



**REMUNERATION COMMITTEE  
TERMS OF REFERENCE  
PROCOOK GROUP PLC (the “Company”)**

Adopted by resolution of the board of directors of the Company (the “Board”) passed  
on 13 October 2021

In this document, references to the “Group” are to the Company and its subsidiaries (if any).

**1. PURPOSE**

The purpose of the Remuneration Committee (the “Committee”) is to establish a formal and transparent procedure for developing policy on executive remuneration and to set the remuneration packages of individual directors, as required by Principles P, Q and R of the UK Corporate Governance Code (the “Code”).

**2. CONSTITUTION AND MEMBERSHIP**

2.1 The Committee has been established as a committee of the Board by resolution of the Board.

2.2 The members of the Committee will be appointed by the Board, on the recommendation of the nomination committee and in consultation with the chair of the Committee. The Committee will comprise at least three members, all of whom will be independent non-executive directors. In addition, the Chair of the Company may also be a member of, but not chair, the Committee if they were considered independent on appointment as Chair of the Company.

2.3 The chair of the Committee will be appointed by the Board, on the recommendation of the nomination committee and will be an independent non-executive director who has served on a remuneration committee for at least 12 months. In the absence of the chair of the Committee, the members present will select one of their number present who would qualify under these terms of reference to be appointed to that position by the Board to chair the meeting. The Chair of the Company will not be eligible to be appointed as chair of the Committee.

2.4 Appointments to the Committee will be for a period of up to three years, which may be extended by no more than two further periods of up to three years, provided the director still meets the criteria for membership of the Committee (other than the Chair of the Company, if they are a member of the Committee) .

2.5 The Company Secretary will act as the secretary of 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. Where the Company Secretary is also an executive director, the Committee may nominate one of its members to act as secretary for any meeting which the Committee wishes to hold without executive directors being present.

**3. ATTENDANCE**

3.1 Only members of the Committee have the right to attend Committee meetings.

3.2 The Committee may request the Chair of the Company, the Chief Executive Officer, Chief Financial Officer, the Head of Human Resources and any relevant senior management to attend meetings of the Committee, either regularly or by invitation, but such invitees have (save in the case of the Chair of the Company, as appointed to the Committee in accordance with **paragraph 2.2**), no right of attendance.

## 4. MEETINGS

- 4.1 The Committee will meet at least twice each year and at such other times as the chair of the Committee thinks fit.
- 4.2 Meetings of the Committee will be called by the secretary of the Committee at the request of the chair of the Committee or any of its members.
- 4.3 Unless otherwise agreed by all members of the Committee, notice of meetings, confirming the venue, time and date together with an agenda and all relevant papers, should normally be circulated to each member of the Committee, and to any other person as may be requested by the Committee, at least five working days prior to the date of the meeting.
- 4.4 The quorum for meetings of the Committee will be two members.
- 4.5 Decisions of the Committee will be made by majority vote. In the event of an equality of votes, the chair of the Committee will have a second or casting vote.

## 5. REPORTING

- 5.1 Sufficient time should be allowed after Committee meetings for the Committee to report to the Board on the nature and content of discussion, on recommendations, and on actions to be taken. The secretary of the Committee will minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance. Draft minutes of Committee meetings will be circulated promptly to all members of the Committee and, once agreed, to all members of the Board, and to the Company Secretary unless it would be inappropriate to do so.
- 5.2 The chair of the Committee will report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 5.3 The Committee will also ensure that provisions regarding disclosure of information as set out in the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and the Code are fulfilled, and that a report on the directors' remuneration policy and practices is prepared for inclusion in the Company's annual report and put to shareholders for approval at the AGM, where necessary.
- 5.4 If the Committee has appointed remuneration consultants, the annual report on the directors' remuneration policy should identify such consultants and state whether they have any connection with the Company or any individual directors.
- 5.5 The Committee will make whatever recommendations to the Board that it deems appropriate on an area within its remit where action or improvement is needed and adequate time should be made available for Board discussion, where necessary.
- 5.6 The Committee will prepare a description of its work for inclusion in the Company's annual report in line with the requirements of the Code.
- 5.7 The chair of the Committee should be present at the Company's AGM to respond to questions on matters within the responsibility of the Committee. In addition, the chair of the Committee should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

## 6. DUTIES OF THE COMMITTEE

- 6.1 The Committee should carry out the duties below for the Company, major subsidiary undertakings and the Group as a whole, as appropriate.

## 6.2 The Committee will:

- 6.2.1 have delegated responsibility for determining the policy for directors' remuneration and setting remuneration for the Chair of the Company, executive directors and senior management, including the Company secretary, in accordance with the principles and provisions of the Code;
- 6.2.2 establish remuneration schemes that promote long-term shareholding by executive directors that support alignment with long-term shareholder interests, with share awards subject to a total vesting and holding period of at least five years, and a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares;
- 6.2.3 design remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to Company purpose and values, clearly linked to the successful delivery of the Company's long-term strategy, and that enable the use of discretion to override formulaic outcomes and to recover and/or withhold sums or share awards under appropriate specified circumstances;
- 6.2.4 when determining executive director remuneration policy and practices, consider the Code requirements for clarity, simplicity, risk, mitigation, predictability, proportionality and alignment to culture;
- 6.2.5 ensure that no director or senior manager will be involved in any decisions as to their own remuneration outcome. The Board itself or, where required by the Company's articles of association, the shareholders should determine the remuneration of the non-executive directors within the limits set in those articles of association;
- 6.2.6 in determining remuneration policy, take into account all other factors which it deems necessary, including relevant legal and regulatory requirements, the provisions and recommendations of the Code and associated guidance. The objective of such policy will be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders;
- 6.2.7 review the ongoing appropriateness and relevance of the remuneration policy;
- 6.2.8 within the terms of the agreed policy and in consultation with the Chair of the Company and/or Chief Executive Officer, as appropriate, determine the total individual remuneration package of each executive director, the Chair of the Company and senior managers including bonuses, incentive payments and share options or other share awards. The choice of financial, non-financial and strategic measures is important, as is the exercise of independent judgement and discretion when determining remuneration awards, taking account of Company and individual performance and wider circumstances;
- 6.2.9 obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations, the Committee will 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. However, the Committee should avoid designing pay structures based solely on benchmarking to the market or on the advice of remuneration consultants;
- 6.2.10 be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- 6.2.11 review the design of all share incentive plans for approval by the Board and, where required, 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 for executive directors and senior managers and the performance targets to be used;

6.2.12 review workforce remuneration and related policies; and

6.2.13 work and liaise as necessary with other Board committees, ensuring the interaction between committees and with the Board is reviewed regularly.

## 7. **OTHER MATTERS**

The Committee will:

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

7.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;

7.3 give due consideration to all relevant laws and regulations, the provisions of the Code and published guidelines or recommendations regarding the remuneration of directors of traded/non traded companies and the formation and operation of share incentive plans, the requirements of the Financial Conduct Authority's Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules as well as guidelines published by the Investment Association and the Pensions and Lifetime Savings Association and any other applicable rules, as appropriate; and

7.4 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.

## 8. **AUTHORITY**

The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

These terms of reference were adopted by resolution of the Board passed on 13 October 2021.