

TERMS OF REFERENCE

Name of Committee	For Company
Remuneration Committee	Walker Crips Group plc ("the Company")
Constitution	
<ol style="list-style-type: none"> 1. The Board has established a Committee of the Board known as the Remuneration Committee (the "Committee"). 2. The Committee shall comprise of at least two members, all of whom shall be non-executive directors of the Company considered by the Board to be able to deliver value and objectivity to the Committee's proceedings and decision-making, 3. The Chair of the Board may also serve on the Committee as an additional member, subject to the considerations applicable to the Committee members generally set out above. 4. The Board is responsible for appointing the members of the Committee, determining which of the members is to act as Chair of the Committee and ensuring that the Committee, as a whole, has competence relevant to the sector in which the Company operates. 5. The Committee Chair appointed by the Board shall be an independent non-executive Director who should have served on a remuneration committee for at least 12 months. In the absence of the Committee Chair or an appointed deputy, the remaining members present shall elect one of the members to chair the meeting. The Chair of the Board shall not be chair of the Committee. 6. Only the members of the Committee have the right to attend committee meetings. Other individuals, such as the CEO, the Head of HR and external advisors may attend from time to time at the invitation of the Committee but will not have the authority to vote. 	
Authorisation	
<p>The Committee is authorised by the Board to:</p> <ul style="list-style-type: none"> • undertake any activity within its Terms of Reference; and • seek any information it requires from within the Company or Group (defined as the Company and its subsidiaries) and any independent professional, technical and/or legal advice or other resources from outside the Company, at the Company's expense, as and when it considers this necessary. 	
Quorum	
<p>The quorum for meetings of the Committee shall be two members. The Committee Chair may co-opt a member of the Board to the Committee in order to be quorate should the need arise.</p>	

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Committee Secretary
The Company Secretary 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.
Notice of Meetings
<ol style="list-style-type: none"> 1. Meetings of the Committee shall be called by the Company Secretary at the request of the Committee Chair or any of its members. 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 and 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.
Minutes of Meeting
<ol style="list-style-type: none"> 1. The Company Secretary, or in his/her absence a member of the Committee nominated by the Committee Chairman shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. 2. Draft minutes of Committee meetings shall be circulated to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board and the Company Secretary unless, exceptionally, it would be inappropriate to do so.
Duties
<ol style="list-style-type: none"> 1. To determine the Company's policy on directors' remuneration and setting remuneration for the Company's Chair, executive directors, the Company Secretary and senior management, namely the Group-wide functional heads and the heads of operating divisions constituting the Group's Executive Committee. The Committee's remit also extends to the overall Group's Remuneration Policy. 2. When setting and reviewing remuneration policy and levels for executive directors, senior management and the Company Secretary, to: <ol style="list-style-type: none"> a. have regard for remuneration policy and levels for employees across the Group; b. have regard for the Group's short and long term strategic objectives and overall performance and alignment to the Company's and Group's purpose, values and successful delivery of the Company's and Group's long-term strategy; c. have regard for the views of shareholders and other stakeholders; d. determine an appropriate balance between fixed and performance-related remuneration; e. receive annual reports from the Risk Management Committee on the alignment of remuneration to risk performance and conduct; f. consider the requirements in the applicable UK Corporate Governance Code addressing a number of factors, including clarity, simplicity, risk, predictability, proportionality and alignment to Company culture.

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3. To agree the framework and remuneration policy for individuals considered to have a material impact on the risk profile of the Group (Code Staff) to ensure they are suitably rewarded and motivated.
4. To approve the population of Code Staff and review this population at least annually to ensure ongoing appropriateness.
5. To approve the framework and policy for remuneration of self-employed Associates of the Group, including incentives on targets assigned to new business and assets under management.
6. To review the design of all share incentive plans within the Group for approval by the Board and, where required, shareholders. For any such plans, to determine each year whether awards will be made, and if so, the overall amount of such awards, and the individual awards for executive directors and senior management, including the Company Secretary.
7. To approve the design of, and determine targets for, any performance-related awards to executive directors and senior management, including the Company Secretary, and their individual incentives including, without limitation: (i) setting and monitoring any performance conditions subject to which any share based awards may be granted; and (ii) setting and monitoring any bonus scheme performance conditions.
8. To review the remuneration policies annually to ensure their ongoing appropriateness and relevance.
9. To determine the total individual remuneration packages of the executive directors, senior management and Company Secretary, including: bonuses, incentive payments and share based awards, exercising independent judgement and discretion, if and as appropriate, taking into account the Company's/Group's performance, individual performance and wider circumstances.
10. To review and assess the achievement against targets for any performance-related awards to executive directors and senior management, including the Company Secretary, and their individual incentives including, without limitation: (i) reviewing and assessing the achievement of performance conditions subject to which any share based awards may vest; and (ii) reviewing and assessing achievement against any bonus scheme performance conditions
11. To review total proposed bonus levels against risks facing the Company and Group and satisfy itself that the pools are appropriate.
12. The Committee shall not approve payments to executive directors that fall outside the approved remuneration policy, unless amendments to the remuneration policy are approved by shareholders.
13. To recommend for approval by the Board the terms of severance, including with respect to executive directors, loss of office payments together with any settlement of claims in connection with severance, ensuring that any payments made are fair to the individual and the Company/Group but not excessive and that failure is not rewarded.
14. The CEO (or Chair of the Board) may be consulted on proposals relating to remuneration of the other executive directors. However, no director or senior manager shall be involved in any decisions as to their own remuneration outcome.
15. The Board is responsible for determining remuneration for the non-executive directors within the terms of the approved policy based upon appropriate evaluation and advice.



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16. To review Group-wide workforce remuneration and related policies and take these into account when setting the policy for executive remuneration. The Committee shall feedback to the Board on workforce remuneration policies, conditions and incentives and how the Group's policies and practices are aligned with its culture and strategy.
17. When reviewing the workforce remuneration and related policies, also to review the performance management processes of the workforce to ensure that:
 - a. all individuals in risk and compliance functions are appropriately remunerated in line with functional objectives;
 - b. all individuals, employed and self-employed, working within the Group, are assessed against financial and non-financial metrics, to include consideration of behaviour, conduct and promotion of the Company's culture and values
18. To work and liaise as necessary with other Board committees, ensuring the interaction between committees and with the Board is reviewed regularly.
19. The Committee Chair (or other members of the Committee) shall attend the Company's Annual General Meeting to answer shareholders' questions about executive directors' remuneration.
20. 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.

Reporting responsibilities

1. The Committee Chair shall report to the Board after each meeting on the nature and content of its discussion, recommendations and actions to be taken.
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, and adequate time should be available for Board discussion when necessary.
3. The Committee shall provide a description of its work in the annual report in line with the requirements of the UK Corporate Governance Code.
4. The Committee shall ensure that provisions regarding disclosure of information as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) and the UK Corporate Governance Code, are met. In particular, the Committee shall approve and recommend to the Board for approval a two-part report to be included in the Company's annual report. The first part will detail the Company's remuneration policy and be subject to a binding shareholder vote at the AGM at least every three years (or sooner if changes are proposed to the stated policy). The second part will detail remuneration arrangements in respect of the year under review and will be put to shareholders annually for an advisory vote at the AGM.
5. Through the Committee Chair, Chairman of the Board and/or the Company Secretary, the Committee shall ensure that the Company maintains contact as necessary with its principal shareholders over remuneration matters.
6. The Committee shall explain to the workforce how executive remuneration aligns with wider Group pay policy.

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Frequency of Meetings	
Half-yearly, or more often as required	
Other Matters	
<ol style="list-style-type: none"> 1. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required. 2. The Committee shall 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. 3. The Committee shall monitor the progress of any relevant corporate governance or regulatory developments that may impact the Committee and recommend any action or changes it considers necessary to the Board for approval. 4. The Committee shall review at least annually 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. 	
Board Sign-off	
 Martin Wright (Board Chairman)	 Clive Bouch (Remuneration Committee Chairman)
20 July 2021	20 July 2021