



# Remuneration Committee terms of reference

# WENTWORTH RESOURCES PLC

## REMUNERATION COMMITTEE TERMS OF REFERENCE

### 1. Constitution

The remuneration committee (the “Committee”) was constituted at a full meeting of the board of directors (the “Board”) of Wentworth Resources Plc (the “Company”) held on 5 February 2019 in accordance with the articles of association of the Company.

### 2. Duties

- 2.1. The Committee shall determine and recommend to the Board the framework or broad policy for the remuneration of the Company’s chairperson and the executive directors including pension rights and compensation payments. The remuneration of non-executive directors shall be a matter for the Board. No director or senior manager shall be involved in any decisions as to their own remuneration. The Committee shall in consultation with the CEO recommend and monitor the level and structure of remuneration for senior management.
- 2.2. In determining such policy, the Committee shall consider all factors which it deems necessary including relevant legal and regulatory requirements and the provisions and recommendations of relevant guidance. The objective of such policy shall be to attract, retain and motivate the executive management of the Company and ensure they are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their contributions to the long-term success of the Company.
- 2.3. When setting remuneration policy for directors, the Committee shall review and have regard to the pay and employment conditions across the Group and within the local operating jurisdictions, especially when determining salary and related cost of living increases.
- 2.4. The Committee shall review the ongoing appropriateness and relevance of the remuneration policy.
- 2.5. 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.
- 2.6. The Committee shall review the design of all share incentive plans for approval by the Board and (where applicable) 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 to executive directors and other designated senior executives and the performance targets to be used.
- 2.7. The Committee shall determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives.
- 2.8. Within the terms of the agreed policy and in consultation with the Chairperson and/or Chief Executive as appropriate, the Committee shall determine the total individual remuneration package of the chairperson, each executive director, the Company secretary and other senior executives including bonuses, incentive payments and share options or other share awards. The Committee shall:
- 2.9. ensure that contractual terms 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;
- 2.10. oversee any major changes in employee benefits structures throughout the Group; and
- 2.11. agree the policy for authorising claims for expenses from the directors.

- 2.12. 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.
- 2.13. The Committee shall obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. The Committee shall 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 but within any budgetary restraints imposed by the Board; and
- 2.14. 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. Functioning of the Committee**

#### *3.1. Membership*

- 3.1.1. 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. The Board shall appoint the chairperson of the Committee who shall be an independent non-executive director. The chairperson of the Board shall not be chairperson of the Committee but may serve on the Committee as an additional member if he or she was considered independent on appointment as chairperson.
- 3.1.2. 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 director still meets the criteria for membership of the Committee. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- 3.1.3. The Committee shall have at least three members.
- 3.1.4. A quorum shall be any two members of the Committee present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

#### *3.2. Voting arrangements*

- 3.2.1. 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.
- 3.2.2. 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.
- 3.2.3. Save where he has a personal interest, the chairperson will have a casting vote.

#### *3.3. Notice and Attendance at meetings*

- 3.3.1. The Committee will meet at least twice a year and otherwise as required.
- 3.3.2. 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.
- 3.3.3. 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.
- 3.3.4. Meetings of the Committee shall be summoned by the secretary of the Committee at the request of the Committee chairperson or any two of the other members.

3.3.5. 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 of the Committee and any other person required to attend no later than two 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.

#### *3.4. Authority*

3.4.1. 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.

3.4.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

#### *3.5. Reporting*

3.5.1. The proceedings and resolutions of the Committee meetings, including the names of those present and in attendance shall be minuted by the Company Secretary. Draft minutes of each meeting shall be agreed with the Committee Chairman and then 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 unless, in the opinion of the chairperson, it would be inappropriate to do so.

3.5.2. The Committee chairperson shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

3.5.3. The Committee shall ensure that provisions regarding disclosure of information, including pensions, as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, are fulfilled and produce a report of the Company's remuneration policy and practices to be included in the Company's annual report and ensure each year that it is put to shareholders for approval at the AGM. If the Committee has appointed remuneration consultants, the annual report of the Company's remuneration policy should identify such consultants and state whether they have any other connection with the Company.

#### *3.6. General Matters*

3.6.1. The chairperson of the Committee should make him or herself available at each AGM of the Company to answer questions concerning the Committee's work.

3.6.2. 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 effectively and recommend any changes it considers necessary to the Board for approval.

3.6.3. 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 programme for new members and on an on-going basis for all members

3.6.4. The Committee shall give due consideration to laws, regulations the QCA Corporate Governance Code and the requirements of the London Stock Exchange's AIM Rules for Companies, and any published guidelines or recommendations regarding the remuneration of directors of listed/non listed companies and formation and operation of share schemes as appropriate.

- 3.6.5. The Committee shall oversee any investigation of activities which are within its terms of reference.
- 3.6.6. Through the chairperson of the board, the Committee shall ensure that the Company maintains contact as required with its principal shareholders about remuneration.