



Remuneration Committee

Terms of Reference

1 Membership

- 1.1 Members of the Committee shall be appointed by the Board. The Committee shall be made up of at least three members, all of whom shall be independent non-executive Directors. The Chair of the Board may also serve on the Committee as an additional member provided he or she was independent on appointment as Chair.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chair of the Board, Chief Executive Officer, and Group V.P. of Human Resources may be invited to attend all or part of any meeting as and when appropriate and necessary. No person will be involved in any decisions on his or her own remuneration.
- 1.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three year periods provided the director continues to be independent.
- 1.4 The Committee Chair shall be appointed from time to time by the Board. Prior to appointment the Committee Chair should have served on a remuneration committee for at least 12 months. In the absence of the Committee Chair or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The Chair of the Board, who shall not be Committee Chair, may, notwithstanding the provisions of section 1.3, serve in excess of three three-year periods.
- 1.5 The Committee Chair shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.

2 Secretary

- 2.1 The Company Secretary or their nominee shall act as Secretary to the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
- 2.2 The Secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

3 Quorum

The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present (attendance by telephone, video conference or similar is acceptable for the purposes of determining a quorum) shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4 **Frequency of Meetings**

The Committee shall meet at least twice a year. When deemed necessary or desirable by the Committee or the Committee Chair, decisions may be taken by unanimous written consent.

5 **Notice of Meetings**

5.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.

5.2 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 and any other person required to attend 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.

6 **Minutes of Meetings**

The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance. Minutes of Committee meetings shall be circulated to all members of the Board.

7 **Annual General Meeting**

The Committee Chair or his nominated representative shall attend the Annual General Meeting prepared to respond, if requested by the Chair of the Board, to any shareholder questions on the Committee's activities.

8 **Engagement with Shareholders**

The Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

9 **Duties**

The Committee shall:

9.1 determine and agree with the Board the framework or broad policy for the remuneration of the Company's Chair, Chief Executive Officer, the executive Directors, the Company Secretary and other senior executives (which at a minimum will include any employee reporting to the Chief Executive Officer, as well as any other employees of the Company the Board designates from time to time). The remuneration of non-executive Directors shall be a matter for the Board and, in respect of fees, following a recommendation from the Committee, and shall be within the limits set by shareholders;

9.2 in determining the remuneration policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the principles and provisions of the UK Corporate Governance Code (the "**Code**") the Listing Rules of the Stock Exchanges on which the Company is listed and associated guidance. Having regard to the view of shareholders and other stakeholders, the risk appetite of

the Company, alignment to the Company's long term strategic goals and the Company's long-term sustainable success, the objective of such policy shall be to:

9.2.1 attract, retain and motivate senior executives of the quality and calibre required to run the Company successfully; and

9.2.2 ensure that:

(a) members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and reasonable manner, rewarded for their individual contributions to the success of the Company; and

(b) a significant proportion of remuneration is structured so as to link corporate and individual performance and the policy is designed to support strategy and promote the long-term sustainable success of the Company.

9.3 continually review the ongoing appropriateness and relevance of the remuneration policy;

9.4 approve the design of, and determine targets for, any performance related pay schemes operated by the Company, and approve the total annual payments made under such schemes;

9.5 review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to executive Directors and other senior executives and the performance targets to be used;

9.6 determine the policy for, and scope of, pension arrangements for each executive Director and other senior executives;

9.7 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 recognized;

9.8 in determining such packages and arrangements, give due regard to any relevant legal requirements, the principles and provisions of the Code, the Listing Rules of the Stock Exchanges on which the Company is listed and associated guidance, and guidelines issued by relevant shareholder representative organisations;

9.9 within the terms of the agreed policy and in consultation with the Chair and/or Chief Executive Officer (save in relation to their own remuneration), as appropriate, determine the total individual remuneration package of the Chair and each executive Director and other senior executives including bonuses, incentive payments and share options or other share awards;

9.10 review the workforce remuneration trends and related policies across the Company or Group and the alignment of incentives and reward with the Company's culture (including its purpose, values and strategy), taking this into account when setting the policy for executive Directors. The review will include matters such as any pay principles applied across the Company, salary, benefits and all incentives that drive behavior;

- 9.11 oversee any major changes in employee benefits structures throughout the Company or Group;
- 9.12 ensure effective engagement with, and encourage participation from, relevant stakeholders including (but not limited to) the workforce, in relation to remuneration and related policies and practices, ensuring that the views of relevant stakeholders are understood and considered as appropriate by the Committee and the Board;
- 9.13 agree the policy for authorising claims for expenses from executive Directors and the Chair;
- 9.14 ensure that disclosure of remuneration including pensions, is clear and transparent;
- 9.15 be exclusively responsible for the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee on senior executive remuneration, and for obtaining reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations;
- 9.16 appoint external remuneration consultants where required at the Company's expense, set their terms of reference and approve any fees paid to them; and
- 9.17 consider any other matters as may be requested by the Board.

10 Reporting Responsibilities

- 10.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting as appropriate.
- 10.2 The Committee shall report to the Board on workforce reward, incentives and conditions, and support the Board's monitoring of the alignment of Company policies and practices with culture and strategy.
- 10.3 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.4 The Committee shall produce an annual report on the Company's remuneration policy and practices which forms part of the Company's Annual Report (the "**Remuneration Report**"), and ensure each year that it is put to shareholders for consideration at the Annual General Meeting. The Remuneration Report shall be in compliance with the relevant principles and provisions of the Code (or explain where it is not so compliant) and other applicable laws.
- 10.5 The Committee shall ensure that provisions regarding disclosure of information including pensions as required by the Code, the relevant Listing Rules and any laws or regulations, are complied with in preparing the Annual Report.
- 10.6 When 20 per cent or more shareholder votes have been cast against the Board's recommendation for any remuneration related resolutions, the Committee shall engage in appropriate discussions as necessary with shareholders and ensure that an update on the views received from shareholders and actions taken is published no later than six months after the relevant shareholder meeting. The Remuneration Report shall include a summary of the impact that the feedback has had on the decisions that the Committee has taken and any actions or resolutions now proposed.

10.7 The Committee shall ensure, through the Committee Chair, that the Company maintains contact, and the Committee Chair seeks engagement, as required, with the Company's major shareholders on significant matters related to the Committee's areas of responsibility, including on the remuneration policy.

10.8 These terms of reference shall be made publicly available on the Company's website.

11 **Other**

11.1 No Director or senior manager shall be involved in any decisions as to their own remuneration outcome. The Board itself or, where required by the constitution, the shareholders should determine the remuneration of the non-executive directors within the limits set in the constitution.

11.2 The Committee shall:

11.2.1 at least once a year, review its own performance, 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;

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

11.2.3 be provided with appropriate and timely training, in the form of an induction programme for new members and on an on-going basis for all members; and

11.2.4 give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors of listed companies and formation and operation of share schemes including but not limited to the provisions of the Companies Act 2014, the Code, the Irish Corporate Governance Annex, the requirements of the relevant Listing Rules, Prospectus, Market Abuse and Transparency Rules and any other applicable rules as appropriate.

12 **Authority**

The Committee Chair is authorised by the Board to:

12.1 seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee;

12.2 carry out all duties set out in its terms of reference and to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference; and

12.3 within any budgetary restraints imposed by the Board, to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.

Approved by Board: 3 December 2020