

**GCP STUDENT LIVING PLC**  
(the "Company")

**REMUNERATION COMMITTEE**

**Terms of Reference**

as amended on 31 July 2019

**1. DEFINITIONS**

- 1.1 Reference to the "**Committee**" shall mean the Remuneration Committee.
- 1.2 Reference to the "**Board**" shall mean the board of directors of the Company.

**2. MEMBERSHIP**

- 2.1 The Committee shall be made up of at least three members. Members of the Committee shall be appointed by the Board, in consultation with the Chair of the Committee. The Board shall appoint the Committee Chair who shall be an independent non-executive director, ensuring that the Committee Chair has relevant experience and understanding of the Company. The Chair of the Board shall not be appointed as the Committee Chair but may serve as a member so long as they were considered independent on appointment as Chair of the Board. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

**3. SECRETARY**

- 3.1 The Company Secretary or their nominee shall act as the Secretary of the Committee.
- 3.2 The Committee shall have access to the services of the Secretary on all remuneration Committee matters including: assisting the Chair in planning the Committee's work, drawing up meeting agendas, maintenance of minutes, drafting of material about its activities for the annual report, collection and distribution of information and provision of any necessary practical support.

**4. QUORUM**

- 4.1 The quorum necessary for the transaction of business shall be two Committee 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.
- 4.2 The members of the Committee shall, at the beginning of each meeting, declare the existence of any conflicts of interest arising and the secretary of the committee shall minute them accordingly.

- 4.3 The members of the Committee may meet for the despatch of business, adjourn and otherwise regulate meetings as they deem fit. Without prejudice to the foregoing, all or any of the members of the Committee may participate in a meeting of the Committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A member of the Committee so participating shall be deemed to be present in person at the meeting and shall be entitled to fully participate and be counted in the quorum accordingly.

## **5. MEETINGS**

- 5.1 The Committee shall meet at least once a year and otherwise as required.

## **6. NOTICE OF MEETINGS**

- 6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair.

- 6.2 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 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.

## **7. MINUTES OF MEETINGS**

- 7.1 The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

- 7.2 Draft minutes of Committee meetings shall be circulated promptly to the Committee Chair and thereafter, to the other members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee Chair it would be inappropriate to do so.

## **8. ANNUAL GENERAL MEETING**

- 8.1 The Committee Chair should attend the annual general meeting to answer any shareholder questions on the Committee's activities.

## **9. DUTIES**

- 9.1 The Committee should carry out the duties detailed below for the Company, its subsidiary undertakings and the Group as a whole, as appropriate.

- 9.2 The Committee shall:

- 9.2.1 determine and agree with the Board, a formal and transparent procedure for developing policy on the remuneration of the Company's Chair, audit and risk committee chair and non-executive directors within the limits set in the Articles of Association. No individual director shall be involved in any decisions as to their own remuneration;

- 9.2.2 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 AIC Code of Corporate Governance and associated guidance. The remuneration policy should have regard to the risk appetite of the Company, be aligned to the Company's long-term strategic goals and promote the long-term sustainable success of the Company and the Group, as well as enabling it to attract, retain and motivate Directors of the quality required to fulfil the responsibilities of the Board, having regard to the views of shareholders and other stakeholders.

- 9.2.3 when setting remuneration policy for directors, review and have regard to remuneration trends across the Company or Group, especially when determining annual salary increases;
- 9.2.4 when authorising remuneration outcomes, Directors should exercise independent judgement and discretion, taking account of Company and individual performance, and wider circumstances;
- 9.2.5 review the ongoing appropriateness and relevance of the remuneration policy;
- 9.2.6 obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity and market practice generally. 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 at the expense of the Company but within any budgetary restraints imposed by the Board;
- 9.2.7 be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- 9.2.8 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;
- 9.2.9 agree the policy for authorising claims for expenses from the directors; and
- 9.2.10 work and liaise as necessary with all other committees of the Board.

## **10. REPORTING RESPONSIBILITIES**

- 10.1 The Committee Chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3 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 AIC Code of Corporate Governance, are fulfilled. The Committee shall produce a remuneration report and remuneration policy to be included in the Company's annual report and ensure that the report and policy are put to shareholders for approval at the AGM annually and at least every three years respectively. If the Committee has appointed remuneration consultants, the remuneration report should identify such consultants and state whether they have any other connection with the Company.

10.4 Through the Chair of the Board, the Committee shall ensure that the Company maintains contact as required with its principal shareholders about remuneration.

## **11. OTHER MATTERS**

11.1 The Committee shall:

11.1.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;

11.1.2 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;

11.1.3 give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors of listed companies, including, but not limited to, the provisions of the AIC Code of Corporate Governance, the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules as well as guidelines published by the Association of British Insurers and the National Association of Pension Funds and any other applicable rules, as appropriate; and

11.1.4 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.

## **12. AUTHORITY**

12.1 The Committee is authorised by the Board:

12.1.1 to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference;

12.1.2 to seek any information it requires from the Investment Manager in order to perform its duties; and

12.1.3 to have the right to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.