

Adopted at the meeting of the Board of Directors of the Company on 24 November 2022

ACG Acquisition Company Ltd (the “Company”)

(CRN: 2067083)

Terms of Reference – Remuneration and Nomination Committee

Definitions

For purposes of these Terms of Reference, the following definitions shall apply:

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

“**Committee**” shall mean the Remuneration and Nomination Committee.

“**Group**” shall mean the Company and all of its subsidiaries.

1 Membership

- 1.1** The Committee shall comprise at least three directors. The members of the Committee should be either the Chairman of the Board or independent non-executive directors.
- 1.2** Only members of the Committee and the Secretary of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer, Chief Financial Officer and external advisers may be invited to attend for all or part of any Committee meeting, as and when appropriate and necessary.
- 1.3** Appointments to the Committee are made by the Board and shall be for a period of three years, which may be extended for further periods of another three years, provided the director still meets the criteria for membership of the Committee.
- 1.4** The Board shall appoint the Committee Chairman. The Chairman of the Committee must be the chairman of the Board or an independent non-executive director. The Chairman of the Board or an independent non-executive director serving as the Committee Chairman shall not chair the Committee meeting when it is dealing with the matter of succession to their respective chairmanships. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board.

2 Secretary

The Company Secretary of the Company or his or her nominee shall act as the Secretary of the Committee.

3 Quorum

- 3.1** The quorum necessary for the transaction of business shall be two. 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** Each member shall have one vote. The Committee Chairman shall not have a second or casting vote.

4 Frequency and Proceedings of Meetings

- 4.1** The Committee shall meet not less than once a year and otherwise as required.
- 4.2** Proceedings and meetings of the Committee will be governed by the provisions of the Articles for regulating meetings and proceedings of the Board, in so far as they are applicable and not inconsistent with these terms of reference.

5 Notice of Meetings

- 5.1** Meetings of the Committee shall be called by the Secretary of the Committee at the request of any of its members
- 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 three working days before the date of the meeting. Supporting papers shall be sent to Committee members, and to other attendees as appropriate, reasonably in advance.

6 Minutes of Meetings

- 6.1** The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2** The Secretary of the Committee should ascertain the existence of any conflicts of interest and minute them accordingly. If any conflicts of interest exist with a particular member of the Committee on any particular issue then such member of the Committee shall not participate or vote on the issue that gave rise to such conflict of interest.
- 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, for example, due to the existence of a conflict of interests.

7 Duties

- 7.1** The Committee should carry out the duties below for the parent Company, major subsidiary undertakings and the group as a whole, as appropriate.

7.2 The Committee shall with regard to Remuneration issues:

- 7.2.1 have responsibility for setting the remuneration policy for the Chairman of the Board, the Company's Chief Executive Officer, the Company Secretary and Key Senior Executive¹s. The remuneration policy for non-executive directors shall be a matter for the whole Board
- 7.2.2 in determining such and implementing the remuneration policy, take into account all factors which it deems necessary including in relation to all relevant legal and regulatory requirements, the provisions and recommendations of the UK Corporate Governance Code (the "Code"), Companies Act 2006, Large and medium-sized Companies and Groups (Accounts and Reports) Regulations Schedule 8 (as amended) 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 and for promoting the long term success of the Company
- 7.2.3 when setting and implementing the remuneration policy for those people who fall within 7.2.1 above, review and have regard to pay policies, principles and levels and employment conditions across the group and the alignment of incentives and rewards with culture;
- 7.2.4 regularly review the ongoing appropriateness and relevance of the remuneration policy;
- 7.2.5 within the terms of the agreed remuneration policy and in consultation with the Chairman and/or Chief Executive Officer, as appropriate, determine how the remuneration policy will be implemented and review the resulting total individual remuneration package of those people who fall within 7.2.1 above, including salary, pension rights, bonuses, benefits in kind, incentive payments and share options or other share awards;
- 7.2.6 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, within any budgetary restraints imposed by the Board;
- 7.2.7 be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- 7.2.8 approve the design of, and determine targets for, any performance-related pay schemes operated by the company for those people who fall within 7.2.1 above and approve the total annual payments made under such schemes, taking into account any jurisdictional factors.
- 7.2.9 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 those people who fall within 7.2.1 above and the performance targets to be used.

¹ These will be determined from time to time by the Committee, but are expected to include executives reporting to the CEO.

- 7.2.10 ensure that contractual terms and remuneration policy on dismissal, loss of office or termination (whether for misconduct or otherwise), and any payments made, are fair and not excessive to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 7.2.11 review and approve any compensation payable to those people that fall within 7.2.1 above in connection with any dismissal, loss of office or termination (whether for misconduct or otherwise) to ensure that such compensation is determined in accordance with the relevant contractual terms and remuneration policy and that such compensation is otherwise fair and not excessive for the Company;
- 7.2.12 review and approve any contractual terms and determine the total individual remuneration package for any new appointee to the role of Chairman of the Board, Chief Executive Officer, Executive Director or Company Secretary and ensure it is fair and in line with the agreed remuneration policy;
- 7.2.13 review and approve a standard form of contractual terms for all Key Senior Executives that determines the total individual remuneration package for any new person and ensure it is fair and in line with the agreed remuneration policy, and on an individual basis review and approve any remuneration packages for these individuals that is not in accordance with the standard form;
- 7.2.14 oversee any major changes in employee benefits structures throughout the group; and
- 7.2.15 oversee the engagement with the workforce on pay policy.

7.3 The Committee shall with regard to Nomination issues:

- 7.3.1. regularly review the structure, size and composition (including the skills, knowledge, experience, independence and diversity) of the Board and make recommendations to the Board with regard to any changes that are deemed necessary
- 7.3.2. give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- 7.3.3. keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- 7.3.4. be responsible for identifying and nominating, for the approval of the Board, candidates from a wide range of backgrounds to fill Board vacancies as and when they arise;
- 7.3.5. before any appointment is made by the Board evaluate the balance of skills, knowledge, experience and diversity on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall:

- (i) use open advertising or the services of external advisers to facilitate the search;
 - (ii) consider candidates from a wide range of backgrounds; and
 - (iii) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender and nationality, taking care that appointees have enough time available to devote to the position;
- 7.3.6. for the appointment of a Chairman of the Board, the Committee should prepare a job specification, including the time commitment expected. A proposed Chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the Chairman's commitments should be reported to the Board as they arise;
- 7.3.7. ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings and the induction process;
- 7.3.8. ensure that on appointment to the Board, that each new appointee receives an induction programme, relevant to their appointment. The induction programme should ensure that the directors are fully informed about strategic and commercial issues affecting the Company and the markets in which it operates as well as their duties and responsibilities as a director;
- 7.3.9. keep under review the number of external directorships held by each director;
- 7.3.10. keep under review the independence of the Company's independent non-executive directors;
- 7.3.11. consider the implementation of an annual evaluation process to assess the overall and individual performance and effectiveness of the Board and its Committees;
- 7.3.12. review the results of any resultant board performance evaluation process that relate to the composition of the Board;
- 7.3.13. review the results of the performance evaluation of the Committee;
- 7.3.14. review annually the time required to be committed by non-executive directors.

- 7.4.** The Committee shall also make recommendations to the Board concerning:
- 7.4.1. formulating and making plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman of the Board and Chief Executive Officer;
 - 7.4.2. suitable candidates for the role of senior independent director should the Board decide that it is appropriate for the Company to appoint one;
 - 7.4.3. membership of the Audit and Sustainability & Technical Committees and any other Board Committees as appropriate, in consultation with the chairmen of those committees;
 - 7.4.4. the appointment of, or reappointment at the conclusion of their specified term of office of, directors having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
 - 7.4.5. any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract; and
 - 7.4.6. the appointment of any director to executive or other office.

8 Reporting Responsibilities

- 8.1** The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 8.2** The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 8.3** The Committee shall produce a report to be included in the Company's Annual Report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used.
- 8.4** 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 Code, are fulfilled. In particular, the Committee shall prepare a report incorporating a "Directors' Remuneration Policy" and an "Annual Report on Remuneration" to be included in the Company's Annual Report. The Directors' Remuneration Policy will detail the Company's remuneration policy for Directors and the Chief Executive Officer.

9 Other Matters

- 9.1** The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required.
- 9.2** 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.
- 9.3** The Committee shall, before the appointment of a director, require the proposed appointee to disclose any other business interests that may result in a conflict of interest and to report any future business interests that could result in a conflict of interest.
- 9.4** The Committee should consider such other matters as the Board may from time to time refer to it and give due considerations to laws and regulations, including the provisions of the UK Corporate Governance Code, the requirement of Listing Rules, the Prospectus Rules and the Disclosure Guidance and Transparency Rules (all of which are made by the Financial Services Authority under Part VI of the Financial Services and Markets Act 2000) and any other applicable rules, as appropriate.
- 9.5** The Committee shall at least once a year review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

10 Authority

- 10.1** The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties and to call any employee to be questioned at a meeting of the Committee as and when required, and all employees are directed to co-operate with any such request made by the Committee.
- 10.2** The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference. Such advisers will be advisers solely to the Committee.