



The MISSION Group plc
Remuneration Committee Terms of Reference

1. Membership

- 1.1. Members of the Remuneration Committee ("Committee") shall be appointed by the Board of Directors, on the recommendation of the Nomination Committee in consultation with the Chairman of the Committee. The Committee shall comprise of at least 2 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. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chairman of the Board, CEO, Finance Director, the Head of MISSION People and external advisers may be invited to attend for all or part of a meeting as and when appropriate.
- 1.3. 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 director still meets the criteria for membership of the Committee.
- 1.4. The Chairman of 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. The Chairman of the Board shall not be the Chairman of the Committee.

2. Secretary

- 2.1. The Company Secretary or their nominee shall act as the Secretary of the Committee.

3. Quorum

- 3.1. The quorum necessary for the transaction of business shall be 2 members. 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.

4. Frequency of Meetings

- 4.1. The Committee shall meet not less than once a year and at such other times as the Chairman of the Committee shall require.

5. Notice of Meetings

- 5.1. The Chairman of the Committee shall summon meetings of the Committee at the request of any member thereof.
- 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

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attend and all other non-executive directors, no fewer than 3 working days prior to the date of the meeting.

- 5.3. The Chairman of the Board and other Executive Directors shall have the right to address any meeting of the Committee; others may be called upon or shall be able to speak by prior arrangement with the Chairman of the Committee.
- 5.4. Supporting papers shall be sent to the Committee members and to other attendees as appropriate at the same time.

6. Minutes of Meetings

- 6.1. The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including the names of those present and in attendance.
- 6.2. Minutes of Committee meetings shall be circulated to all members of the Committee and, once agreed, to all members of the Board unless a conflict of interest exists.

7. Annual General Meeting

- 7.1. The Chairman of the Committee or (if unavailable) another member shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

8. Duties

The Committee shall:

- 8.1. determine and agree with the Board the framework or broad policy for the remuneration of the Group's 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 and the Executive members of the Board. No director or manager shall be involved in any decisions as to their own remuneration.
- 8.2. in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Group 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 Group.
- 8.3. review the ongoing appropriateness and relevance of the remuneration policy.
- 8.4. approve the design of, and determine targets for, any performance related pay schemes operated by the Group and approve the total annual payments made under such schemes.
- 8.5. 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 and other senior executives and the performance targets to be used.

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- 8.6. determine the policy of, and scope of, pension arrangements for the Executive Director and other Senior Executives.
- 8.7. ensure that contractual terms on termination, and any payments made, are fair to the individual and the Group; and that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- 8.8. within the terms of the agreed policy and in consultation with the Chairman of the Board and/or Group CEO as appropriate, determine the total individual remuneration package of each executive director and other senior executives including bonuses, incentive payments and share options or other share-based awards.
- 8.9. in determining such packages and arrangements, give due regard to any relevant legal requirements, the provisions and recommendations in the Combined Code and the UK Listing Authority's Listing Rules and associated guidance.
- 8.10. agree the policy for authorising claims for expenses from the Chairman of the Board.
- 8.11. ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled.
- 8.12. be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- 8.13. obtain reliable, up-to-date information about remuneration in other companies. the Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

9. Reporting Responsibilities

- 9.1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is required.
- 9.3. The Committee shall compile a report to shareholders on its activities to be included in TMG's annual report.

10. Other Matters

- 10.1 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating in the most effective manner. Where improvements can be identified, the Committee should make recommendations for approval by the Board.

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11. Authority

- 11.1. The Committee is authorised by The Board to seek any information it requires from any employee of the Group in order to perform its duties.
- 11.2. In connection with its duties the Committee is authorised by the Board, at the Group's expense:
 - to obtain any outside legal or other professional advice
 - within any budgetary restraints imposed by the Board, to appoint remuneration consultants, and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.