

## **888 HOLDINGS PLC (THE COMPANY)**

### **TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE OF THE BOARD OF DIRECTORS**

**Adopted by the Board of Directors on 26 January 2022**

#### **Constitution**

1. A committee has been established by resolution of the board of directors of the Company (the Board) and is to be known as the Remuneration Committee (the Committee).

#### **Role**

2. The role of the Committee is to assist the Board to fulfil its responsibility to shareholders to ensure that remuneration policy and practices of the Company reward fairly and responsibly, with a clear link to corporate and individual performance, having regard to legal, statutory and regulatory requirements, investor guidelines and the provisions of the UK Corporate Governance Code.

#### **Membership**

3. The Committee shall be appointed by the Board from amongst the independent non-executive directors of the Company and shall consist of not less than three members. The Chairman of the Board can only be a member of the Committee if he was considered independent on appointment.
4. The Chairman of the Committee shall be appointed by the Board from the members of the Committee and shall have served on a remuneration committee for at least 12 months prior to appointment. In the absence of the Chairman of the Committee and/or an appointed deputy at any meeting, the remaining members present shall elect one of themselves to chair the meeting.
5. The Board shall periodically review the membership of the committee at the request of the Chairman of the Board.
6. Each member of the Committee shall disclose to the Committee:
  - a. any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee; or
  - b. any potential conflict of interest arising from a cross-directorship, and any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the Board) shall resign from the Committee.
7. The members of the Committee shall be identified in the directors' remuneration report.
8. The Committee Chairman shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.

#### **Secretary**

9. The Company Secretary or a nominee thereof shall act as the secretary of the Committee.

## **Quorum**

10. A quorum shall be two members. 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.

## **Voting Arrangements**

11. Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. If a matter that is considered by the Committee is one where a Committee member either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.
12. Decisions of the Committee shall be taken by a majority of votes of the members present at the meeting. In the event of an equality of votes, the Chairman shall have a casting vote.

## **Attendance at meetings**

13. Only members of the Committee have the right to attend Committee meetings. Directors who are not members of the Committee may attend meetings with the Committee Chairman's prior approval. Other individuals, such as members of the management team and/or external advisers, may attend all or part of any meeting as and when appropriate at the invitation of the Chairman of the Committee.
14. Meetings may be held by telephone, video conference or by any other appropriate means of communication.
15. No person of the Company shall participate at a meeting of the Committee (or during the relevant part) at which any part of their remuneration is being directly discussed or participate in any recommendation or discussion specifically concerning their remuneration.

## **Frequency of Meetings**

16. Meetings shall be held at least twice a year and at such other times as the Chairman of the Committee shall require.

## **Notice of Meetings**

17. Meetings of the Committee shall be summoned by the secretary of the Committee at the request of any of its members.
18. 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, any other person required to attend and all other non- executive directors, prior to the date of the meeting in a timely manner. Supporting papers shall be sent to Committee members, and to other attendees as appropriate.

## **Authority**

19. The Committee is authorised by the Board to:
  - a. investigate any activity within these terms of reference;
  - b. seek any information that it requires from any employee of the Company and all employees shall be directed to co-operate with any request made by the Committee;

- c. obtain, at the Company's expense, outside legal or other independent professional advice on any matters within these terms of reference; and
- d. secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

#### **Duties – General**

20. Having regard to relevant legal and regulatory requirements, best practice and investor guidelines including the requirements of the UK Listing Rules and Corporate Governance Code, the Committee shall:
- a. determine and agree with the Board the overall strategy for remuneration and remuneration policy including benefits, pension rights and compensation payments for the Company's Chairman, Executive Directors and senior management population ("senior management population" being the Company Secretary, Chief Operating Officer and Senior Vice Presidents and such other individuals as the Board designate) (together, the "executives"). The remuneration of non-executive directors shall be a matter for the Chairman and the executive directors. No director or executive shall be involved in any decisions as to his own remuneration.
  - b. in determining such policy, review and take into account remuneration policies and practices and levels for the wider workforce and the alignment of incentives and rewards to culture and any other factors which it deems necessary. The objective of such policy shall be to promote long-term sustainable success; support the Company's risk management strategy, values and risk appetite; alignment with the Company's values and supporting the desired culture of the Company and to ensure that executives are provided with appropriate incentives that promote long-term shareholdings by executive directors that support alignment with long-term shareholder interests, encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company, whilst ensuring that their remuneration is aligned to the Company's risk policies and systems and long term strategic goals.
  - c. address matters of clarity, simplicity, predictability, risk, alignment to culture and proportionality in determining remuneration policies and practices.
  - d. oversee engagement with the workforce on executive pay policies.
  - e. review regularly the on-going appropriateness and relevance of the Company's remuneration policy.
  - f. Liaise with the Nomination Committee to ensure that the remuneration of newly appointed executives is within the Company's remuneration policy.
  - g. approve the length and term of all service contracts, and any material amendments thereto, for the Company's Chairman, Chief Executive, Chief Financial Officer, and other executives as appropriate.
  - h. recommend to the Board the policy for and scope of pension arrangements for the executives taking into account the future liabilities of any recommendation and to detail precisely which elements of the remuneration packages are pensionable.
  - i. consider all relevant legal and regulatory requirements, the provisions and recommendation of the UK Corporate Governance Code and associated guidance.
  - j. ensure, where relevant, that any payments made in respect of any remuneration package are permitted under the latest shareholder approved remuneration policy.
  - k. in recommending rewards and benefits and long term and performance related incentives, take account of any relevant legal requirements, the provisions and

recommendations of the UK Corporate Governance Code and associated guidance as well as the Listing Rules of the UK Financial Conduct Authority.

- l. within the terms of the agreed policy, determine the total individual remuneration package for the Company's Chairman, Chief Executive, Chief Financial Officer, and other executives including base salary, benefits, pension, bonuses, incentive payments and share options or other share awards.
- m. advise on any major changes in employee benefit structures throughout the Company or its group.
- n. agree the policy for authorising claims for expenses from the Chairman, Chief Executive and Chief Financial Officer and other executives (as appropriate).
- o. ensure that the terms agreed in respect of termination of an executive, and payments made, are fair to the individual, and the Company, reasonable and not excessive, do not reward failure and recognise the duty to mitigate.
- p. ensure that provisions regarding disclosure and approval of remuneration as set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, the UK Corporate Governance Code and the Gibraltar Companies Ordinance are fulfilled taking into account the Company's legal obligation to comply and the Board's decision to comply as a matter of best practice.
- q. ensure that the Board maintains contact and consults, as required, with its principal shareholders about its remuneration policy, practices and procedures.
- r. be exclusively responsible for establishing the criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee and obtain reliable, up-to-date information about remuneration trends in other companies and market conditions on remuneration. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.
- s. where practicable, exercise judgement when determining remuneration awards being mindful of the possible monetary outcomes and external perceptions arising from its decisions and ensuring that any new remuneration schemes provide for the use of discretion to override formulaic outcomes where appropriate.

#### **Duties – Share Based Remuneration and Bonus Arrangements**

21. In relation to the Company's incentive schemes, the Committee shall:

- a. review and recommend for approval the introduction of any new share incentive schemes for employees of the Group (including all schemes involving the award of shares or the grant of options) and ensure they promote long-term shareholdings by executive directors that support alignment with long-term shareholder interests.
- b. determine each year whether option grants or share awards will be made and if so, the overall amount of such option grants or share awards, review the appropriateness of overall allocations, the individual awards to the executives and the performance targets to be used.
- c. approve proposed grants of share based remuneration to and bonus arrangements for executives.
- d. set and monitor performance criteria for any bonus arrangements and vesting terms relating to any share awards operated by the Company and its group ensuring that they represent achievable and motivating rewards for appropriate levels of performance and, where appropriate, are justifiable taking into account the Company's and its group's overall performance and the corresponding return on

shareholders' investment in the same period. Approve the total annual payments made under such schemes and the payments to individual executives.

- e. set, monitor and assess any performance conditions applicable to any long term incentive awards granted under any schemes or plans adopted by the Company. Ensure that the performance conditions are fully explained and clearly linked to the enhancement of sustained shareholder value.
- f. Ensure there is scope for the Committee to exercise discretion to adjust outcomes in relation to any payments under any incentive schemes.
- g. design and invoke robust policies and safeguards, including clawback or withholding the payment of any sum, to protect against rewards for failure through appropriate risk management of any incentive arrangements to ensure that any performance-related payments reflect actual achievements.
- h. ensure that all incentive arrangements are aligned to the Company's risk policies and systems.

### **Duties – Annual Report**

22. The Committee shall produce a report to shareholders annually on matters relating to executive remuneration that shall include the information required to be disclosed by the Companies Act 2013 (including any regulations made under that Act), the UK Corporate Governance Code, the Listing Rules and any other relevant statutory, regulatory or governance codes and incorporate taking into account the Company's legal obligation to comply and the Board's decision to comply as a matter of best practice:
  - i. an annual statement by the Committee's Chairman and annual report on directors' remuneration; and
  - ii. the directors' remuneration policy when it must be submitted for approval and, in any other case, either the directors' remuneration policy, a summary of such policy or details of when the directors' remuneration policy was approved and where it can be found on the Company's website.

The Committee shall ensure each year that the annual statement and Annual Report on Remuneration is put to an advisory shareholder vote and that at least once every three years the Directors' Remuneration Policy is subject to a shareholder vote at the Company's annual general meeting.

### **Reporting Procedures**

23. The secretary of the Committee shall minute the proceedings and resolutions of all meetings (including the naming of those present and in attendance) as well as keep appropriate records and, once agreed, shall circulate the minutes of meetings of the Committee to all members of the Committee and the Board.
24. The Chairman of the Committee shall bring to the attention of the Board and/or make appropriate recommendations to the Board concerning those matters which have been considered or reviewed by it at the meeting of the Board next following a meeting of the Committee.
25. The Committee's duties and activities during the year shall be disclosed in the Company's annual report and the terms of reference of the Committee, explaining its role and the authority delegated to it by the Board shall be made available on request and placed on the Company's website.

26. The Chairman of the Committee shall attend the AGM and shall be prepared to answer questions on the Committee's activities and its responsibilities.

**Other**

27. The Committee members shall conduct an annual review of its own performance, constitution and these terms of reference and recommend to the Board any changes it considers necessary.