

NEWRIVER REIT PLC ("the Company")

Terms of Reference of the Remuneration Committee

(Adopted by the Committee on 12 August 2016, amended 28 January 2020)

1. Purpose

The purpose of the Remuneration Committee ("the Committee") is to establish a formal and transparent procedure for developing policy on remuneration in accordance with The UK Corporate Governance Code ("the Code") and to review the remuneration of the Chairman and the individual Directors on the Board of Directors ("the Directors") of the Company ("the Board") against the fees paid to Directors of investment companies and property operating companies of a comparable size and to review the remuneration and incentivisation of the individual Directors of the Company and compare it to that of persons holding similar positions in comparable organisations and make recommendations in respect thereof.

2. Constitution and Membership

2.1 The Committee has been established as a committee of the Board by resolution of the Board.

2.2 The members of the Committee shall be appointed by the Board 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 chairman of the board, if he or she is a member of the committee) continue to meet the criteria for membership of the Committee. The Committee shall comprise at least three members, each of whom shall be, where possible, independent Non-Executive Directors. In addition, the Company Chairman may also be a member of the Committee, if he or she is considered independent on appointment as Chairman, but may not chair it.

2.3 The Chairman of the Committee, who shall be a Non-Executive Director, that has previously served on a remuneration committee for at least 12 months, shall be appointed by the Board. In the absence of the Chairman of the Committee, the members present shall select one of their number present to chair the meeting. The Chairman of the Board shall not be Chairman of the Committee.

2.4 The Company Secretary shall act as the Secretary of the Committee.

2.5 Each member of the Committee shall disclose to the Committee:

2.5.1 any personal financial or other interest in any matter to be decided by the Committee; or

2.5.2 any potential conflict of interest arising from a cross-directorship or otherwise; and

any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the Board) shall resign from the Committee.

NEWRIVER REIT PLC ("the Company")

3. Attendance

- 3.1 The Committee may request the Chairman of the Company and any Director or Senior Management to attend meetings of the Committee, either regularly or by invitation, but such invitees have (save as set out in the following paragraph, or, in the case of the Chairman of the Company save as appointed to the Committee in accordance with paragraph 2.2 above), no right of attendance.

4. Meetings

- 4.1 The Committee will meet at least twice each year and at such other times as the Chairman of the Committee shall think fit. It is clear, however, that it must meet to review the Directors' remuneration report which quoted companies must submit to Shareholders for approval at the Annual General Meeting.
- 4.2 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of any member.
- 4.3 Unless otherwise agreed by all members of the Committee, notice of meetings, confirming the venue, time and date together with an agenda and all relevant papers, should normally be circulated to each member of the Committee, to any other person required to attend.
- 4.4 The quorum for meetings of the Committee shall be two members. Meetings may be held by telephone and by Written Resolution.
- 4.5 Decisions of the Committee will be made by majority vote. In the event of an equality of votes the Chairman of the Committee will not have a second or casting vote.

5. Reporting

- 5.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee unless in the opinion of the Committee Chairman it would be inappropriate to do so.
- 5.2 The Committee shall make whatever recommendations to the Board that it deems appropriate in the context of the scope of its responsibilities.
- 5.3 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 & Reports) Regulation 2008 and the Code are fulfilled and produce a report on 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 Annual General Meeting. If the Committee has appointed remuneration consultants, they should be identified in the Company's annual report alongside a statement regarding any other connection they have with the Company or individual Directors.
- 5.4 The Committee shall prepare a report each year to be included in the Company's annual report and accounts.
- 5.5 The Chair of the Committee should be present at the Company's Annual General Meeting to respond to questions on matters within the responsibility of the Committee.

NEWRIVER REIT PLC ("the Company")

- 5.6 Through the Chairman of the Board, the Committee shall ensure that the Company maintains contact as required with its principal Shareholders about remuneration.

6. Duties

- 6.1 The duties of the Committee are:

- 6.1.1 to determine and agree with the Board the framework and broad policy for the remuneration of the Directors and specifically to review the remuneration of the Directors against the fees paid to Directors of other investment companies and property operating companies of a comparable size and to review the remuneration and incentives of the individual Directors of the Company and compare it to that of persons holding similar positions in comparable organisations and make recommendations in respect thereof. No Director shall be involved in any decisions as to his or her own remuneration;
- 6.1.2 to take into account all factors which the Committee deems necessary in determining the remuneration policy, including relevant legal and regulatory requirements, the provisions and recommendations of the Code and associated guidance. The remuneration policy should have regard to the risk appetite of the Company and Executive remuneration should be aligned to the Company's purpose and values, and be clearly linked to the successful delivery of the Company's long term strategy. The objectives of the policy shall be:
- 6.1.2.1 to ensure that the Directors and executive management are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company and to align their interests with those of Shareholders; and
- 6.1.2.2 to attract, retain and motivate Directors and 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.
- 6.1.3 to ensure the remuneration of Non-Executive Directors is determined by the Board. Levels of remuneration for the Chair and Non-Executive Directors will reflect the time commitment and responsibilities of their roles;
- 6.1.4 to review and have regard to workforce remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting remuneration policy for Directors and especially when determining annual salary increases;
- 6.1.5 to review the ongoing appropriateness and relevance of the remuneration policy and ensure that it is approved by Shareholders at least every three years;
- 6.1.6 to, within the terms of the agreed remuneration policy:
- 6.1.6.1 review and approve the design of, and determine targets for any, performance related pay schemes or share incentive plans operated by the Company;
- 6.1.6.2 approve the total annual payments made under such schemes;

NEWRIVER REIT PLC ("the Company")

- 6.1.6.3 seek the approval of the Board and Shareholders, when appropriate, for any long-term incentive arrangements.
- 6.1.7 to determine the total individual remuneration package of each Director including, where appropriate, bonuses, incentive payments and share options, ensuring that:
 - a) within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive, as appropriate, remuneration packages, pension rights, and any compensation payments are sufficient to attract, retain and motivate Directors of the quality required;
 - b) performance-related elements of remuneration for the Directors form a significant proportion of their total remuneration package, and are designed to align their interests with those of shareholders;
 - c) Independent judgement and discretion is exercised when authorising remuneration outcomes, taking account of the Company and individual performance, and wider circumstances. If necessary the Committee should override formulaic outcomes;
- 6.1.8 to ensure that contractual terms on termination and any payments made, are in line with the Company's remuneration policy, as adopted by Shareholders, are fair to the individual and the Company, ensuring that compensation commitments do not have the effect of rewarding poor performance and that the duty to mitigate loss is fully recognised, while dealing fairly with cases where departure is not due to poor performance;
- 6.1.9 to ensure that the remuneration schemes and policies include provisions that enable the Company to recover and/or withhold sums or share awards;
- 6.1.10 to determine the policy for post-employment shareholding requirements encompassing both unvested and vested shares;
- 6.1.11 to determine the policy for, and scope of, pension arrangements for each Executive Director and other senior executives and considering these arrangements as compared to the pension arrangements available to the workforce;
- 6.1.12 to give due consideration to laws and regulations, the provisions of the Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules, as appropriate, and to the comments and recommendations of associated guidance, including the Investment Association's guidelines on policies and practices on executive remuneration in determining remuneration packages and arrangements;
- 6.1.13 to review and have regard to the conditions of service and remuneration levels of competitor companies, but not so as to cause remuneration to rise without a corresponding improvement in performance;
- 6.1.14 to be aware of and advise on any major changes in employee benefit structures throughout the Group;
- 6.1.15 to ensure that all relevant statutory and/or regulatory provisions regarding disclosure of remuneration (including pensions) are fulfilled;
- 6.1.16 to be exclusively responsible for establishing the selection criteria,

NEWRIVER REIT PLC ("the Company")

selecting, appointing and settling the terms of reference for any remuneration consultants who advise the Committee and ensuring independent judgement is exercised when evaluating the advice of external third parties and when receiving views from Executive Directors and senior management

- 6.1.17 to consider such other matters as may be requested by the Board; and
- 6.1.18 to make available the Committee's terms of reference including the role and authority delegated to the Committee by the Board.
- 6.1.19 A description of the activities of the Remuneration Committee shall be included in the Annual Report in line with the UK Corporate Governance Code specifically:
 - a) an explanation of the strategic rationale for executive Directors' remuneration policies, structures and any performance metrics;
 - b) reasons why the remuneration is appropriate using internal and external measures, including pay ratios and pay gaps;
 - c) a description, with examples of how the Committee has addressed the factors of clarity, simplicity, risk, predictability, proportionality and alignment of culture when determining executive Director remuneration policies and practices;
 - d) whether the remuneration policy operated as intended in terms of Company performance and quantum, and, if not, what changes are necessary;
 - e) what engagement has taken place with shareholders and the impact this has had on remuneration policy and outcomes;
 - f) what engagement with the workforce has taken place to explain how executive remuneration aligns with wider company pay policy; and
 - g) to what extent discretion has been applied to remuneration outcomes and the reasons why.

7. OTHER MATTERS

The Committee shall:

- 7.1 have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;
- 7.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members; and
- 7.3 give due consideration to laws and regulations, and any published guidelines or recommendations regarding the remuneration of Directors of listed/non listed companies and formation and operation of share schemes including but limited to the provisions of the Code and 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.

8. Authority

- 8.1 The Committee is authorised by the Board to investigate any activity or state of affairs within its terms of reference.
- 8.2 The Committee is authorised to seek any information it requires from the Directors. In seeking any advice or assistance from any of the Directors, to ensure that such role is clearly separated from the relevant Director's role within the business. All employees are directed to co-operate with any such request made

NEWRIVER REIT PLC ("the Company")

by the Committee.

- 8.3 The Committee is authorised to obtain, at the Company's expense, expert advice from the Company's auditors, professional advisers or otherwise, and to take independent professional advice and to require the attendance of outsiders with relevant experience and expertise if it considers it necessary.
- 8.4 The Committee is authorised to select, set the terms of reference and appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary, at the Company's expense but within any budgetary constraints imposed by the Board.

9. Performance Review

The Committee shall, at least once a year, review its own performance, 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.