

POLLEN STREET

BOARD TERMS OF REFERENCE

This document sets out the role and responsibilities of the board of directors (the “**Board**”) of Pollen Street Group Limited (the “**Company**”) in accordance with Provision 14 of the UK Corporate Governance Code 2018 (the “**Code**”).

The responsibilities of the Board include adhering to a formal schedule of matters reserved for the decision of the Board, as recommended by the FRC Guidance on Board Effectiveness 2018.

1. Membership

Members of the Board shall be appointed by the Board, on the recommendation of the Nomination Committee and having regard to the Board appointment rights in Section 8.6 below. The majority of Board members shall be independent Non-Executive Directors.

Only members of the Board have the right to attend Board meetings, however, other individuals such as Senior Management and external advisers may be invited to attend all or part of any meeting as and when appropriate.

The Board shall appoint the Chairperson. At the time of appointment as Chairperson, the Director concerned shall be an independent Non-Executive Director. In the absence of the Chairperson, the remaining Directors present shall elect one of themselves to chair the meeting.

2. Company Secretary

The Company Secretary or their appointee shall act as the Secretary of the Board.

3. Quorum

The quorum necessary for the transaction of business shall be not less than three members of the Board, two of whom must be independent Non-Executive Directors. A duly convened meeting of the Board 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 Board.

4. Frequency of Meetings

The Board shall meet at least eight times a year and otherwise as required.

5. Notice of Meetings

Meetings of the Board shall be summoned by the Company Secretary at the request of any of its members or at the request of external or internal auditors if they consider it necessary.

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 Board and any other person required to attend no later than five working days before the date of the meeting.

6. Minutes of Meetings

The Company Secretary shall minute the proceedings and resolutions of all meetings of the Board, including recording the names of those present and in attendance.

The Company Secretary shall record any conflicts of interest reported at the meeting. Minutes of Board meetings shall be circulated to all members of the Board before the next meeting of the Board.

7. Role and Principal Functions

The role of the Board is to be effective and entrepreneurial and to promote the sustainable success of the Company.

The principal functions of the Board are to:

- Determine the strategy and policies of the Company;
- Set out the risk appetite within which the business is managed; and
- Review business performance.

The Board also has a general duty to ensure that the Company operates within:

- The Articles of Association;
- Rules and guidance issued by relevant regulatory authorities; and
- All relevant laws.

The Board should have mind to the Senior Manager Conduct rules of the FCA and the conduct rules relevant for all colleagues.

8. Matters reserved to the Board

8.1 Strategy and management

- Approval of the Company's long-term objectives and commercial strategy, including the Company's corporate plan and annual budget (and any changes made to them).
- Review of delivery of the strategy and performance against plan.
- Oversight of the Company's operations ensuring:
 - competent and prudent management;
 - sound planning and risk management;
 - an adequate system of internal control;

- adequate accounting and other records;
 - compliance with statutory and regulatory obligations; and
 - adequate financial resources.
- Review of performance in the light of the Company's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
 - Any material extension of the Company's activities into new business or geographic areas.
 - Any decision to cease to operate all or any material part of the Company's business.
 - Approval of any material change to the Company's principal policies from time to time. Such policies are, as of the date of this document, listed in section 8.11.

8.2 Culture, Purpose and Values

- Establishment of the Company's purpose, values and strategy and satisfying itself that these are aligned with the Company's culture.
- The Board is responsible for setting the tone from the top including the assessment and monitoring of the Company's culture and values, seeking assurance that corrective action has been taken where necessary and explaining the Board's activities and its approach to investing in and rewarding the workforce.
- Ensuring workforce policies and practice support the Company's long-term sustainable success and are consistent with the Company's values and strategic initiatives.
- Major changes to the Company's corporate structure including any merger or creation, acquisition or disposal of any subsidiary or associated company, or of any significant business operation, or any other initiative which has significant strategic implications for the Company (including the approval of any material strategic alliance, joint venture, partnership or profit sharing arrangement).
- Changes to the Company's governance and control structure.
- Any material change to the Company's regulatory permissions and the approval of all material correspondence with regulators.

8.3 Financial reporting and controls

- Approval of any public announcements of interim and final results.
- Approval of the annual report and accounts and other required formal reports.
- Acceptance of any proposed audit qualification of the accounts of the Company.
- Approval of any significant changes in accounting policies or practices.
- Any approval of corporate expenditure over £1 million which does not fall within the budget approved by the Board.

8.4 Internal controls and risk management

Ensuring maintenance of a sound system of internal control and risk management including:

- Receiving reports on, and reviewing the effectiveness of, the Company's risk and control processes to support its strategy and objectives
- Undertaking an annual assessment of these processes
- Approving an appropriate statement for inclusion in the annual report
- Approval of the Company's risk appetite and policy statement.
- Approval of the Company's Risk Management Framework or equivalent, and any material changes to it.

8.5 **Communication**

- Calling general meetings of the Company.
- Approval of resolutions and corresponding documentation to be put forward to shareholders.
- Approval of all circulars and listing particulars which require approval by the Board (as well as approval of routine documents such as periodic circulars regarding scrip dividend procedures or exercise of conversion rights, subject to delegation to a committee).
- Approval of all material announcements to be made by the Company via an RIS;
- Responsibility for ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
- Ensuring compliance with the Listing Rules, Prospectus Regulation Rules, Disclosure Guidance and Transparency Rules and any other applicable legislation, regulation or guidance.

8.6 **Board membership and other senior management issues**

- Changes to the structure, size and composition of the Board, following recommendations from the Nomination Committee, noting that:
 - the Board shall be entitled to appoint at least five-sevenths of Board members whilst senior managers and former shareholders of Pollen Street ("**PSC Persons**"), as a whole, retain at least two-sevenths of the shares in the Company, increasing to six-sevenths of the Board members if PSC Persons, as a whole, retain at least one-seventh of the shares in the Company; and
 - PSC Persons shall be entitled to appoint two-sevenths of the Board members so long as PSC Persons, as a whole, retain at least two-sevenths of the shares in the Company, reducing to one-seventh of the Board members so long as PSC Persons, as a whole, retain at least one-seventh of the shares in the Company,

in each case prior to the appointment of any independent Non-Executive Directors in order to ensure compliance with the Code. If the number of Board members that PSC Persons are entitled to appoint is not a whole number, that number will be rounded down to the nearest whole number unless that number is less than one, in which case it shall be rounded up to one.

The PSC Persons' appointment rights shall be subject to the following:

- For so long as Lindsey McMurray is an Executive Director of the Company, the appointment rights shall be satisfied and the number of directors that PSC Persons are entitled to appoint shall be reduced by one.
 - The Board may require PSC Persons to procure that one or more directors appointed by them vacates office if the total number of Board members is reduced, to ensure compliance with the number of directors PSC Persons may appoint as described above.
 - PSC Persons' appointment rights will be terminated if Lindsey McMurray notifies the Company in writing that she no longer wishes to exercise such rights.
- Ensuring adequate succession planning for the Board and senior management following recommendations from the Nomination Committee, including any changes to the Board Composition and Succession Plan.
 - Appointments to the Board, following recommendations by the Nomination Committee, including the appointment of the Chairperson, the Chief Executive Officer of the Company, the Senior Independent Director and the Company Secretary, and the selection of members and the chairperson of Board committees, noting the minimum Board representation set out above.
 - The suspension or termination of service of an Executive Director as an employee of the Company, subject to applicable law and the provisions of their service contract.
 - The suspension or termination of service of the Company Secretary, subject to the terms of the company secretarial agreement (or any such equivalent agreement as may be applicable from time to time).
 - Appointment, reappointment or removal of the external auditor to be put to members of the Board for approval, following the recommendation of the Audit Committee.
 - Appointments to boards of subsidiaries and associated companies, subject to applicable regulatory requirements in respect of regulated subsidiaries.

8.7 **Remuneration**

- Approval of the framework for determining the policy and specific remuneration packages of Executive Directors following recommendations from the Remuneration Committee.
- Approval of the Chairperson, Committee Chairpersons, Senior Independent Director, and Non-Executive Director remuneration upon recommendation from the Executive Directors.
- Major changes in employee share schemes upon recommendation from the Remuneration Committee.

- Approval of the Directors' remuneration report, including approval of Remuneration Committee's recommendations to exclude from the report any performance measures, performance targets and formulae which may be considered commercially sensitive to the Company.

Carried interest is not considered remuneration and the allocation of this is delegated to the management team.

8.8 Delegation of Authority

- The division of responsibilities between the Chairperson and the Chief Executive Officer of the Company.
- Approval of terms of reference of Board Committees and the Chief Executive Officer of the Company's role profile.
- Receiving minutes and/or reports from the Board Committees on their activities.
- Approval of any power of attorneys entered into in respect of the Company.

8.9 Corporate governance matters

- Undertaking a formal and rigorous review annually of its own performance, that of its Committees and individual directors. Every three years this shall be externally facilitated in line with the requirements of the Code.
- Determining the independence of directors.
- Review of the Company's overall corporate governance arrangements.
- Review of the Company's methods for engaging with employees.

8.10 Miscellaneous

- The making of political donations.
- Prosecution, defence or settlement of litigation above £2 million or being otherwise material to the interests of the Company.
- Approval of the overall levels of insurance for the Company including Director's & Officers' liability insurance.
- Approval of any new primary leverage facilities which are to be entered into by the Company as borrower, guarantor, or any such other capacity (with approval of any ancillary facilities to be delegated to the management team).
- The schedule of matters reserved for Board decisions.

- Changes to the Company's listing or its status as a plc.
- Decisions regarding proposed large-scale redundancies within the Group.
- Material changes relating to the Group's capital structure including reduction of capital, share issues (except under employee share plans), share buy backs (including the use of treasury shares).
- Approval of the dividend policy, declaration of the interim dividend and recommendation of the final dividend.
- Approval of non-ordinary course contracts which are materially strategic to the Company and have a value in excess of the value materiality threshold.

8.11 Policies

- risk appetite statement;
- related party transaction policy
- whistleblowing policy;
- market abuse regulation procedures manual;
- anti-money laundering and counter terrorism policy;
- anti-facilitation of tax evasion policy;
- conflicts of interest policy; and
- modern slavery statement

9. Other Matters

- Matters which the Board considers suitable for delegation are contained in the terms of its Committees.
- Matters relating to management of the funds are governed by the limited partnership agreements of the funds which are the responsibility of the appointed investment manager.
- Matters not explicitly reserved for the Board are delegated to the management team.
- The materiality threshold used throughout this document is £10 million as measured at a point in time or over a period of a year as appropriate unless stated otherwise.
- In addition, the Board will receive reports and recommendations from time to time on any matters which it considers significant.