



## Currys plc

### Terms of Reference of the Remuneration Committee

(approved by the Board on 17 January 2023)

Reference to 'the Committee' shall mean the Remuneration Committee of the Company.

Reference to 'the Board' shall mean the Board of Directors of Currys plc.

Reference to 'the Company' shall mean Currys plc.

Reference to 'the Group' shall mean the Currys group of companies.

Reference to 'senior management' shall mean the Currys Executive Committee members, or the first layer of management below the Board level, including the Company Secretary.

#### 1. Constitution

- 1.1. The Board hereby resolves to establish a Committee of the Board to be known as the Remuneration Committee. The membership, duties and authorities of the Committee are set out in these Terms of Reference which shall be reviewed annually and which can be amended from time to time by the Board. These Terms of Reference shall be publicly available.

#### 2. Membership

- 2.1. The Committee shall comprise at least three members, each of whom shall be appointed by the Board on the recommendation of the Nominations Committee and in consultation with the Chair of the Committee.
- 2.2. At least three of the members of the Committee shall be independent non-executive directors. The Chair of the Board may also serve on the Committee as an additional member if he or she was considered independent on appointment as Chair of the Board. The Chair of the Board shall not participate in any part of a meeting dealing with their own remuneration.
- 2.3. Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the director still meets the criteria for membership of the Committee.
- 2.4. The Board shall appoint the Chair of the Committee who shall be an independent non-executive director who should have served on a remuneration committee for at least twelve months. The Board shall determine the period for which the Chair of the Committee shall hold office. In the absence of the Chair of the Committee or any appointed deputy, the remaining members present shall elect one of their number to chair the meeting. The Chair of the Board shall not be Chair of the Committee.
- 2.5. The Board shall have the power at any time to remove any members from the Committee and to fill any vacancies.



### **3. Secretary**

3.1. The Company Secretary, or their nominee, shall act as the Secretary of the Committee.

### **4. Attendance at meetings**

4.1. The quorum necessary for the transaction of business by the Committee shall be two members present in person, by telephone or video conference call throughout the meeting.

4.2. 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 or exercisable by the Committee.

4.3. Only members of the Committee have the right to attend and vote at Committee meetings, however, the Chair of the Board (where not a member of the Committee), the Group Chief Executive, the Group Chief Financial Officer, the Group HR Director and others (including external advisers) may be invited to attend and speak for all or part of a meeting by prior arrangement with the Chair of the Committee.

4.4. No Committee attendee shall participate in any discussion or decision on their own remuneration.

### **5. Frequency of meetings**

5.1. The Committee shall meet at such times as the Chair of the Committee shall require and at least twice a year.

5.2. Notice of each meeting of the Committee, confirming the venue, time and date, conference and video call details and enclosing an agenda of items to be discussed shall be forwarded to each member of the Committee, any other person required to attend and any other non-executive directors, not fewer than five working days prior to the date of the meeting wherever possible. Supporting papers shall be sent to Committee members and to other attendees (as appropriate) at the same time.

5.3. Where a decision is required between scheduled meetings of the Committee, a decision can be taken in one of the following ways: by the Chair of the Committee if they in their discretion feel that there are no significant issues requiring approval of the full Committee; by convening a meeting of the Committee or by emailing all Committee members for their unanimous approval by email. Any such decision shall be ratified at the next Committee meeting.

### **6. Minutes of meetings**

6.1. Minutes of any meeting of the Committee shall be prepared by the Company Secretary, or their nominee, and circulated to all Committee members and, after approval, shall be submitted to the Board unless in the opinion of the Chair of the Committee it would be inappropriate to do so.

### **7. Duties**

7.1. The Committee shall:



- 7.1.1. Have delegated responsibility for setting remuneration for all executive directors, the Chair of the Board and senior management, including any compensation payments; and determine their total individual remuneration packages (including new appointments and where appropriate, bonuses, participation in incentive schemes and share-based performance plans, (taking into account information from comparable companies where relevant)). The Committee should also recommend and monitor the level and overall reasonableness of the structure of remuneration for the general workforce. The remuneration of non-executive directors shall be a matter for the Board, excluding non-executive directors. No director shall be involved in any decision regarding their own remuneration;
- 7.1.2. In determining such policy take into account all factors which it deems necessary including relevant legal and regulatory requirements and the provisions of the UK Corporate Governance Code and associated best practice guidance. The objective of such a policy being to attract, retain and motivate executive directors and senior management of the quality required to run the Company successfully without paying more than is necessary, having regard for the interests of colleagues, customers, communities, environment and shareholders and other stakeholders. The policy should also have regard to the risk appetite of the Company and alignment to the Company's long term strategic goals and its culture, aligned to the Company's vision to help everyone enjoy amazing technology;
- 7.1.3. Ensure that executive directors and senior management of the Company are provided with appropriate incentives to encourage enhanced Group and individual performance and are, in a fair and responsible manner, rewarded for their individual contributions to the long-term success of the Group;
- 7.1.4. Be sensitive to remuneration and employment conditions elsewhere in the Group and take them into account when determining remuneration;
- 7.1.5. Design the performance-related elements of remuneration to align the interests of the Group's senior management with those of colleagues, customers, communities, environment and shareholders;
- 7.1.6. Review the ongoing appropriateness and relevance of the policy;
- 7.1.7. Approve the design of and determine the eligibility criteria and targets for any performance-related pay schemes, long term incentive plans, share option or similar plans operated by the Company and that the performance measures and targets used are transparent, stretching and rigorously applied;
- 7.1.8. Operate and undertake an annual assessment of the Company's share-based remuneration plans, and make recommendations to the Board and shareholders as appropriate;
- 7.1.9. Design and invoke agreed safeguards which allows the Company, in specified circumstances, to forfeit all or part of a bonus or performance related pay schemes before it has been vested and been paid, i.e. 'performance adjustment' or 'malus' provisions; and or recover sums already paid, i.e. 'clawback' provisions;
- 7.1.10. Determine the policy for and scope of service agreements and pension arrangements, for the executive directors and senior management referred to in 7.1.1;



7.1.11 Ensure that contractual terms on termination and any payments made are fair as between the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fairly applied;

7.1.12 In determining the packages and arrangements mentioned above, give due regard to any relevant legal requirements, the principles and recommendations of the UK Corporate Governance Code, UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules, relevant Directors' Remuneration Reporting Guidance and Statement and any other applicable guidance and statements of best practice;

7.1.13 Oversee and advise on any major changes in employee benefit structures throughout the Group;

7.1.14 Agree the policy for authorising claims for expenses from the directors;

7.1.15 Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration or similar consultants who advise the Committee; and

7.1.16 Agree any shareholding guidelines for executive directors and senior management.

## **8. Authority**

8.1. The Committee is authorised by the Board to:-

- 8.1.1. Seek any information it requires from any employee of the Group in order to perform its duties;
- 8.1.2. Obtain any legal or other professional advice outside of the Group, including the advice of independent remuneration consultants in the fulfilment of its duties as required;
- 8.1.3. Secure the attendance of external advisers at Committee meetings, if it considers this necessary;
- 8.1.4. Obtain reliable and up-to-date information about remuneration in other companies, at the Company's expense; and
- 8.1.5. Commission any reports or surveys which it deems necessary to help it fulfil its obligations.

## **9. Reporting and accountability**

9.1. The Chair of the Committee shall report formally to the Board on its proceedings after each meeting.

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, together with the Group HR Director, or their nominee, and the Company Secretary, 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 2013 (as amended including by reference to The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019) and the relevant policies and best practice as required by law are fulfilled in producing a report of the Company's remuneration policy (subject to a



binding vote every three years) and a remuneration report (subject to an advisory vote annually), which form part of the Company's Annual Report and Accounts, be put to shareholders for approval at the Annual General Meeting. Such report shall include details of the frequency of and attendance at meetings of the Committee during the relevant year.

9.4. The Chair of the Committee or, in their absence, an appointed deputy shall attend the Company's Annual General Meeting to answer shareholders' questions about the remuneration policy, the annual remuneration report and the Committee's activities.

9.5. Through the Chair of the Board, ensure that the Company maintains contact as required with its principal shareholders about remuneration.

## 10. Annual review

10.1. The Committee shall at least annually review its own performance, constitution, procedures and Terms of Reference to ensure it is operating effectively and recommend any necessary changes to the Board.

## 11. Other

The Committee shall:

11.1 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; and

11.2 Have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required.