

**ALLFUNDS GROUP PLC**  
**REMUNERATION AND APPOINTMENTS COMMITTEE**

**TERMS OF REFERENCE**

**1. INTRODUCTION**

1. These terms of reference provides for a delegation of powers and rules for the procedures and decision-making of the remuneration and appointments committee as referred to in Article 13 of the board rules relating to the operation of the board of directors of Allfunds Group PLC (**Company**). In performing their duties, the members of the remuneration and appointments committee shall comply with these rules.
2. These terms of reference are complementary to, and subject to, the articles of association, the board rules and applicable laws and regulations.
3. Terms have the same meaning as under the articles of association.

**2. COMPOSITION**

1. The remuneration and appointments committee shall be comprised of at least three members. Members of the remuneration and appointments committee shall be appointed and dismissed by the board of directors from among its non-executive members.
2. The majority of the members of the remuneration and appointments committee and its chair, shall be independent within the meaning of the Dutch Corporate Governance Code.
3. The board of directors shall appoint one member of the remuneration and appointments committee to act as its chair. The remuneration and appointments committee may not be chaired by the chair of the board of directors or by a former executive director.
4. The remuneration and appointments committee shall, at least once a year, review its own performance, composition and this charter and recommend to the board of directors any changes it considers necessary.

**3. TASKS AND RESPONSIBILITIES**

1. The remuneration and appointments committee shall be responsible for:
  - (a) assisting the board of directors with the identification of qualified candidates to be nominated for appointment as executive directors and as non-executive directors by the general meeting;
  - (b) preparing the decision-making of the board of directors regarding the determination of remuneration of the directors;

- (c) reviewing and supervising corporate goals and objectives relevant to the remuneration of the executive directors and for evaluating the performance of the executive directors in light of those goals and objectives; and
  - (d) evaluating the functioning and performance of non-executive directors.
2. The remuneration and appointments committee assists the board of directors in:
- (a) drawing up selection criteria and appointment procedures for the directors and periodically assessing the size and composition of the board of directors and making a proposal for a composition profile of the non-executive directors which profile shall address:
    - (i) the desired expertise and background of the non-executive directors and the desired diverse composition of the non-executive directors in due consideration of the Company's diversity policy;
    - (ii) the number of non-executive directors; and
    - (iii) the independence of the non-executive directors.
  - (b) drawing up a diversity policy for the composition of the board of directors, which policy shall address the concrete targets relating to diversity and the relevant diversity aspects relevant to the Company, such as nationality, age, gender, education and work background;
  - (c) periodically assessing the functioning of individual members of the board of directors, and reporting on this to the board of directors;
  - (d) drawing up a plan for the succession of non-executive directors that is aimed at retaining the balance in the requisite expertise, experience and diversity and drawing up a retirement schedule in order to avoid, as much as possible, non-executive directors retiring simultaneously;
  - (e) making proposals for appointments and reappointments of directors;
  - (f) submitting a clear and understandable proposal to the board of directors concerning the remuneration policy to be pursued with regard to the executive directors and non-executive directors, which proposal shall in any event take into consideration:
    - (i) the legal requirements for a Company directors' remuneration policy to be put to the Company's shareholders for approval at least once every three years (beginning with the Company's first annual general meeting immediately following the admission of its shares to listing);

- (ii) the legal and regulatory requirements applicable to bank remuneration insofar as this applies to directors of the Company;
  - (iii) the objectives for the strategy for the implementation of long-term value creation;
  - (iv) the pay ratios within the Group;
  - (v) the development of the market price of the shares;
  - (vi) an appropriate ratio between the variable and fixed remuneration components, whereby the variable remuneration component shall be linked to measurable performance criteria determined in advance, which are predominantly long-term in character;
  - (vii) the remuneration of the non-executive directors shall reflect the time spent and the responsibilities of their role;
  - (viii) the terms and conditions governing the award to executive directors of ordinary shares in the capital of the Company and/or rights to acquire such shares; and
  - (ix) severance payments;
- (g) taking note of the views of individual executive directors with regard to the amount and structure of their own remuneration, and ensure that the executive directors thereby pay attention to the various aspects of the remuneration policy;
  - (h) reviewing and supervising corporate goals and objectives relevant to the remuneration of all executive directors, evaluating the performance of executive directors in light of those goals and objectives;
  - (i) liaising with shareholders in relation to the intended terms of the Company directors' remuneration policy and any proposed amendments;
  - (j) overseeing the operation of the Company directors' remuneration policy, as approved by shareholders from time to time, and ensuring (in conjunction with the Company board as a whole) that remuneration for directors is consistent with such policy;

In relation to the items under (f) through (h) above, the remuneration and appointments committee shall at all times give due regard to published or other available information relating to pay, bonuses and other benefits of directors in companies which are comparable to the Company.

3. The remuneration and appointments committee shall have access to sufficient resources in order to carry out its duties and be authorised to seek any information that it requires from any director, officer or employee in order to perform its duties. The remuneration and appointments

committee may in its sole discretion involve external experts and other advisors as it deems necessary to carry out its duties. Any and all expenses incurred by the remuneration and appointments committee, including any fees for external experts and advisors shall be borne by the Company.

#### **4. MEETINGS**

1. The remuneration and appointments committee shall meet at least two times per year. Meetings shall be held at such times and places as determined by the chair of the remuneration and appointments committee, and whenever one or more of its members have requested a meeting, observing a two weeks' notice period.
2. The chair of the board of directors and the CEO may request the chair of the remuneration and appointments committee to call a meeting of the remuneration and appointments committee.
3. A valid quorum for meetings of the remuneration and appointments committee shall be established with the attendance, in person or by proxy, of the majority of the members. Attendance by video conference or conference call will be considered as valid.
4. The remuneration and appointments committee may also invite non-members to attend all or part of any remuneration and appointments committee meeting.
5. Decisions must be taken by a simple majority of the members present or represented. In case of a tie vote, the chair of the remuneration and appointments committee has the casting vote.
6. Minutes of the meeting shall be prepared by the company secretary. They shall generally be adopted in the next meeting. If all members of the remuneration and appointments committee agree on the contents of the minutes, they may be adopted earlier. The minutes shall be signed for adoption by the chair of the relevant meeting and shall be dispatched to all members of the remuneration and appointments committee as soon as practically possible. Minutes of the proceedings at a meeting shall be sufficient evidence thereof and of the observance of all necessary formalities, provided that such minutes are signed by the chair of the meeting and the company secretary.

#### **5. REPORTING**

1. The remuneration and appointments committee shall prepare a remuneration report, including any required disclosures relating to remuneration, which shall, *inter alia*, contain an account of the manner in which the remuneration policy has been implemented in the past financial year, as well as an overview of the remuneration policy planned for the next financial year and subsequent years. The report shall explain how the chosen remuneration policy contributes to the achievement of the long-

term objectives of the Company and its affiliated enterprise in keeping with the risk profile.

2. The remuneration and appointments committee shall compile a report on its activities to be included in the board report for the annual report, which shall include a statement about the remuneration and appointments committee's composition, activities, the number of meetings held and the main items dealt with at these meetings.
3. The chair of the remuneration and appointments committee shall attend the annual general meeting of shareholders to respond to any shareholder questions on the remuneration and appointments committee's activities.

**6. AMENDMENTS, DEVIATIONS**

The board of directors may amend or supplement these terms of reference and allow temporary deviations from its rules. Any deviation from the rules of these terms of reference shall be referred to in the board report for the annual report.

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