

N.B. Reference to “the Committee” shall mean the Remuneration Committee. Reference to “the Board” shall mean the Board of Directors of NWF Group plc. Reference to “the Company” shall mean NWF Group plc and its subsidiary companies.

1. Membership

- The Committee shall comprise of at least two members all of whom will be independent non-executive directors of the Company. The Chair of the Board may also serve on the Committee if they were considered independent on appointment as Chair.
- The Chair of the Committee shall be appointed by the Board and will be an independent non-executive director. The Chair of the Board shall not be Chair of the Committee. In the absence of the Chair of the Committee and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board.
- Only the members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive and external advisers may be invited to attend for the whole of or part of any meeting, as and when appropriate and necessary.
- Appointments to the Committee are made by the Board on the recommendation of the Nomination Committee and in consultation with the Chair of the Remuneration Committee and shall be 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 they are a member of the Committee) continue to be independent.

2. Secretary

- The Company Secretary or their 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 the issues.

3. Quorum

- The quorum necessary for the transaction of business shall be two members. Members of the Committee may participate and be included in any quorum in any Committee meetings by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other. Such meetings shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the Committee Chair is. 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. Frequency of Meetings

- Meetings of the Committee shall be held at least twice a year and otherwise as required.

5. Notice of Meetings

- Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any of its members.
- 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 no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

6. Minutes of Meetings

- The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, the minutes should be circulated to all other members of the Board and the Company Secretary unless in the opinion of the Committee Chair it would be inappropriate to do so.

7. Engagement with Shareholders/AGM

- The Committee Chair should attend the AGM to answer any shareholder questions on the Committee's activities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

8. Duties

The Committee should carry out the duties detailed below for the parent company, major subsidiary undertakings and the group as a whole, as appropriate.

The Committee shall:

- Have delegated responsibility for determining the remuneration policy and setting remuneration for all executive directors of NWF Group plc, the Company Secretary, Company Chair, directors of subsidiary companies and other senior management positions (the Senior Management Team), 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 outcome.
- In determining remuneration policy, take into account all other factors which it deems necessary including relevant legal and regulatory requirements, and associated guidance.

The objective of such a policy shall be to attract, retain and motivate executive and senior 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.

- Design remuneration policies and practices to support risk appetite, strategy and promote the long-term sustainable success, with executive remuneration aligned to Company purpose and values, clearly linked to the successful delivery of the Company's long-term strategy, and that enable the use of discretion to override formulaic outcomes and to recover and/or withhold sums or share awards under appropriate specified circumstances.
- When determining the remuneration policy for directors and senior managers, review and have regard to pay and employment conditions across the group, especially when determining annual salary increases.
- Review the ongoing appropriateness and relevance of the remuneration policy.
- Establish remuneration schemes that promote long-term shareholding by executive directors and senior managers that support alignment with long-term shareholder interests, with share awards subject to a total vesting and holding period of five years, and a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares.
- Within the terms of the agreed policy and in consultation with the Chair and/or Chief Executive, as appropriate, determine the total individual remuneration package of each member of the Senior Management Team including bonuses, incentive payments and share options or other share awards. The choice of financial, non-financial and strategic measures is important, as is the exercise of independent judgement and discretion when determining remuneration awards, taking account of Company and individual performance and wider circumstances.
- 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. The Committee should avoid designing pay structures based solely on benchmarking to the market or on the advice of remuneration consultants.
- Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- Review the design of all share incentive plans for approval by the Board and, where required, 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 members of the Senior Management Team and the performance targets to be used.
- Review workforce remuneration and related policies.

- Determine the policy for, and scope of, pension arrangements for each member of the Senior Management Team.
- Oversee any major changes in employee benefit structures throughout the group.
- Agree the policy for authorising claims for expenses from the directors.
- Work and liaise as necessary with all other Board Committees, ensuring the interaction between Committees and with the Board is regularly reviewed.

9. Reporting Responsibilities

- The Committee Chair shall report to the Board on its proceedings after each meeting on the nature and content of its discussion, recommendations and action to be taken.
- The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be available for Board discussion when necessary.
- Through the Chair of the Board, ensure that the Company maintains contact as required with its principal shareholders about remuneration.
- The Committee shall ensure that provisions regarding disclosure of information are fulfilled, and that a report on the directors' remuneration policy and practices is included in the Company's annual report and put to shareholders for approval at the AGM as necessary.
- If the Committee has appointed remuneration consultants, the consultant should be identified in the annual report alongside a statement about any other connection it has with the Company or individual directors.
- The Committee shall provide a description of its work in the annual report.

10. Other Matters

The Committee shall:

- Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 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.
- Give due consideration to all relevant laws and regulations and any published guidelines or recommendations regarding the remuneration of company directors and the formation and operation of share incentive plans.
- Arrange for periodic evaluations of its own performance.

- 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.