



CELTIC PLC

TERMS OF REFERENCE

of the

REMUNERATION COMMITTEE

1 ADOPTION

On 16 September 2022, the Board of Directors (the “**Board**”) of Celtic plc (the “**Company**”) resolved to adopt these Terms of Reference (replacing the previous terms of reference adopted by the Company on 9 May 2005) to regulate the function and define the responsibilities of the Remuneration Committee of the Board (the “**Committee**”).

2 MEMBERSHIP AND DURATION

- 2.1 The members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Committee’s Chair.
- 2.2 Appointments to the Committee shall be solely from the independent non-executive Directors of the Company. Independence will be determined by reference to the requirements of the Quoted Companies Alliance Corporate Governance Code (the “**QCA Code**”) in force from time to time.
- 2.3 There shall be a minimum of three members of the Committee. Two members must be present to form a quorum.
- 2.4 If any member of the Committee is unable to attend a meeting of the Committee for any reason, the remaining members of the Committee shall have the power to co-opt any other non-executive Director of the Company on to the Committee for the purposes of that meeting.
- 2.5 If any member of the Committee ceases for any reason to be a non-executive Director of the Company he or she shall at the same time automatically cease to be a member of the Committee.
- 2.6 None of the members of the Committee shall have any personal financial interest in the matters considered by the Committee other than in their capacity as shareholders of the Company.
- 2.7 The Committee shall be evaluated by the Board on an annual basis.
- 2.8 Appointments to the Committee shall normally be made for an initial period of up to three years, but may be extended, provided that any such extension is in the best interests of the Company and the member remains an independent non-executive Director.

3 INDUCTION AND TRAINING

The Company shall provide any relevant induction or training to members of the Committee.

4 CHAIR

The Chair of the Committee shall be appointed or removed by the Board and must have served for at least 12 months on a remuneration committee prior to appointment. If the Chair of the Committee is unable to attend a meeting for any reason, the remaining members of the Committee may nominate one of their number to chair the Meeting.

5 SECRETARY

The Company Secretary shall be the secretary of the Committee. The Company Secretary shall maintain minutes of meetings of the Committee. Following approval from the Chair of the Committee, the minutes of each meeting will be circulated to the other Committee members in a timely manner and will be made available to other Directors on request.

6 MEETINGS

- 6.1 Meetings of the Committee shall be held as often as is considered necessary but in any event not less than two occasions during each financial year of the Company.
- 6.2 Meetings shall be convened by the Chair of the Committee or by the Company Secretary at the request of any member of the Committee or pursuant to a resolution of the Board.
- 6.3 Notices of all meetings of the Committee together with an agenda of the matters to be discussed and any relevant papers shall be served on all Committee members in accordance with the Articles of Association of the Company.
- 6.4 A notice confirming the venue, time and date, together with an agenda of the items to be discussed, shall be forwarded to each member of the Committee (and any other person required to attend) where possible no later than five working days before the date of the meeting or such other reasonable time considered adequate for the appropriate preparation for the business of the meeting.
- 6.5 Meetings shall be held at such time and in such place as may be specified in the notice convening the meeting. A member may participate in a meeting of the Committee by way of telephone or video conference.
- 6.6 Only members of the Committee are entitled to be present or vote at a meeting of the Committee. Executive Directors of the Company and the Company Secretary shall attend meetings if invited to do so by the Committee and shall supply timeously such information to the Committee as the Committee considers necessary to enable it to carry out its functions.
- 6.7 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. If a matter 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.

7 FUNCTION

- 7.1 The Committee has delegated to it by the Board the responsibility for determining the remuneration policy for and the specific remuneration of executive Directors, Company Secretary and senior executives of the Company.
- 7.2 In determining the remuneration policy, taking into account all factors which it deems necessary, including remuneration trends across the Company as a whole. The objective of such policy shall be to attract, retain and motivate senior executives of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long-term strategic goals. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the long-term success of the Company.
- 7.3 When setting remuneration policy for directors, the Committee shall review and have regard to the pay and employment conditions across the Company's group, especially when determining salary increases.
- 7.4 In particular, the Committee is responsible for: -
 - 7.4.1 reviewing the on-going appropriateness and relevance of the remuneration policy;
 - 7.4.2 determining, on behalf of the Board, the terms and conditions of appointment of any prospective executive Director or Company Secretary including, but not limited to, base salary, share option schemes, bonuses or other incentive scheme, pension arrangements and all other elements of their remuneration packages;
 - 7.4.3 reviewing the terms and conditions of employment of the executive Directors and the Company Secretary annually, including their participation in any share option schemes, bonus or other incentive scheme, pension arrangements and all other elements of their remuneration packages and considering any proposed changes;
 - 7.4.4 in determining such remuneration packages, giving due regard to any relevant legal requirements, to the provisions and recommendations in the QCA Code and the AIM Rules for Companies (the "**AIM Rules**") and to any other relevant rules, as appropriate;
 - 7.4.5 reviewing the performance of executive Directors, the Company Secretary and senior executives in the context of any bonus scheme and approving any proposed award of bonus to them;
 - 7.4.6 consulting with the executive Directors on changes to the remuneration of senior executives;
 - 7.4.7 ensuring that contractual terms on termination and any payments made are fair to the individual and the Company; that failure is not rewarded and the duty to mitigate loss is fully recognised;

- 7.4.8 determining, on behalf of the Board, the extent of the participation of senior executives (including the football manager and backroom staff where participating) and any other employees in any share option schemes operated from time to time;
 - 7.4.9 reviewing the recommendations of the executive Directors in relation to any proposed amendments to any share option scheme or the introduction or amendment of any profit related pay, incentive plan or similar scheme and to make such recommendations to the Board as it considers appropriate; and
 - 7.4.10 reporting to the shareholders of the Company and other parties and taking such steps as may be required by law or under the AIM Rules and rules of the London Stock Exchange or other competent regulatory authority.
- 7.5 In implementing the functions referred to in paragraph 7.4, the Committee shall:
- 7.5.1 consult with the Chair of the Company concerning the proposals relating to the remuneration of the executive Directors of the Company;
 - 7.5.2 seek any information it requires from any employee of the Company in order to perform its duties;
 - 7.5.3 be entitled at the expense of the Company to have access to professional advice both inside and outside the Company and have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary to help it fulfil its obligations within any budgetary restraints imposed by the Board; and
 - 7.5.4 be entitled, generally, to take such steps and actions as may be required by it to ensure compliance with the responsibilities set out in paragraph 7.
- 7.6 The Committee shall not consider the remuneration of any non-executive Director, which shall be a matter for the Board subject to the constraints contained in the Articles of Association of the Company.

8 REPORTING PROCEDURES

- 8.1 All proceedings of the Committee shall be reported formally to the Board by the Chair of the Committee.
- 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 on the Company's remuneration policy and practices to be included in the Company's annual report.
- 8.4 The Chair of the Committee should make themselves available at each annual general meeting of the company to answer questions concerning the Committee's work.

9 REVIEW AND AMENDMENT

These Terms of Reference shall be reviewed annually by the Committee to ensure the Committee is operating at maximum effectiveness. The Committee shall recommend to the Board any changes it considers necessary, however these Terms of Reference may only be amended pursuant to a resolution of the Board.

10 ARTICLES OF ASSOCIATION

Where applicable, the provisions of the Articles of Association of the Company shall apply to any meetings of the Committee and, in the event of conflict between the Articles of Association and these Terms of Reference, the Articles of Association shall prevail.

By Order of the Board

Christopher Duffy
Company Secretary
Date: 16 September 2022