

ITIM GROUP PLC

TERMS OF REFERENCE FOR THE REMUNERATION COMMITTEE



ITIM GROUP PLC (COMPANY)

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Adopted 21 June 2021

1. MEMBERSHIP

- 1.1 The committee shall comprise at least two members who are directors. The members of the committee should have no personal financial interest in the matters to be reviewed and determined (other than as shareholders), no potential conflict of interest as a result of cross-directorships and no day to day involvement in the running of the Company.
- 1.2 Appointments to the committee are made by the board in consultation with the chair of the remuneration committee and shall be for a period of up to three years which may be extended for up to two additional three-year periods.
- 1.3 Only members of the committee have the right to attend committee meetings. However, other individuals such as the chief executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 1.4 The board shall appoint the committee chair who shall have appropriate experience of serving on a remuneration committee. In the absence of the committee chair 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 that position by the board.

2. SECRETARY

The company secretary or their nominee shall act as 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.

3. QUORUM

The quorum necessary for the transaction of business shall be two.

4. FREQUENCY OF MEETINGS

The committee shall meet at least twice a year and otherwise as required. At least one meeting should be close to the year end to review the executive directors' remuneration policy and the directors' remuneration report submitted to shareholders for approval at the Annual General Meeting.

5. NOTICE OF MEETING

- 5.1 Meetings of the committee shall be called by the secretary of the committee at the request of the committee chair or any of its members.

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 and any other person required to attend no later than 10 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. Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

5.3 A meeting of the members of the Committee may consist of a conference between Committee members some or all of whom are in different places provided that each Committee member may participate in the business of the meeting whether directly, by telephone or by any other electronic means which enables them to hear each of the other participating Committee members addressing the meeting, and if he so wishes, may address all of the other participating Committee members simultaneously.

6. MINUTES OF MEETINGS

6.1 The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.

6.2 Draft minutes of committee meetings shall be circulated to all members of the committee. Once approved, minutes should be circulated to all other members of the board and the company secretary unless, exceptionally, it would be inappropriate to do so.

7. ENGAGEMENT WITH SHAREHOLDERS

The committee chair 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.

8. DUTIES

The committee should carry out the duties detailed below initially for itim Group Limited only, but will extend their scope to its subsidiary undertakings, if considered appropriate by the board, in consultation with the company's Nominated Adviser.

8.1 The committee shall:

8.1.1 have responsibility delegated to it for determining the policy for directors' remuneration and setting remuneration for the company's chair (who if a member of the committee shall not participate in any consideration of his remuneration or any decision in relation to it) and executive directors and senior management (the first layer of management below board level), including the company secretary, in accordance with the Principles and Provisions of the Quoted Companies Alliance Corporate Governance Code (2018), as amended or supplemented from time to time (the **Code**);

- 8.1.2 establish remuneration schemes that promote long-term shareholding by executive directors and support alignment with long-term shareholder interests, with share awards subject to total vesting and holding periods to be determined by the committee from time to time, and a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares;
- 8.1.3 design remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to company's 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 and to recover and/or withhold sums or share awards under appropriate specified circumstances;
- 8.1.4 when determining executive director remuneration policy and practices, ensure they are clear, simple and mitigate risk and are based on the principles of predictability, proportionality and alignment to culture;
- 8.1.5 no director or senior manager shall be involved in any decisions as to their own remuneration outcome. The board itself or, where required by the Articles of Association of the company, the shareholders should determine the remuneration of the non-executive directors within the limits set in the Articles of Association;
- 8.1.6 in determining remuneration policy, take into account all other factors which it deems necessary including relevant legal and regulatory requirements, the provisions and 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;
- 8.1.7 review the ongoing appropriateness and relevance of the remuneration policy;
- 8.1.8 within the terms of the agreed policy and in consultation with the chair and/or chief executive, as appropriate, determine the total individual remuneration package of each executive director, the company chair and senior managers including bonuses, incentive payments and share options or other share awards. The choice of each of the financial, non-financial and strategic 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;
- 8.1.9 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. However the committee should avoid designing pay structures based solely on benchmarking to the market or on the advice of remuneration consultants;

- 8.1.10 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;
- 8.1.11 review workforce remuneration and related policies; and
- 8.1.12 work and liaise as necessary with other board committees, ensuring the interaction between committees and with the board is reviewed regularly.

9. REPORTING RESPONSIBILITIES

- 9.1 The committee chair shall report to the board after each meeting on the nature and content of its discussion, recommendations and action to be taken.
- 9.2 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 available for board discussion when necessary.
- 9.3 The committee shall provide a description of its work in the annual report in line with the requirements of the Code, the AIM Rules for Companies and any guidance published by London Stock Exchange plc (the **London Stock Exchange**).
- 9.4 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, the Code, the AIM Rules for Companies and any guidance published by the London Stock Exchange 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.
- 9.5 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.

10. OTHER MATTERS

- 10.1 The committee shall:
 - 10.1.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required;
 - 10.1.2 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;

- 10.1.3 give due consideration to all relevant laws and regulations, the provisions of the Code and published guidelines or recommendations regarding the remuneration of company directors and the formation and operation of share incentive plans, the requirements of the AIM Rules for Companies and any guidance published by the London Stock Exchange, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules sourcebook, and any other applicable legislation, regulations, rules and guidance, as appropriate;
- 10.1.4 ensure that a periodic evaluation of the committee's own performance is carried out; and
- 10.1.5 at least annually, 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.

11. AUTHORITY

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.