

Adopted by the Board on 13 November 2019

Terms of Reference - Remuneration Committee

Membership

1. The Committee shall comprise at least three members, all of whom shall be independent non-executive directors as defined in the UK Corporate Governance Code ('the Code'),
2. All members shall be appointed by the Board on the recommendation of the Nomination Committee and will hold office for such period as the Board may determine.
3. The Board shall appoint the Committee Chairman.
4. The Company Secretary or his nominee shall act as the Secretary of the Committee.

Meetings

1. The Committee shall meet formally at least three times a year.
2. A meeting of the Committee may be called by any member of the Committee or by the Secretary at the request of the Chairman.
3. The quorum necessary for the transaction of business by the Committee shall be two.
4. Notice of each meeting confirming the venue, time and date, together with agenda of items to be discussed shall, unless otherwise agreed by all members, be forwarded to each member of the Committee not fewer than three working days prior to the date of the meeting. With the agreement of all members of the Committee, meetings may be conducted by telephonic or electronic communication.
5. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, Human Resource management and external advisers may be invited to attend for all or part of any meetings, as and when appropriate and necessary.
6. No Committee attendee shall be present at any discussion or decision on his own remuneration or terms and conditions.
7. In the absence of the Committee Chairman or any appointed Deputy, the remaining members present shall elect one of their number to chair the meeting. The Chairman of the Board shall not be Chairman of the Committee.
8. The Secretary shall keep appropriate records of all meetings of the Committee together with minutes of the proceedings and resolutions.
9. Draft minutes of the meetings shall be circulated to all members of the Committee as soon as possible following the meeting.
10. The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
11. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
12. Through the Chairman of the Board ensure that the Committee maintains contact as required with its principal shareholders about remuneration.

13. The Chairman of the Committee shall attend the Annual General Meeting and be prepared to respond to any shareholder questions on the Committee's activities.

Duties

The Committee shall:

1. set the Remuneration Policy for the executive directors and the Company Chairman The remuneration of non-executive directors shall be a matter for the executive members of the Board;
2. determine and monitor the framework policy in respect of the level and structure of remuneration for members of the Executive Team who are not Executive Directors.
3. in determining such policies, take into account factors which it deems necessary including relevant legal and regulatory requirements. The objective of such policies shall be to ensure that Executive Directors and members of the Executive Team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions in promoting the long-term success of the Company;
4. when setting the Remuneration Policy have regard to the pay and employment conditions across the Company or Group, especially when determining annual salary increases.
3. review the ongoing appropriateness and relevance of the Remuneration Policy;
4. 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;
5. within the terms of the agreed policies, determine the total individual remuneration packages of each member of the Executive Directors/Team including, where appropriate, bonuses, incentive payments and share options;
6. to consider and approve general policies of management remuneration, including bonus and incentive schemes, at the level below the Executive Team;
7. determine the policy for and approve pension arrangements, service agreements, termination payments and compensation commitments for the Executive Directors/Team;
8. in determining such packages and arrangements, give due regard to the comments and recommendations of the Code as well as the UKLA Listing rules and associated guidance;
9. 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;
10. oversee any major changes in employee benefit structures throughout the Company or Group;

11. review and note annually the remuneration trends across the Company or Group;
12. ensure that provisions regarding disclosure of remuneration, including pensions, as set out in the Code, are fulfilled;
13. produce an annual Report on Directors' Remuneration which will form part of the Company's Annual Report and Accounts and ensure each year that it is put to shareholders for approval at the AGM. If the Committee has appointed remuneration consultants, the annual report should identify such consultants and state whether they have any other connection with the Company;
14. produce a separate report of the Company's Remuneration Policy and ensure that it is put to shareholders for approval every three years.

Authority

1. The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
2. The Committee is authorised by the Board, when the fulfilment of its duties requires, to obtain any outside legal or other professional advice including the advice of independent remuneration consultants, to secure the attendance of external advisers at its meetings, if it considers this necessary, and to obtain reliable, up to date information about remuneration in other companies, at the Company's expense. The Committee shall be responsible for establishing the selection criteria; selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee. The Committee shall have full authority to commission any independent reports or surveys which it seems necessary to help it fulfil its obligations.

Other Matters

The Committee shall

1. be provided with appropriate and timely training both in the form of an induction programme for new members and on an on-going basis for all members.
2. arrange for periodic reviews of its own performance and at least annually review its constitution and Terms of Reference to ensure it is operating to maximum effectiveness.