

**NOMINATION AND REMUNERATION COMMITTEE**

**TERMS OF REFERENCE**

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Nomination and Remuneration Committee (the "**Committee**") of S<sup>4</sup> Capital plc (the "**Company**").

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References to the "**Board**" shall mean the full Board of Directors of the Company.

**1. MEMBERSHIP**

- 1.1** The members of the Committee shall be appointed by the Board and shall consist of at least three members, all of whom shall be independent non-executive directors.
- 1.2** The Chair of the Committee shall be appointed by the Board. The Chair of the Committee shall be a non-executive director who has served on a remuneration committee for at least 12 months prior to their appointment as Committee Chair.
- 1.3** The Chair of the Board shall not be eligible to be appointed as Chair of the Committee but may serve on the Committee as an additional member if they were considered independent on appointment as Chair.
- 1.4** Appointments to the Committee shall be for a period of up to three years, which may be extended for up to two additional three-year periods, provided the members (other than the Chair of the Board, if they are a member of the Committee) continue to be independent.

**2. MEETINGS**

- 2.1** The Committee shall meet at least twice a year and otherwise as required.
- 2.2** Meeting of the Committee shall be called by the Secretary of the committee at the request of the committee chair or any of its members.
- 2.3** 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 not fewer than 5 working days prior to the date of the meeting.
- 2.4** The quorum for the Committee meetings shall be two.
- 2.5** In the absence of the Chair and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting.
- 2.6** Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend and speak at meetings (or parts thereof) of the Committee, as and when appropriate.

- 2.7** The Committee may take decisions without a meeting by unanimous written consent, when deemed necessary or desirable by the Chair.
- 2.8** The Company Secretary or his or her nominee shall act as the Secretary of the Committee and shall keep appropriate records of all meetings of the Committee.
- 2.9** Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Minutes should be circulated to all other members of the Board upon their request unless in the opinion of the Committee it would be inappropriate to do so.

### **3. ANNUAL GENERAL MEETINGS**

The Committee Chair, or in their absence, an appointed deputy should attend the annual general meeting to answer any shareholder questions on the committee's activities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the committee's areas of responsibility.

### **4. NOMINATION DUTIES**

**4.1** In carrying out its nomination duties, the Committee shall:

- 4.1.1** regularly review the structure, size and composition (including the skills, knowledge, experience, independence and diversity) of the Board and make recommendations to the board with regard to any changes;
- 4.1.2** give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company and its subsidiaries (the "**Group**"), and the skills and expertise considered necessary for the Board in the future and oversee the development of a diverse pipeline for succession;
- 4.1.3** set measurable objectives for, and prepare a policy in relation to, Board and senior management diversity;
- 4.1.4** keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- 4.1.5** keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the markets in which it operates;
- 4.1.6** be responsible for identifying and nominating, for the approval of the Board, potential candidates to fill Board vacancies as and when they arise, having evaluated the balance of skills, knowledge and experience and considered all potential conflicts of interest. In identifying suitable candidates, the Committee:
  - (a) may use open advertising or the services of external advisers to facilitate the search;

- (b) shall consider candidates from a wide range of backgrounds; and
- (c) shall consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board, including but not limited to gender, ethnicity, social background, cognitive and personal strengths, taking care that appointees have enough time available to devote to the position;

**4.1.7** prior to the appointment of a director, require the proposed appointee to disclose (i) any other business interests that may result in a conflict of interest and to report any future business interests that could result in a conflict of interest and (ii) any significant commitments, with an indication of the time involved. Any business interests that could result in a conflict of interest must be authorised by the Board prior to appointment;

**4.1.8** ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment (including training and induction), committee service and involvement outside Board meetings;

**4.1.9** keep under regular review any authorisations granted by the Board in connection with a director's conflicts of interest;

**4.1.10** review annually the time required from the non-executive directors. Performance evaluation should be used to assess the non-executive directors and their performance; and

**4.1.11** work and liaise as necessary with all other Board committees.

**4.2** The Committee shall also make recommendations to the Board concerning:

**4.2.1** plans for succession for both executive and non-executive directors and in particular for the roles of the Executive Chairman and Chief Executive (following the appointment of any Chief Executive), taking into account the challenges and opportunities facing the Company;

**4.2.2** membership of the Committee, of the Audit and Risk committee, and any other Board committees as appropriate, in consultation with the chair of those committees;

**4.2.3** the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills, experience and independence required;

**4.2.4** the re-election by shareholders of directors under the annual re-election provisions of the UK Corporate Governance Code (the "**Code**") or the retirement by rotation provisions in the Company's articles of association,

having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);

**4.2.5** any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract; and

**4.2.6** the appointment of any director to executive or other office.

## **5. REMUNERATION DUTIES**

**5.1** The Committee shall:

**5.1.1** determine, recommend and agree, in accordance with the principles and provisions of the Code, with the Board the overall policy for the remuneration of the Company's executive management including the Chair, executive directors and the company secretary (the "**Executive Group**"). The remuneration of non-executive directors shall be a matter for the Board. No director or senior manager shall be involved in any decisions as to their own remuneration;

**5.1.2** in determining policy on executive remuneration, take into account all other factors which it deems necessary including relevant legal and regulatory requirements, the provisions and the recommendations of the Code and associated guidance. The objective of such policy shall 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;

**5.1.3** when setting remuneration policy for executive directors, review and have regard to pay and employment conditions across the company or group, especially when determining annual salary increases and the alignment of workforce incentives and rewards with culture;

**5.1.4** review the on-going appropriateness and relevance of the remuneration policy and related policies;

**5.1.5** review workforce remuneration and related policies;

**5.1.6** consider and determine all elements of the remuneration of each member of the Executive Group, including:

a) basic salary (the Committee shall also consider the pension consequences of basic salary increases);

- b) bonuses and performance-related payments (including profit sharing schemes) and approve the total annual payments thereof;
- c) discretionary payments;
- d) pension contributions;
- e) benefits in kind; and
- f) share options and other share awards,

and in doing so consider the choice of objectively determined financial, non-financial and strategic measures, as well as the exercise of independent judgement, taking account of company and individual performance and wider circumstances;

- 5.1.7** obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it fulfil its obligations, the Committee shall 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;
- 5.1.8** be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee. If the Committee has appointed a remuneration consultant, the consultant should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors;
- 5.1.9** 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;
- 5.1.10** determine the policy for and scope of pension arrangements, including ensuring that only basic salary is pensionable and that the pension contribution rates for executive directors, or payments in lieu, are aligned with those available to the workforce or the legal requirements in the director's country of appointment;
- 5.1.11** determine the policy for and scope of service agreements for the executive management team including the remuneration related provisions (in particular the term, any notice period which shall not normally exceed one year, and compensation commitment on early termination) to ensure that any payments that may be made under such agreements do not reward poor performance and that the duty to mitigate loss is fully recognised;

- 5.1.12** ensure that remuneration schemes promote long term shareholdings by executive directors that support alignment with long-term shareholder interests, usually and a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares;
- 5.1.13** design remuneration schemes and 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, including provisions that would enable the Company to recover and/or withhold sums or share awards and specify the circumstances in which it would be appropriate to do so;
- 5.1.14** oversee any major changes in employee benefit structures throughout the Group; and
- 5.1.15** agree the policy for authorising claims for expenses from the directors.

## **6. REPORTING RESPONSIBILITIES**

- 6.1** The Committee shall make these terms of reference available on the Company's website.
- 6.2** The Committee Chair shall report to the Board on all matters within the Committee's duties and responsibilities.
- 6.3** The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 6.4** The Committee shall provide a description of its work in the annual report in line with the requirements of the UK Corporate Governance Code.
- 6.5** The Committee shall 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 included in the company's annual report and put to shareholders for approval at the AGM as necessary.
- 6.6** if any external remuneration or search consultants have been engaged, it should be identified in the annual report alongside a statement about any other connection they have with the company or individual directors.

## **7. AUTHORITY**

- 7.1** The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.
- 7.2** The Committee is authorised by the Board to seek any information it requires from any employee of the Group in order to perform its duties.

## **8. OTHER MATTERS**

### **8.1** The Committee shall:

- 8.1.1** have access to sufficient resources in order to carry out its duties, including access to the Company Secretary and the General Counsel for assistance as required;
- 8.1.2** 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;
- 8.1.3** give due consideration to laws and regulations, the provisions of the good governance recommendations and applicable rules, as appropriate; and
- 8.1.4** arrange for periodic reviews of its own performance and regularly 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.

Reviewed by the Nomination and Remuneration Committee on 13 December 2024. Approved by the Board on 27 February 2025.