



YEW GROVE

REIT PLC

Terms of reference for the Remuneration Committee of the Board of Directors of Yew Grove REIT plc (the “Company”)

Board Approval: 30th April 2018

Effective Date: 21st May 2018

There shall be established a committee of the board, duly constituted in accordance with the UK Corporate Governance Code and the Irish Corporate Governance Annex thereto (the “UK Code”) and the Company’s constitution, to be known as the Remuneration Committee.

References to ‘the Committee’ are to ‘the Remuneration Committee’. References to ‘the board’ are to ‘the board of directors’.

1. Membership

- 1.1 Appointments to the committee are made by the board and shall be for a period of up to three years, which may be extended for two additional periods of up to three years, provided the relevant member still meets the criteria for membership of the committee.
- 1.2 The board shall appoint the committee chairman who shall be an independent non-executive director. In the absence of the committee chairman 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. The chairman of the board shall not be committee chairman.
- 1.3 Only members of the committee have the right to attend committee meetings. However, other individuals such as officers and staff of the Company and other directors and representatives from service providers to the Company may be invited to attend all or part of any meeting as and when appropriate and necessary.

2. Secretary

The Company 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 issues.

3. Quorum

- 3.1 The quorum necessary for the transaction of business shall be two, at least one of whom should be an independent non-executive director. 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.

- 3.2 The members of the committee may meet for the despatch of business, adjourn and otherwise regulate meetings as they think fit. Without prejudice to the foregoing, all or any of the members of the committee may participate in a meeting of the committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other. A member of the committee so participating shall be deemed to be present in person at the meeting and shall be entitled to fully participate and be counted in the quorum accordingly.
- 3.3 Without prejudice to the provisions of paragraphs 3.1 and 3.2 above, the members of the committee may make decisions without a meeting, by unanimous written consent, but only when deemed appropriate and necessary by the committee chairman.

4. Frequency of Meetings

- 4.1 The committee shall meet at least once a year and otherwise as required.
- 4.2 Outside of the formal meeting programme, the committee chairman will maintain a dialogue with key individuals involved in the Company's governance, including the chairman of the board.

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 chairman.
- 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 to all other non-executive directors, if any, 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.
- 5.3 The notice period set out in paragraph 5.2 may be reduced at the sole discretion of the committee chairman to whatever they consider appropriate.
- 5.4 The committee may send notices, agendas and supporting papers in electronic form where the recipient has agreed to receive the documents in such a way.

6. Voting arrangements

- 6.1 Each member of the committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the committee.
- 6.2 If a matters that is considered by the committee is one where a member of the committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.
- 6.3 Except where he has a personal interest, the committee chairman shall have a casting vote.
- 6.4 The committee chairman may ask any attendees of a committee meeting to leave the meeting to allow discussion of matters relating to them.

7. Minutes of meetings

- 7.1 The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.
- 7.2 The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 7.3 Draft minutes of committee meetings shall be circulated promptly to all members of the committee and, once agreed, to all other members of the board unless it would be inappropriate to do so in the opinion of the committee chairman.

8. Annual general meeting (“AGM”)

The Committee chairman should attend the annual general meeting to answer any shareholder questions on the Committee's activities.

9. Duties

The Committee should carry out the duties below for the Company and the group as a whole, as appropriate. The committee should:

- i. determine and agree with the board the framework or broad policy for the remuneration of the company's chairman, chief executive, the executive directors, the company secretary and such other members of the executive management as it is designated to consider. The remuneration of non-executive directors shall be a matter for the chairman, in consultation with the executive members of the board and other appropriate persons. No director or manager shall be involved in any decisions as to their own remuneration.
- ii. 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 Code and associated guidance. The objective of such policy shall be to ensure that members of the executive management of the Company 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.
- iii. when setting remuneration policy for directors, review and have regard to the remuneration trends across the Company or group.
- iv. review the ongoing appropriateness and relevance of the remuneration policy and the terms of reference and make recommendations to the board as regards changes or otherwise.
- v. within the terms of the agreed policy and in consultation with the chairman and/or chief executive, as appropriate, determine the total individual remuneration package of the chairman, each executive director, company secretary and other designated senior executives including bonuses, incentive payments, share options or other share awards and pension benefits.
- vi. obtain reliable, up-to-date information about remuneration in other companies. 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, within any budgetary restraints imposed by the board.



- vii. be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- viii. 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.
- ix. 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, company secretary and other designated senior executives and the performance targets to be used.
- x. determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives.
- xi. ensure that contractual terms on termination, and any payments made, are fair and appropriate to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- xii. be available to meet with the Company's key institutional investors to discuss matters of remuneration, as appropriate.
- xiii. oversee any major changes in employee benefits structures throughout the company or group.
- xiv. agree the policy for authorising claims for expenses from the directors.

10. Reporting responsibilities

- 10.1 The committee chairman shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities, and shall also formally report on how it has discharged its responsibilities.
- 10.2 The Committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3 The Committee shall 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.

11. Other matters

The Committee shall:-

- i. have access to sufficient resources in order to carry out its duties, including access to the company secretarial function for assistance as required;
- ii. 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;



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- iii. give due consideration to laws and regulations, the provisions of the UK Code, the Irish and London Stock Exchange's Listing Rules, the Central Bank's and Financial Conduct Authority's Listing, Prospectus and Disclosure and Transparency Rules (as applicable) and any other applicable rules and regulations, as appropriate;;
- iv. 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;
- v. oversee any investigation of activities which are within its terms of reference;
- vi. work and liaise as necessary with all other board committees; and

make available its terms of reference, explaining its role and the authority delegated to it by the board.

12. Authority

The committee is authorised to:-

- i. seek any information it requires from the management, staff and/or any of the service providers of the Company in order to perform its duties;
- ii. obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference;
- iii. call any service provider of the Company to be questioned at a meeting of the committee as and when required;
- iv. publish in the Company's annual report details of any issues that cannot be resolved between the committee and the board;
- v. do all other matters as it believes appropriate in respect of the conduct of its duties, including, without limitation, the matters referred to herein; and
- vi. delegate any of its powers to one or more of its members or the secretary.