THE REMUNERATION COMMITTEE: TERMS OF REFERENCE

(Re-adopted by the board on 22 November 2022)

Constitution

1. There shall be a committee of the board to be known as the remuneration committee which will act in a way which the committee considers, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole.

2. The committee will comprise at least three independent non-executive directors appointed by the Board. A quorum shall be two members. A duly convened meeting of the committee at which a quorum is present shall be authorised to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.

3. Unless exceptional circumstances or succession planning requires otherwise, appointments should generally be for a period of up to three years, extendable by no more than two additional three year periods so long as members continue to be independent.

4. The chair of the committee shall be appointed by the board, following consultation with the nomination committee, and shall be an independent non-executive director who has served on a remuneration committee for at least 12 months. In the absence of the committee's chair, the committee will appoint one of its members to be chair of the committee. The chairman of the board may not be the chair of the committee.

5. The company secretary (or his/her nominee) shall be secretary to the committee and shall keep appropriate minutes of its proceedings which will be circulated promptly to all members of the committee, and once approved be made available to all Board members (redacted as appropriate), unless a conflict of interest exists. The secretary shall ascertain at the beginning of each meeting of the committee, the existence of any conflicts and minute them accordingly.

6. No one other than the members of the committee is entitled to be present at a meeting of the committee but others may attend at the invitation of the committee including but not limited to the Chief Executive Officer, other members of the executive or management team, and the committee's advisers. The chairman of the board and other board members may attend, if invited by the committee to do so. No director or Senior Executive shall be involved in deciding their own remuneration outcome.

7. Meetings shall be held at least twice a year and may be held in person or by telephone or video conference.

8. In the event that a member of the committee is unable to attend a regular or ad-hoc meeting of the committee, such member may appoint an independent non-executive director to act as an alternate member of the committee and attend the meeting in his or her place. The said alternate members shall have full powers of a regular member of the committee when attending any such meeting as a substitute for any absent member.

9. The committee's duties and activities during the year shall be disclosed in the annual report and financial statements.

10. The chair of the committee shall attend the annual general meeting and shall answer questions, through the chairman of the board, on the remuneration committee's activities and their responsibilities.

Powers

11. The committee is authorised to take such internal and external advice, as it shall consider appropriate, in connection with the carrying out of its duties and shall appoint its own external remuneration advisers.

12. The committee has no authority in relation to the remuneration of the non-executive directors other than the Chairman.

13. The committee shall have regard to and shall comply with the UK Corporate Governance Code, the listing rules of the UK Listing Authority and the Companies Acts relating to remuneration committees or remuneration of directors and shall also have regard to any authoritative best practice guidelines for remuneration committees published from time to time.

Duties

14. The committee's duties are:

(a) to determine and recommend to the board, the policy for executive director remuneration, having reviewed and taken into account workforce remuneration and related policies and the alignment of incentives and reward with culture, strategy, and long-term sustainable success;

(b) to set for all executive directors, the Company Secretary, and all other members of the executive (all such employees referred to as 'Senior Executives' within these terms of reference), the framework of remuneration, the entire individual recruitment terms, remuneration benefits, employment conditions, pension rights, compensation payments and severance terms, individual bonus plans and targets and the subsequent achievement of performance against targets;

(c) to approve the general recruitment terms, remuneration benefits, employment conditions and severance terms, general incentive and annual and long term bonus plans and targets (and to note the subsequent achievement of overall performance against targets) for such senior employees who are not Senior Executives as it considers appropriate;

(d) to set the remuneration of the Chairman;

(e) to review and recommend to the board the policies for authorising claims for expenses for the Chief Executive Officer and the executive directors;

(f) to propose for the approval of the board, and for recommendation by the board to shareholders as required, any new discretionary share schemes;

(g) to approve (as necessary) the rules and associated guidelines for the granting of awards under the Company's discretionary share schemes and any amendments or alterations to the terms of such schemes (or awards granted under them), noting that certain changes may also require shareholder approval;

(h) assist the board in reporting to the Company's shareholders on remuneration policies applicable to executive directors in accordance with the listing rules of the UK Listing Authority, the Companies Acts and any other relevant legislation or regulations;

(i) to undertake appropriate discussions as necessary with institutional investors and other relevant stakeholders (including employees) on directors' remuneration policy or any other aspects of senior remuneration;

(j) to review annually and update its terms of reference, recommending any changes to the board and to evaluate its own membership, effectiveness and performance on a regular basis. Its effectiveness will be externally and independently evaluated at least every three years; and

(k) to monitor Senior Executive progress against the Share Retention Policy.

15. In determining the remuneration and incentive packages of the Senior Executives, the committee should:

(a) design remuneration to promote the long-term success of the company and ensure performance related elements are transparent, stretching and rigorously applied;

(b) judge where to position the Company relative to other companies to enable the policy to attract, retain and motivate executive management of the quality required to run the company successfully without paying more than is necessary (but the committee should use such comparisons with caution, in view of the risk that they can result in an upward ratchet of remuneration levels with no corresponding improvement in corporate and individual performance);

(c) exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual, performance and wider circumstances;

(d) ensure performance-related remuneration include provisions that would enable the Company to recover sums paid or withhold the payment of any sum and specify the circumstances in which it would be appropriate to do so;

(e) be sensitive to workforce pay and employment conditions elsewhere in the Group especially when determining annual salary increases and overall remuneration levels; and

(f) take care to recognise and manage conflicts of interest when receiving views from Senior Executives and other management, or when consulting the Chief Executive Officer about its proposals.

16. When agreeing terms of appointment for Senior Executives, the remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) would apply in the event of early termination. The aim should be to avoid rewarding poor performance. They should take a robust line on reducing compensation to reflect departing Senior Executives' obligations to mitigate loss.