

WILMINGTON PLC

REMUNERATION COMMITTEE - TERMS OF REFERENCE

1 Membership

- 1.1 Members of the Committee shall be appointed by the Board, in consultation with the Chairman of the Remuneration Committee. The Committee shall be made up of at least three members, all of whom shall be independent non-executive directors.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend for all or part of any meeting. No person shall be involved in any decisions as to their own remuneration.
- 1.3 The Board shall appoint the Committee Chairman. Before appointment as Committee Chairman, the appointee should usually have served on a Remuneration Committee for at least 12 months. In the absence of the Committee Chairman the remaining members present shall elect one of themselves to chair the meeting.

2 Quorum

- 2.1 The quorum necessary for the transaction of business shall be two. Who are present either in person or by phone. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and directions vested in or exercisable by the Committee.

3 Meetings

- 3.1 The Committee shall meet at least twice a year and at such other times as the Committee Chairman shall require.

4 Notice of Meetings

- 4.1 Meetings of the Committee shall be convened by the Committee Chairman at the request of any of its members.
- 4.2 Unless otherwise agreed, notice of each meeting, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee as appropriate before the date of the meeting.

5 Minutes of Meetings

- 5.1 Minutes of the proceedings and resolutions of all Committee meetings will be prepared and shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board.
- 5.2 The Chairman shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

6 Annual General Meeting

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

7 Duties

The Committee shall:

- 7.1 determine and agree with the Board the policy for the remuneration of the company's Chief Executive, the other executive directors, the company secretary and such other members of the executive management as it is designated to consider;
- 7.2 in determining such policy, take into account all factors which it deems necessary which shall include, but not be limited to the principles of clarity, simplicity, risk, predictability, proportionality and alignment to culture. The objective of such policy shall be to support the Company's strategy and promote long-term sustainable success, while providing for members of the executive management of the company to be provided with appropriate incentives to encourage enhanced performance such that they are, in a fair and responsible manner, rewarded for their individual contributions to the success of the company;
- 7.3 review the ongoing appropriateness and relevance of the remuneration policy having regard to workforce remuneration and related policies and the alignment of incentives and rewards with culture across the Group;
- 7.4 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;
- 7.5 ensure that all variable remuneration plans enable the Committee to override formulaic outcomes and include provisions to allow the Committee to recover and/or withhold sums or share awards.
- 7.6 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, the Company Secretary, members of the first layer of management below the board and other senior executives it is designated to consider and the performance targets to be used;
- 7.7 determine the policy for, and scope of, pension arrangements for each executive director and other senior executives, taking into account, in the case of executive directors, pension contribution rates available to the wider workforce;
- 7.8 ensure that contractual terms on termination, and any payments made, are fair to the individual and the company;
- 7.9 within the terms of the agreed policy and in consultation with the Chief Executive, determine the total individual remuneration package of each executive director, the company secretary, members of the first layer of management below the board including bonuses, incentive payments and share options or other share awards. It will be consulted only with regard to the packages of other senior executives;
- 7.10 oversee any major changes in employee benefit structures throughout the company or group;
- 7.11 set the remuneration for the Chairman of the Board (but not for the non-executive directors, whose remuneration shall be a matter for the board);
- 7.12 agree the policy for authorising claims for expenses from the Chief Executive and Chairman;

- 7.13 ensure that all provisions regarding disclosure of remuneration including pensions, as set out in applicable legislation, the Listing Rules and the Corporate Governance Code are fulfilled;
- 7.14 be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee and to obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations; and
- 7.15 develop a formal policy for post-employment shareholding requirements, encompassing both vested and unvested shares.

8 Reporting Responsibilities

- 8.1 The Committee Chairman's shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 8.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 8.3 The Committee shall 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 AGM.

9 Other

- 9.1 The Committee shall 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.

10 Authority

- 10.1 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.
- 10.2 In connection with its duties the Committee is authorised by the Board to obtain, at the company's expense, any outside legal or other professional advice.

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