



**FACILITIES BY ADF PLC**

**TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE**

**ADOPTED BY RESOLUTION OF THE BOARD ON 28 APRIL 2025**

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## FACILITIES BY ADF PLC

### REMUNERATION COMMITTEE

#### TERMS OF REFERENCE

##### 1. CONSTITUTION

The Committee was constituted at a full meeting of the board of directors of Facilities by ADF Plc ("**Company**") ("**Board**") held on 20 December 2021 in accordance with the articles of association of the Company.

##### 2. ROLE

The role of the Committee is to ensure the Company has appropriate remuneration and other reward and incentivisation structures which are supportive of long-term value creation and the Company's purpose, strategy and culture.

##### 3. DUTIES AND TERMS OF REFERENCE

3.1 The Committee is responsible for determining (and where necessary amending) the Company's remuneration policies in respect of the remuneration of the executive directors, the Company Secretary (where employed by the Company) and other senior executives determined to be within the remit of the Committee pursuant to paragraph 3.15 below (**Senior Executives**), including pension rights and compensation payments (**Remuneration Policy**).

3.2 Within the terms of the agreed Remuneration Policy and in consultation with the Company's chair (**Board Chair**) and/or Chief Executive as appropriate, the Committee shall determine the total individual remuneration package of the Board Chair, each executive director, the Company Secretary (where the Company Secretary is employed by the Company) and the Senior Executives including bonuses, incentive payments and share options or other share awards. This includes determining the policy for, and scope of, pension arrangements for each executive director and Senior Executive generally.

3.3 The remuneration of non-executive directors shall be a matter for the Board. No director or Senior Executive shall be involved in any decisions as to their own remuneration.

3.4 The objective of the Remuneration Policy shall be to attract, retain and motivate the executive management of the Company without paying more than necessary.

3.5 The Remuneration Policy should be designed to *inter alia*:

- (a) have regard to the Company's appetite for risk;
- (b) be aligned to the Company's purpose and strategy;
- (c) be appropriate to the Company's stage of development;
- (d) promote the long-term growth of shareholder value;
- (e) be supportive of and reinforce the Company's desired corporate culture and promote the right behaviours and decisions;
- (f) be simple and easy for Senior Executives to understand;
- (g) where and to the extent appropriate, foster alignment with shareholders through meaningful stakebuilding; and
- (h) link a significant proportion of reward to corporate and individual performance.

- 3.6 When setting the Remuneration Policy for directors, the Committee shall review and have regard to the pay and employment conditions across the Company, and the wider group, especially when determining salary increases.
- 3.7 The Committee shall review the ongoing appropriateness and relevance of the Remuneration Policy.
- 3.8 The Committee shall 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.
- 3.9 The Committee shall review the design of all share incentive plans (and any proposed amendments thereto) for approval by the Board, and where appropriate, shareholders.
- 3.10 The Committee shall consult with other Board committees as necessary in order to set appropriate incentive targets and to appraise performance in respect thereof.
- 3.11 The Committee shall:
- (a) ensure that contractual terms of the Board Chair, executive directors and Senior Executives on termination and any payments made are fair to the individual and the Company; that failure is not rewarded and the duty to mitigate loss is fully recognised;
  - (b) oversee any major changes in employee benefits structures throughout the Company and wider group; and
  - (c) agree the policy for authorising claims for expenses from the directors.
- 3.12 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.
- 3.13 The Committee shall obtain reliable, up-to-date information about remuneration in other companies of comparable scale. 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.
- 3.14 The Committee shall consider such other matters as may be requested by the Board and work and liaise as necessary with all other board committees.
- 3.15 The Senior Executives within the remit of the Committee shall include such roles as the Board may nominate from time to time, which shall be reviewed by the Board on an annual basis.

#### **4. MEMBERSHIP**

- 4.1 The Board shall, on the recommendation of the Nomination Committee, appoint the Committee chairperson who shall be an independent non-executive director. In the absence of the Committee chairperson 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.
- 4.2 The members of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee and in consultation with the chairperson of the Committee. All of the members of the Committee should be independent non-executive directors. Appointments to the Committee shall be for periods of up to three years, which may be

extended for no more than two additional three-year periods provided the members (other than the Board Chair if a member) continue to be independent.

- 4.3 The Committee shall have at least two members. The Board Chair may also serve on the Committee as an additional member, but not as the chair the Committee, if he or she was considered independent on appointment as chairperson.
- 4.4 A quorum shall be any two members of the Committee, present in person or by audio or videoconference. 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.
- 4.5 The Company Secretary, or their nominee, shall act as the secretary of the Committee and provide all necessary support to the Committee.

#### **5. VOTING ARRANGEMENTS**

- 5.1 Subject to Paragraph 5.2, 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.
- 5.2 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.
- 5.3 The Committee chair shall have a casting vote.
- 5.4 A resolution in writing and signed by all Committee members will be as effective as a resolution passed at a Committee meeting.

#### **6. MEETINGS**

- 6.1 The Committee will meet at least twice a year. The Committee may meet at other times during the year as required.
- 6.2 Only members of the Committee have the right to attend Committee meetings, but other directors and external advisers may be invited to attend all or part of any meeting as and when appropriate. The Committee chair may ask any attendees of a Committee meeting to leave the meeting to allow discussions of matters relating to them.
- 6.3 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. Meetings of the Committee may be conducted when the members are physically present together or in the form of video or audio conference.

#### **7. NOTICE OF MEETINGS**

- 7.1 Meetings of the Committee shall be summoned by the secretary of the Committee at the request of any of the Committee members.
- 7.2 Unless the Committee otherwise agrees, 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, but Committee papers may be forwarded at shorter notice with the approval of the Committee

chair. Papers shall also be provided to other attendees where appropriate.

## **8. AUTHORITY**

- 8.1 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 subject to an annual limit of £5000.
- 8.2 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.
- 8.3 The Committee is authorised to seek any information it requires from any employee or director and request their attendance at a Committee meeting to present and/or take questions, and all such employees or directors will be directed to co-operate with any request made by the Committee.

## **9. REPORTING**

- 9.1 The Committee shall report to the Board on its proceedings after each meeting.
- 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.
- 9.3 The proceedings and resolutions of the Committee meetings, including the names of those present and in attendance shall be minuted by the Company Secretary.
- 9.4 Draft minutes of each meeting will be circulated promptly to all members of the Committee. Once approved, the minutes of each meeting will be circulated to all other members of the Board unless, in the opinion of the chairperson, it would be inappropriate to do so.
- 9.5 The Committee shall produce a suitable remuneration report to be included in the Company's annual report. If the Committee has appointed remuneration consultants, the report should identify such consultants and state whether they have any other connection with the Company.
- 9.6 The Committee shall make available to shareholders these terms of reference by placing them on the Company's website.

## **10. GENERAL MATTERS**

- 10.1 The Committee shall consider other duties determined by the Board from time to time.
- 10.2 The chairperson of the Committee should make him or herself available at each Annual General Meeting of the Company to answer questions concerning the Committee's work.
- 10.3 The Committee shall arrange for periodic reviews of its own performance and, at least once a year, 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.
- 10.4 The Committee shall work and liaise as necessary with all other board committees.
- 10.5 The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required and be provided with appropriate and timely training, both in the form of an induction program for new members and on an on-going basis for all members.
- 10.6 The Committee shall give due consideration to all applicable laws and regulations, in particular the particular the directors' duties contained in the Companies Act 2006, the QCA Corporate

Governance Code, the QCA Remuneration Committee Guide, and the requirements of the London Stock Exchange's rules for AIM, as appropriate.

- 10.7 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.8 Through the Board Chair or the chairperson of the Committee, the Committee shall ensure that the Company maintains contact as required with its principal shareholders about remuneration.

**11. AMENDMENTS**

These terms of reference may only be amended by authority of a resolution of the Board.

Adopted by resolution of the Board of Directors of Facilities by ADF Plc on 28 April 2025.