

Remuneration Committee

Terms of Reference

The Board of Premier Miton Group plc (the 'Company') is responsible for directing the business of the Company and its subsidiaries (the 'Group') in such a way as to meet shareholder and regulatory requirements and in accordance with applicable corporate governance practices. The Board has delegated responsibility to the Remuneration Committee (the 'Committee') to review, recommend and monitor the remuneration structures for the Group.

1. Constitution

- 1.1 The Committee was first constituted at a meeting of the Board held on 3 October 2016 in accordance with the articles of association of the Company.

2. Membership

- 2.1 The members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chair of the Committee.
- 2.2 The Chair of the Board may serve as a member of, but may not chair, the Committee.
- 2.3 If the Committee Chair is not present at any meeting of the Committee, the members present shall appoint one of their number to chair the meeting.
- 2.4 The Committee shall have at least two members.

3. Secretary

- 3.1 The Company Secretary shall act as Secretary of the Committee.

4. Quorum

- 4.1 The quorum for a meeting of the Committee is two members present in person or by telephone.
- 4.2 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.
- 4.3 Decisions of the Committee may be made by way of email circular at the discretion of the Committee Chair.

5. Frequency

- 5.1 The Committee will meet at least twice times in each financial year of the Company and at such times as shall reasonably be decided by the Committee.

6. Notice of meetings

- 6.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of any of its members, or as required.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time, and date together with an agenda of the matters to be discussed at the meeting shall be forwarded to each member and any other person required to attend no later than five working days before the date of the meeting. Any supporting papers shall be sent to each member of the Committee and to other attendees (as appropriate) at the same time.

7. Attendance at meetings

- 7.1 No one other than the Committee members and shall be entitled to attend meetings of the Committee.
- 7.2 The Committee may invite any directors, other executives, or professional advisors to attend, but not vote at, meetings of the Committee.
- 7.3 No member of the Committee or other attendee shall be present during the deliberations regarding their own remuneration.

8. Minutes

- 8.1 At the beginning of each meeting the Secretary shall ascertain the existence of any conflicts of interest and minute them accordingly. Each member of the Committee shall disclose to it: (a) any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee; and (b) any potential conflict arising from a cross directorship.
- 8.2 Minutes of meetings of the Committee and of its decisions and recommendations will be prepared and, subject to approval by the Committee Chair, circulated to all Directors of the Company unless in the opinion of the Committee Chair it would be inappropriate to do so.
- 8.3 Draft Minutes may be approved by email following review by the Committee members present at the meeting to which the draft Minutes relate.

9. Voting arrangements

- 9.1 Each member of the Committee shall have one vote which may be cast on matters considered at a meeting. Votes can only be cast by members attending a meeting of the Committee.
- 9.2 Subject always to paragraph 7.3 above, if a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly, has a personal interest, the remaining members of the Committee will then decide by majority vote if the member may participate in discussions concerning the matters disclosed or vote on resolutions concerning the matters disclosed.

10. Annual General Meeting

- 10.1 The Committee Chair should be prepared to respond to any questions which may be raised by shareholders at the Annual General Meeting on matters concerning the Committee's functions.

11. Principal duties and terms of reference

On behalf of the Board and in accordance with the authority delegated to it, the Committee shall have regard to the following duties:

- 11.1 Recommend the principles and monitor the structure of the Group's remuneration arrangements taking into account relevant factors including applicable legal and regulatory requirements (in particular, the remuneration principles of the Financial Conduct Authority including AIFM, BIPRU and UCITS remuneration codes, the Markets in Financial Instruments Directive ('MiFID II') rules and guidance on remuneration (together the 'Remuneration Codes') as applicable) as well as the views of shareholders and stakeholders in determining the remuneration structure.
- 11.2 To agree and implement the Remuneration Policy and undertake its annual review to assess ongoing alignment with business strategy using appropriate data from Risk, Compliance and HR to ensure that the Remuneration Policy supports the objectives, risk management and regulatory requirements of the Group and promotes good conduct.
- 11.3 Structure reward to reflect the risk appetite of the Group and in alignment with the Group's long-term strategic goals and with regard to pay and employment conditions across the Group.
- 11.4 Regularly review the appropriateness and relevance of the remuneration arrangements and oversee any major changes to the structure.
- 11.5 Exercise at all times appropriate discretion in forming views and making recommendations to the Board.
- 11.6 Determine the remuneration package of the Chair of the Board and the Executive Directors.
- 11.7 Review and approve the annual pay review for all employees.
- 11.8 Determine pension rights and severance payments.
- 11.9 Determine the remuneration arrangements for Remuneration Code Staff.
- 11.10 Determine the remuneration and performance metrics of employees in risk and compliance functions independently of other business areas.
- 11.11 Determine the deferral of remuneration and any performance adjustment thereof.
- 11.12 To review and approve, in consultation with the Board, the proportion of profits that should be accrued and paid as variable remuneration.
- 11.13 To review variable remuneration pool calculations to ensure that they are principally based on profits and take account of current and future risks.
- 11.14 Determine the overall amount for variable remuneration awards and the amounts in respect of individual awards to Executive Directors and Code Staff ensuring that any performance related elements are transparent and rigorously applied.
- 11.15 Determine the direction of contracts, notice periods and termination payments to ensure that any termination payments are fair to the individual and the Group and that failure is not rewarded.
- 11.16 To review pension, material severance and proposed bonus (including any guaranteed) payments to assess their alignment with the Remuneration Policy.
- 11.17 Have authority to commission or purchase any reports, surveys, or information which it deems necessary at the expense of the Company.
- 11.18 Be responsible for selecting, appointing, and setting any terms of reference for any remuneration consultants to be engaged to advise the Committee.

- 11.19 Agree the Policy for authorising claims for expenses from the Directors.
- 11.20 Recommend the criteria for performance-related schemes operated by the Group, the methods for assessing whether performance conditions are met and the eligibility for such schemes.
- 11.21 In respect of punctual requests to exercise share awards, exercise documentation may be authorised by any two members of the Remuneration Committee acting in conjunction with any one of the Chief Executive Officer and /or the Chief Finance Officer for the following purposes:
- a) Take all actions necessary to ensure that the exercise of eligible share awards is undertaken in accordance with the relevant rules of Group share plans;
 - b) Review, authorise and execute such documentation as may be required to give effect to the orderly administration of Group share plans;
 - c) Be authorised to instruct such parties as may be required including, but not limited to, Trustees of any employment benefit trust, the Company's Nomad, Brokers, share plan administrators, lawyer, or advisors in relation to share option exercises;
 - d) Assess the conditions for exercise including ensuring any closed or restricted periods are observed in accordance with the Group PA Dealing Policy and obligations arising under UK MAR;
 - e) Assess the requirements to make market announcements, including RNS, TR1 and FCA disclosures, on behalf of PDMR's, ensuring timely and accurate disclosure to the market;
 - f) Prepare and draft such market announcements as may be required for review by the Board.

12. Other

- 12.1 The Committee shall:
- a) Have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
 - b) Be provided with appropriate and timely training on an ongoing basis for all members;
 - c) Give due consideration to applicable laws and regulations, including the provisions of the UK Corporate Governance Code, the requirements of the corporate governance guidelines for AIM companies published by the Quoted Companies Alliance and the requirements of the London Stock Exchange's rules for AIM companies, as appropriate;
 - d) Oversee any investigation of activities which are within its terms of reference;
 - e) Work and liaise as necessary with all other Board committees; and
 - f) Arrange for periodic review of its own performance and, at least once a year, 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.
- 12.2 Consider such other matters as may be requested by the Board.

13. Reporting

- 13.1 The proceedings and resolutions of meetings of the Committee, including the names of those present and in attendance, shall be minuted. Draft minutes of each meeting will be circulated promptly to all members of the Committee. Once approved, the minutes of each meeting will be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chair. The minutes of the Committee will be maintained as documentary evidence.
- 13.2 The Chair of the Committee shall report formally to the Board on its 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.
- 13.3 The Committee shall compile a report to shareholders on its activities to be included in the Company's annual report.

14. Authority

- 14.1 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. The Committee is authorised by the Board to examine any activity within its terms of reference and is authorised to obtain, at the Company's expense, professional advice on any matter within its terms of reference. The Committee is authorised to seek any information it requires from any employee or Director, and all such employees or Directors will be directed to co-operate with any request made by the Committee.

15. General matters

- 15.1 The recommendations of the Committee shall be approved by the Board before they can be implemented.