

# Time Finance Terms of Reference Remuneration Committee

## Version Control

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## Review and Sign Off

Date	Name / Committee and Designation
1 October 2018	Ian Smith / CEO

## Summary Information

<b>Document Owner</b>	Time Finance Head of Governance and Compliance
<b>Related Policies and Procedures</b>	<ul style="list-style-type: none"> <li>- Audit Committee TOR</li> <li>- Nominations Committee TOR</li> <li>- Risk &amp; Compliance Committee TOR</li> </ul>
<b>Monitoring/Reporting Requirements</b>	<b>Communication and Distribution</b>
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## 1. Membership

The committee shall comprise at least three members, and the majority of members shall be independent non-executive directors. Appointments to the committee are made by the board on the recommendation of the nomination committee and in consultation with the chair of the remuneration committee and shall be for a period of up to three years which may be extended for up to two additional three-year periods, provided members (other than the chair of the board, if they are a member of the committee) continue to be independent.

The company secretary or their nominee shall act as the secretary of 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.

## 2. Meetings

Meetings shall be held not less than twice a year and should be timed to allow the remuneration committee to oversee the company's remuneration review process. Special meetings may be convened as required.

Only members of the remuneration committee shall be entitled to attend remuneration committee meetings although other individuals may be invited to attend for all or part of any meeting when considered appropriate.

In the absence of the remuneration committee chairman, or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

The quorum necessary for the transaction of business shall be two members.

The secretary of the remuneration committee shall circulate minutes of remuneration committee meetings, promptly to all members of the remuneration committee and to such other senior executives as the remuneration committee in its discretion shall decide.

## 3. Engagement with shareholders

The committee chair should attend the annual general meeting to answer any shareholder questions on the committee's activities. In addition, the committee chair should seek engagement with major shareholders on significant matters related to the committee's areas of responsibility.

## 4. Duties

The remuneration committee shall have delegated responsibility, within the following parameters, for setting remuneration for all executive directors as well as sanctioning any packages together with bonuses and pay rises of any employee whose salary exceeds £75,000. No director shall be involved in decisions on their own pay.

The remuneration committee shall:

- 4.1 Have delegated responsibility for determining the policy for directors' remuneration and setting

remuneration for the company's chair and executive directors and senior management, including the company secretary.

- 4.2 Establish remuneration schemes that promote long-term shareholding by executive directors that support alignment with long-term shareholder interests, with share awards subject to appropriate vesting and holding periods.
- 4.3 Design remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to company purpose and values, clearly linked to the successful delivery of the company's long-term strategy.
- 4.4 No director or senior manager shall be involved in any decisions as to their own remuneration outcome.
- 4.5 The executive directors should determine the remuneration of the non-executive directors within any limits set in the Articles of Association.
- 4.6 In determining remuneration policy, take into account all other factors which it deems necessary including relevant legal and regulatory requirements. 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.
- 4.7 Review the ongoing appropriateness and relevance of the remuneration policy.
- 4.8 Within the terms of the agreed policy and in consultation with the chair and/or chief executive, as appropriate, determine the total individual remuneration package of each executive director and senior managers including bonuses, incentive payments and share options or other share awards.
- 4.9 Review the design of all share incentive plans for approval by the board and, where required, 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 for executive directors and senior managers, and the performance targets to be used.

## 5. Reporting responsibilities

- 5.1 The committee chair shall report to the board after each meeting on the nature and content of its discussion, recommendations and action to be taken.
- 5.2 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be available for board discussion when necessary.
- 5.3 The committee shall provide a description of its work in the annual report in line with the requirements of the UK Corporate Governance Code.
- 5.4 The committee shall also ensure that provisions regarding disclosure of information as set out in The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations and the Code are fulfilled, and that a report on the directors' remuneration policy and practices is included in the company's annual report and put to shareholders for approval at the AGM as necessary.
- 5.5 Update the board regularly about remuneration committee activities and make appropriate recommendations.
- 5.6 Prepare any reports on the remuneration committee's activities and the remuneration of executives required by law.

## 6. Other matters

The remuneration committee shall review its collective performance and that of its individual members on a regular basis.

Members of the remuneration committee should seek continually to develop and refresh their knowledge of current

remuneration practices.

### **7. Authority**

The committee is authorised by the board to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference.

The remuneration committee shall review the terms of reference annually and discuss any proposed changes with the board.