

MJ GLEESON PLC

Company No: 9268016

Remuneration Committee Terms of Reference authorised by resolution of the Board of Directors passed on 9 September 2021

References to ‘the Company’ shall mean MJ Gleeson PLC.

References to ‘the Committee’ shall mean the Remuneration Committee.

References to ‘the Board’ shall mean the full Board of Directors.

References to ‘the Code’ shall mean the 2018 UK Corporate Governance Code.

References to ‘Senior Managers’ shall mean the first layer of management below board level (including but not limited to the Managing Directors, Divisional Managing Directors, and members of Group and Divisional Executive and Operations Boards).

1. *Membership*

- 1.1 The Committee shall comprise of at least two members, all of whom shall be independent Non Executive Directors. The Chairman of the Board may also serve on the Committee as an additional member if he or she was considered independent on appointment as Chairman. Members of the committee shall be appointed by the Board on the recommendation of the Nomination Committee in consultation with the Chairman of the Remuneration Committee.
- 1.2 Only members of the Committee have the right to attend committee meetings. However, other individuals such as the Chairman of the Board, Chief Executive, Chief Financial Officer, the HR Director and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3 Appointments to the Committee shall be for a period of up to three years, which may be extended at the Board’s discretion.
- 1.4 The Board should appoint the Committee Chairman who shall be an independent Non-Executive Director. Notwithstanding that although the Chairman of the Board might qualify as a member of the Committee, the Chairman of the Board shall not be eligible to be appointed as Chairman of the Committee. In the absence of the Committee Chairman and/or any appointed deputy, the remaining members present shall elect one of their number to chair the meeting who would qualify under these terms of reference to be appointed to that position by the board.

2 *Secretary*

- 2.1 The Company Secretary or their nominee shall act as the Secretary of the Committee.

3 *Quorum*

- 3.1 The quorum necessary for the transaction of business by the Committee shall be two. 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.

4 *Meetings*

- 4.1 The Committee shall meet formally at least twice a year and at such times as the Chairman of the Committee shall require.

5. *Notice of Meetings*

- 5.1 A meeting of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.
- 5.2 Notice of each meeting of the Committee confirming the venue, time and date and enclosing an agenda of items to be discussed shall, unless otherwise agreed by all concerned, be forwarded to each member of the Committee, any other person required to attend and all other Non-Executive Directors not fewer than five working days prior to the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

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 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board, unless a conflict of interest exists.

7. *Annual General Meeting*

- 7.1 The Chairman of the Committee shall attend the Annual General Meeting and shall be prepared to respond to any shareholder questions on the Committee's activities.

8. *Duties*

8.1 Business Remuneration.

The Committee shall have delegated authority for:

- 8.1.1 Determining, for approval by the Board and Shareholders, the policy for the remuneration of the Company's Chief Executive, the Chairman of the Board, the Executive Directors, the Company Secretary and Senior Managers in

accordance with the principles and provisions of the Code. The remuneration of Non-Executive Directors shall be a matter for the Chairman and the Executive Directors Members of the Board. No Committee attendee shall participate in any discussion or decision on their own remuneration.

8.1.2 Within the terms of the remuneration policy and in consultation with the Chairman and/or Chief Executive, as appropriate, determining the total individual remuneration package (including, where appropriate, salaries, fees, maximum annual bonus opportunities, pension rights and other employment benefits) of:

- the Chairman,
- the Executive Directors
- the Company Secretary
- Senior Managers

including determining any annual increases or other changes, where appropriate.

8.1.3 For Executive Directors and Managing Directors only, approving the design of and targets for, any performance related incentives (i.e. annual bonus awards), and approving the total annual payments made under such schemes, including, how any performance targets have been achieved.

8.1.4 Reviewing the ongoing appropriateness and relevance of the remuneration policy.

8.1.5 Reviewing, and reporting back to the Board on, wider workforce remuneration and related policies, and the alignment of incentives and rewards with culture.

8.1.6 In consultation with the Executive Directors and the HR Director, overseeing any major changes in employee benefit structures throughout the Company.

8.1.7 Exercising independent judgement and discretion when determining remuneration awards, taking account of Company, individual performance, and wider circumstances.

8.2 **Share Incentive Plans.**

The Committee shall have delegated authority for:

8.2.1 Reviewing the design of all share incentive plans for approval by the Board and shareholders. For any such plans, and for approval by the Board, determining each year whether awards will be made, and if so, the overall amount of such awards, and the total individual awards and the performance conditions (including threshold and maximum vesting targets) to be used for the awards made to:

- the Executive Directors
- the Company Secretary
- Senior Managers

8.2.2 Determining, for approval by the Board, the overall amount of share awards that will vest each year, including, how any performance conditions have been achieved.

8.2.3 Exercising the use of discretion to override formulaic outcomes and to recover and/or withhold sums or share awards under the share incentive plan.

8.3 **Miscellaneous.**

The Committee shall have delegated authority for:

8.3.1 Ensuring that contractual terms on termination, and any termination / settlement payments that are made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.

8.3.2 Agreeing the policy for authorising expenses claims from the Chief Executive and Chairman.

8.3.3 Establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee; and obtaining reliable, up-to-date information about remuneration in other companies.

8.3.4 Commissioning any reports or surveys which it deems necessary to help it fulfil its obligations.

8.3.5 Undertaking appropriate discussions, as necessary, with institutional investors and other stakeholders, on the remuneration policy and practices, or any other aspects of remuneration that the Committee has authority to determine.

8.4 In carrying out its duties under this these Terms of Reference, the Committee shall take into account all factors which it deems necessary, which may include:

- relevant legal and regulatory requirements (including without limitation its duty to promote the success of Company for the benefit of its members as a whole and the matters set out in section 172 (a) to (f) of the Companies Act 2006);
- alignment with the Company's purpose, values and strategy;
- the Company's need to attract, retain and motivate directors and senior management of the quality required to run the Company successfully in a way that supports Company strategy and promotes long-term success without paying more than is necessary;
- the views of shareholders and other stakeholders;
- the risk appetite of the Company (including in respect of reputational and behavioural risk); and

- the principles and provisions set out in the Code.

9. *Reporting Responsibilities*

- 9.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 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 Committee shall produce an annual report of the Company's remuneration policy and practices which will form part of the Company's Annual Report and ensure each year that it is put to shareholders for approval at the Annual General Meeting.

10. *Other matters*

The Committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required
- 10.2 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
- 10.3 give due consideration to laws and regulations (including without limitation the matters contained in section 172 (a) to (f) of the Companies Act 2006), the provisions of the UK Corporate Governance Code, the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable Rules, as appropriate
- 10.4 at least once a year, review its own performance, 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*

- 11.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 11.2 The Committee is authorised by the Board, when the fulfilment of its duties requires, to obtain any outside legal or other professional advice, including the advice of independent remuneration consultants, to secure the attendance of external advisers at its meetings, if it considers this necessary.