



ALPHA FINANCIAL MARKETS CONSULTING PLC

TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE

In this document, the "**Company**" shall mean Alpha Financial Markets Consulting plc; the "**Board**" shall mean the board of directors of the Company; the "**Board Chairman**" shall mean the chairman of the Board; the "**Committee**" shall mean the committee of the Board to be known as the Remuneration Committee; the "**Committee Chairman**" shall mean the chairman of the Committee; the "**Group**" shall mean the Company and its subsidiaries and subsidiary undertakings (in each case as defined in the Companies Act 2006); and the "**Nomination Committee**" shall mean the nomination committee of the Company. References to the "**QCA Code**" are to the Quoted Companies Alliance Corporate Governance Code.

1. CONSTITUTION

The Board has resolved to establish the Committee.

2. MEMBERSHIP

- 2.1 The Committee shall comprise a minimum of two members. All members of the Committee shall be independent non-executive directors of the Company. Members shall be appointed by the Board in consultation with the Committee Chairman. The Committee Chairman shall be appointed by the Board.
- 2.2 The Board shall appoint the Committee Chairman who shall be an independent non-executive director and may be the Chairman of the Board provided they were independent on appointment.
- 2.3 In the absence of the Committee Chairman, members attending shall elect another member (other than the Board Chairman) to chair the meeting.
- 2.4 The Committee may sub-delegate any or all of its powers and authority as it sees fit to one or more of its members, including without limitation, the establishment of sub-committees which report back to the Committee.
- 2.5 Unless determined otherwise by the Board, appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the member continues to meet the criteria for membership.

3. SECRETARY

The Company's secretary or his or her 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.

4. ATTENDANCE AT MEETINGS

- 4.1 A quorum shall be two members. No meeting may be convened unless all members have received notice of the meeting. Unless it is impractical, meetings should be arranged so that all members and the secretary can attend.
- 4.2 Only members have the right to attend meetings of the Committee. However, other

individuals such as the Board Chairman and the chief executive of the Company or external advisors of the Group may be invited to attend all or part of any meeting as and when deemed appropriate by the Committee Chairman. The Committee shall take care to recognise and manage conflicts of interest when receiving views from or consulting with any such persons about its proposals.

- 4.3 No member or attendee may participate in any discussion or decision with regards to their own remuneration.
- 4.4 A duly convened meeting 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.
- 4.5 Decisions of the Committee will be made by majority vote. In the event of an equality of votes the Committee Chairman will have a second or casting vote.

5. MEETINGS BY TELEPHONE OR OTHER ELECTRONIC MEANS

- 5.1 A meeting of the Committee may consist of a conference between members some or all of whom are in different places, provided that each member may participate in the business of the meeting whether directly, by telephone or by any other electronic means which enables him or her:
 - (a) to hear each of the other participating members addressing the meeting; and
 - (b) if he or she so wishes, to address all of the other participating members simultaneously.
- 5.2 A quorum is deemed to be present if at least the number of members required to form a quorum may participate in the manner specified in paragraph 5.1 in the business of the meeting.
- 5.3 A meeting held in the manner specified in paragraph 5.1 is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

6. FREQUENCY AND NOTICE OF MEETINGS

- 6.1 The Committee shall meet at least twice a year and at such other times as the Committee Chairman shall require.
- 6.2 Meetings shall be called by the secretary of the Committee at the request of the Committee Chairman.
- 6.3 Unless otherwise agreed by all members, 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 no later than five working days before the date of the meeting (or such shorter period of time the members may otherwise agree). Supporting papers shall be sent to members and to other attendees, as appropriate, at the same time.

7. MINUTES OF MEETINGS

- 7.1 The secretary shall minute the proceedings and decisions of all meetings, including recording the names of those present and in attendance.
- 7.2 Draft minutes of meetings shall be circulated promptly to all members.

8. ANNUAL GENERAL MEETING

The Committee Chairman shall attend the annual general meeting of the Company to answer any shareholder's questions on the Committee's activities.

9. ROLES AND RESPONSIBILITIES

9.1 The Committee shall carry out the duties detailed in this paragraph 9 for the Company and/or any member of the Group, as appropriate.

9.2 Formulate and recommend to the Board the remuneration policies for executive directors, the Board Chairman and senior management of the Group. These decisions are taken with the benefit of relevant independent professional advice. Remuneration for executive directors and senior management of the Group is deemed to include all aspects of remuneration including, without limitation, salary, annual and long term bonus, benefits from share and share option schemes, benefits in kind, pension entitlements, share ownership guidelines and any compensation payments.

(a) In setting the remuneration policies for executive directors and senior management of the Group, the Committee will:

- (i) consider all necessary relevant legal and regulatory requirements, including the provisions and recommendations of the QCA Code and associated guidance;
- (ii) have regard to the risk appetite of the Company and alignment to the Company's long term strategic goals; and
- (iii) review and have regard to pay and employment conditions across the Company, especially when determining annual salary increases.

(b) The objective of the remuneration policies shall be to:

- (i) attract, retain and motivate employees of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders;
- (ii) promote the long-term success of the Company; and
- (iii) ensure that the performance-related elements of remuneration form a significant, yet appropriate proportion of the total remuneration package and are transparent, stretching and rigorously applied.

A sub-committee of the Board comprising executive directors and senior management of the Group shall set the fees of the non-executive directors, within the limits set by the Company's articles of association.

9.3 Review the on-going appropriateness and relevance of the remuneration policies.

9.4 Within the terms of the remuneration policies and in consultation with the chief executive of the Company, determine the total individual remuneration package of each executive director and the Board Chairman. The chief executive of the Company is responsible for determining the total individual remuneration package of each member of the senior management of the Group, which shall be submitted to the Committee for agreement.

- 9.5 Consider whether executive directors should be required to hold a minimum number of shares for a further period after vesting or exercise, including a period after leaving the Company.
- 9.6 Design and invoke agreed safeguards, for example clawback, to protect against rewards for failure through appropriate risk management of incentive arrangements to ensure that any performance-related payments reflect actual achievements where possible.
- 9.7 Monitor the level and structure of remuneration for the senior management of the Group.
- 9.8 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.
- 9.9 Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference of any external consultants who advise the Committee.
- 9.10 Review the design of, and determine targets for, any performance-related pay schemes operated by the Company and approve total annual payments made under such schemes).
- 9.11 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 the senior management of the Group and, if relevant, the performance targets to be used. The committee shall review dilution limits and headroom prior to granting any awards under the Company's various share schemes.
- 9.12 Determine the policy for, and scope of, pension arrangements for each executive director and the senior management of the Group and consider the pension consequences and associated costs to the Company of basic salary increases and other changes in remuneration.
- 9.13 Ensure that contractual arrangements for termination and any payments made, are fair both to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- 9.14 Oversee any major changes in employee benefit structures throughout the Company.
- 9.15 Agree the policy for authorising claims for expenses from the executive directors and senior management of the Group and Board Chairman. The policy for authorising claims for expenses from non-executive directors shall be agreed by the Board.
- 9.16 Monitor and review periodically the terms of any proposed letter of appointment or contract or termination arrangements relating to any executive director and senior management of the Group or the Board Chairman.
- 9.17 Work and liaise as necessary with all other committees of the Board.
- 9.18 Consider any other matters related to the remuneration of the directors of the Group which the Board may ask it to consider.
- 9.19 Ensure, where relevant, that any payments made are permitted under the latest shareholder approved remuneration policies and, if not, that either a revised

remuneration policies or the proposed payment is submitted for shareholder approval.

10. REPORTING RESPONSIBILITIES

- 10.1 The Committee Chairman shall report to the Board after each meeting on all matters within its duties and responsibilities.
- 10.2 The Committee shall make recommendations to the Board where it deems appropriate on any areas within its remit.
- 10.3 If the Committee has appointed remuneration consultants, the directors' remuneration report shall identify such consultants, the fees paid for services in respect of the financial year under review and state whether they have any other connection with the Company.
- 10.4 The Committee will make available to shareholders these terms of reference by placing them on the Company's website.

11. OTHER MATTERS

The Committee shall:

- 11.1 have access to sufficient resources in order to carry out its duties and responsibilities, including access to the Company's secretariat for assistance as required;
- 11.2 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;
- 11.3 give due consideration to laws and regulations, the provisions of the QCA Code and the requirements of the AIM Rules, Disclosure Guidance and Transparency Rules applicable to AIM companies and any other applicable rules and/or regulations, as appropriate; and
- 11.4 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. The Board shall also review the Committee's effectiveness on a two-year cycle.

12. AUTHORITY

The Committee is authorised by the Board to obtain, at the Company's expense but within any budgetary restraints imposed by the Board, outside legal or other professional advice reasonably required on any matters within its terms of reference. The Committee shall be responsible for appointing any consultants in respect of the Group's executive directors' and senior management's remuneration.

Reviewed and approved by the Board on 3 February 2022.