERSHIP

- 2.1 The Committee shall comprise at least three members. Members of the Committee shall be appointed by the Board on the recommendation of the nomination committee and in consultation with the Chairperson of the Committee for a period of up to three years extendable by no more than two additional three-year periods, so long as members (other than the chair of the Board, if he or she is a member of the Committee) continue to be independent. The Board shall appoint the Chairperson.
- 2.2 All members of the Committee shall be independent non-executive directors. The Chairperson of the Board may also serve on the Committee as an additional member if they were independent on appointment, but shall not chair the Committee. Any member who fails to remain independent will step down from the Committee.
- 2.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals (if not members of the Committee) such as other directors of the Company or other external advisers may be invited to attend all or part of any meeting, as and when appropriate and necessary.
- 2.4 The Board may fill vacancies in the Committee by appointment from amongst the Board.

3 SECRETARY

- 3.1 The Company secretary, or his or her 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 issues.

4 QUORUM AND VOTING ARRANGEMENTS

- 4.1 The quorum necessary for the transaction of business shall be two members of the Committee. 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.
- 4.2 Members may participate in a meeting of the Committee by means of a telephone or other communication equipment.
- 4.3 Any matters to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Any action of the Committee may also be taken by an instrument or instruments in writing (including via email or other electronic means) signed (including via the use of electronic signatures) by all members of the Committee (including in counterparts) and any such action shall be as effective as if it had been decided by a majority of votes cast at a meeting of the Committee called for such purpose.
- 4.4 In the absence of the Chairperson and/or an appointed deputy, the remaining members of the Committee present shall elect one of themselves to chair the meeting. The Chairperson of the Board shall not be Chairperson of the Committee.

5 FREQUENCY OF MEETINGS

The Committee shall meet at least twice a year and otherwise as required.

6 NOTICE OF MEETINGS

- 6.1 Meetings of the Committee shall be convened by the Secretary at the request of any of its members.
- 6.2 Unless otherwise agreed by the Committee, 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 and all other non-executive directors no later than five working days before the date of the meeting, unless approval is required at short notice. 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 Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.2 The Secretary shall ascertain at the beginning of each meeting the existence of any conflicts of interest and minute them accordingly.
- 7.3 Draft minutes of Committee meetings shall be agreed with the Chairperson and then circulated promptly to all members of the Board, unless it would be inappropriate to do so in the opinion of the Chairperson.

8 ANNUAL GENERAL MEETING

- 8.1 The Chairperson (or his or her nominated representative) shall attend the Company's annual general meeting ("**AGM**") prepared to respond to any shareholder questions on the Committee's activities.

9 DUTIES

The Committee should develop a formal and transparent procedure for developing policy on executive remuneration and determining remuneration and carry out the duties below for the Company, major subsidiary undertakings (if any), and the group as a whole (if a group is in existence), as appropriate.

The Committee shall:

- (a) have responsibility for determining and agreeing the remuneration policy for the directors of the Company and the Chairperson of the Board to ensure that the policy supports strategy and promote the long-term sustainable success of the Company;
- (b) in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the QCA Corporate Governance Code (the "**QCA Code**") and associated guidance. The objective of such policy shall be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long strategic term goals. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the long-term success of the Company;
- (c) when setting remuneration policy for directors, review and have regard to pay and employment conditions across the Company especially when determining annual salary increases and align incentives and rewards with the Company's culture;
- (d) review the on-going appropriateness and relevance of the remuneration policy;
- (e) consider and determine the other provisions of the service agreements of directors and (if required by the Board) other senior management (in particular, the term of their agreement, the length of any notice period, termination payments and compensation commitments);
- (f) review any proposed changes to the remuneration of the directors of the Company. No Director shall be involved in any decision as to their own remuneration;
- (g) approve the design of, and determine targets for, any performance-related remuneration schemes operated by the Company and approve the total annual payments made under such schemes, save to the extent such matters are expressly reserved to the Board;

- (h) review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made to executive directors and non-partner senior executives, and if so, the overall amount of such awards, the individual awards to executive directors, Company secretary and other designated senior executives and the performance targets to be used;
- (i) determine the policy for, and scope of, pension arrangements for each executive director and other senior executives;
- (j) review and consider any additional ad-hoc payments to the directors of the Company;
- (k) ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- (l) within the terms of the agreed policy and in consultation with the chair of the Board and/or chief executive, as appropriate, determine the total individual remuneration package of the chair, each executive director, the Company secretary and other senior executives including bonuses, incentive payments and share options or other share awards, including any such remuneration, and/or awards as arise from any such persons' engagement;
- (m) be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for the remuneration consultants who advise the Committee;
- (n) obtain reliable, up-to-date information about remuneration in other companies of comparable size. To help fulfil its obligations, the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company to fulfil its obligations within any budgetary restraints imposed by the Board;
- (o) have full authority to appoint remuneration consultants and to commission or purchase any reports surveys or information which it deems necessary at the expense of the Company but within any budgetary restraints imposed by the Board;
- (p) through the chair of the Board, ensure that the Company maintains contact as required with its principal shareholders about remuneration;
- (q) oversee any major changes in employee benefits structures throughout the Company;
- (r) review, and make a recommendation to the Board with respect to, any share ownership guidelines applicable to senior executives and directors and review the shareholdings of the senior executives and directors based on such guidelines established from time to time;
- (s) review, and make a recommendation to the Board with respect to, any disclosure related to executive remuneration included in any public disclosure document, including any management information circular of the Company for any meeting of the

shareholders of the Company and review and approve any report on executive remuneration required to be included in any public disclosure document, including any management information circular of the Company;

(t) review the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

(u) agree the policy for authorising claims for expenses from the directors.

10 REPORTING RESPONSIBILITIES

10.1 The Chairperson shall report formally to the Board on the Committee's proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.

10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

10.3 The Chairperson shall report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board.

10.4 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. If the Committee has appointed remuneration consultants, the annual report of the Company's remuneration policy should identify such consultants and state whether they have any other connection with the Company.

11 OTHER MATTERS

The Committee shall:

11.1 have access to sufficient resources in order to carry out its duties, including access to the Secretary for assistance as required;

11.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;

11.3 give due consideration to relevant laws and regulations;

11.4 oversee any investigation of activities which are within its terms of reference;

11.5 work and liaise as necessary with all other Board committees; and

11.6 arrange for periodic reviews of its own performance and, at least annually, review its 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.

12 AUTHORITY

The Committee is authorised to:

- 12.1 seek any information it requires from any member of the Board in order to perform its duties;
- 12.2 obtain, at the Company's expense, independent legal, accounting or other professional advice on any matter within its terms of reference as it considers necessary;
- 12.3 call any officers of the Company to be questioned at a meeting of the Committee as and when required; and
- 12.4 have the right to publish in the Company's annual report, details of any issues that cannot be resolved between the Committee and the Board.