

**COHORT PLC
REMUNERATION COMMITTEE
TERMS OF REFERENCE**

Constitution

1. The Board of Cohort plc (the **Company**) has established a committee of the Board to be known as the Remuneration Committee (the **Committee**).

Membership

2. The Committee shall comprise at least two members, of whom at least two shall be independent non-executive directors. The Chairman of the Board may also serve on the Committee if they were considered independent on appointment as chair. A quorum shall be two members. The Board shall appoint one of the independent non-executive directors to be the Chair of the Committee. The Chairman of the Board shall not be Chair of the Committee.
3. 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, provided members (other than the Chairman of the Board) continue to be independent.
4. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, Group Head of Human Resources, executive directors, other senior managers and external advisors may be invited to attend meetings of the Committee by the Chair of the Committee as and when appropriate.

Committee Secretary

5. 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. The Secretary of the Committee will write formal minutes recording the proceedings and decisions of the Committee. Once approved, these will be circulated to all Board members, unless a conflict of interest exists.

Frequency and Notice of Meetings

6. The Committee shall hold a minimum of two meetings each year.
7. Meetings shall be convened by the Secretary of the Committee at the request of the Committee Chair or any of its members.
8. Unless otherwise agreed, notice of each meeting together with an agenda shall be forwarded to each member of the Committee and any other person required to attend, in a timely manner. Supporting papers shall be sent to Committee members and to any other attendees, as appropriate, at the same time.

Engagement with shareholders

9. The Chair of the Committee should attend the annual general meeting to answer any shareholder questions on the Committee's activities. In addition, the Committee Chair should be prepared to enter into an engagement with shareholders on significant matters

related to the Committee's areas of responsibility where the Board deems this necessary or where a shareholder(s) has sought such an engagement.

Role of the Board in respect of Remuneration

10. The Board will agree the general policy on remuneration for all staff and will approve the annual Remuneration Report issued by the Committee prior to its inclusion in the Company's annual report and accounts. The Board may ask the Committee both for advice on this general policy and to commission external advice for presentation to the Board. More specifically, the Board will approve the following remuneration items as part of the annual budget process:
 - 10.1. the average level of increase (or decrease) in remuneration year-on-year for all staff; and
 - 10.2. the highest and lowest levels of increase in individual remuneration (in absolute and percentage terms).
11. The Board is responsible for remuneration policy and terms of service in respect of the Chairman and non-executive directors. No director or senior manager may participate in any decision with regards to their own remuneration. The remuneration of the non-executive directors shall be determined by the Board.

Role of the Committee

12. The Committee shall ensure that remuneration policies and practices are appropriate, effective and transparent and:
 - 12.1. support the implementation of the Company's strategy in order to promote the long-term success of the Company through encouraging and rewarding the right behaviours, values and corporate culture. The agreed policy must encourage executives and senior managers to operate within the risk parameters set by the Board;
 - 12.2. enable the use of discretion by the Committee to override formulaic outcomes and to recover and/or withhold sums or share awards under appropriate specified circumstances;
 - 12.3. link rewards to both corporate and individual performance, to ensure that failure is not rewarded and that a duty to mitigate loss is fully recognised;
 - 12.4. ensure that no director or senior manager may participate in any decision with regards to their own remuneration; and
 - 12.5. review the ongoing appropriateness and effectiveness of the remuneration policy bi-annually or at the request of the Board.
13. In determining remuneration policy, the Committee shall take into account all other factors which it deems necessary including relevant legal and regulatory requirements, the provisions of the QCA Corporate Governance Code, any published guidelines or recommendations regarding the remuneration of directors and the formation and operation of share schemes, and any other applicable rules and guidance, as appropriate.
14. Within the general policy agreed by the Board, the Committee will advise and recommend to the Board the total individual remuneration package for executive

directors and other identified key members of the senior management team (collectively known as the Executive Team). The appointments to be covered are:

- 14.1. Chief Executive of the Company;
 - 14.2. Finance Director of the Company;
 - 14.3. General Counsel and Company Secretary of the Company; and
 - 14.4. Managing Directors of the Cohort subsidiaries.
15. The Committee shall establish remuneration arrangements that promote long-term shareholding by the Executive Team that support alignment with long-term shareholder interests and shall ensure that the Executive Team are required to hold a meaningful shareholding in the Company.
16. The Committee shall also specifically approve the detailed terms of service of each of the appointments listed above, ensuring that the Company can recruit and retain high-quality executives through packages which are fair and attractive, but not excessive including:
- 16.1. any annual change in remuneration;
 - 16.2. any long-term incentive plan arrangements;
 - 16.3. annual bonus arrangements;
 - 16.4. share awards;
 - 16.5. provision of benefits;
 - 16.6. pension arrangements; and
 - 16.7. all other terms and conditions of employment, including termination.
17. The Committee is responsible for setting the policy in respect of expenses and disbursements of the Executive Team.
18. The Committee shall maintain an oversight of remuneration of the wider workforce in consultation with the Chief Executive where appropriate.
19. The Committee will similarly maintain an oversight of the participation by the wider workforce in the various company share ownership schemes to ensure that these schemes are attractive and well supported by the wider workforce.
20. The Committee shall review the design and operation of all of the Company's share incentive plans on a biennial basis and will present the results of this review for approval by the Board. The Committee shall determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to the Executive Team, and other designated senior managers and any variation in performance targets to be used.

Authority to seek information and advice

21. 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. The Committee shall have access to such information and advice, at the expense of the Company, both from within the Company and externally, as it deems necessary.

Reporting

22. The Committee Chair shall report to the Board on its proceedings after each meeting at the following Board meeting.
23. 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.
24. The Committee shall provide a description of its work to be included in the Company's annual report and accounts. The Committee is responsible for recommending the draft Remuneration Committee report to the Board for its approval and inclusion in the Company's annual report and accounts.
25. If the Committee has appointed remuneration consultants, the consultant should be identified in the annual report alongside a statement about any other connection it has with the Company or individual directors.

Other matters

26. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for advice and assistance as required.
27. The Committee shall be provided with appropriate and timely training, both in the form of an induction programme for any new members, and on an ongoing basis for all existing members.
28. The Committee shall ensure that a periodic evaluation of the Committee's own performance is carried out.
29. The Committee shall, 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.
30. The Committee may be required by the Board to address other matters relating to Remuneration not covered by the above.
31. In addressing its responsibilities, the Committee will take into account the budget plans approved by the Board and the financial results of the Company.

Approved by the Board on 17 March 2021