



# Hays plc (the “Company”) Remuneration Committee Terms of Reference

Approved by the Board 8 May 2025

## 1. Constitution

The Board of Directors (the “Board”) has established the Remuneration Committee (the “Committee”) in accordance with applicable UK Corporate Governance Code 2024 (the “Code”). The Committee is a committee of the Board from which it derives its authority from and regularly reports to.

## 2. Purpose

The purpose of the Committee is to:

- (a) establish formal and transparent procedures for developing policy on executive remuneration designed to support the Company’s strategy and long term success;
- (b) have delegated authority for setting the remuneration policy (the “Policy”) for the Board Chair, Executive Directors and senior management (together the “Specified Individuals”) as required by the Code;
- (c) review workforce remuneration and policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for executive director remuneration; and
- (d) have remuneration oversight of the incumbents holding any other strategically significant role, as determined by the Committee.

## 3. Membership

- (a) The Committee shall consist of at least 3 members, all of whom shall be Independent Non-Executive Directors under the Code. The Board Chair may serve as an additional member of the Committee, provided he or she was considered to be independent on appointment as Chair. Appointments to the Committee shall be made by the Board on the recommendation of the Nomination Committee and in consultation with the Committee Chair.
- (b) Appointments to the Committee shall be for a period of up to 3 years (subject to the election and re-election provisions in the Company’s constitution and the Code) which may be extended by up to 2 additional 3-year periods, provided that the Director continues to meet the Committee membership criteria.
- (c) The Board shall appoint the Committee Chair on the recommendation of the Nomination Committee. The Committee Chair shall be an Independent Non-Executive Director who will normally have served on a remuneration committee for at least 12 months. In the absence of the Committee Chair 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. The Board Chair shall not be the Chair of the Remuneration Committee.
- (d) Only members of the Committee have the right to attend Committee meetings. The Committee may invite other individuals such as members of management and external advisers to attend for all or part of any meeting, as it deems necessary and appropriate. No director or senior manager shall be involved in any decisions as to their own remuneration.
- (e) Each Committee member shall disclose to the Committee:
  - Any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee; or
  - Any potential conflict of interest arising from a cross-directorship or other business interests.Any such member shall abstain from voting on resolutions and participating in the discussion concerning



such resolutions.

- (f) The Committee Chair and Committee members shall be listed on the Company's website and each year in the Company's Annual Report and Accounts.

#### **4. Secretary**

The Company Secretary or his or her nominee will act as secretary to 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.

#### **5. Quorum**

The quorum necessary for the transaction of business shall be 2 Committee members, one of whom must be the Committee Chair or an appointed deputy. 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.

#### **6. Frequency of Meetings**

The Committee shall meet at least 3 times a year and otherwise as its role and responsibilities require.

#### **7. Notice of Meetings**

- (a) Meetings of the Committee shall be called by the Secretary at the request of the Committee Chair, or any of its members.
- (b) 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, no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

#### **8. Minutes of Meetings**

- (a) The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- (b) Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee Chair it would be inappropriate to do so.

#### **9. Shareholder Engagement**

The Committee Chair should attend the annual general meeting and be prepared to answer any shareholder questions on the Committee's activities. In addition, the Committee Chair should seek engagement with shareholders, as appropriate, on significant matters related to the Committee's areas of responsibility.

#### **10. Duties**

- (a) Remuneration Policy
  - (i) Determine an overall remuneration policy applicable to the Specified Individuals, setting out for each reward element the link to strategic objectives, how it operates, performance measures and maximum potential, managing any conflicts of interest in this process. Performance-related elements should be transparent and stretching.
  - (ii) Assess and monitor the Company's reward structures for alignment with the Board's definition of the Company's purpose, strategy and culture, the desired behaviours that underpin them, and responsible risk taking, and recommend to the Board such amendments to the reward structures it deems necessary. The objective of such reward structures shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company. As a key principle, the remuneration policies and



practices shall aim to ensure that remuneration is designed to support the strategy and promote long-term sustainable success.

- (iii) Determine the policy and scope of pension arrangements for the Specified Individuals.
  - (iv) Ensure that remuneration schemes and policies enable the use of discretion to override formulaic outturns, and exercise independent judgement and discretion when authorising remuneration outcomes, taking into account of Company and individual performance, and wider circumstances. Determine and apply discretion in a manner that reflects the best interests of the Company and its shareholders.
  - (v) Determine the policy applicable to the recruitment of the Specified Individuals, including the maximum level of variable remuneration which may be granted.
  - (vi) Establish an overall policy on payment for loss of office setting out the principles on which the determination of payments for loss of office will be approached.
  - (vii) Agree the policy for authorising expense claims from the Chief Executive, Finance Director and Board Chair.
- (b) Specific Remuneration Arrangements
- (i) Determine the total individual remuneration for each Specified Individual.
  - (ii) Determine the salary and incentive payments for the Specified Individuals within the agreed policy, in relation to directors taking into account remuneration policy and practice across the Group, shareholder views and review the on-going appropriateness. The Board shall determine the remuneration of Non-Executive Directors.
  - (iii) Design, implement and manage performance related pay schemes for the Specified Individuals to include target setting. Performance criteria should be challenging and should reflect the Company's objectives and include non-financial performance metrics where appropriate. Regard should also be given to the risk-related aspects of remuneration policy to avoid incentivising excessive risk-taking and to ensure that the Committee has oversight of any associated risks throughout the Group, which may arise as a result of remuneration.
  - (iv) Ensure that contractual terms on termination and any payments made are in line with the overall policy on loss of office, fair to the individual and Company, that failure is not rewarded and that the duty to mitigate the loss is reflected.
- (c) Remuneration Incentives
- (i) Review the design of all share incentive plans for approval by the Board and 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 Specified Individuals and the performance targets to be used.
  - (ii) Review wider workforce remuneration related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for Executive remuneration.
- (d) Shareholding Guidelines
- (i) Determine on behalf of the Board and keep under review the shareholding guidelines, including any policies for post-employment shareholding requirements, for Executive Directors and other members of executive management.
- (e) Workforce Engagement
- (i) Review and consider employee feedback on any issues relevant to the Committee and to ensure the effective engagement with the workforce and shareholders in relation to remuneration and related policies and practices, and take these into account as appropriate when determining executive remuneration policy and/or pay and incentive outcomes.
- (f) Remuneration Consultant
- (i) Be exclusively responsible for establishing the selection criteria, selecting, appointing, setting the terms of reference for, and management of the remuneration consultants who advise the Committee and conduct a regular review of the arrangements to confirm that the advice received



by the Committee is objective and independent. Such consultants should be identified in the Annual Report and a statement made as to whether they have any other connection with the Company.

- (g) Oversight and Recommendations
  - (i) Obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. 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.
  - (ii) Review and have oversight for:
    - the UK Gender, Ethnicity and Disability Pay Gap Reports; and
    - the Australian Pay Gap Report.
  - (iii) Review any other recognised pay gap or other statistics across the countries in which the Company operates, including but not limited to the Irish Pay Gap Report.
  - (iv) Be aware of and advise the Board on any major changes in employee benefit structures applicable to the Group and note annually remuneration trends across the Group.
  - (v) Where there is a significant vote against the Remuneration Policy or Remuneration Report, to recommend to the Board actions that could be taken in response to investor concerns and to respond to investors in the appropriate way.

## 11. Reporting Requirements

The Committee shall:

- (a) report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities;
- (b) make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
- (c) approve the Director's Remuneration Report for publication in the Company's Annual Report, including:
  - the annual statement from the Committee Chair;
  - the annual report on remuneration;
  - a description of the Company's malus and clawback provisions; and
  - when required, the Directors' remuneration policy in relation to future payments to Directors and former Directors;
- (d) approve the description of the work of the Committee for publication in the Company's Annual Report; and
- (e) through the Board Chair, ensure that the Committee Chair maintains contact as required with its principal shareholders about remuneration.

## 12. Authority

The Committee is authorised by the Board to

- (a) obtain, at the company's expense, independent legal, accounting or other professional advice on any matter it believes it necessary to do so;
- (b) seek any information it requires from any employee of the Company in order to perform its duties;
- (c) call any employee to be questioned at a meeting of the Committee as and when required; and
- (d) have the right to publish in the Company's annual report, details of any issues that cannot be resolved between the Committee and the Board.

## 13. Other matters

The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- (b) 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;
- (c) oversee any investigation of activities which are within its terms of reference;
- (d) where appropriate, consult with other Board Committees in relation to matters of shared remit including, but not limited to, setting suitable performance measures, performance incentives, pay gaps and pay ratios.
- (e) arrange for periodic reviews of its own performance, and 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;



- (f) give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors of listed/non listed companies and formation and operation of share schemes including but not limited to the provisions of the Code, the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules as well as guidelines published by the Investment Association, shareholder representative bodies and any other applicable rules, as appropriate; and
- (g) ensure that it makes available on the Company's website the Committee's terms of reference explaining clearly its role and the authority delegated to it.