

# **HARDIDE PLC (the “Company”)**

## **REMUNERATION COMMITTEE (the “Committee” or “RemCo”) TERMS OF REFERENCE**

**As adopted by the Board of the Company on 16 April 2025**

### **1. Membership**

- 1.1. Members of the Committee shall be appointed by the Board. The Committee shall be made up of two or more members, each of whom shall be independent non-executive directors;
- 1.2. Only members of the Committee have the absolute right to attend Committee meetings. However, other individuals such as other non-executive directors, the chief executive and external advisers may be invited to attend for all or part of any meeting as and when appropriate, and as deemed appropriate by the Chair of the Committee;
- 1.3. Appointments to the Committee will be for a 12-month rolling period, subject to re-election of the member at the Annual General Meeting of the Company and provided the member still meets the criteria for membership of the Committee;
- 1.4. The Board shall appoint the Committee Chair who shall be an independent non-executive director.

### **2. Secretary**

- 2.1. One of the members of the Committee or their nominee shall act as the secretary of the Committee save when he or she is a subject of a meeting in which case that person shall absent themselves from the Committee during discussion of that matter and a nominee of the Chair of the Committee shall act as secretary. In the event that the Chair of the Committee is unavailable to nominate a secretary, the Chair of the Company shall nominate a secretary.

### **3. Quorum**

- 3.1. The quorum necessary for the transaction of business shall be two. 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;
- 3.2. Where there are just two members of the Committee and one member is absent themselves because they are unable to attend and it is not possible to re-schedule the meeting accordingly, then in these exceptional circumstances the Chair of the Company shall nominate another director as a temporary member. That temporary member shall be a non-executive director.

### **4. Meetings**

- 4.1. The Committee shall meet at least twice a year and at such other times as the Chair of the Committee shall require or the Chair of the Company may request.

### **5. Notice of meetings**

- 5.1. Meetings of the Committee shall be summoned by the Chair of the Committee at the request of any director;
- 5.2. 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, 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 shall be sent to Committee members and to other attendees as appropriate, at the same time.

## **6. Minutes of meetings**

- 6.1. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board, unless a conflict of interest exists.

## **7. Annual general meeting**

- 7.1. The Chair of the Committee shall attend the annual general meeting prepared to respond to any shareholder questions on the Committee's activities.

## **8. Duties**

The Committee shall:

- 8.1. determine and agree with the Board the Remuneration Policy for the Company's Executive Directors, Company Secretary and such other members of the executive management as it is designated to consider. The remuneration of non-executive directors shall be a matter for the Company Chair and the executive members of the Board. The Remuneration of the Company Chair shall be a matter for the Committee (absent the Company Chair), in consultation with the CEO and Executive Directors. No director or manager shall be involved in any decisions of their own remuneration;  
In determining such Remuneration Policy, the Committee will take account of all factors that it deems necessary, in particular those that support the successful execution of the Company's strategy; alignment with the interests of shareholders and other stakeholders; and having regard to the remuneration strategy for employees as whole. In addition, the objectives of the Remuneration Policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to enhance the Company's performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- 8.2. review the Remuneration Policy at least every three years;
- 8.3. determine and agree the fixed elements of remuneration (base pay, benefits in kind, pension contributions) for the Executive Directors and proposed changes thereto;
- 8.4. approve the design of and determine targets for performance-related pay / bonus schemes operated by the Company and approve the total annual payments made under such schemes. Any such scheme shall be made at the discretion of the Committee, and include the potential for recovery or clawback of any payment in the event of malus or other relevant information coming to light that makes such action appropriate;
- 8.5. review the design of all share incentive plans for approval by the Board including the overall amount of such awards, the individual awards to executive directors and other senior executives and the performance targets to be used. Any share incentives shall be made at the discretion of the Committee, and include the potential for recovery or clawback of any payment in the event of malus or other relevant information coming to light that makes such action appropriate;
- 8.6. where appropriate, exercise discretion to ensure that variable remuneration outcomes are fair and appropriate in the context of the overall performance of the company, and the execution of its strategy, taking into account the overall experience of shareholders;
- 8.7. 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;
- 8.8. within the terms of the agreed Remuneration Policy and in consultation with the Chair and/or chief executive as appropriate, agree and approve the total individual remuneration package of each executive director and other senior executives and staff who report directly to the chief executive, including bonuses, incentive payments and share options or other share awards in determining such packages and arrangements, have due regard to any relevant legal requirements, the provisions and recommendations in the QCA Code on Corporate Governance adopted by the Board and associated guidance;
- 8.9. oversee any major changes in remuneration strategy and/or employee benefits structures throughout the Company or Group;

- 8.10 agree the policy for authorising claims for personal expenses from the chief executive and Chair;
- 8.11 ensure that all provisions regarding disclosure of remuneration under the QCA Code adopted by the Board are fulfilled;
- 8.12 be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- 8.13 obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys that it deems necessary to help it fulfil its obligations;
- 8.14 consult, as far as is appropriate and practicable, in advance with shareholders on any significant proposed changes to the Company's remuneration policy and practice. Ensure that the Company's Remuneration Policy is subject to a shareholder advisory vote at the AGM when it is formally adopted and each time it is revised; and that the Company's Remuneration Report is subject to a shareholder advisory vote annually at the AGM.

### **Reporting responsibilities**

- 8.15 The Committee Chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities;
- 8.16 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
- 8.17 The Committee shall produce a summary of its activities that will form part of the Company's published annual report.

### **9 Other**

- 9.10 The Committee shall review its own performance, constitution and terms of reference on an annual basis to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

### **10 Authority**

- 10.10 The Committee is authorised by the Board to seek any information it requires, if necessary in confidence, from any employee of the Company in order to perform its duties;
- 10.11 In connection with its duties, the Committee is authorised by the Board, at the Company's expense to:
  - 10.11.1 obtain any outside legal or other professional advice, having regard to cost and value for money; and
  - 10.11.2 appoint remuneration consultants, and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties, having regard to cost and value for money.

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