

## CVC CAPITAL PARTNERS PLC

### REMUNERATION COMMITTEE TERMS OF REFERENCE

Approved by the board of directors of the Company on 12 April 2024

#### 1. INTRODUCTION

- 1.1 These Committee terms of reference have been approved and adopted by the board of directors (the *Board*) of CVC Holdings Limited (to be renamed CVC Capital Partners plc) (the *Company*) on 12 April 2024. These terms of reference provide for a delegation of powers to the remuneration committee of the Board (the *Committee*) and rules for the procedures and decision-making of the Committee.
- 1.2 These terms of reference are complementary to, and subject to, the articles of association of the Company in place from time to time (the *Articles*) and applicable laws and regulations.

#### 2. COMPOSITION AND QUORUM

- 2.1 The Committee will comprise at least three members. Members of the Committee are appointed by the Board on the recommendation of the nomination committee. All members of the Committee must be independent non-executive directors within the meaning of the UK Corporate Governance Code. If the Board decides that a member of the Committee is no longer independent, that member will cease to be a member of the Committee unless otherwise determined by the Board. The chair of the Board may be a member of, but not chair, the Committee if he/she was considered independent on appointment.
- 2.2 The Board appoints the chair of the Committee. Prior to appointment as chair, the chair of the Committee should have previously served on a remuneration committee for at least 12 months. In the absence of the Committee chair, the remaining members present may elect one of themselves to chair the meeting.
- 2.3 Only members of the Committee have the right to attend Committee meetings, but the Committee may invite others to attend all or part of any meeting if it thinks it is appropriate.
- 2.4 The quorum necessary for the transaction of business at a meeting of the Committee is two members.
- 2.5 A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 2.6 Appointments to the Committee are for a period of up to three years, extendable for two further three-year periods, provided the director still meets the criteria for membership of the Committee.

#### 3. THE COMMITTEE'S ROLE AND RESPONSIBILITIES

- 3.1 To determine the remuneration (which includes pension rights, bonuses, incentive arrangements, share schemes and any compensation payments) of the Company's chair, the executive directors of the Company, Company Secretary and the members of the Partner Board (the *Relevant Persons*) and to ensure that a formal and transparent procedure for determining that remuneration is in place. For the avoidance of doubt, the provision of opportunities for

individuals to make investments alongside funds managed or advised by the group and carried interests are not remuneration or within the scope of the Committee's terms of reference.

- 3.2 The Board itself should determine the remuneration of the Company's non-executive directors within the Company's shareholder-approved directors' remuneration policy. No individual will be involved in any decisions as to their own remuneration.
- 3.3 To determine a remuneration policy for the Relevant Persons, taking into account all factors which it deems necessary, including, without limitation, relevant legal and regulatory requirements, the provisions and recommendations of the UK Corporate Governance Code and such other guidance as it considers relevant, and to ensure that a formal and transparent procedure for developing that policy is in place. The objective of the remuneration policy will be to support strategy and promote long-term sustainable success; the remuneration should be aligned to the Company's purpose and values and be clearly linked to the successful delivery of the Company's long-term strategy.
- 3.4 When determining executive director policy and practices, to address:
  - (a) that remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;
  - (b) that remuneration arrangements should avoid complexity and their rationale and operation should be easy to understand;
  - (c) that remuneration arrangements should ensure that the following risks are identified and mitigated: reputational and other risks from excessive rewards, and behavioural risks that can arise from target-base incentive plans;
  - (d) that the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy;
  - (e) that there should be a clear link between individual awards, the delivery of strategy and the long-term performance of the Company and outcomes should not reward poor performance; and
  - (f) that incentive schemes should drive behaviours consistent with the Company's purpose, values and strategy.
- 3.5 To consider, monitor and review the ongoing appropriateness and relevance of the remuneration policy (including its level and structure) and consult with significant shareholders and other stakeholders as appropriate.
- 3.6 To consider and determine all elements of the remuneration of the Relevant Persons and, in respect of any element of remuneration of the Relevant Persons which is performance-related, to formulate suitable performance-related criteria, monitor their operation, and approve the total payments made under such schemes including the terms of any malus or clawback arrangement.
- 3.7 To exercise any rights or discretion (including the granting of any consents or approvals), and to take any decisions or make any determinations, of or granted to the Company (or any entity or person nominated by the Company) in each case in respect of the Relevant Persons pursuant to any agreements to which the Company is a party or which otherwise require the Company's consent, instruction or determination.

- 3.8 When determining the remuneration of the Relevant Persons, to review workforce remuneration and related policies and the alignment of incentives and rewards with culture and take such matters into account when setting the remuneration policy of the Relevant Persons.
- 3.9 To promote long-term shareholdings by executive directors that support alignment with long-term shareholder interests.
- 3.10 To consider, determine and approve the provisions of the service agreements or terms of engagement of the Relevant Persons and to ensure that any payments that may be made under such provisions are fair to the individual and the Company, do not reward poor performance, and that the duty to mitigate loss is fully recognised.
- 3.11 Individually to exercise independent judgement and discretion when authorising remuneration outcomes, taking account of Company and individual performance, and wider circumstances.
- 3.12 To approve any payment to, and/or any non-cash benefit to be provided to, or for the benefit of, any Relevant Person on termination of that person's employment or engagement and, in the case of the executive directors of the Company, to ensure such payment or benefit is consistent with the most recent directors' remuneration policy that has been approved by shareholders or is otherwise approved by the shareholders as required by the Rules (as defined below) and all other relevant laws and regulations.
- 3.13 To agree the policy for authorising claims for expenses from the directors.
- 3.14 To design all share schemes operated by or to be established by the Company in accordance with any applicable legal and stock exchange requirements and any other local tax requirements, to operate such schemes in accordance with their rules, and to review the design of such schemes periodically. In respect of any such schemes, to determine each year whether awards will be made to the Relevant Persons, and if so, the overall amount of such awards, the individual awards to the Relevant Persons, and the performance targets to be used for the Relevant Persons, and to develop a policy for post-employment requirements. In respect of awards to individuals other than the Relevant Persons, to ensure that the operation of such schemes by the Partner Board is in accordance with the rules of such schemes and any applicable legal and stock exchange requirements and any other local tax requirements.
- 3.15 To have regard in the performance of its duties to any published guidelines or recommendations regarding the remuneration and terms and conditions of directors of listed companies and the formation and operation of share schemes (in particular the principles and provisions of the UK Corporate Governance Code) and guidelines published by institutional investors which the Committee considers relevant or appropriate.
- 3.16 To ensure that provisions regarding disclosure of information relating to directors' remuneration under the UK Corporate Governance Code and all other laws, regulations and guidance which are applicable to the Company or with which the Company voluntarily complies (each as amended from time to time) (the **Rules**) are fulfilled.
- 3.17 To ensure that relevant aspects are put to the Company's shareholders for approval if required by the Rules.
- 3.18 To be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- 3.19 To work and liaise as necessary with all other Board committees.

- 3.20 To consider any other matters as may be requested by the Board.
- 3.21 In relation to the above, the Committee must at all times give due regard to published or other available information relating to pay, bonuses and other benefits of executives in companies which are comparable to the Company and to remuneration trends across the Company more generally.

#### **4. MEETING ADMINISTRATION**

- 4.1 Meetings of the Committee will be called by the secretary of the Committee at the request of the Committee chair or any other Committee member.
- 4.2 The Committee should meet as often as it deems necessary but in any case at least two times a year. Additional meetings may be called by the chair or other members of the Committee as necessary.
- 4.3 Unless otherwise agreed by all Committee members, notice of each meeting should be sent to each member of the Committee and to any other person required to attend the meeting as soon as practicable, and in any event no later than three working days before the date of the meeting. The notice of meeting should state the time of the meeting, the place of the meeting, the electronic facility to be used for the meeting (if relevant), any information members need to access the meeting, and an agenda of the items to be discussed and any supporting papers.
- 4.4 Meetings will generally be held and chaired in Jersey. UK-based directors are generally expected to travel to Jersey and attend meetings in person. Remote attendance at meetings, and the attendance requirements for directors based outside of Jersey or the UK, will be determined and communicated from time to time by Group Tax based on relevant tax rules. By exception only, the Committee may hold meetings in a location other than Jersey, save that: (i) this will be only with the prior approval of the secretary of the Committee and Group Tax, including as to the proposed location; and (ii) the location will not be the UK.
- 4.5 All directors must inform the secretary of the Committee and Group Tax in advance of a meeting whether they are travelling to Jersey for the relevant meeting and, if not, where they intend to join from. Such notification shall be provided sufficiently in advance of the relevant meeting to enable the secretary of the Committee and Group Tax to confirm that the necessary procedures are being followed and, if necessary, for travel plans in respect of the relevant meeting to be altered on the advice of Group Tax.
- 4.6 The Committee may hold meetings at a physical place or by means of any electronic facility (or both in respect of the same meeting). If approved by the secretary of the Committee and Group Tax, the Committee may take decisions without a meeting by unanimous written consent, when the Committee chair considers this to be necessary or desirable.
- 4.7 Any conflicts of interest of members of the Committee are to be declared at the start of each meeting in relation to the matters on the agenda to be discussed and recorded accordingly in the minutes.

#### **5. SECRETARY**

- 5.1 The Company's secretary or such person as the Committee chair nominates will act as the secretary of the Committee.

- 5.2 The secretary should ensure that the Committee receives information and materials in a timely manner to enable full and proper consideration to be given to them.
- 5.3 The secretary should minute the proceedings and resolutions of all meetings of the Committee, including recording the names (and location if attending remotely) of those present and in attendance.
- 5.4 Draft minutes of Committee meetings should be sent to all members of the Committee. Once approved, minutes must be sent or made available to all other members of the Board, unless the chair of the Committee thinks it is inappropriate to do so.

## **6. SELF-EVALUATION**

The Committee must review its own performance, composition and terms of reference at least once a year and recommend to the Board any changes it considers necessary or desirable.

## **7. REPORTING**

- 7.1 After each Committee meeting, the chair must report formally to the Board in relation to the meeting, including on the nature and content of discussion, decisions and recommendations made, and actions to be taken.
- 7.2 The Committee may make such recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for Board discussion where necessary.
- 7.3 The Committee must produce a report to shareholders describing its work to be included in the Company's annual report, including:
  - (a) an explanation of the strategic rationale for executive directors' remuneration policies, structures and any performance metrics;
  - (b) reasons why the remuneration is appropriate using internal and external measures, including pay ratios and pay gaps;
  - (c) whether the remuneration policy operated as intended in terms of Company performance and quantum, and, if not, what changes are necessary;
  - (d) what engagement has taken place with shareholders and the impact this has had on remuneration policy and outcomes;
  - (e) what engagement with the workforce has taken place to explain how executive remuneration aligns with wider Company pay policy;
  - (f) to what extent discretion has been applied to remuneration outcomes and the reasons why;
  - (g) identification of any remuneration consultant appointed by the Committee alongside a statement about any other connection it has with the Company or any individuals;
  - (h) a description of the malus and clawback provisions contained in directors' contracts and/or other agreements or documents which cover director remuneration, including:
    - (i) the circumstances in which malus and clawback provisions could be used;

- (ii) a description of the period for malus and clawback and why the selected period is best suited to the Company; and
  - (iii) whether the provisions were used in the last reporting period and, if so, a clear explanation of the reason; and
- (i) details of any issues that have not been resolved between the Committee and the Board.

## **8. OTHER MATTERS**

The Committee must:

- (a) have access to sufficient resources to carry out its duties, including access to the Company secretariat and Group Tax for advice and assistance as required on all Committee matters;
- (b) be given appropriate and timely training;
- (c) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code, the tax advice received and any other applicable rules and guidance, as appropriate;
- (d) oversee any investigation of activities which are within its terms of reference; and
- (e) work and liaise as necessary with all other Board committees, ensuring the interaction amongst committees and with the Board is reviewed regularly.

## **9. AUTHORITY AND EXPENSES**

9.1 The Board authorises the Committee to:

- (a) undertake any activity within its terms of reference;
- (b) seek any information from any employee, contractor, consultant or other provider of services to the Company or its subsidiary or controlled undertakings (excluding funds and portfolio companies) or member of the group that the Committee requires to perform its duties, and call any such person to be questioned at a Committee meeting, as and when required;
- (c) obtain external legal or other professional advice on any matter within its terms of reference at the Company's expense, and invite persons giving such advice to attend Committee meetings; and
- (d) delegate any of its powers to one or more of its members or the secretary of the Committee.

9.2 Any and all expenses incurred by the Committee, including any fees for external experts and advisers, will be borne by the Company.

## **10. AMENDMENTS AND DEVIATIONS**

The Board may amend or supplement these terms of reference and allow temporary deviations from its rules.