4imprint Group plc

Remuneration Policy

The following section sets out 4imprint Group plc's Directors' Remuneration Policy (the "Policy") which will be subject to a binding Shareholder vote at the AGM on 22 May 2024 and will take effect from that date.

The Committee has undertaken a thorough exercise in reviewing the current Policy, supported by its independent advisor and with input from management. The review included stakeholder input from all Board members, remuneration benchmarking, market trends analysis, and review of investor sentiment and recent governance developments. In addition, the Committee conducted a thorough Shareholder consultation exercise.

New Remuneration Policy summary and changes

Element of Policy	Overview of changes proposed to Policy
Deferred Bonus Plan (DBP)	• No change to award opportunity or length of deferral for current Executive Directors for 2024 (50% of bonus deferred over five years). • Introduction of a more market-aligned structure to defer one-third of the bonus over three years for future LTIP participants.
Long-Term Incentive Plan (LTIP)	• Introduction of a new LTIP in the form of a Performance Share Plan. The introduction of the LTIP is intended to support future Executive Director recruitment as and when required. At the time of writing, the current Executive Directors have expressed an intention not to participate in the LTIP and instead continue to participate in the DBP in its current form. • Maximum opportunity of 200% of salary aligned with the FTSE 250 median although the Committee may choose to make awards at lower levels. • Awards would be subject to a three-year performance period with a two-year holding period.
Share Ownership Guidelines	• Extend the post-cessation share ownership guidelines to a 200% of salary holding for a full two years post cessation to align with the Investment Association guidance and accepted best practice.

Principles of Policy

The Committee is made up entirely of independent Non-Executive Directors to avoid any conflicts of interest and no individual is present at a Committee meeting where their own remuneration is discussed. The Committee ensures that it is kept up to date with published guidance from investors, shareholder representative bodies and current market practice, so that it can bear these factors in mind when formulating and making decisions in connection with the Policy.

The guiding principles underlying the Policy remain unchanged. These are that:

(i) Remuneration should be competitive when compared to remuneration in organisations of similar size and complexity in the relevant external market, without paying more than is necessary;

(ii) Subject to satisfying (i) above, remuneration should be considered in the context of wider employee pay and conditions and Shareholder views;

(iii) Packages should be structured so that remuneration is aligned to both the strategy of the Company and long-term growth in Shareholder value;

(iv) Each element of the remuneration package should be clear, easy to understand and motivating;

(v) The overall package should be designed to take account of the performance of the business and to respond to regulatory changes but not to promote undesirable behaviour or to encourage unacceptable risk taking; and

(vi) Packages should be structured to avoid reward for failure.

Executive Director Policy table

Element and purpose	Opportunity	Operation	Performance measures
Base salary Enables 4imprint to attract and retain executive talent	Base salaries are reviewed annually, however increases are not automatic. Base salary adjustments reflect various factors, including increases for other employees across the 4imprint business; individual and Company performance; changes in role and responsibilities; and pay at companies of a similar size and complexity in the relevant external market. Base salaries should be competitive when compared to similar roles at organisations of a similar size and complexity in the relevant external market. Base salary increases are also considered in the context of the value of the total remuneration package.	Base salary increases will not normally exceed the average increase awarded to the wider workforce. However, in exceptional circumstances salary increases may exceed this level.	Not applicable.
Retirement benefits To provide a competitive level of retirement benefit in order to attract and retain executive talent	Executive Director retirement benefits are limited to the opportunity offered to the local workforce. This is currently capped at 5% of base salary per annum.	Executive Directors are eligible either (i) to participate in local Company pension arrangements, or (ii) subject to the discretion of the Committee, to receive a salary supplement in lieu of pension contributions (which is not taken into account as salary for calculation of annual bonus, or other benefits).	Not applicable.
Other benefits To maintain competitiveness in attracting and retaining talent	Benefit values are set at an appropriate level taking into account market practice. The Committee reserves the discretion to approve a higher level of benefits if it is considered by the Committee to be necessary, appropriate and in the best interests of the Company and its stakeholders. For example, this may include additional benefits to cover the cost of relocation.	Typical benefits may include: (i) company car or car allowance paid in cash; (ii) private medical insurance for the executive and his/her family; (iii) life assurance of up to four times base salary; (iv) income protection insurance; and (v) access to independent professional advice when necessary. Other benefits may also be offered in line with those offered to other employees, such as paid holiday. The benefits offering may differ to reflect the market practice of the country of employment or domicile of the individual Director.	Not applicable.

Deferred Bonus Plan (DBP) To encourage share ownership and to incentivise and reward strong annual performance	The ongoing maximum potential annual bonus opportunity is 100% of base salary for 2024. However, the Policy provides the Committee with an overall maximum of 150% of base salary for use in future years, for example, in a recruitment scenario, or in order to maintain the competitiveness of the bonus relative to the market taking into account Company and individual performance and the potential value of the rest of the remuneration package. *See Recruitment Policy for further details.* The award for on-target performance is 50% of base salary where awards are made in line with the ongoing maximum opportunity of 100% of salary. Where the overall maximum of 150% is employed, the on-target bonus opportunity may be increased to 50% of the maximum, being 75% of base salary.	For 2024 and future years in which Executive Directors do not participate in the Long-Term Incentive Plan (LTIP): 50% of the annual bonus is delivered in cash. 50% of the annual bonus is deferred into share awards (generally nil-cost options, conditional share awards or other forms to meet regulatory or business needs) for five years following the date of grant. *See Leaver Policy for exceptions to this rule.* To the extent an Executive Director participates in the LTIP: Two thirds of the annual bonus will be delivered in cash. One third of the annual bonus will be deferred into share awards (generally nil-cost options, conditional share awards or other forms to meet regulatory or business needs) for three years following the date of grant. *See Leaver Policy for exceptions to this rule.* Cash bonus and deferred share awards are typically allocated to participants following the audit of the Annual Report & Accounts in the March following the performance period. The number of nil cost options or conditional share awards is based on the share price on 31 December of the financial year to which annual performance relates. The cash bonus and deferred share awards are subject to clawback and malus provisions. *See notes to the table.*	Performance may be assessed using financial and non-financial measures. Financial performance measures may include: profitability, revenue growth, cash generation, or other financial metrics that are aligned to the business strategy. Financial objectives generally account for the majority of the annual bonus performance assessment. Non-financial, corporate objectives may also be used, such as environmental, social and governance (ESG) metrics to the extent that they align with the Board's strategy and are deemed to enhance prospective long-term growth in Shareholder value. Performance measures and targets are generally set at the start of the financial year to reflect the Group's strategic priorities. Once awarded, the deferred component of the annual award will not be subject to further performance targets.

Long-Term Incentive Plan (LTIP) To encourage share ownership and to incentivise and reward strong long-term performance	The ongoing maximum potential LTIP opportunity is 200% of base salary, however the Committee may determine award values within this maximum.	The award for threshold performance is 25% of maximum with straight-line vesting between threshold and maximum vesting. For 2024, the current Executive Directors will not participate in the LTIP. To the extent LTIP awards are granted in future years, performance will be measured over a three-year period and a two-year holding period will apply to vested shares, normally on a net-of-tax basis. In line with the DBP, share awards are typically allocated to participants following the audit of the Annual Report & Accounts. The LTIP share awards are subject to clawback and malus provisions. *See notes to the table.*	Performance may be assessed using financial and non-financial measures. Financial measures will normally govern the majority of the award. Financial performance measures may include profitability or other financial metrics that are aligned to the business strategy as well as Total Shareholder Return. Non-financial, corporate objectives may also be used, such as ESG metrics to the extent that they align with the Board's strategy and are deemed to enhance prospective long-term growth in Shareholder value. Performance measures and targets are generally set at the start of the financial year of the award to reflect the Group's long-term strategic priorities and are measured over a three-year period.
All Employee Share Plans To encourage employee share ownership and reward long-term value creation	Employees (including Executive Directors) may save an agreed monthly amount, and options are normally granted at a discount of up to 20% to the current share price. Savings are capped at an agreed monthly contribution rate, and the option price is set at the outset of the plan.	Periodic employee share option plans open to all employees are operated in the 4imprint Group. These take the form of HMRC approved Sharesave plans in the UK, and equivalent plans in the USA.	Not applicable.
Share ownership guidelines Provides alignment with Shareholders whilst encouraging sustainable, long-term value creation	Executive Directors are expected to maintain a holding of shares in the Company of at least 200% of annual base salary. Executive Directors are also expected to maintain a shareholding of at least 200% of base salary for two years following cessation of employment.	At least 50% of any vested share awards (net of tax) from incentive arrangements are expected to be held in order to accumulate the recommended personal shareholding. Executive Directors will have until their fifth annual bonus share award grant to accumulate their shareholding. The post-employment shareholding guideline will be enforced through contractual means.	Not applicable.

Notes to the Policy table

Remuneration Committee discretion	When assessing incentive plan results and performance, the Committee retains the discretion to adjust incentive plan outcomes in exceptional circumstances if it considers that the outcome does not reflect the overall performance of the Group over the performance period, or that the outcome is inappropriate in the context, due to circumstances that were unexpected or unforeseen at the date of grant.
Malus and clawback	Malus and clawback provisions apply to both cash and deferred share elements of the DBP and to shares under the LTIP. Malus includes the reduction (including to nil) of in-year and/or future year bonus amounts and the forfeiture or withholding of unvested deferred shares and LTIP share awards. Clawback involves the recovery of annual bonus and LTIP amounts that have been paid. Clawback may apply to cash bonus payments made up to two years after the relevant payment date and for deferred shares and LTIP awards that vested up to five years from the relevant grant date. These provisions may be invoked by the Committee if it deems this to be appropriate in the context of one or more 'trigger' events. These include: • Material misstatement (including omission) in the Company's accounts. • The bonus/award was based on an error, or inaccurate or misleading information. • Serious misconduct. • Corporate failure. • Serious reputational damage.
Discretion to amend the future operation of the DBP and LTIP	In the event of a variation in share capital or other event that may affect the share price, the number of shares subject to an award may be adjusted.
Dividend equivalent payments	Share-based awards under the LTIP may include the right to receive dividend equivalent payments to the extent the awards vest.
Minor amendments to the Policy and remuneration under previous arrangements	Minor changes may be made to the Policy for regulatory or administrative purposes without seeking further Shareholder approval for such an amendment. The Committee may make payments notwithstanding that they are not within the current Policy if they were agreed before: • The Company's first remuneration policy subject to binding Shareholder approval came into effect; • This Policy came into effect (provided they are in line with the remuneration policy at the time of agreement); or • Promotion (of the individual to which the payment relates) to the Board of Directors.
Performance measures	The Committee has selected financial measures as the primary method of determining performance, as these metrics directly affect Shareholder value. The Committee, when setting the relevant targets, takes into account the Company's business plan and internal and external forecasts for the business. Strategic performance conditions are set in line with the Company's business plan and strategic priorities. At the end of the performance period, the Committee will review performance against targets and may adjust formulaic outcomes for reasons such as (but not limited to) disposals, acquisitions and changes in accounting treatment, if it is considered necessary for a fair outcome in the context of wider Company performance. Where discretion is exercised the rationale and adjustment will be disclosed in the relevant Annual Report.

Executive Director service contracts

Executive Directors have rolling service contracts, notice periods are twelve months from the Company and six months from the Executive Director. Any new Executive Director would be appointed on similar terms. The Executive Directors' service contracts are available for inspection at the Company's registered office.

Executive Director recruitment policy

The following guidelines are followed by the Committee when considering the pay and employment terms for a new Executive Director:

- The Committee aims to pay no more than is necessary to secure the right talent for the business.
- The ongoing remuneration policy for any new Executive Director will align to the remuneration policy for Executive Directors as set out in this Policy.
- Base salaries are set at a market rate in order to attract the appropriate person. Factors to be taken into account include: the individual's previous salary and remuneration package; the skills and experience of the individual; the salary of the previous role incumbent; and pay at organisations of similar size, complexity and sector in the relevant external market.
- Special arrangements may be made for a new Executive Director in order to secure their appointment. These may include:
    - The Committee may choose to provide additional compensation for incentive awards forfeited by the executive upon joining 4imprint. In such cases, we would seek to apply similar conditions to forfeited awards including: performance conditions; vesting and holding periods; and form of award. Any 'buyout' payment will be reduced by an equivalent amount in the event the Executive Director's former employer pays a portion of the remuneration that was deemed foregone. Where possible, existing incentive plans will be used to satisfy such awards, however, in the event that this is not appropriate, the Committee retains the right to use the Listing Rules exemption 9.4.2 for the purposes of a buyout award. There is no specified limit to the value of buyout awards, however the Committee will rigorously consider the appropriate value so as not to pay more than the compensation being forfeited. Malus and clawback provisions would normally apply to buyout awards, for the same reasons as detailed under the DBP and LTIP.
    - The overall maximum incentive opportunity that may be offered upon recruitment is 350% of base salary. This comprises an increased award under the DBP of 150% of base salary and an LTIP award of up to 200% of salary.
    - For external and internal appointments, the Committee may agree that the Company will meet certain relocation expenses and legal fees as it considers to be appropriate. Assistance will be subject to reasonable clawback for service of less than 12 months.

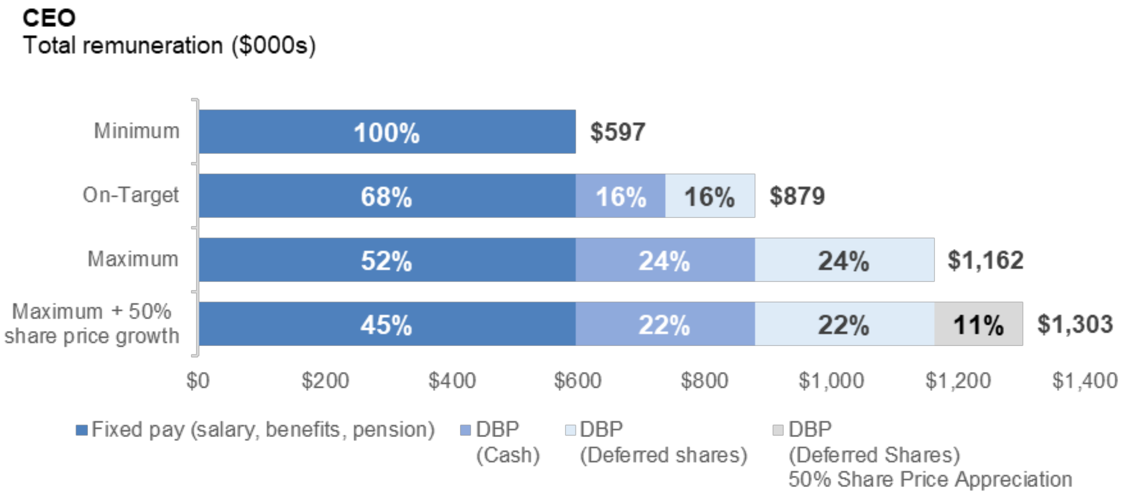
Corporate events

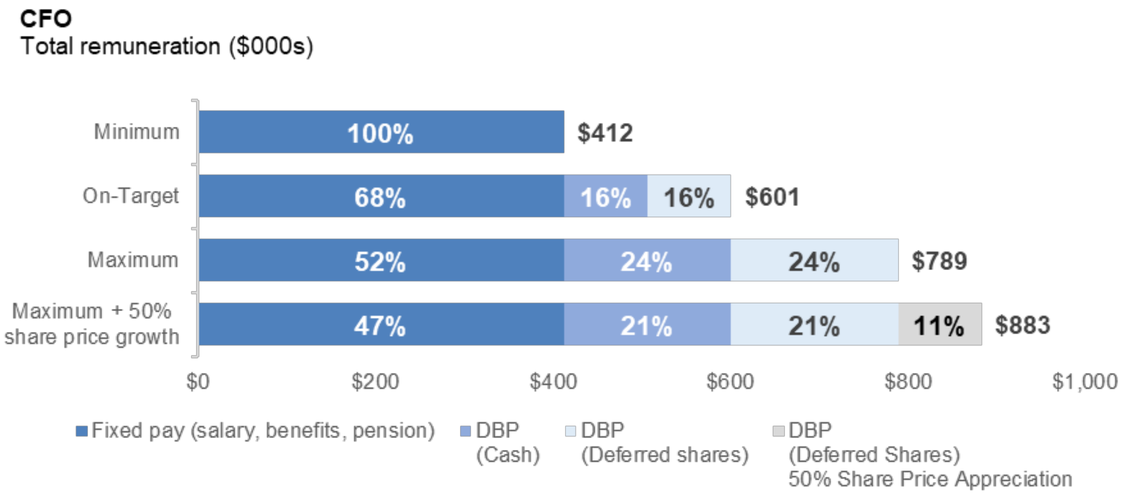
Upon a takeover, unvested deferred share awards under the DBP would normally vest in full immediately. Unvested share awards under the LTIP would normally vest (and be released) early. The proportion of any unvested LTIP awards which vest will be determined by the Committee, taking into account: the extent to which the Committee deems any performance conditions applicable to awards have been satisfied; the underlying performance of the Company and the participant; such other factors the Committee considers in its opinion to be relevant; and, unless the Committee determines otherwise, the proportion of the performance period which has elapsed. Awards may be exchanged to the extent that an offer to exchange awards for new awards is made and accepted by the award holder.

Executive Director Leaver Policy

Element / provision	Policy
Contractual notice period and loss of office compensation	• Twelve months' notice from the Company and six months from the Executive Director. • Executive Directors may be required to work during their notice period or take 'gardening leave'. Payments in lieu of notice may also be made. • Contractual non-competition payments may be made on a monthly basis for the twelve months following termination of employment subject to mitigation. • Contractual termination payments for Executive Directors include base salary, retirement and other benefits.
Treatment of bonuses	• Normally, an Executive Director may, at the Committee's discretion, receive a bonus for the year in which the Executive Director leaves, although US-based Executive Directors are entitled to continue to participate in the bonus plan up to the date of termination of employment (subject to the satisfaction of performance requirements). Any such bonus award may be paid in such proportions of cash or shares as the Committee may determine. • For 'good leavers' unvested deferred share awards will normally continue to vest as if the Executive Director had not left, with the Committee retaining the discretion to accelerate the vesting of awards where the Committee considers it appropriate (for example, if the Executive Director dies or has a terminal illness). 'Good leaver' reasons are defined as: injury, ill health, disability, redundancy, retirement (as agreed by the Company), the company or business for which the Executive Director works being sold out of the 4imprint Group, death or such other circumstances as the Committee may determine. • Leavers for any other reason would result in no bonus being paid, and any unvested deferred share awards would lapse.
Treatment of LTIP	• An unvested award will usually lapse when an Executive Director ceases to be an employee or director of the Group. • If, however, an Executive Director ceases to be an employee or director of the Group because of their ill health, injury, disability, retirement, redundancy, the sale of their employing company or business out of the Group or in other circumstances at the discretion of the Committee (i.e. they leave as a 'good leaver'), their award will normally continue to vest on the date when it would have vested and be released from any relevant holding period on the date when it would have been released if they had not ceased to be an employee or director of the Group. The extent to which awards normally vest in these circumstances will be determined by the Committee, taking into account the satisfaction of the performance conditions applicable to awards measured over the original performance period, the underlying performance of the Company and the Executive Director and such other factors the Committee considers, in its opinion, relevant. • The Committee retains discretion to allow the award to vest (and be released) following the Executive Director ceasing to be an employee or director of the Group, taking into account any applicable performance conditions measured up to that point. • Unless the Committee decides otherwise, the extent to which an award vests will also take into account the proportion of the performance period which has elapsed when the Executive Director ceases to be an employee or director of the Group. The period over which a 'recruitment award' will normally be time pro-rated will be determined at the time of grant and will normally replicate the approach to time pro-rating applied to the award in respect of which the 'recruitment award' was granted. • If an Executive Director dies, their award will vest (and, where subject to a holding period, be released) on the date of their death on the basis set out for other 'good leavers' above. Alternatively, the Committee may decide that unvested awards will vest (and, where subject to a holding period, be released) on the date they would have if the Executive Director had not died on the basis set out for other 'good leavers' above. • If an Executive Director ceases to be an employee or director of the Group during a holding period in respect of an award for any reason other than summary dismissal, their award will normally be released at the end of the holding period, unless the Committee determines that it should be released when the participant ceases to be an employee or director of the Group. If a participant dies during the holding period, their award will be released on the date of death (unless the Committee decides it will be released at the end of the normal holding period). • If an Executive Director is summarily dismissed, any outstanding awards they hold will lapse immediately.

Future reward scenarios
The graphs below provide an indication of the reward opportunity for each of the current Executive Directors based on their roles as at 1 January 2024.





The basis of calculation and key assumptions used to complete the charts are as follows:

Minimum – only fixed pay is payable, i.e. base salary, benefits and pension or cash in lieu of pension. No cash bonus is payable and no deferred share awards under the DBP is granted.

On-target – fixed pay plus 50% of ongoing maximum payout under the DBP.

Maximum – fixed pay plus 100% of ongoing maximum payout under the DBP.

Maximum + 50% share price growth – shows the maximum scenario plus the impact of 50% share price growth.

To note: the charts above illustrate the Policy as it will be implemented in 2024, therefore the LTIP has not been included.

Consideration of employee conditions in the wider Group

The Board (and therefore each Committee member) receives a report for its consideration at its meeting in January in respect of current salary levels, bonus entitlements, annual pay review and bonus proposals. This is accompanied by a verbal update from the CEO. In combination, this annual update enables the Committee to take into account conditions in the wider workforce when considering executive pay actions.

In addition, we have a dedicated Non-Executive Director who is responsible for championing the interests of team members (our 'Employee Voice') and who reports back to the Board on initiatives such as the employee engagement survey results.

The remuneration package available to Executive Directors under the Policy is broadly in line with the remuneration package afforded to our other employees. All employees (including Executive Directors) are entitled to participate in the Company's Sharesave plans in the same way. Employees may receive discretionary bonuses based on their performance, although in the case of Executive Directors and other members of senior management, part of any bonus earned is deferred into awards of the Company's shares. A three-year deferral period applies to awards for senior management and currently a five-year deferral period applies to awards for Executive Directors.

More information about how we engage with our team members can be found on page 56 of the Annual Report.

Consideration of Shareholder views

The Committee actively seeks and listens to Shareholder views on 4imprint's executive remuneration arrangements on an ongoing basis. In developing this Policy, the Committee undertook a significant consultation with Shareholders and carefully considered the views put forward. Following the feedback received, the Committee reviewed the position on post-cessation share ownership for Executive Directors and decided to extend the Policy guidelines to a 200% of salary holding for a full two years post cessation to align with the Investment Association guidance and accepted best practice.

Non-Executive Director remuneration

Element and purpose	Fees are aimed at attracting and retaining high-quality and experienced Non-Executive Directors, with fee levels reflecting the time commitments and responsibilities of the roles. Non-Executive Directors are paid a basic fee which is delivered in cash. Additional fees may be paid for responsibilities of the Senior Independent Director (SID) and for Committee chairs.
Operation	Fee levels are reviewed periodically by the Board to maintain competitiveness relative to other listed companies of a similar size, complexity and type. Non-Executive Directors do not participate in any incentive schemes and do not receive a pension.
Opportunity	Fees payable to Non-Executive Directors cannot exceed the maximum that is set out in the Company's Articles of Association. The Company does not adopt a quantitative approach to pay positioning and exercises judgment as to what it considers to be reasonable in all the circumstances as regards quantum.

Non-Executive Director letters of appointment

Non-Executive Directors are generally appointed for a period of three years, subject to annual re-election. Non-Executive Directors' appointments may be terminated without notice by either party.