

Wickes Group plc (“the Company”)

Terms of Reference of the Remuneration Committee

Membership and quorum

- The Wickes Group plc Remuneration Committee (“the Committee”) shall be appointed by the Wickes Group plc Board (“the Board”) and shall consist of not less than three members.
- All members shall be independent Non-executive Directors of the Company. The Chairman of the Board may also serve on the Committee as an additional member if they were considered independent on appointment as Chairman. The Chairman of the Board shall not chair the Committee.
- Before appointment as Chairman of the Committee, the appointee should have served on a remuneration committee (either at the Company or another company) for at least 12 months.
- A quorum shall be two members.
- The Company Secretary or his or her nominee shall act as the secretary of the Committee.

Attendance at meetings

Directors, other employees of the Company and external advisors may attend meetings by invitation.

Frequency of meetings

Meetings shall be held no less than twice a year with additional meetings as appropriate.

Authority

- The Committee is authorised by the Board to investigate any activity within its terms of reference. The Committee shall have access to sufficient resources in order to carry out its duties and is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any requests made by the Committee.
- The Committee is authorised by the Board to obtain legal or professional advice at the Company’s expense (but within any budgetary restraints imposed by the Board) on any matters within its terms of reference. Outsiders with relevant experience and expertise may attend meetings of the Committee if the Chairman of the Committee considers this necessary.

Duties

The duties of the Committee shall be:

Remuneration Policy

- to determine the remuneration policy for the Chairman of the Company, Executive Directors, Executive Board members and other designated senior management including the Company Secretary. The remuneration of the Non-executive Directors shall be a matter for the Chairman and Executive Directors and shall be within the limits set out in the Articles of Association. No Director, Executive Board member or senior manager shall be involved in any decisions as to their own remuneration. For the avoidance of doubt, if the Chairman of the Company serves on the Committee as an additional member, he shall not be involved in any decision as to his own remuneration.

- in determining the remuneration policy, to take into account all factors which it deems necessary including:
 - relevant legal and regulatory requirements;
 - the provisions and recommendations of the UK Corporate Governance Code (including the requirements for clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture) and associated guidance;
 - alignment to Company purpose and values and the link to the successful delivery of the Company's long-term strategy and long-term shareholder interests;
 - the business strategy of the Company and the Group and how the policy supports the strategy and promotes long-term sustainable success;
 - workforce remuneration and related policies and the alignment of incentives and rewards with culture;
 - feedback from the engagement process with employees;
 - an appropriate balance between fixed and performance related remuneration, immediate and deferred remuneration (including releasing share awards on a phased basis);
 - the Company's risk appetite (including in respect of reputational and behavioural risk) and risk management strategy ensuring that the remuneration policy is aligned to the Company's risk policies and systems and long term sustainable success;
 - the transparency of the performance-related elements, ensuring they are stretching, fairly administered and rigorously applied;
 - that remuneration policies and practices enable the use of discretion to override formulaic outturns; and
 - the malus and clawback provisions applying to the annual bonus scheme and share based remuneration schemes to recover and/or withhold sums or share awards under appropriate specified circumstances.
- to review the on-going appropriateness and relevance of the remuneration policy.
- within the terms of the agreed policy and in consultation with the Chairman of the Board and/or Chief Executive, as appropriate, to determine the total individual remuneration package of the Chairman of the Board, each Executive Director, each Executive Board member and other designated senior management including base salary, pension arrangements, benefits, profit sharing, bonuses, incentive schemes, share options or other share awards and arrangements or payments in connection with the individual's appointment.

Pensions

- to determine the policy for, and scope of, pension arrangements for each Executive Director, Executive Board members and other designated senior management, taking into account pension arrangements for the wider workforce. The pension contribution rates for Executive Directors, or payments in lieu, should be aligned with those available to the workforce.

Bonus and Share Based Remuneration

- to review the design of all bonus schemes and long-term incentive schemes for approval by the Board and, where required, shareholders.
- to determine the targets applicable to any bonus in which Executive Directors, Executive Board members and other designated senior management participate.
- to determine each year whether long-term share incentive awards will be made, and if so, the overall amount of such awards, the individual awards to Executive Directors, Executive Board members and other designated senior management and the performance targets to be used.
- to monitor and assess performance against targets for annual bonus and share incentive schemes and determine the payouts to individual Executive Directors, Executive Board members and other senior management under such schemes. The Committee shall exercise independent judgement and discretion when authorising remuneration outcomes, taking into account Company and individual performance, and wider circumstances.

- to design and invoke safeguards, such as malus and clawback provisions, applying to annual bonus and share based remuneration schemes to protect against rewarding failure through the recovery and/or withholding of sums or share awards under appropriate specified circumstances.
- to establish remuneration schemes that promote long-term shareholding by Executive Directors that support alignment with long-term shareholder interests, with share awards subject to a total vesting and holding period for at least five years, and a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares.

Service Contracts, Appointments and Severance

- to approve the terms of the service contracts for Executive Directors (under which the duration of notice periods shall not normally exceed one year) and any material amendment to those contracts.
- to approve the total individual remuneration package on appointment for any Executive Director, Executive Board member or other designated senior management including base salary, pension arrangements, benefits, profit sharing, bonuses, incentive schemes, share options or other share awards and arrangements or payments in connection with the individual's appointment.
- to ensure that contractual terms on termination, and any arrangements or payments in connection with the individual's cessation of office or employment (including the terms of settlement agreements or similar), are fair to the individual and the Company, that failure is not rewarded, the duty to mitigate loss is fully recognised and that any payments are consistent with the latest approved Directors' Remuneration Policy.

Remuneration Consultants

- to obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity. To help it 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 at the expense of the Company to help inform decisions regarding remuneration.
- to be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- to exercise independent judgment when considering advice provided by remuneration consultants.

Performance Review and Training

- to periodically review its own performance and, at least annually, review its constitution and terms of reference to ensure its effectiveness and recommend any changes it considers necessary to the Board for approval.
- to 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.

Other Matters

- to oversee any major changes in employee benefits structures throughout the Company or Group.
- to review workforce remuneration and related policies including gender pay gap and minimum wage.
- to exercise discretion or judgement on remuneration issues in accordance with the Remuneration Policy.
- to work and liaise as necessary with all other Board committees.

Reporting to the Board

- The Chairman of the Committee shall report to the Board at appropriate intervals.
- The minutes of the meetings of the Committee should be available to all members of the Board unless in the opinion of the Chairman of the Committee it would be inappropriate to do so.

Engagement with shareholders and external reporting responsibilities

- The Committee shall produce a report for inclusion in the Company's Annual Report about its activities, including ensuring that provisions regarding disclosure of information as set out in The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 (as amended from time to time) and the UK Corporate Governance Code, are fulfilled including:
 - a statement from the Committee Chairman providing a summary of the Company's remuneration policy and the annual report on remuneration;
 - a report of the Company's remuneration policy and practices in the relevant financial year and how the Company intends to implement the Remuneration Policy in the current financial year; and
 - if shareholder approval is being sought, the Company's Remuneration Policy.
- The Committee shall submit the Directors' Remuneration Policy for approval on a binding basis:
 - At least every three years.
 - In any year in which there is a change to the Remuneration Policy.
 - If shareholder approval was not obtained when last submitted.
 - If majority shareholder approval was not achieved on the last submitted Annual Remuneration Report.
- The Chairman of the Committee, or in his or her absence another member of the Committee, will attend the Company's Annual General Meeting and answer any shareholder questions about the work of the Committee. In addition, the Committee Chairman should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

Approved by the Wickes Group plc Remuneration Committee 23 April 2021

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