

## Extract from the 2026 Remuneration Committee report

### Directors' Remuneration Policy – approved by shareholders at the 2026 AGM

Below is the proposed Policy which was approved by shareholders at the AGM on 30 April 2026 and immediately became effective from this date. It will be binding until the close of the 2029 AGM.

#### Base salary

Base salary helps to attract, reward and retain the right calibre of Executive Director to deliver the leadership and management needed to execute the Group's strategy and business plan.

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#### Practical operation

Base salary reflects the role, the executive's skills and experience, and market level. To determine the market level, the Committee reviews remuneration data on executive positions at companies which the Committee considers to be appropriate comparators. The comparator companies are selected, with advice from the Committee's remuneration advisers, taking into account factors such as, but not limited to, sector, size, and international presence.

Where base salary on appointment is below market level to reflect experience, it will be increased over time to align with the market level, subject to performance.

Base salaries of all Executive Directors are generally reviewed once each year, with increases generally applying from January. Reviews cover individual performance, experience, development in the role, market comparisons and pay reviews for the wider workforce.

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#### Maximum potential value

Executive Directors are eligible for base salary increases during the policy period, normally in line with or below the average annual percentage increase in salary applied to all other employees in the Group at the time of the increase.

Exceptions to this, subject to performance and development, may include:

- (i) An Executive Director has been appointed at below market level to reflect experience
- (ii) An Executive Director has been promoted internally (or the scope or nature of their role has changed)
- (iii) There is a change in size and/or complexity of the Group; and/or
- (iv) Significant market movements

Such increases may be implemented over such time period as the Committee deems appropriate.

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#### Pension

Pension provision is one of the components to attract, reward and retain the right calibre of executive, to ensure delivery of the leadership and management needed to execute the Group's purpose and strategy.

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#### Practical operation

Executive Directors are entitled to a contribution to the Group's defined contribution pension plan, a cash payment in lieu of pension (subject to normal statutory deductions), or a combination of pension contributions and cash in lieu of pension.

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#### Maximum potential value

The contribution rates for existing Executive Directors are limited to the rate for new joiners to the UK wider workforce, which is currently 10% of base salary. This is also the most common pension contribution rate for UK-based employees.

The pension contribution rate for any new Executive Director will also be limited to the rate for new joiners to the wider workforce. The Committee retains discretion to determine the approach and, calculation of the workforce pension level, including if relevant, the methodology for any Directors based outside the UK.

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## Benefits

Benefits are provided to be market competitive as an integral part of Executive Directors' total remuneration.

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### Practical operation

Executive Directors receive a car benefit, life assurance, income protection, the opportunity to participate in all-employee share plans on the same basis as other employees, annual private health assessment and annual private medical cover. Additional benefits may be provided if the Committee considers them appropriate (including tax equalisation expenses, and benefits or allowances which are customarily provided in the country where an Executive Director resides).

Relocation expenses are paid, where appropriate, in individual cases. Executive Directors' relocation expenses are determined on a case-by-case basis. The Policy is designed to assist the Executive Director to relocate to a home of similar standing.

### Maximum potential value

Benefits are set at a level appropriate to the individual's role and circumstances.

The maximum opportunity will depend on the type of benefit and cost of its provision, which will vary according to the market and individual circumstances.

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## Annual bonus

The award of annual bonus will be based on annual performance against financial and operational metrics linked to the business plan. The aim of the deferred portion of the annual bonus is to further align Executive Directors to shareholders' interests, by linking share-based reward to long-term sustainable performance.

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### Practical operation

The Committee will determine the annual bonus payable after the year-end, based on performance against targets.

40% of the total bonus outcome will be deferred into shares in the form of nil cost options or conditional awards under a Deferred Share Plan (DSP). The period over which shares are deferred is normally three years. Vesting is subject to continued service or "good leaver" termination provisions.

Deferred shares vest based on continued employment and lapse other than in defined good leaver circumstances.

Dividends or dividend equivalents (which may assume notional reinvestment) are paid on DSP awards.

In certain circumstances, the Committee can apply malus and clawback to bonus awards.

### Maximum potential value

Role	Maximum opportunity (% of base salary)
CEO	175%
Other Executive Directors	150%

### Performance measures

The majority of the annual bonus will be based on financial metrics. The Remuneration Committee reviews and determines the metrics, weightings and calibration of targets annually taking into account business objectives and the strategic priorities of the business.

There is no payment for below threshold performance. The outcome for threshold performance is 0% of maximum. The outcome for target performance is normally 50% of maximum.

The Committee will review the formulaic outcome of the bonus award and has the discretion to amend the final outcome to make sure that bonus payments reflect overall performance. The use of such discretion will be explained fully in the relevant Annual Report on Remuneration.

In exceptional circumstances such that the Committee believes the original measures and/or targets are no longer appropriate, the Committee has discretion to amend performance measures and targets during the year.

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## Long Term Incentive Plan (LTIP)

The LTIP, which includes the Core LTIP and Stretch LTIP elements, provides long-term alignment with shareholders based on the outcome of performance against the conditions set for each award.

### Practical operation

Under both the Core and Stretch LTIP, Executive Directors may at the discretion of the Committee receive an annual grant of shares subject to performance conditions. Awards may take the form of nil (or nominal) cost share options or conditional awards.

Dividends or dividend equivalents (which may assume notional reinvestment) may be paid on LTIP awards.

Shares normally vest on the third anniversary of the grant, based on the Committee's assessment of the achievement of performance conditions. Performance conditions are typically assessed over a period of three years. Awards are then subject to a further holding period of two years.

The holding period, which may be structured as either: (1) the Executive Director being entitled to acquire the shares once vested, but, other than as regards sales to cover tax or any exercise price, being prevented from selling shares until the end of the holding period; or (2) the Executive Director being prevented from acquiring shares until the end of the holding period. If a holding period is structured on the latter basis, additional shares may be awarded in respect of vested shares to reflect the value of dividends paid on shares from the start of the holding period until the date on which the Executive Director is entitled to acquire shares (this payment may assume that dividends have been reinvested in shares on a cumulative basis).

The Committee will include an override provision in each grant under the LTIP. This will give the Committee discretion to determine that no vesting shall occur, or to override the formulaic outcome, if there are circumstances (relating to the Group's overall performance or otherwise) which make vesting when calculated by reference to the performance conditions alone inappropriate.

In certain circumstances, the Committee can apply malus or clawback to unvested/vested awards.

### Maximum potential value

Role	Maximum opportunity (% of base salary)	
	Core LTIP award	Stretch LTIP award
CEO	250%	150%
Other Executive Directors	220%	130%

In exceptional circumstances, the Committee may, on recruitment, grant a percentage of base salary in excess of these amounts.

### Performance measures

Core LTIP Awards will be subject to a combination of long-term measures which are aligned to the shareholder experience. One of the performance measures will be Relative TSR. Others may include financial metrics, capital efficiency measures and ESG or strategic measures.

Stretch LTIP Awards will be subject to an absolute TSR measure, with vesting also dependent on achieving maximum vesting of the Relative TSR performance condition under the Core LTIP over the same performance period.

There is no payment for below threshold performance for either the Core or Stretch LTIP. The outcome for threshold performance for the Core LTIP is no more than 25% of maximum and for the Stretch LTIP is 0% of maximum.

### Shareholding requirement

The shareholding requirement aligns the interests of Executive Directors with shareholders.

### Practical operation

The shareholding requirement for the CEO is 400% of salary, and for the other Executive Directors it is 350% of salary. This is expected to be achieved within a period five years after the date of the 2020 AGM (or after the date of appointment for new Executive Directors if this is later) from vested shares derived from awards under the Company's share plans.

Until this level is reached, Executive Directors who receive shares by virtue of any share plan award or who receive DSP awards are expected to normally retain 50% of the shares received net (i.e. after income tax and national insurance contributions). Shares which have not vested and are subject to performance conditions will not count towards the requirement. Unvested awards subject to service only (e.g. DSP awards) will count towards the guideline on a net of tax basis. The Committee retains discretion to vary the application of this requirement in exceptional circumstances.

### Maximum potential value

**Maximum potential value**

N/A

**Performance measures**

N/A

## Post cessation shareholding requirement

The Group's post-cessation shareholding requirement aligns the interests of Executive Directors with shareholders over the longer term beyond their departure from the Group.

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### Practical operation

A post-cessation shareholding requirement, equal to the employment shareholding requirement (or the shareholding on departure if lower) normally applies for a two year period after cessation of employment.

For clarity, the post cessation shareholding requirement is 400% of salary, and for the CEO and for the other Executive Directors it is 350% of salary.

Shares purchased by the Executive Director (including those from all employee share plans), will not be included.

Shares counting towards this requirement will not be released from the Employee Benefit Trust during the period in which the post-cessation shareholding requirement applies, to support enforceability. Acceptance of the post-cessation shareholding requirement will be a condition of participation in all share awards granted, and will be included in the grant documentation for awards. The Committee retains discretion to vary the application of this requirement in exceptional circumstances.

Both Will Gardiner and Frank Lemmink have entered into such an agreement.

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### Maximum potential value

#### Maximum potential value

N/A

#### Performance measures

N/A

## Performance measures and approach to setting targets

The measures for elements of variable pay will be:

- In respect of the annual bonus plan, financial, strategic and operational measures consisting of targets set by the Committee each year in conjunction with the Board. The targets are aligned with key business goals determined at the start of each year.
- In respect of share awards granted under the Core LTIP, targets typically relate to a combination of:
  - Relative TSR, which aligns Executive Director remuneration with creation of long-term shareholder value
  - Cumulative Adjusted EPS, which aligns Executive Director remuneration with the realisation of our earnings growth plans, which is a major determinant of shareholder value
- In respect of share awards granted under the Stretch LTIP, targets typically relate to Absolute TSR, which aligns Executive Director remuneration with creation of long-term shareholder value.
- The Committee sets targets for the performance measures each year, taking into account market conditions, the business plan and other circumstances as appropriate. A summary of the measures that apply for the following year are disclosed in the Annual Report on Remuneration.
- The Committee retains flexibility during the Policy period to change the weighting and choice of performance metrics to better align with strategy as it evolves.

## Circumstances in which malus or clawback may apply

The Committee may, at any time within two years of the LTIP and DSP vesting or annual bonus payment, determine that malus and/or clawback provisions should be applied, in circumstances of:

- material financial misstatement;
- fraud or misconduct;
- material failure of risk management and corporate failure;
- if assessment of a performance condition is found to have been based on an error, inaccuracy or misleading information; and,
- in other circumstances that the Committee considers justifying the operation of the clawback provision.

## Committee's judgement and discretion

In addition to assessing and making judgements on the meeting of performance targets and the appropriate incentives payable, the Committee has certain operational discretions it can exercise in relation to Executive Directors' remuneration. These include, but are not limited to the following and in all cases any use of discretion will align with the discretions afforded to the Committee in the relevant plan rules:

- reviewing the formulaic outcome of the annual bonus, DSP and LTIP awards and applying discretion to amend the final outcomes, to ensure that the outcomes reflect overall performance or an individual executive's performance;
- deciding whether to apply malus or clawback to an award;
- determining whether a leaver is a "good leaver"; and
- determining the treatment of awards in the event of a change of control or other corporate event.

Where such discretion is exercised, it will be explained in the relevant Annual Report on Remuneration.

## Legacy remuneration arrangements

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy set out above where the terms of the payment were agreed – (i) before the Policy set out in the 2025 Annual Report and Accounts came into effect, provided that the terms of payment were consistent with the Shareholder-approved Directors' Remuneration Policy in force at the time they were agreed, or (ii) at a time when the relevant individual was not a director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company. For these purposes 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

## Operation of share plans

The Committee retains discretion to operate the Company's share plans in accordance with the plan rules, including the flexibility to adjust the number of shares subject to awards in the event of a variation in share capital, or other relevant event and to settle awards in cash or to grant awards as rights to cash payments calculated by reference to a notional number of shares. Although the Committee would only settle an Executive Directors' award in cash in appropriate circumstances, such as where there is a regulatory restriction on the delivery of shares or as regards the tax liability arising in respect of the award.

## Ability to vary or substitute performance measures or targets

The Committee may vary or substitute any performance measure or target where it considers it would be appropriate to do so (for example, to reflect a change in strategy, a material acquisition and/or divestment of a Group business, and/or a significant investment or a change in prevailing market conditions), provided that any such variation is fair and reasonable and, in the opinion of the Committee, would not make the measure materially less demanding. The Committee will assess performance on a fair and consistent basis from year-to-year. If the Committee was to make such a variation or substitution, an explanation would be given in the next Directors' Remuneration Report.

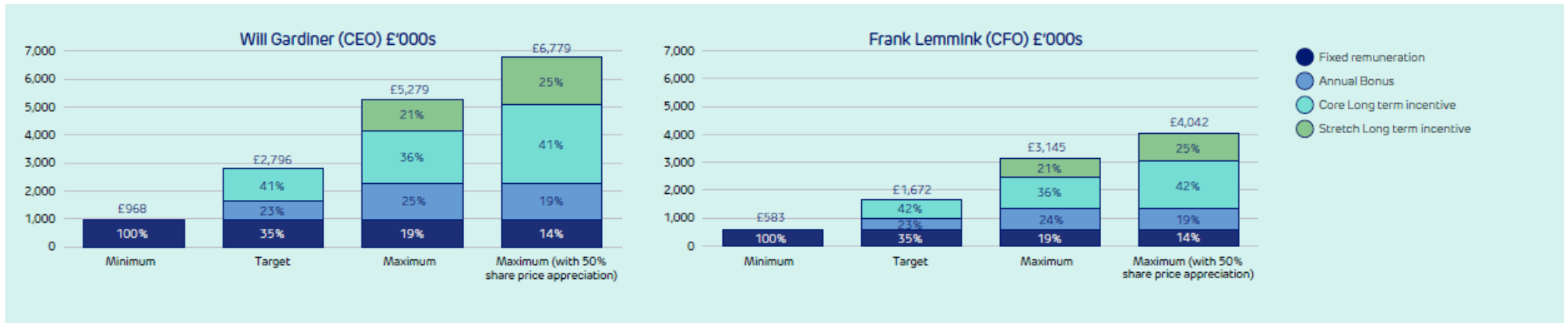
## Change of control

In the event of a change of control, unvested LTIP awards will be released to the extent determined by the Committee taking into account the relevant performance conditions and, unless the Committee determines otherwise, the extent of vesting so determined shall be reduced to reflect the proportion of the vesting or performance period that has elapsed. In the event of a change of control during the holding period relating to a LTIP award, that holding period shall come to an end. Deferred bonus awards will vest in full on a change of control. Awards under all-employee share plans will vest in accordance with the relevant plan rules.

## Remuneration scenarios

The composition and value of the Executive Directors' remuneration packages at below threshold (minimum), target and maximum performance scenarios under the Drax Group Policy are set out in the charts below based on current salary and on projected earnings for 2026. The assumptions used in the charts are provided in the following table:

Description	Fixed remuneration	Annual bonus	Core LTIP	Stretch LTIP
<b>Minimum</b>	Base salary is the rate payable as determined by the Committee following the annual review. Benefits and pension entitlement remain as disclosed in the Policy.	None	None	None
<b>Target</b>		50% of the maximum opportunity.	62.5% vesting (midpoint between threshold and maximum).	0% vesting.
<b>Maximum</b>		Maximum cash bonus and deferred shares (175% of salary for CEO and 150% of salary for other Executive Directors).	Maximum Core LTIP opportunity (250% of salary for CEO and 220% of salary for other Executive Directors) with no allowance for share price appreciation or dividend equivalents.	Maximum Stretch LTIP opportunity (150% of salary for CEO and 130% of salary for other Executive Directors) with no allowance for share price appreciation or dividend equivalents.
<b>Maximum (with 50% share price appreciation)</b>		Maximum cash bonus and deferred shares (175% of salary for CEO and 150% of salary for other Executive Directors).	Maximum LTIP opportunity (250% of salary for CEO and 220% of salary for other Executive Directors) with allowance for 50% share price appreciation over the three-year performance period and no allowance for dividend equivalents.	Maximum LTIP opportunity (150% of salary for CEO and 130% of salary for other Executive Directors) with allowance for 50% share price appreciation over the three-year performance period and no allowance for dividend equivalents.



## Approach to recruitment remuneration

The Committee will apply the components of this Policy to determine the remuneration of newly appointed Executive Directors.

Base salary will be set at a level appropriate to the role and the experience of the Executive Director being appointed. Where this is below the market level, it will be adjusted over time to align with the market level, subject to good performance.

A new Executive Director would be eligible to receive an annual bonus of up to 150% of salary, or 175% for a new CEO, in each case with financial and strategic elements as set out in the Policy table above.

In addition, a newly appointed Executive Director would be eligible to receive a Core LTIP award of up to 220% of salary, or 250% in the case of a new CEO, (in exceptional circumstances the Committee may on recruitment grant a percentage of salary in excess of these amounts but in such circumstances it would be capped at 300% of salary) and a Stretch LTIP award of up to 130% of salary for a new Executive Director, or 150% in the case of a new CEO.

In the event that an Executive Director is recruited at a time in the year when it would be inappropriate to provide a bonus or long-term incentive award for that year as there would not be sufficient time to assess performance; subject to the limits on variable remuneration set out above, the opportunity in respect of the months employed during the year may be transferred to the subsequent year so that reward is provided on a fair and appropriate basis. The Committee may also alter the performance measures, performance period, vesting period and holding period of the annual bonus or long-term incentive if the Committee determines that the circumstances of the recruitment merit such alteration. The rationale will be clearly explained.

In the event that an interim appointment is made to fill an Executive Director role on a short-term basis, or the Chair or a Non-Executive Director takes on an executive function on a short-term basis, the Committee retains the discretion to set remuneration on an appropriate basis for the nature of the role, including but not limited to the use of interim cash allowances.

The Committee may also determine it appropriate to honour prevailing contract commitments for an individual in the event they are promoted to an Executive Director position.

In relation to Directors appointed from outside the Group, where the Committee considers it to be necessary to secure the appointment, the Committee may:

- make an award in respect of hiring to 'buy-out' remuneration arrangements forfeited on leaving a previous engagement. In doing so the Committee will take account of relevant factors regarding the forfeited arrangements, which may include any performance conditions attached to awards forfeited (and the likelihood of meeting those conditions), the time over which they would have vested and the form of the awards (e.g. cash or shares). It will generally seek to structure buy-out awards on a comparable basis to remuneration arrangements forfeited. These payments or awards are excluded from the maximum level of variable remuneration referred to above, and the Committee retains the discretion to use the exception under the Listing Rules for the purpose of making such an award. However, the Committee's intention is that the value awarded would be no higher than the expected value of the forfeited arrangements. Where considered appropriate, buy-out awards will be subject to forfeiture or clawback on early departure
- agree a rate for employer pensions contributions, or salary supplements in lieu of pension contribution, which reflects the contribution rate for the wider workforce at the date of appointment
- make appropriate payments in circumstances where an individual is relocated from outside the UK, for example, travel, relocation and subsistence costs; and/or
- approve the inclusion in the service contract of any terms required by mandatory law in the jurisdiction where the Executive Director is resident

## Service agreements and termination

Executive Directors' service agreements are of indefinite duration, terminable at any time by either party giving 12 months' notice. They are available for inspection at the Group's registered office.

Element	Details
<b>Notice periods</b>	<p>Executive Directors may be required to work during the notice period or may be provided with pay in lieu of notice if not required to work the full notice period.</p> <p>Under each of the Executive Directors' service agreements, the Group has the right to make a payment in lieu of notice of termination, the amount of that payment being the salary and benefits that would have accrued to the Executive Director during the contractual notice period. For the avoidance of any doubt this excludes any performance bonus (or cash equivalent) for the relevant period of unworked notice.</p>
<b>Compensation for loss of office</b>	<p>If an Executive Director's employment is brought to an end by either party, and if the Committee considers that it is necessary to pay the Executive Director a termination payment, the Committee's policy, in the absence of a breach of the service agreement by the Executive Director, is to determine an Executive Director's termination payment in accordance with his/her service agreement. The termination payment will be calculated based on the value of base salary and contractual benefits that would have accrued to the Executive Director during the contractual notice period. The Committee will seek mitigation to reduce the amount of any termination payment to a leaving Executive Director when appropriate to do so, having regard to the circumstances and the law governing the agreement. It may, for example, be appropriate to consider mitigation if the Executive Director has secured another job at a similar level. Mitigation would not apply retrospectively to a contractual payment in lieu of notice.</p> <p>In addition, the Executive Director may be entitled to a payment in respect of his/her statutory rights (including, where necessary to comply with the mandatory laws of the jurisdiction in which the Executive Director is resident, a remuneration payment or payment for loss of office in excess of the Executive Director's pre-established contractual terms).</p>
<b>Other payments</b>	<p>The Group may pay reasonable fees for a departing Executive Director to obtain independent legal advice in relation to their termination arrangements and appropriate consideration for agreement to any contractual terms protecting the Group's rights following termination. Moreover, reasonable fees in respect of outplacement support, insurance for a period following termination of office and repatriation assistance, which may include relocation back and tax advisory support. In appropriate circumstances, the Committee may agree that certain benefits (such as medical insurance) may be continued for a reasonable period following termination of employment. Directors may receive accrued holiday pay at the time of departure. No service agreement includes any provision for the payment of compensation upon termination. Any compensation payable in those circumstances would need to be determined at the time and in the light of the circumstances.</p> <p>Any awards under the Group's all-employee share plans be treated in accordance with the relevant plan rules, which do not allow for discretionary treatment.</p>
<b>Treatment of annual bonus on termination</b>	<p>All bonus payments are discretionary. The Committee will consider whether a departing Executive Director should receive a cash bonus and deferred share award in respect of the financial year in which, and/or immediately preceding which, the termination occurs, normally pro-rated to reflect the period of the performance year completed to the date on which the Executive Director ceases active service. The Committee will take into account performance; the reason for termination; cooperation with succession; any breach of goodwill; adherence to contractual obligations/restrictions; and any other factors which they believe should be taken into account. The service contract for Will Gardiner as CEO, does not entitle him to any payment of bonus on termination of employment.</p> <p>If the employment ends in any of the following circumstances, the Executive Director will normally be treated as a "good leaver" and the Executive Director would be eligible for an annual bonus:</p> <ul style="list-style-type: none"><li>• redundancy;</li><li>• retirement;</li><li>• ill-health or disability, proved to the satisfaction of the Group; or,</li><li>• death.</li></ul> <p>If the termination is for any other reason, an award will be at the Committee's discretion and it is the Committee's policy to ensure that any such award properly reflects the departing Executive Director's performance and behaviour towards the Group.</p> <p>If an award is made, it will normally be paid/granted at the normal time once performance has been determined for the relevant period. Any bonus award will be paid in such</p>

Element	Details
	<p>proportions of cash and shares, and subject to such deferral arrangements as the Committee may determine. There may be circumstances in which the Committee considers it appropriate for the award to be made earlier, for example, on termination due to death or ill-health, in which case, on-target performance may be assumed.</p>
<p><b>Treatment of unvested long-term incentive and deferred share awards on termination</b></p>	<p>The Committee will consider the extent to which deferred and conditional share awards held by the Executive Director under the DSP and LTIP should lapse or vest. Any determination by the Committee will be in accordance with the rules of the relevant plan.</p> <p>In summary, the rules of the LTIP provide that awards will be retained if employment ends for any of the following reasons (“long-term good leaver reasons”):</p> <ul style="list-style-type: none"> <li>• redundancy;</li> <li>• retirement;</li> <li>• ill-health or disability, proved to the satisfaction of the Company;</li> <li>• death; and,</li> <li>• change of control.</li> </ul> <p>If employment ends for any other reason, the participant may be deemed a “good leaver” at the Committee’s discretion.</p> <p>Awards which vest subject to satisfaction of performance conditions, will normally be time pro-rated, and will ordinarily vest on the normal vesting date subject to the post-vesting shareholding period.</p> <p>The rules of the DSP provide that deferred bonus awards will vest (in full) if employment ends for any of the good leaver reasons detailed above. If employment ends for any other reason, the participant may be deemed a “good leaver” at the Committee’s discretion. In doing so it will take account of all relevant circumstances, in particular, the Group’s performance; the Executive Director’s performance and behaviour towards the Group during the performance cycle of the relevant awards, and a range of other relevant factors, including the proximity of the award to its maturity date.</p> <p>The rules of the DSP and LTIP also provide that in circumstances where awards vest, they do so at the normal vesting date, unless the Committee exercises discretion to vest awards earlier. Vested LTIP awards will remain subject to any post-vesting holding period unless the Committee exercises its discretion to allow for earlier release.</p>

## Remuneration of Non-Executive Directors and Chair

Remuneration component and link to strategy	Practical operation
<p><b>Fees</b> To attract a Chair and independent Non-Executive Directors who, together with the Executive Directors, form a Board with a broad range of skills and experience.</p>	<p>The Chair’s remuneration is determined by the Committee whilst that of the other Non-Executive Directors is determined by the Chair and the Executive Directors. These are determined in the light of:</p> <ul style="list-style-type: none"> <li>• fees of the Chair and Non-Executive Directors of other listed companies selected for comparator purposes, on the same basis as for Executive Directors;</li> <li>• the responsibilities and time commitment; and,</li> <li>• the need to attract and retain individuals with the necessary skills and experience.</li> </ul> <p>Chair and Non-Executive Director fees may be paid in cash and/or shares, which may include non-performance based on a nil or a nominal cost award over Company shares (which may incorporate a right to dividend equivalents over any applicable vesting period). Non-Executive Directors’ fees may be paid in GBP or the currency of the location of the individual Non-Executive. Fees are reviewed annually and will typically be increased by up to the rate of increase awarded to the wider workforce.</p> <p>Non-Executive Directors receive an annual base fee. Additional annual fees may be paid for additional Board responsibilities or time commitments, including Senior Independent Director, the Chair and members of any Board Committees.</p> <p>Non-Executive Directors are not entitled to participate in any pension or performance related remuneration arrangements.</p>

Element	Details
<p><b>Benefits</b> Reimbursed role-based expenses incurred during performance of the duties of the role, and other benefits if applicable.</p>	<p>Non-Executive Directors may be eligible to receive benefits as appropriate, including the reimbursement of any reasonable travel expenses or business-related expenses, support with the completion of tax returns for international Non-Executive Directors. If tax or social security is payable in respect of any benefit provided, the Company may make a further payment to cover the tax liability.</p>
<p><b>Travel allowance</b> To recognise the additional time commitment associated with travel on Company business.</p>	<p>A travel allowance may be structured as appropriate from time to time, taking into account market practice, the location of the Non-Executive Director and travel commitments, including but not limited to an annual allowance, an allowance per meeting and different allowances payable for Non-Executive Directors based in different countries or continents.</p>

The Chair's notice period is six months whilst the other Non-Executive Directors have a notice period of up to 6 months. Further information on the service agreements of the Non-Executive Directors can be found on page 111 of the Annual Report and Accounts.

### **Remuneration arrangements elsewhere in the Group Wider employee population**

In determining Executive Director remuneration, the Committee also takes into account the level of general pay increases within the Group. Employees are not directly consulted on the Policy, but there are a number of existing channels designed to capture the views of the workforce on remuneration, including the MyVoice forums.

The Committee's policy is that annual salary increases for Executive Directors should not exceed the average annual salary increase for the wider employee population unless there is a particular reason for a higher increase, such as a change in the nature or scope of responsibilities or if an Executive Director has been appointed at a salary below market level reflecting experience in the role.

The Committee also considers external market benchmarking to inform executive remuneration decisions. External market benchmarking is also considered in relation to remuneration decisions of the wider workforce.

### **Environmental, social and governance issues**

The Committee is able to consider corporate performance on environmental, social and governance issues when setting the remuneration of Executive Directors. Specific measures can be included in the strategic element of the annual bonus. The Committee is also able to consider these issues in determining whether to exercise its discretion to adjust formulaic outcomes of the annual bonus and LTIP.