

Countryside Properties PLC

(the “Company”)

Terms of Reference: Remuneration Committee

As approved by the Board of Directors of the Company on 25 October 2016

References to the “**Committee**” shall mean the Remuneration Committee.

References to the “**Board**” shall mean the board of directors of the Company.

References to the “**Committee Chairman**” shall mean the chairman of the Committee.

References to the “**Committee Secretary**” shall mean the secretary of the Committee.

References to the “**Code**” shall mean the UK Corporate Governance Code, as amended.

1 Membership

- 1.1** The Committee shall comprise at least three members, all of whom shall be independent non-executive directors. The chairman of the Board may also serve on the Committee as an additional member if he or she was considered independent on appointment as chairman.
- 1.2** Members of the Committee shall be appointed by the Board, on the recommendation of the nomination committee in consultation with the chairman of the Committee.
- 1.3** Only members of the Committee have the right to attend Committee meetings. However, other individuals such as directors of the Board, executives of the Company (including the chief executive), and other external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary. An executive may not attend when their own remuneration is under discussion.
- 1.4** Appointments to the Committee are made by the Board and shall be for a period of up to three years extendable by no more than two additional three-year periods, subject to the annual re-election of directors and provided that members (other than the chairman of the Board, if he or she is a member of the Committee) continue to be independent.
- 1.5** The Board shall appoint the Committee Chairman who shall be an independent non-executive director and determine the period for which they shall hold office. 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 the Committee Chairman.

2 Secretary

- 2.1** The company secretary or his or her nominee shall act as the Committee Secretary 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.

3 Quorum

- 3.1** The quorum necessary for the transaction of business shall be two members of the Committee.
- 3.2** A duly convened meeting of the Remuneration Committee at which a quorum is present shall be competent to exercise any or all of the authorities, powers and discretions vested in or exercisable by the Remuneration Committee.

4 Frequency of Meetings

- 4.1** The Committee shall meet at least three times a year and otherwise as required.

5 Notice of Meetings

- 5.1** Meetings of the Committee shall be called by the Committee Secretary 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 all other non-executive directors, no later than four 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.

6 Minutes of Meetings

- 6.1** The Committee Secretary shall minute the proceedings and decisions of all Committee meetings, including the names of those present and in attendance.
- 6.2** The members of the Remuneration Committee shall, at the beginning of each meeting, declare the existence of any conflicts of interest arising and the Secretary shall minute them accordingly.
- 6.3** Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless it would be inappropriate to do so.

7 Annual General Meeting

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

8 Responsibilities

The Committee should have the responsibilities detailed below for the Company, major subsidiary undertakings and the group as a whole, as appropriate.

The Committee shall:

- 8.1** have responsibility for setting the remuneration policy for all executive directors and the chairman of the Company, including pension rights and any compensation payments. The Board itself or, where required by the Articles of Association, the shareholders should determine the remuneration of the non-executive directors within the limits set in the Articles of Association. No director or senior manager shall be involved in any decisions as to their own remuneration;
- 8.2** recommend and monitor the level and structure of remuneration for senior management;
- 8.3** 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 Code and associated guidance. The remuneration policy should be designed to promote the long-term success of the Company, without paying more than is necessary. Performance-related elements should be transparent, stretching and rigorously applied.
- 8.4** when setting remuneration policy for directors, review and have regard to the position of the Company relative to other companies, whilst using such comparisons with caution to avoid an upward ratchet of remuneration levels with no corresponding improvement in performance. The Committee should also have regard to pay and employment conditions elsewhere in the Company or group, especially when determining annual salary increases;
- 8.5** review the ongoing appropriateness and relevance of the remuneration policy;
- 8.6** 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 each executive director, the chairman of the Board, the Company Secretary and other designated

senior executives including bonuses, incentive payments and share options or other share awards;

- 8.7** to help it fulfil its obligations, 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;
- 8.8** be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- 8.9** approve the design of, and determine targets for, any performance related pay schemes operated by the Company for senior management and approve the total annual payments made under such schemes (in accordance with the provisions in Schedule A of the Code). Such schemes should include provisions that would enable the Company to recover sums paid or withhold the payment of any sum, and specify the circumstances in which it would be appropriate to do so;
- 8.10** 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;
- 8.11** determine the policy for, and scope of, pension arrangements, or payments in lieu of pension, for each executive director and other designated senior executives;
- 8.12** ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 8.13** oversee any major changes in employee benefits structures throughout the Company or group;
- 8.14** agree the policy for authorising claims for expenses from the directors; and
- 8.15** work and liaise as necessary with other Board committees.

9 Reporting Responsibilities

- 9.1** The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2** The Committee shall produce an annual report describing, amongst other things, Company remuneration policy and practices and details of the attendance at and frequency of meetings of the Committee (such report to be included in the Company's annual report and accounts) and ensure each year that it is put to shareholders for approval at the annual general meeting.
- 9.3** The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.4** 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 and Reports) Regulations 2008 and the Code, are fulfilled and 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. If the Committee has appointed remuneration consultants, the annual report of the Company's remuneration policy should identify such consultants and state whether they have any other connection with the Company.
- 9.5** The Committee Chairman, in liaison with the chairman of the Board, shall ensure that the Company maintains contact as required with its principal shareholders about remuneration.

10 Other matters

The Committee shall:

- 10.1** have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- 10.2** 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;
- 10.3** give due consideration to laws, regulations, including the general duties of directors set out in the Companies Act 2006, 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 not limited to the provisions of the Code, 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 National Association of Pension Funds and any other applicable rules, as appropriate;
- 10.4** 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; and
- 10.5** make publicly available its terms of reference explaining clearly the role of the Committee and the authority delegated to it by the Board.

11 Authority

The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice, including consultancy, on any matters within its terms of reference.