

REGIONAL REIT LIMITED
(the “Company”)

Terms of Reference of the
Management Engagement and Remuneration Committee (the “Committee”)

1. Membership

- 1.1. The Committee shall comprise the independent non-executive directors. The chairman of the board may serve on the Committee if he or she was considered independent on appointment as chairman. Members of the Committee shall be appointed by the board, in consultation with the chairman of the Committee.
- 1.2. Only members of the Committee have the right to attend and vote at Committee meetings.
- 1.3. However, other individuals and external advisers may be invited to attend for all or part of any meeting, as and when considered appropriate and necessary by the Chairman.
- 1.4. Appointments to the Committee are made by the board and shall be for a period of up to three years, extendable by additional three-year periods so long as members continue to be independent (save that the chairman of the board may be a member of the Committee, regardless of whether he continues to be independent, provided that he was considered independent on appointment as chairman).
- 1.5. 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 who would qualify under these terms of reference to be appointed to that position by the board.
- 1.6. Care should be taken to minimise the risk of any conflict of interest that might be seen to give rise to an unacceptable influence. Where possible, the chairman and members of the Committee should be rotated on a regular basis.

2. Quorum

- 2.1. 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. Meetings

- 3.1. The Committee shall meet at least once a year and otherwise as required by the board chairman.

4. Notice of meetings and proceedings at meetings

- 4.1. Meetings of the Committee shall be called by the chairman of the Committee at the request of any of its members.
- 4.2. 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 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, at the same time. Papers required by the Committee may be provided electronically.
- 4.3. Meetings of the Committee may be conducted when the members are physically present together or in the form of either video or audio conferences.

5. Minutes of meetings

- 5.1. The Secretary of the Company shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 5.2. The Secretary of the Company should ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 5.3. 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, in the opinion of the Committee chairman, it would be inappropriate to do so.

6. Annual general meeting

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

7. Duties

- 7.1. The Committee should carry out the duties below for the Company, major subsidiary undertakings and the group as a whole, as appropriate. The Committee shall, in conducting all of its duties in accordance with these terms of reference, act in a way it considers in good faith would be most likely to promote the best interests of the Company.

- 7.2. The Committee shall:

- 7.2.1. recommend and monitor the appropriateness of the ongoing appointment of the investment manager and asset manager of the Company and make recommendation to the Board thereon;
- 7.2.2. recommend and monitor the appropriateness of the level of fees of the investment manager and asset manager of the Company and make recommendation to the Board thereon;
- 7.2.3. recommend and monitor the services and appropriateness of the ongoing appointment of the Company's third-party service providers and make recommendation to the Board thereon;
- 7.2.4. monitor and agree the level and structure of remuneration of the directors, designed to promote the long-term success of the Company and to take into account all factors which is deemed necessary including relevant legal and regulatory requirements, the provisions and recommendations of the AIC Code of Corporate Governance and associated guidance. The board itself or, where required by the Articles of Incorporation, the shareholders should determine the remuneration of the directors within the limits set in the Articles of Incorporation. No director shall be involved in any decisions as to their own remuneration;
- 7.2.5. 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 at the expense of the Company but within any budgetary restraints imposed by the board;
- 7.2.6. be exclusively responsible for establishing the selection criteria, and selecting, appointing and setting the terms of reference, for any remuneration consultants who advise the Committee;
- 7.2.7. agree the policy for authorising claims for expenses from the directors;

7.2.8. work and liaise as necessary with all other board committees; and

7.2.9. have regard to the remuneration trends across the Company and the group as a whole.

8. Reporting responsibilities

8.1. The Committee chairman shall report 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 ensure that applicable statutory and regulatory provisions regarding disclosure of information are fulfilled. The Committee shall produce a report of the Company's remuneration policy and practices to be included in the Company's annual report. If the Committee has appointed remuneration consultants, the annual report of the Company's remuneration policy should identify such consultants and state whether they have any other connection with the Company.

8.4. Through the chairman of the board, the Committee shall ensure that the Company maintains contact as required with its principal shareholders about remuneration.

8.5. The Committee shall make available to shareholders these terms of reference by placing them on the Company's website.

9. Other matters

9.1. The Committee shall:

9.1.1. have access to sufficient resources in order to carry out its duties;

9.1.2. seek any information it requires from any employee of the investment manager or the asset manager of the Company in order to perform its duties;

9.1.3. give due consideration to laws, regulations and any other published guidelines or recommendations regarding the remuneration of directors of listed companies and the information and operation of share schemes including but not limited to the provisions of the AIC Code of Corporate Governance and the requirements of the FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency and any other applicable rules, as appropriate; and

9.1.4. 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.

10. Authority

10.1. 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 and is authorised to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

Approved: 17 March 2021