

## **DEV CLEVER HOLDINGS PLC**

### **Remuneration committee**

#### **Terms of reference**

#### **1. Purpose**

The purposes for which the remuneration committee (**Committee**) is established are to ensure that:

- 1.1 independent non executive directors determine and review the remuneration of executives on behalf of the board of directors of the company (**Board**); and
- 1.2 the remuneration policies and packages attract, retain and motivate quality directors whilst not paying more than is necessary for this purpose.

#### **2. Authority**

- 2.1 The Committee is authorised to investigate and undertake any activity within these terms of reference. It is authorised to seek any information it properly requires from any employee of the company or of any of its subsidiary companies. All employees are directed by the Board to co-operate as regards any request made by the Committee.
- 2.2 If the Committee considers it necessary so to do, it is authorised to obtain appropriate external legal and other professional advice to assist it in the performance of its duties, to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend meetings of the Committee. The cost of obtaining any advice or services will be paid by the company within limits authorised by the Board. The chairman of the Board will be informed before external advice is sought and consulted about the Committee's proposals relating to the remuneration of executive directors.

#### **3. Composition**

- 3.1 The Committee consists exclusively of independent non executive directors of the company who have no personal financial interest, except as shareholders, in the Committee's decisions.
- 3.2 The Committee comprises not fewer than two members appointed by the Board from time to time in consultation with the chairman of the Committee.
- 3.3 The chairman of the Committee is appointed by the Board and is not to be involved in the day to day running of the company or any subsidiary company. In the absence of the chairman of the Committee and/or an appointed deputy, the remaining members present will elect one of themselves to chair the meeting. The chairman of the Board may not be chairman of the Committee.
- 3.4 Appointments to the Committee will be for a period of up to three years, which may be extended for two further three year periods, but only if the relevant member remains an independent non executive director.

#### **4. Meetings**

- 4.1 The Committee will meet at least twice in each year at the times and locations agreed by the members and also at such other times as the chairman of the Committee may require. Any member of the Committee may at any time convene a meeting of the Committee by notice in writing to the secretary of the Committee who will summon the other members.
- 4.2 The quorum for any meeting of the Committee is two. A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any

of the authorities, powers and discretions vested in or exercisable by the Committee.

- 4.3 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, will be forwarded by the secretary of the Committee to each member of the Committee, any other person required to attend and all other non executive directors, no later than five working days before the date of the meeting. Supporting papers will be sent to Committee members and to other attendees as appropriate, at the same time.
- 4.4 Only members of the Committee may attend Committee meetings. Other individuals such as the chief executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
- 4.5 Each member of the Committee has one vote on all matters to be determined by the Committee. In case of deadlock the chairman of the Committee has a casting vote.
- 4.6 The secretary of the Committee will prepare minutes of the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 4.7 Minutes of Committee meetings will be circulated promptly to all members of the Committee and, once agreed, to all members of the Board, unless a conflict of interest exists.

## **5. Duties**

The Committee will:

- 5.1 determine and agree with the Board the framework or broad policy for the remuneration of the company's chief executive, chairman, the executive directors, the company secretary and any other members of the executive management as it is designated to consider. The remuneration of non executive directors will be a matter for the chairman and the executive members of the Board. No director or manager may be involved in any decisions as to their own remuneration. In determining such policy, the Committee will take into account all factors which it deems necessary. The objective of the policy will be to ensure that members of the executive management of the company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the company;
- 5.2 review the ongoing appropriateness and relevance of the remuneration policy;
- 5.3 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;
- 5.4 review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, the Committee will 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;
- 5.5 determine the policy for, and scope of, pension arrangements for each executive director and other senior executives;
- 5.6 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;

- 5.7 within the terms of the agreed policy and in consultation with the chairman of the Board and/or chief executive as appropriate, determine the total individual remuneration package of each executive director and other senior executives including bonuses, incentive payments and share options or other share awards. In determining such packages and arrangements, the Committee will give due regard to any relevant legal requirements, the provisions and recommendations in the Combined Code and the UK Listing Authority's Listing Rules and associated guidance;
- 5.8 review and note annually the remuneration trends across the company or group;
- 5.9 oversee any major changes in employee benefits structures throughout the company or group;
- 5.10 agree the policy for authorising claims for expenses from the chief executive and chairman of the Board;
- 5.11 ensure that all provisions regarding disclosure of remuneration including pensions, as set out in the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) and the UK Corporate Governance Code are fulfilled; and
- 5.12 be exclusively responsible for establishing the selection criteria and selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee; and will obtain reliable, up-to-date information about remuneration in other companies. The Committee will have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

## **6. Reporting**

- 6.1 The chairman of the Committee will report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 6.2 The Committee will make whatever recommendations to the Board it deems appropriate on any area within its terms of reference where action or improvement is needed.
- 6.3 The Committee will produce an annual report of the company's remuneration policy and practices which will form part of the company's annual report and ensure each year that it is put to shareholders for approval at the annual general meeting.
- 6.4 The chairman of the Committee will attend the annual general meeting prepared to answer shareholders' questions on the Committee's activities.

## **7. Other**

The Committee will, 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.

Adopted at the meeting of the board of directors held on 4<sup>th</sup> January 2019.