



**Braemar Plc**  
**("the Company")**

**Remuneration Committee Terms of Reference**

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**1 Membership**

- 1.1. The committee shall comprise of at least three members, all of whom shall be independent non-executive directors. A non-executive chair of the board may also serve on the committee as an additional member if they were considered independent on appointment as chair.
- 1.2. Only members of the committee have the right to attend committee meetings. However, other individuals such as the executive directors and external advisors may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3. Appointments to the committee shall be made by the board, in consultation with the chairman of the committee, and shall be up to a period of three years extendable by no more than two additional three-year periods, so long as members (other than the chair of the board, if they are a member of the committee) continue to be independent.
- 1.4. The board shall appoint the committee chair who shall be an independent non-executive director. In the absence of the committee chair or an appointed deputy, the remaining members shall select one of themselves to chair the meeting. The chair of the board shall not be chair of the committee.

**2 Secretary**

- 2.1 The company secretary shall act as secretary of the committee and shall ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

**3 Quorum**

- 3.1 A quorum necessary for the transaction of business shall be two members of the committee.

**4 Meetings**

- 4.1 The committee shall meet at least twice a year and otherwise as required.

**5 Notice of Meetings**

- 5.1 Meetings of the committee shall be called by the secretary of the committee at the request of the committee chair.
- 5.2 Unless otherwise agreed, 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, any other person required to attend and all other non-executive directors.

**6 Minutes of Meetings**

- 6.1 The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.



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**7 Annual General Meeting (AGM)**

- 7.1 The committee chair should attend the AGM to answer any shareholder questions on the committee's activities.

**8 Duties**

The committee shall carry out the duties listed below for the parent company, major subsidiary undertakings and the group as a whole, as appropriate.

The committee shall:

- 8.1 Have responsibility for setting the remuneration policy for all executive directors and the Company's chair, including pension rights and any compensation payments. The board itself or, where required by the Articles of Association, the shareholders should determine the remuneration of the non-executive directors within the limits set in the Articles of Association. No director or senior manager shall be involved in any decisions as to their own remuneration;
- 8.2 Recommend and monitor the level and structure of remuneration for senior management;
- 8.3 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 UK Corporate Governance Code (the "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 values and strategy. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the sustainable long-term success of the Company;
- 8.4 When setting remuneration policy for directors, review and have regard to pay and employment conditions and policies across the group, especially when determining annual salary increases. The committee should also ensure that it addresses clarity, simplicity, risk, predictability and proportionality, and the alignment of incentives and rewards with culture, when determining the remuneration policy for directors;
- 8.5 Review the on-going appropriateness and relevance of the remuneration policy;
- 8.6 Within the terms of the agreed remuneration policy and in consultation with the chairman and/or chief executive, as appropriate, determine the total individual remuneration package of each executive director, the Company's chairman and other designated senior executives including bonuses, incentive payments and share options or other share awards;
- 8.7 Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it 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 but within any budgetary restraints imposed by the board;
- 8.8 Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee;



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- 8.9 Approve the design of, and determine targets for, any performance-related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- 8.10 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, and if so, the overall amount of such awards, the individual awards to executive directors, the company secretary and other designated senior executives and the performance targets to be used;
- 8.11 Determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives;
- 8.12 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;
- 8.13 Oversee any major changes in employee benefits structures throughout the group;
- 8.14 Agree the policy for authorising claims for expenses from the directors;
- 8.15 Work and liaise as necessary with all other committees of the board; and
- 8.16 Engage with shareholders, management and the workforce, as appropriate, to better evaluate and explain the Company's remuneration policies and practices.

**9 Reporting Responsibilities**

- 9.1 The committee chair shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The committee shall ensure that provisions regarding disclosure of information, including pensions, as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), the Code and other relevant legislation, are fulfilled and produce a report of the Company's remuneration policy and practices to be included in 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.
- 9.4 Through the chair of the board, ensure that the Company maintains contact as required with its principal shareholders about remuneration.

**10 Other matters**

The committee shall:



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- 10.1 Have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required;
- 10.2 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members;
- 10.3 Give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors, the formation and operation of share schemes, and the Company's reporting responsibilities, including but not limited to the provisions of the Code, the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules as well as guidelines published by the Investment Association and the Pensions and Lifetime Savings Association and any other applicable rules, as appropriate; and
- 10.4 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.

**11 Authority**

The committee is authorised by the board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.