

# **Remuneration Committee Terms of Reference**

**Boohoo Group Plc** Dated 27 February 2025

## Contents

### Clauses

1	Definitions.....	1
2	Introduction.....	1
3	Membership.....	1
4	Secretary .....	1
5	Quorum .....	2
6	Frequency of meetings.....	2
7	Notice of meetings.....	2
8	Minutes of meetings .....	2
9	AGM .....	2
10	Duties .....	3
11	General duties .....	4
12	Reporting responsibilities .....	4
13	Other matters .....	4
14	Authority .....	5



**Boohoo Group Plc (the Company)**  
**Remuneration Committee Terms of Reference**

**1 Definitions**

1.1 In these terms of reference:

<b>Board</b>	means the board of directors of the Company
<b>Code</b>	means the Quoted Companies Alliance ( <b>QCA</b> ) Corporate Governance Code or such other corporate code as adopted by the Company in accordance with the AIM Rules for Companies
<b>Committee</b>	means the remuneration committee of the Board constituted at a meeting of the Board in accordance with the articles of association of the Company
<b>Group</b>	means the Company and its subsidiary undertakings from time to time

**2 Introduction**

The primary purpose of the Committee is to assist the Board in determining the Company's remuneration policies. In performing its duties the Committee will maintain effective working relationships with the Board and Chief People Officer.

**3 Membership**

- 3.1 The Committee shall comprise at least three members, each of whom shall be independent non-executive directors. The Chairman of the Board may also serve on the Committee as a 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 and in consultation with the chairman of the Committee.
- 3.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals (such as the Chief Executive Officer, the Chief People Officer and external advisers) may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 3.3 Appointments to the Committee are made by the Board and shall be for a period of up to three years, extendable by no more than two additional three year periods, so long as members (other than the Chairman of the Board, if he or she is a member of the Committee) continue to be independent.
- 3.4 The Board shall appoint the chairman of the Committee, who shall be an independent non-executive director. In the absence of the chairman of the Committee and/or an 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. The chairman of the Board shall not be chairman of the Committee.
- 3.5 The Chairman of the Committee and members shall be listed each year in the Company's annual report.

**4 Secretary**

The Company secretary or his/her nominee shall act as the secretary of the Committee and shall 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 any two members of the

Committee.

## **6 Voting arrangements**

6.1 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.

6.2 Each member of the Committee shall disclose to the Committee:

6.2.1 any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee; or

6.2.2 any potential conflict of interest arising from a cross-directorship.

6.3 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.

6.4 Save where he has a personal interest, the Chairman of the Committee will have a casting vote.

## **7 Frequency of meetings**

The Committee shall meet at least three times a year and otherwise as agreed between the members of the Committee or as required.

## **8 Notice of meetings**

8.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the chairman of the Committee.

8.2 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 or invited to attend and all other non-executive directors, no later than five 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.

## **9 Minutes of meetings**

9.1 The secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including recording the names of those present and in attendance.

9.2 The secretary of the Committee shall ascertain, at the beginning of each Committee meeting, the existence of any conflicts of interest and minute them accordingly.

9.3 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 a conflict of interest exists or, in the opinion of the chairman of the Committee, it would otherwise be inappropriate to do so.

## **10 AGM**

The chairman of the Committee shall attend the annual general meeting to answer any shareholder questions on the Committee's activities.

## 11 Duties

The Committee shall carry out the duties below for the Company, major subsidiary undertakings and the Group as a whole, as appropriate.

The Committee shall:

- 11.1 have responsibility for setting the remuneration policy for all executive directors and the chairman of the Company, including pension rights and compensation payments. No executive director or senior manager shall be involved in any decisions as to their own remuneration
- 11.2 determine the remuneration of the non-executive directors within the limits set in the articles of association in consultation with the CEO.
- 11.3 approve remuneration structures for senior managers within the terms of the agreed policy above £300,000. Any remuneration structures below £300,000 are delegated to the CEO;
- 11.4 recommend and monitor the level and structure of remuneration for senior management; with authority delegated to the CEO to implement and adjust remuneration policies within pre-agreed parameters.
- 11.5 recognise and avoid conflicts of interest where executive directors of the Company or its senior management are involved in advising the Committee, while ensuring that the CEO has a consultative role in decision-making processes;
- 11.6 in determining such policy, take into account all factors which it deems necessary, including relevant legal and regulatory requirements, the provisions and recommendations of the Code and associated guidance. The objective of such policy shall be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long term strategic goals. A significant proportion of remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the long-term success of the Company;
- 11.7 when setting remuneration policy for executive directors, review and have regard to pay and employment conditions across the Group, especially when determining annual salary increases. The CEO shall have the authority to propose adjustments to salary structures based on market conditions and business performance;
- 11.8 review the ongoing appropriateness and relevance of the Company's remuneration policy, with input from the CEO on operational needs and strategic priorities;
- 11.9 within the terms of the agreed policy and in consultation with the Chairman of the Board and/or the Chief Executive, as appropriate, determine the total individual remuneration package of each executive director, the Chairman and other designated senior managers (including bonuses, incentive payments and share options or other share awards). The CEO shall have authority to recommend adjustments within the terms of the agreed policy;
- 11.10 in determining such packages and arrangements, give due regard to any relevant legal requirements and the provisions and recommendations in the Code and associated guidance. The CEO shall ensure compliance with these policies in day-to-day remuneration decisions;
- 11.11 obtain reliable, up to date information about remuneration in other companies of comparable scale and complexity. To help fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary to fulfil its obligations at the expense of the Company but within any budgetary restraints imposed by the Board. The CEO shall have the power to conduct preliminary reviews and recommend external benchmarking consultants;.

- 11.12 be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee, , with the CEO empowered to provide recommendations based on operational insights;
- 11.13 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. The CEO shall have the delegated authority to administer performance-related pay schemes in alignment with corporate objectives;
- 11.14 when setting such targets, receive and review reports from the Chairman of the ESG committee on any ESG metrics to be applied to performance objectives incorporated in the incentive structure for executive remuneration and recommendations on clawback provisions. The CEO shall ensure the operational implementation of ESG-linked incentives;
- 11.15 Review the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action, with the CEO responsible for implementing and overseeing these procedures on an operational level
- 11.16 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 executive directors, the Company secretary and other designated senior managers and the performance targets to be used. The CEO shall have the authority to administer the implementation of such plans within the agreed policy.
- 11.17 determine the policy for, and scope of, pension arrangements for each executive director and other designated senior managers, , with the CEO given oversight for execution and administration;
- 11.18 ensure that contractual terms on termination to executive directors, and any payments made, are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 11.19 oversee any major changes in employee benefits structures throughout the Group , with the CEO authorised to propose and implement changes within the approved policy;
- 11.20 agree the policy for authorising claims for expenses from the executive directors; and
- 11.21 consider such other matters as may be requested by the Board and work and liaise as necessary with all other Board committees.

## **12 General duties**

In carrying out his specific duties set out above, each member of the Committee should also consider his general duties as a director of the Company, including without limitation:

- 12.1 his duty to act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to all relevant factors;
- 12.2 his duty to exercise independent judgment;
- 12.3 his duty to exercise reasonable care, diligence and skill;
- 12.4 his duty to avoid conflicts of interest; and
- 12.5 his duty to act in accordance with the Company's constitution and only exercise his powers for the purposes for which they were conferred.

## **13 Reporting responsibilities**

- 13.1 The chairman of the Committee shall report to the Board on its proceedings after each

meeting on all matters within its duties and responsibilities.

- 13.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 13.3 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 accounts.
- 13.4 The Committee shall assist the Chairman of the Board to ensure that the Company maintains contact as required with its principal shareholders about remuneration.

#### **14 Other matters**

The Committee shall:

- 14.1 have access to sufficient resources in order to carry out its duties, including access to the Company secretary for assistance as required;  
  
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;
- 14.2 give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors and the formation and operation of share schemes including but not limited to the provisions of the AIM Rules for Companies as well as guidelines published by the Association of British Insurers and the National Association of Pension Funds, and any other applicable rules, as appropriate;
- 14.3 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; and
- 14.4 ensure that these terms of reference are made available by placing them on the Company's website.

#### **15 Authority**

- 15.1 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, outside legal or other professional advice on any matters within its terms of reference.
- 15.2 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 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.