NORMAN BROADBENT

Norman Broadbent plc

Terms of Reference Applicable to all Board Committees

19 March 2026

Norman Broadbent plc

GENERAL COMMITTEE TERMS OF REFERENCE

These general terms of reference apply to the following committees of the board of directors of Norman Broadbent Plc (**Company**) (**Board**)(**Committees**):

- Audit Committee
- Remuneration Committee
- Such other committees of the Board as the Board shall direct from time to time.

Each Committee also has individual terms of reference which are attached hereto.

Authority

Each Committee operates under the delegated authority of the Board in respect of the functions and duties set out in their individual terms of reference.

Each Committee is authorised by the Board to examine any activity within its terms of reference. 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.

Membership

The Board shall appoint the members of each Committee and in consultation with the relevant Committee chair.

Committee Chair

The Board shall appoint the chair of each Committee from among the independent non-executive directors. In the absence of a Committee chair and/or an appointed deputy, the remaining members present at a Committee meeting shall elect one of their number present to chair the meeting.

Committee Secretary

The Company Secretary, or their nominee, shall act as the secretary of the Committee and provide all necessary support to the Committee.

Meetings

The minimum annual number of meetings to be held by each Committee is set out in their individual terms of reference. Meetings should be held at appropriate times in the Company's financial and reporting cycle. The Committees may meet at other times during the year as required.

Meetings of the Committees may be conducted in person or remotely.

Only members of the relevant Committee have the right to attend Committee meetings, but other directors, team members and external advisers may be invited to attend all or part of any meeting as and when appropriate.

The secretary of each Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

Meeting Administration

Notice of each meeting, an agenda and supporting papers for the meeting shall be sent to each member of the Committee and other attendees where appropriate at least five working days before the date of the meeting or within such other reasonable time frame as the Committee chair shall determine.

The secretary of the relevant Committee shall minute the proceedings and resolutions of all Committee meetings.

Draft minutes of Committee meetings shall be agreed with the Committee chair and then circulated to all Committee and Board members unless and to the extent that the Committee chair determines it would be inappropriate to do so.

Voting and Quorum

A quorum shall be any two members of the relevant Committee unless otherwise specified in that Committee’s Terms of Reference.

Each member of the relevant Committee entitled to vote and count in the quorum shall have one vote.

The Committee Chairs shall not have a casting vote.

A resolution in writing signed or agreed by email by all Committee members will be as effective as a resolution passed at a Committee meeting.

Annual Review

Each Committee shall undertake an annual review of its own performance and composition to ensure it is operating effectively.

The Committee shall review its terms of reference at least annually to ensure that they remain appropriate and recommend any changes it considers necessary to the Board for approval.

Engagement

Each Committee chair (or another appropriate member) shall attend the Annual General Meeting and be available to respond to any shareholder questions on their Committee's activities.

Each Committee shall work and liaise as necessary with all other Board Committees.

Reporting

Each Committee shall report to the Board on its proceedings after each Committee meeting.

Unless otherwise agreed with the Board, each Committee shall prepare a formal report on its activities and how that Committee has discharged its responsibilities to be included in the Company's annual report.

Each Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit.

Resources

The Committee shall have access to appropriate resources to carry out its duties, including access to the Company Secretary for assistance, as required.

The Board shall from time to time at the request of a Committee consider and determine budgets for external resources necessary or desirable to assist the relevant Committee in discharging its functions. In any case, the Committee is authorised to obtain, at the Company's expense, professional advice, training, materials and other external resources in relation to any matter within its terms of reference subject to the annual limit set out in its individual terms of reference.

The Committee is authorised to seek any information it requires from any employee or director (and request their attendance at a Committee meeting to present and/or take questions), and all such employees or directors will be directed to co-operate with any request made by the Committee.

Training

Each Committee shall be provided with access to appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members.

It is the responsibility of Committee members to avail themselves of training opportunities afforded by the Company.

Committee members are expected to keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates and bring this knowledge to bear on their Committee’s work.

Law and Regulation

Each Committee shall give due consideration to all applicable laws and regulations, in particular the directors’ duties contained in the Companies Act 2006, the QCA Corporate Governance Code, the relevant QCA Committee Guides and the requirements of the London Stock Exchange's rules for AIM, as appropriate.

Publication and Amendment of Terms of Reference

These General Terms of Reference and the terms of reference of each Committee shall be made available to shareholders by placing them on the Company's website.

These General Terms of Reference and the terms of reference of each Committee may only be amended by resolution of the Board.

NORMAN BROADBENT

Norman Broadbent plc

Terms of Reference of the Audit Committee

19 March 2026

Norman Broadbent plc

AUDIT COMMITTEE TERMS OF REFERENCE

These terms of reference should be read in conjunction with the General Committee Terms of Reference applicable to all Board Committees of the Company.

Role

The role of the Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing, challenging and monitoring:

a) the integrity of the financial statements and other financial information of the Company and its subsidiaries (**Group**) provided to the Company's shareholders;

b) the Group's system of internal controls and risk management;

c) the internal and external audit process and auditor independence;

d) the processes for compliance with laws, regulations and ethical codes of practice; and

e) how risk is reported internally and externally.

Responsibility for determining the Company's attitude to and appetite for risk and its future risk strategy shall remain with the Board.

The Committee will also assist the Board in monitoring and keeping abreast of regulatory developments concerning the audit of the Group and the oversight of the audit.

Membership

Number of Members: At least two, and preferably three.

Membership Qualifications:

- Each Committee member shall be an independent non-executive director.
- At least one independent member of the Committee shall have recent and relevant financial and accounting experience.

Duties

The Committee shall carry out the following duties for the Company, plus such other duties as the Board may delegate to the Committee from time to time:

a) **Financial Reporting** - the Committee shall undertake the activities set out in Part 1 of Schedule 1.

b) **Risk Management and Internal Controls** - the Committee shall undertake the activities set out in Part 2 of Schedule 1.

c) **External Audit** - the Committee shall undertake the activities set out in Part 3 of Schedule 1.

d) **Internal Audit** - the Committee shall undertake the activities set out in Part 4 of Schedule 1.

Meetings

Minimum number of meetings per year: Three

Meeting requisition: In addition to those specified in the General Terms of Reference, the following persons may request the secretary to convene a meeting of the Audit Committee:

- The Chief Financial Officer
- The External Auditor
- The Internal Auditor (where appointed)

Private meetings: The Committee shall at least annually meet the external auditor and the internal auditor (if appointed) without the Executive management team present to discuss matters relating to the Committee’s remit and any issues arising from an audit by the external auditor or the internal auditor.

Reporting

The contents of the Annual Committee Report shall include those matters set out in Schedule 2.

In compiling its Annual Committee Report, the Committee shall exercise judgement in deciding which of the issues it considers in relation to the financial statements are significant but include at least those matters that have informed the Board's assessment of whether the Company is a going concern.

Where disagreements between the Committee and the Board cannot be resolved, the Committee shall report the issue to the shareholders as part of the report on the Committee's activities in the Annual Committee Report.

Engagement

The Committee shall collectively and individually have direct access to the Company's external and, where appointed, the internal auditors.

The Committee chair shall ensure that an appropriate ongoing dialogue is maintained outside of the formal meeting programme between the Committee, the external auditor, the internal auditor (where appointed), the CFO and other members of the executive team as appropriate.

SCHEDULE 1 – COMMITTEE DUTIES

1. Financial Reporting

Narrative Reporting

The Committee shall review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Financial Statements and Public Financial Reports

For the purposes of this section "Financial Reports" shall mean the Company's Annual Report and Accounts, Final Results statement, Interim Results and any other formal statements released to the market or circulated to shareholders relating to the Group's financial performance.

The Committee shall:

a) monitor the preparation and integrity of the Financial Reports.

b) ensure the Company has an adequate process for approving market announcements and making these available to Board members for review and comment.

c) review and report to the Board on significant financial reporting issues and judgements which the Financial Reports and any related formal statements contain, having regard to matters communicated to it by the external auditor.

d) consider and report to the Board its views on appropriate KPIs for inclusion in the Company's annual report.

e) review and challenge where necessary (taking into account the external auditor's views):

   (i) the application and appropriateness of significant accounting policies;

   (ii) any changes to significant accounting policies, including the application of new accounting policies in interim accounts, and the plan to communicate those changes to shareholders and the market;

   (iii) management's assessment of the impact of new accounting policies on the distributable reserves of the Company and its subsidiaries;

   (iv) whether the Company has made appropriate estimates and judgements;

   (v) the clarity and completeness of financial reporting disclosures and any changes to those disclosures, including the review of any correspondence between the Company and the external auditor;

   (vi) the methods used to account for significant or unusual transactions (including any off-balance sheet arrangements) where different approaches are possible;

   (vii) significant adjustments resulting from the external audit;

(viii) the assumptions or qualifications in support of the going concern statement (including any material uncertainties as to the Company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements); and

(ix) the legality of any proposed dividend and the Company's ability to pay it and remain a going concern.

f) review and oversee the processes in place to ensure compliance with financial reporting standards and the AIM Rules and related guidance and other financial and governance reporting requirements.

g) review all material information presented with the financial statements, such as the strategic report and the corporate governance statements, insofar as it relates to audit and risk management and risk disclosure.

h) review first any other statements that contain financial information and require board approval, if carrying out a review before board approval would be practicable and consistent with any prompt reporting requirements under any law or regulation including the AIM Rules.

i) where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, report its views to the Board.

2. Risk Management and Internal Controls

Risk Assessment and Management

The Board retains overall responsibility for embedding effective risk management, internal controls and assurance activities. The role of the Committee is to provide support and oversight on the effectiveness of those systems.

The Committee shall:

a) review and challenge the adequacy, effectiveness and independence of the Company and Group's internal financial controls, internal risk assessment processes and internal control, assurance and risk management systems.

b) on at least an annual basis, ensure that a robust assessment of the emerging and principal risks facing the Company has been undertaken (including those risks that would threaten its business model, future performance, solvency or liquidity and reputation), that procedures and strategies are in place to identify and address emerging and future risks and provide advice on appropriate management and mitigation of those risks.

c) satisfy itself as part of the risk review and planning processes above that the Company/Group takes appropriate steps to identify, understand, manage and mitigate the potential risks to the business arising from:

   (i) its extended supply chain;

   (ii) reliance on strategic partners;

   (iii) material third parties (including outsourced services);

   (iv) new technologies;

   (v) cyber security risks; and

   (vi) climate-related risks.

d) consider the appropriate risk appetite for the Company across all major activities, taking into account the overall strategy of the Company, its future plans and other internal information, as well as the external environment, including economic, political and industry information.

e) consider (in conjunction with the Remuneration Committee) how executive remuneration may shape the executive approach to risk.

f) ensure that risk management is properly considered in board decisions.

g) review the methodology for reporting risk to the Board, including both quantitative and qualitative measures.

h) set triggers for reporting and escalation of significant emerging risks which may be critical to the Group and assess its ability to manage new risks.

i) review the risk management function and report to the Board the Committee’s view on whether it is appropriately resourced, with adequate information rights and sufficient independence to discharge its function.

j) at the request of the Board, carry out a specific risk assessment of any major transactions, including but not limited to mergers and acquisitions, disposals, joint ventures, significant expenditure on property, plant and equipment and material multi-year service contracts and report to the Board accordingly. This should involve consideration of whether all due diligence and/or procurement processes have been carried out, including obtaining external advice, as well as an assessment of whether the transaction meets the Company's risk appetite criteria and the implications for future risk tolerance and exposure.

k) review all material adverse crystallisation of risks, including those involving breaches of the Company's procedures, overseeing or where necessary undertaking root cause analysis and ensuring lessons learned are fed back into the risk management system.

Management and Internal and External Audit Reports

The Committee shall:

a) review the assurance reports from management, and where relevant third-party experts, on the effectiveness of the internal control and risk management systems and from the internal auditor (if any), the external auditor and others on the operational effectiveness of matters related to risk and control. The Committee should satisfy itself that these sources of assurance and information are appropriate, sufficient and objective and are enough to enable the Board to satisfy itself that they are operating effectively.

b) review the timeliness of, and reports on, the effectiveness of corrective action taken by management in response to any material external or internal audit recommendation.

c) consider whether third-party assurance or expertise may be appropriate or necessary in relation to obtaining appropriate assurance levels in relation to any particular material risk.

d) review and approve the work programmes of external assurance providers.

Disclosures

The Committee shall:

a) review and approve the statements to be included in the annual report concerning internal controls and risk management, risk appetite and climate risk, and ensure that relevant disclosures are given in the directors' report as to the Company's risk management and strategy in relation to financial instruments.

b) consider any necessary disclosure implications of the process that has been applied by the Board to deal with material internal control aspects of any significant problems disclosed in the annual report and accounts.

c) consider the findings of any relevant internal investigations into risk and control weaknesses, fraud or misconduct and management's response, and also consider whether any such failings or weaknesses are significant enough to require disclosure, and if so, whether the level of disclosure of such actions is appropriate.

Whistleblowing

The Committee shall review the effectiveness, adequacy and security of the Company's arrangements for its workforce to raise concerns, in confidence, about possible wrongdoing in financial reporting and other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.

The Committee shall receive reports on use of the whistleblowing process and the quality, timelines and outcome of investigations undertaken in response to concerns raised under the process.

Fraud

The Committee shall annually review the Company's procedures for detecting fraud.

Compliance

The Committee shall:

a) review the Company's systems and controls for ethical behaviour and the prevention of bribery and modern slavery and receive reports on non-compliance.

b) review regular reports on the adequacy and effectiveness of the Company’s data protection systems and controls.

3. External Audit

General

In performing its duties in relation to external audit, the Committee shall take into account any applicable law and legislation, other professional requirements and the Financial Reporting Council's Ethical Standards in place at the relevant time.

Appointment, Reappointment and Resignation

The Committee shall:

a) consider and make recommendations to the Board, to be put to shareholders for approval at the Company's AGM, on the appointment, reappointment or removal of the Company's external auditor.

b) ensure compliance with any applicable requirements for audit tendering and, in any event, ensure that at least once every ten years consideration is given to putting the audit services contract out to tender.

c) oversee any tender for the audit services contract to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms and, in respect of such tender, develop and oversee the selection process, ensuring that all tendering firms have such access as is necessary to information and individuals during the tendering process.

d) consider the need for and where necessary, recommend to the Board a formal audit tender policy and any amendments thereto.

e) if any external auditor resigns, investigate the issues leading to this and decide whether any action is required.

Terms of Engagement

The Committee shall oversee the relationship with the external auditor and agree the auditor's terms of engagement, including any engagement letter issued at the start of each audit, the scope of the audit and review their fees for recommendation to the Board.

Independence and Expertise

The Committee shall:

a) review and formally assess on an annual basis:

   (i) the external auditor's independence and objectivity and any safeguards against threats thereto.

   (ii) the qualifications, expertise and resources of the external auditor.

(iii) the effectiveness of the external audit process.

b) agree with the Board the Company's policy on employment of former employees of the Company's external auditor, taking into account any ethical standard and legal requirements, and monitor the application of this policy.

Fees of the External Auditor

The Committee shall monitor the level of fees paid by the Company to the external auditor compared to the overall fee income of the firm, office and partner and assess these in the context of the legal, professional and regulatory requirements, guidance and any ethical standard.

Non-Audit Services

Unless there is a formal policy in place, the Committee shall be required to approve any engagement with the external auditor in respect of non-audit services.

The Committee shall ensure that the provision of the non-audit services does not impair the external auditor's independence or objectivity.

The Committee may develop and recommend to the Board, the Company's formal policy and approval process on the external auditor's provision of non-audit services, keep the same under review and ensure it remains in compliance with any ethical standard.

Audit Cycle

The Committee shall review and approve the annual audit plan at the start of the audit cycle and ensure it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team.

The Committee shall meet regularly with the external auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and at least once a year, without the executive directors or management being present, to review and discuss the auditor's remit and the findings of the audit including (but not limited to) any major resolved or unresolved issues that arose during the audit, the auditor's explanation of how risks to audit quality were addressed, key accounting and audit judgements, the auditor's view of their interactions with senior management and levels of errors identified during the audit.

The Committee shall consider communications from the external auditor on audit planning and findings on material weaknesses in accounting and internal control systems that come to the auditor's attention, including a review of material items of correspondence between the Company and the external auditor.

The Committee shall review any representation letter(s) requested by the external auditor before they are signed by management and consider whether, based on its knowledge, the information provided is complete and appropriate.

The Committee shall review, before its consideration by the Board, the external auditor's report to the directors and their management letter, including management's response to the auditor's findings and recommendations.

The Committee shall at the end of the audit cycle, assess the effectiveness of the audit process including:

a) reviewing whether the auditor has met the agreed audit plan and whether the external auditor identified any risks to audit quality and, if so, how these were addressed.

b) understanding reasons for changes to the audit plan.

c) considering the external auditor's robustness and perceptiveness in handling key accounting and audit judgements and responding to the Committee's questions.

d) obtaining feedback from key people on the conduct of the audit.

e) reviewing and monitoring the content of the external auditor's management letter and reporting to the Board on the effectiveness of the audit process.

Other Matters

The Committee shall be responsible for the co-ordination between the activities of the external auditor and the internal audit function (where applicable).

4. Internal Audit

The Company has no internal audit function. The Committee shall consider at least annually the need for an internal audit function, make any recommendation to the Board and explain the reasons for the absence of such a function to the Board accordingly for disclosure in the annual report. The Committee shall assess whether the processes applied by management to ensure that the internal controls systems are functioning as intended provide appropriate, sufficient and objective assurance.

Schedule 2 – Audit Committee Report Contents

The Audit Committee's Report in the Company's Annual Report shall include the following items:

a) a summary of its role.

b) the names of the Committee members and their qualifications.

c) the number of meetings held and members' attendance record (if not set out elsewhere).

d) a summary of the significant issues considered in relation to the annual report and accounts and how they were dealt with, including significant estimates, judgements, and risks.

e) how the effectiveness of the external audit process was assessed, and the approach taken to the appointment/reappointment of the external auditor.

f) how objectivity and independence are safe-guarded if the external auditor provides non-audit services.

g) how the Committee has monitored and formally considered auditor independence during the corporate reporting cycle.

h) the Company's policy on auditor rotation, together with the tenure of the current auditors and date of last tender and advance notice of any retendering plans.

i) details of any contractual restrictions on auditor choice.

j) where relevant, an explanation of the circumstances where the Board has not accepted the Committee's recommendation regarding the appointment of an auditor.

k) what steps the Committee has taken to satisfy itself that the risk and control framework and processes are suitable to the business and operating properly.

l) where applicable, how the effectiveness of the Company's internal audit function has been monitored and reviewed. Where there is not an internal audit function, the Committee should provide an explanation and details of how internal assurance is received, along with how this affects the work of the external auditors.

Norman Broadbent plc

Remuneration Committee Terms of Reference

19 March 2026

Norman Broadbent plc

REMUNERATION COMMITTEE TERMS OF REFERENCE

These Terms of Reference should be read in conjunction with the General Terms of Reference applicable to all Board Committees of the Company.

Role

The role of the Committee is to ensure the Company has appropriate remuneration and other reward and incentivisation structures which are supportive of long-term value creation and aligned to the Company's purpose, strategy and culture.

A summary document detailing key responsibilities for remuneration matters is set out in Schedule 1. Further detail is set out in Schedule 2 as further described in the "Duties" section below.

Where any item is stated to be subject to review by the Committee, in the event that the Committee considers that the proposals reviewed should be revised or tested further, it shall provide appropriate feedback and where necessary work in consultation with the Executive Directors to achieve a satisfactory outcome. The Executive Directors must give due consideration to the views of the Committee.

Membership

Number of Members: At least two.

Membership qualifications: Each Committee member shall be an independent non-executive director. Executive Directors may not be members of the Committee.

Chair: The Chair of the Board may not chair the Committee.

Duties

The Committee shall carry out the following duties for the Company plus such other duties as the Board may delegate to the Committee from time to time:

a) **Remuneration Policy** - the activities set out in Part A of Schedule 2.

b) **Incentive Schemes (General)** –the activities set out in Part B of Schedule 2.

c) **Executive Directors** - the activities set out in Part C of Schedule 2.

d) **Senior Management** - the activities set out in Part D of Schedule 2. The members of Senior Management are set out below.

e) **Wider Workforce** - the activities set out in Part E of Schedule 2.

f) **Chair of the Board** - the activities set out in Part F of Schedule 2.

g) **Company Secretary** –the activities set out in Part G of Schedule 2.

The Senior Management within the remit of the Committee comprises:

a) Chief Operating Officer.

b) Any role with a base salary in excess of £190,000.

c) Such other roles as the Board may nominate from time to time.

This list of Senior Management within the Committee's remit shall be reviewed by the Board on an annual basis.

Non-Executive Directors' remuneration shall be a matter for the Board.

Meetings

Minimum number of meetings per year: Two

Reporting

The Committee shall produce a suitable remuneration report to be included in the Company's annual report which complies with applicable laws and regulations, the AIM rules and the minimum requirements of the QCA Corporate Governance Code (QCA Code). The Committee shall additionally consider recommendations for enhanced disclosures under the QCA Code and incorporate those where it considers it appropriate. If the Committee has appointed remuneration consultants, the report should identify such consultants and state whether they have any other connection with the Company.

Shareholder Consultation

The Committee shall consider, agree and, where appropriate, undertake appropriate consultation with shareholders in relation to matters within its remit.

The Committee shall make recommendations to the Board in relation to the submission of remuneration-related matters to shareholder votes.

Resources and Information

The Committee's pre-approved annual budget for external resources, i.e. for legal or professional advice on any matter within its terms of reference, is £12,000.

The Committee is expected to obtain reliable, up-to-date information about remuneration in other companies of comparable scale.

Subject to appropriate budget approval:

a) the Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.

b) the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary to help it fulfil its obligations.

Schedule 1 – Remuneration Matters – At A Glance

Subject Group	Item	Consult Committee/ Committee Review	Exec Decision	Committee Approve/Decide	Board Decision
Executive Directors	Individual Salary			X	
Executive Directors	Bonus Pot, Targets and Achievement Decision			X	
Executive Directors	LTIP Awards, Targets and Achievement Decision			X	
Executive Directors	Pension			X	
Executive Directors	Other Benefits			X	
SMT	Starting Salary over £190,000			X	
SMT	Salary and Benefits – Policy and Parameters			X	
SMT	Individual Salaries Within Parameters and Policy		X		
SMT	New SMT role salary	X	X		
SMT	Annual Salary Increases			X	
SMT	Total Bonus Pot and Criteria			X	
SMT	Individual Bonus targets	X	X		

Subject Group	Item	Consult Committee/ Committee Review	Exec Decision	Committee Approve/Decide	Board Decision
SMT	Bonus Pot Individual Allocations/Achievements	X	X		
SMT	LTIP Pot and Design			X	
SMT	Individual LTIP Awards	X	X		
Wider Workforce	Annual Salary Increases	X			X
Wider Workforce	Major Changes in Benefits Structures	X			X
Wider Workforce	Individual Salaries/Pay Scales		X		
Chair	Fees			X	
NEDs	Fees	X			X
Company Secretary (employed individual)	Remuneration			X	

Schedule 2 – Committee Duties

Part A - Remuneration Policy

Responsibility

The Committee is responsible for deciding (and amending where necessary) the Company's Remuneration Policy for:

a) the Executive Directors.
b) the Senior Management Team.
c) the Company Secretary (where they are an individual employed by the Company).

The Committee shall keep the Remuneration Policy under review on an ongoing basis and conduct a formal review at least annually to ensure that it remains appropriate, relevant and fit for purpose.

Purpose and Design

The objective of the Remuneration Policy shall be to attract, retain and motivate the executive and senior management of the Company with fair and attractive, but not excessive, remuneration packages.

The Remuneration Policy should be designed to *inter alia*:

a) have regard to the Company's appetite for risk.
b) align to the Company's purpose and strategy.
c) be appropriate to the Company's stage of development.
d) promote the long-term growth of shareholder value.
e) be supportive of and reinforce the Company's desired corporate culture and promote the right behaviours and decisions.
f) be simple and easy for Senior Executives to understand.
g) where and to the extent appropriate, foster alignment with shareholders through meaningful stake building.
h) link a significant proportion of reward to corporate and individual performance.

In determining the Remuneration Policy, the Committee shall take into account all factors which it deems necessary including relevant legal and regulatory requirements and the provisions and recommendations of relevant guidance (including the QCA Corporate Governance Code (**QCA Code**) and the QCA's Remuneration Committee Guide).

When setting the Remuneration Policy for directors, the Committee shall review and have regard to pay and employment conditions across the Company, especially when determining salary increases.

The Remuneration Policy shall cover:

a) base salary.
b) performance-related pay schemes.
c) share incentive plans.
d) pension contributions.
e) benefits packages.
f) minimum shareholding requirements (if any).

Part B - Incentive Schemes - General

Performance-Related Pay Schemes (Bonus)

The Committee shall approve the design of any performance-related pay schemes operated by the Company and approve:

a) the total maximum annual potential bonus pots.
b) the total annual payments.
c) total of any share awards made under such schemes.

The Committee shall determine whether and to what extent to apply (where authorised by the relevant scheme):

a) any holding period and/or stake building requirements in respect of any share-based award.
b) any malus and/or clawback provisions.

The Committee's responsibility for setting individual awards and performance targets for participants is set out in the following sections.

The Committee shall consult with other Board committees as necessary in order to set appropriate incentive targets and to appraise performance in respect thereof.

Share Incentive Plans

The Committee shall review the design of all share incentive plans (and any proposed amendments thereto) for approval by the Board and, where appropriate, shareholders.

The Committee shall determine each year whether awards will be made under the Share Incentive Plans, and if so, the overall amount of such awards.

The Committee's responsibility for setting individual awards and performance targets for participants is set out in the following sections.

The Committee shall determine whether and to what extent to apply (where authorised by the relevant scheme):

a) any holding period and/or stake building requirements in respect of any share-based award.
b) any malus and/or clawback provisions.

The Committee shall consult with other Board committees as necessary in order to set appropriate incentive targets and to appraise performance in respect thereof.

Part C - Executive Directors

Single Overall Figure

Within the terms of the agreed Remuneration Policy, the Committee shall determine the total individual remuneration package of each executive director including bonuses, incentive payments and share options or other share awards.

Salary

Within the terms of the agreed Remuneration Policy, the Committee shall determine:

a) the base salary of each executive director.
b) any increase to an executive director's base salary (whether arising from a routine annual salary review or a benchmarking exercise).

The Committee shall take into account the salary review process and conclusions thereof in relation to the wider workforce when considering any routine increase to an executive director's salary.

Bonus

Within the terms of the agreed Remuneration Policy and the terms of the relevant performance-related pay schemes, the Committee shall determine:

a) the total potential bonus opportunity for each executive director in any given year.
b) the performance targets to be used and against which the Executive Directors will be assessed.
c) whether and to what extent the relevant performance targets have been met.
d) whether to exercise any discretion granted to it under the rules of the bonus scheme.

Share Incentives

The Committee shall determine:

a) whether awards are to be made to the Executive Directors under the Company's share incentive plans.
b) the level of each individual award to the Executive Directors.
c) the performance targets to be used and against which the Executive Directors will be assessed.
d) whether and to what extent the relevant performance targets have been met.
e) whether to exercise any discretion granted to it under the rules of the share incentive plans and the terms of the grants.

Pension

The Committee shall determine the level of pension contribution for each Executive Director. In doing so, the Committee shall take into consideration the pension contribution levels of the wider workforce.

Benefits

The Committee shall approve the benefits package for each Executive Director.

Other

The Committee shall ensure that contractual terms of the Executive Directors on termination and any payments made are fair to the individual and the Company; that failure is not rewarded and the duty to mitigate loss is fully recognised.

Part D - Senior Management

General

The Committee shall monitor and keep under review the level and structure of remuneration of Senior Management.

The Executive Directors shall be responsible for submitting appropriate proposals in relation to Senior Management remuneration to the Committee for consideration and, where appropriate, approval.

Salary

The Committee shall approve the parameters of salary policy for Senior Management. The Executive Directors shall be responsible for agreeing individual salary levels with Senior Management within those parameters.

The Committee shall approve any salary proposal in relation to Senior Management outside of the agreed parameters.

The Committee shall approve any salary proposal in excess of £190,000.

The Committee shall review any salary proposal in respect of a newly created role falling within the Senior Management category.

The Committee shall consider salary review proposals having regard to the proposals put forward in respect of the wider workforce.

Bonus

In addition to the matters set out in Part B of the Schedule, in relation to bonus schemes for Senior Management, the Committee shall:

a) review the individual maximum bonus opportunities.
b) review the objectives.
c) review the Executive Directors' determination of achievement of objectives by individual Senior Management and ensure an appropriate process has been followed.
d) review the final outturns of the bonus scheme.

2. Share-Based Awards

In addition to the matters set out in Part B of the Schedule, in relation to share incentive schemes, the Committee shall:

a) approve the total awards to be made to Senior Management at each grant event.
b) approve the vesting criteria applicable to any award to Senior Management.
c) review the individual awards to be made to Senior Management.
d) review the Executive Directors' determination of the achievement of any subjective vesting criteria by Senior Management.

Benefits

The Committee shall review and approve the package of other material benefits available to Senior Management (e.g. insurances and car allowances).

Other

In the event of termination of employment of any Senior Manager, the Committee shall review any proposed payments in respect thereof to confirm that they are fair to the individual and the Company; that failure is not rewarded and the duty to mitigate loss is fully recognised.

Part E - Wider Workforce

The Committee shall review any major changes in employee benefits structures throughout the Company, prior to submission to the Board for approval.

The Committee shall review generally applicable annual salary review proposals in respect of the wider workforce prior to submission to the Board for approval.

Part F - Board Chair and NEDs

The Committee shall determine the remuneration package of the Company's chair (**Board Chair**).

The Committee shall ensure that contractual terms of the Board Chair on termination are fair to the individual and the Company; that failure is not rewarded and the duty to mitigate loss is fully recognised.

Part G - Company Secretary

Within the terms of the agreed Remuneration Policy and in consultation with the Board Chair, the Committee shall determine the remuneration package of the Company Secretary (where the company secretary is employed by the Company primarily in that role) including bonuses, incentive payments and share options or other share awards.

The Committee shall ensure that contractual terms of the Company Secretary on termination and any payments made are fair to the individual and the Company; that failure is not rewarded and the duty to mitigate loss is fully recognised.