



# Supply@ME Capital PLC (the "company")

## Remuneration committee terms of reference

Last Approved: April 2022

### 1. Constitution

The Remuneration Committee (the "**Committee**") is constituted as a committee of the board of directors of the Company (the "**Board**") in accordance with the articles of association of the Company.

### 2. Duties and terms of reference

- 2.1. The Committee has the delegated authority of the Board in respect of the functions, powers and duties set out in these terms of reference.
- 2.2. The Committee may sub-delegate any or all of its powers and authority to one or more of its members or to the Company Secretary (or their nominee), including, without limitation, the establishment of sub-committees which are to report back to the Committee.
- 2.3. The duties of the Committee shall have delegated responsibility for determining and agreeing the framework or broad policy for the remuneration of the Company's Chief Executive, Chairman, the Executive Directors, the Company Secretary and such other members of the executive management as it is designated to consider.
- 2.4. The remuneration of Non-Executive Directors shall be a matter for the Chairman and the executive members of the Board.
- 2.5. No Director or manager shall be involved in any decisions as to their own remuneration.
- 2.6. In determining remuneration policy, consider all necessary legal and regulatory requirements including the provisions and recommendations of the Quoted Companies Alliance's Corporate Governance Code ("**QCA Code**") and associated guidance.
- 2.7. 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. The remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to the Company's culture, purpose and values, and be clearly linked to the successful delivery of the company's long-term strategy. Remuneration schemes should promote long-term shareholdings by executive directors that support alignment with long-term shareholder interests.
- 2.8. The Committee shall always have in mind the remuneration trends across the Company or Group, and shall review the on-going appropriateness and relevance of the remuneration policy.

- 2.9. Oversee any major changes in employee benefits structures throughout the Company or group.
- 2.10. The Committee shall review the design of, and determine each year targets for, any performance related pay schemes operated by the Company.
- 2.11. The Committee shall review the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.
- 2.12. The Committee shall review the design and implementation of all share incentive plans for approval by the Board and shareholders. This will include determining 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.
- 2.13. The Committee shall determine the policy for, and scope of, pension arrangements for each Executive Director and other senior executives.
- 2.14. The Committee shall have delegated responsibility for determining the policy for directors' remuneration and setting remuneration for the Company's Chair and Executive Directors and senior management, including the Company Secretary, in accordance with the Principles and provisions of the corporate governance code adopted by the Company.
- 2.15. Where relevant, develop and maintain a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares awarded under long-term remuneration schemes.
- 2.16. The Committee shall 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.
- 2.17. Within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive as appropriate, the Committee shall determine the total individual remuneration package of the Chairman, each Executive Director, the Company Secretary and other senior executives including bonuses, incentive payments and share options or other share awards.
- 2.18. The Committee shall agree the policy for authorising claims for expenses from the Directors.
- 2.19. The Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee. The Committee shall regularly review the need for any remuneration consultants.
- 2.20. The Committee shall obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary to help it fulfil its obligations within any budgetary restraints imposed by the Board.
- 2.21. The Committee shall recognise and manage conflicts of interest when receiving views from Executive Directors or senior management, or when consulting with the Chief Executive Officer about its proposals.
- 2.22. Work and liaise as necessary with all other Board committees.

### 3. Membership

- 3.1. The members of the Committee shall be appointed by the Board. All of the members of the Committee should be independent non-executive directors.

- 3.2. The Committee shall have at least two members. The Chairman of the Board of Directors may also serve on the Committee as an additional member, if he or she was considered independent on appointment as Chairman.
- 3.3. The Board shall appoint the Committee chairman who shall be an independent Non-Executive Director. In the absence of the Committee Chairman and / or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to the position by the Board. The Chairman of the Board shall not be Chairman of the Committee.
- 3.4. A quorum shall be any two members of the Committee.
- 3.5. The members of the Committee can be varied at any time by a majority resolution of the existing members of the Committee save that any additional appointment must still be an independent non-executive director.
- 3.6. Each member of the Committee shall disclose to the Committee:
  - I. any personal financial interest (other than as a shareholder of the Company) in any matter to be decided by the Committee; or
  - II. any potential conflict of interest arising from a cross-directorship. Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions).
- 3.7. Appointments to the Committee shall be for periods of up to three years, which may be extended for further three-year periods provided the director still meets the criteria for membership of the Committee.

## 4. Secretary

- 4.1. The Company Secretary or his or her nominee shall be the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

## 5. Attendance at meetings

- 5.1. The Committee will meet at least twice a year. The Committee may meet at other times during the year as required.
- 5.2. Only members of the Committee have the right to attend Committee meeting but the secretary of the Committee, other Directors and external advisers may be invited to attend all or part of any meeting as and when appropriate.

## 6. Notice of meetings

- 6.1. Meetings of the Committee shall be called by the Chairman of the Committee at the request of any of its members or at the request of the external or internal auditors if they consider if necessary.
- 6.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of the matters to be discussed at the meeting shall be forwarded to each member and any other person required to attend no later than five working days before the date of the meeting. Any supporting papers shall be sent to each member of the Committee and to other attendees (as appropriate) at the same time.

## 7. Minutes of Meetings

- 7.1. The proceedings and resolutions of the Committee meetings, including the names of those present and in attendance shall be minuted.
- 7.2. Draft minutes of each meeting will be circulated promptly to all members of the Committee. Once approved, the minutes of each meeting will be submitted to the Board as a formal record of the decisions of the Committee on behalf of the Board of Directors unless it would be inappropriate to do so.

## 8. Voting

- 8.1. Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Committee.
- 8.2. If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.
- 8.3. Subject to item 8.2, the Chairman will have a casting vote.

## 9. Authority

- 9.1. The Committee is authorised by the Board to examine any activity within its terms of reference and is authorised to obtain, at the Company's expense, legal or professional advice on any matter within its terms of reference. 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. The Committee is authorised to seek any information it requires from any employee or Director, and all such employees or Directors will be directed to co-operate with any request made by the Committee.

## 10. Reporting

- 10.1. The Committee Chairman shall report to the Board after each meeting on the nature and content of its discussion, recommendations and actions to be taken.
- 10.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for Board discussion when necessary.
- 10.3. The Committee shall ensure that provisions regarding the disclosure of information on Director remuneration as set out in relevant legislation and the QCA Code, are fulfilled in a Directors' remuneration report within the Company's annual report.
- 10.4. If the Committee has appointed remuneration consultants, the consultant should be identified in the annual report alongside a statement about any connection it has with the Company or individual Directors.

## 11. Annual General Meeting

- 11.1. The Committee Chairman should attend the annual general meeting to answer any shareholder questions on the Committee's activities. In addition, the Committee Chairman should seek engagement with shareholders on significant matter related to the Committee's areas of responsibility.

## 12. General matters

- 12.1. The recommendations of the Committee minutes must be approved by the Board before they can be implemented.
- 12.2. The Committee shall consider such other matters as may be requested by the Board.
- 12.3. Give due consideration to all relevant laws and regulations, the provisions and recommendations in the QCA Code, the QCA's Remuneration Committee Guide for Smaller Quoted Companies, the Financial Conduct Authority's Prospectus Rules and Disclosure Guidance and Transparency Rules, and any other Applicable Laws and any other applicable rules, as appropriate.
- 12.4. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for advice and assistance required.
- 12.5. 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.
- 12.6. The Committee shall ensure that a periodic evaluation of the Committee's own performance is carried out.
- 12.7. The Committee shall at least annually, review the Committee's 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.