

HIGHCROFT

I N V E S T M E N T S P L C

Highcroft Investments PLC (the “company”) Remuneration committee terms of reference

Approved by the board 27 March 2023

1.	MEMBERSHIP
1.1	The remuneration committee (the “committee”) shall be comprised of at least 2 members, each of whom shall be appointed by the board.
1.2	All members of the committee shall be non-executive directors who are independent of management and free from any business or other relationship which could interfere with the exercise of their independent judgement.
1.3	The board should appoint the committee chairman. The chairman of the company shall not be eligible to be appointed as chairman of the committee.
2.	SECRETARY
2.1	The company secretary shall act as the secretary of the committee if so requested by the committee chairman. Otherwise, the chairman of the committee shall also act as secretary of the committee.
3.	QUORUM
3.1	The quorum necessary for the transaction of business shall be 2. 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 discretions vested in or exercisable by the committee.
4.	MEETINGS
4.1	Meetings of the committee shall be called by the chairman of the committee at the request of a majority of its members.
4.2	Unless otherwise agreed, 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, and any other person required to attend, no later than three working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time. Papers required by the committee may be provided electronically.
4.3	Meetings of the committee may be conducted when the members are physically present together or in the form of either video or audio conferences.
4.4	The committee shall meet at least once per year and shall also meet at such other times as the chairman of the committee shall require.

4.5	The chief executive and the finance director may be called upon or shall be able to speak by prior arrangement with the chairman of the committee. They will not be entitled to vote.
5.	MINUTES OF MEETINGS
5.1	The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.
5.2	Minutes of committee meetings shall be circulated to all members of the Committee and to all members of the Board.
6.	ANNUAL GENERAL MEETING
6.1	The chairman of the committee shall attend the annual general meeting prepared to respond to any shareholders' questions on the committee's activities.
7.	ROLE
	The role of the Committee is to assist the board to fulfil its responsibility to shareholders to ensure that executive remuneration is designed to support strategy and promote sustainable success and is aligned to the company purpose and linked to the delivery of the company's long-term strategy.
8.	DUTIES
	The Committee shall:
8.1	Determine and agree with the board the policy for the remuneration of the executive directors. The remuneration of the non-executive directors shall be a matter for the committee and executive members of the Board. No director shall be involved in any decisions as to his or her own remuneration;
8.2	In determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive board of the company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contribution to the success of the company. It shall also liaise with the nomination committee to ensure that the remuneration of newly appointed executives is within the company's overall policy;
8.3	Determine targets for any performance related pay schemes operated by the company; the choice of performance 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
8.4	Within the terms of the agreed policy, determine the total individual remuneration package of each executive director including, where appropriate, benefits, bonuses and incentive payments;

8.5	Determine the policy for, and scope of, pension arrangements, service agreements for the executive directors, termination payments and compensation commitments
8.6	In determining such packages and arrangements, give due consideration to laws, regulations and any other published guidelines or recommendations regarding the remuneration of directors of listed companies including but not limited to the recommendations of the UK Corporate Governance Code, as well as the FCA's Listing Rules and associated guidance;
8.7	Ensure that provisions regarding disclosure of remuneration as listed in the Director's Remuneration Report Regulations 2019, are fulfilled as appropriate;
8.8	Produce an annual report of the Committee's remuneration policy;
8.9	Report to the board on its proceedings after each meeting on all matters within its duties and responsibilities;
8.10	Make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed;
8.11	Consult with the company's principal shareholders about remuneration as appropriate;
8.12	Make available to shareholders these terms of reference by placing them on the company's website; and
8.13	arrange for periodic reviews of its own performance and, at least annually and 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.
9.	AUTHORITY
9.1	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 and is authorised to commission any reports or surveys which it deems necessary to help it fulfil its obligations.