



REMUNERATION AND NOMINATION COMMITTEE

Terms of Reference

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Chapter 1 - Purpose, composition, tenure

Article 1 – Purpose

1. The Remuneration and Nomination Committee (the “Committee”) of the Board of Directors (the “Board”) of MYTILINEOS (the “Company”) shall examine and process issues pertaining to: (a) the remuneration of Board members (the “Directors”) and of senior and other executives; and (b) the suitability of existing and candidate Directors, within the scope of its remit under these Terms of Reference.
2. In performing its duties, the Committee shall take into account legislative, statutory and regulatory requirements; Company policies related to its remit; corporate governance practices and the UK Corporate Governance Code 2018 (the “Code”), which the Company implements.

Article 2 – Composition

1. The Committee shall consist of at least three (3) independent non-executive Directors.
2. All Committee members shall be independent non-executive Directors and shall be appointed by the Board.
3. The Committee Chair must have served on a remuneration committee for at least twelve (12) months prior to their appointment. The Chairman of the Board may be a Committee member only if they are an independent non-executive Director on appointment as Chairman of the Board. In any case, the Chairman of the Board cannot chair the Committee.
4. The candidate Committee members shall be selected by the Board, in collaboration with the Committee Chair and the Company’s Lead Independent Director, in accordance with the Code the Company implements..

Article 3 – Tenure

The Committee Chair and Committee members shall be appointed for a period equal to the Board’s tenure, unless the Board were to resolve otherwise.



Chapter 2 – Functioning and decision-making

Article 4 – Convening

1. The Chair, with the support of the Secretary of the Committee (the “Secretary”), shall convene the Committee by convocation which shall be communicated to the members at least five (5) working days prior to the date of the meeting.
2. The convocation shall list the items on the agenda, the date, the time, the manner and, where appropriate, the place of the meeting and shall include any relevant proposals. Exceptionally, at the Committee Chair’s discretion, accompanying documents/materials relating to specific items on the agenda may be submitted less than five (5) working days prior to the meeting.
3. The Chair may also convene the Committee extraordinarily, if they deem it appropriate, or subsequent to a written and reasoned request submitted to them by any Committee member. The Committee may also meet on its own initiative without prior convocation, provided that all its members attend the meeting.
4. The Chair, with the support of the Secretary, shall set the agenda for each Committee meeting.

Article 5 – Meetings and Minutes

1. The Committee shall meet either with its members attending in person or virtually by teleconference; it shall meet at regular intervals, at least three (3) times a year, and extraordinarily whenever required, in order to carry out its duties effectively.
2. The Committee members and the Secretary shall attend the meetings. At its discretion, the Committee may invite, whenever appropriate, third parties, within or outside the Company, to attend its meetings.
3. As required, the Committee may meet jointly with other Board Committees to discuss important matters of mutual interest.
4. The Committee Chair shall ensure that the Secretary shall keep duly Minutes of the meetings of the Committee. The Committee shall approve the Minutes of each meeting by the time of the next meeting, after which the Committee Chair and the Committee members shall sign them either in person or electronically.
5. Without prejudice to Article 7 (5), any Committee member may request that their opinion be recorded in the Minutes.



6. The drawing up and signature of a Minute by all members of the Committee shall be tantamount to a meeting and a resolution even if no prior meeting has taken place.
7. The Committee Chair or the Secretary shall issue copies and extracts of the Minutes without the need for further ratification.

Article 6 - Secretariat

1. The Corporate Secretary shall be appointed Secretary of the Committee and the Deputy Corporate Secretary shall be appointed their Deputy.
2. The Secretary shall be responsible for supporting the operation of the Committee in general and the proper implementation of its meetings, and for ensuring that the Committee members receive all the necessary information and documents in a timely manner to enable full and proper consideration to be given to the issues under discussion.

Article 7 - Decision-making

1. The Committee shall constitute a quorum when at least half plus one of its members attend the meeting, whether in person or virtually by teleconference.
2. The Committee Chair must attend all its meetings. In the event of an extraordinary impediment to their attending a scheduled meeting, the other members may appoint another member to chair the meeting, provided that at least half of the Committee members are present.
3. Resolutions of the Committee shall be adopted by a majority of its members.
4. Each Committee member shall have one vote, and only members attending the meeting either in person or virtually by teleconference shall have the right to vote. An absent Committee member may be represented by another member. Each member may represent only one absent member.
5. When resolutions are not adopted unanimously, the minority views shall be recorded in the Minutes. Non-unanimous resolutions must be reported as such to the Board.



Chapter 3 – Remit, access to information and resources

Article 8 – Remit

1. The following responsibilities regarding remunerations shall be in the Committee's remit:

1. It shall propose the Remuneration Policy to the Board, which shall be submitted for approval at the General Meeting of the Company's Shareholders (the "General Meeting"). Moreover, without prejudice to any conflicts of interest, the Committee shall also propose to the Board the framework for the type and amount of remuneration of the Directors, particularly that of the Chairman of the Board, the Chief Executive Officer and the executive Directors, as well as the type and amount of remuneration of senior management who are members of the Executive Committee. Furthermore, it shall formulate proposals regarding the remuneration of the other Company executives, in particular of the head of the Internal Audit Division. No Director shall be involved in deciding their own remuneration outcome.
2. It shall ensure to recognise and address conflicts of interest, particularly when considering views of members of Management and of executive Directors, or when consulting with the CEO on the Committee's proposals.
3. In drafting the Company's Remuneration Policy, it shall take into account the following factors indicatively:
 - the need to ensure that executive Directors' remuneration shall be clearly linked to the successful delivery of the Company's long-term strategy and sustainability; that the requirements of the Code for clarity, simplicity, identification and addressing of the risks undertaken, predictability, proportionality and alignment with the Company's value system apply to them; and that employees' wage and working conditions and related practices are taken into account;
 - the goal of attracting and retaining capable executives and providing them with incentives;
 - the integration of performance-related elements where appropriate, which should be transparent and applied so as to encourage the best performance and to reward contributions to the Company's success; as well as
 - the need for the Remuneration Policy's compatibility with the Company's other policies and risk systems.
4. It shall ensure that compensation commitments in Directors' terms of appointment do not reward poor or inadequate performance, and that no incentives are provided that endanger the long-term sustainability of the Company.



5. Specifically for variable remuneration, it shall specify performance criteria and the degree of their importance, setting specific targets and assessing performance against targets.
 6. It shall ensure that performance-related remuneration schemes promote long-term shareholdings of executive Directors, supporting alignment with the long-term interests of the shareholders and providing, under certain conditions, a specific period of vesting and retention, as well as, as the case may be, share participation after leaving the Company.
 7. It shall define the framework that would enable the Company to recover/ claw back sums paid to executive Directors and the circumstances in which this can be exercised.
 8. It shall determine the policy for and scope of pension arrangements for executive Directors.
 9. It shall ensure that contractual terms on termination, and any payments made in this regard, are fair to both the executive Director and the Company and that failure is not rewarded.
 10. It shall review the appropriateness and relevance of the Remuneration Policy for Directors, having regard to the views of investors, investor guidelines, and international best practices, proposing any modifications.
 11. Its shall propose the annual Remuneration Report to the Board.
 12. It shall be responsible for setting the selection criteria for, selecting and appointing, as well as setting the terms of reference, of any remuneration consultant who will provide services to the Committee and shall have the power to assign the preparation of any form of reports or investigations/surveys it shall deem necessary for fulfilling its duties properly, within the budgetary constraints set by the Board.
2. In nominating candidate Directors, the following shall be within the Committee's remit:
- a. Structure and composition
 - (a) It shall assess and review the Board's size, structure, composition and operation regularly and, if it identifies weaknesses, it shall recommend to the Board relevant changes as appropriate;
 - (b) It shall make recommendations to the Board on appointment of Directors against objective criteria with due regard, indicatively, to strategic priorities, business planning and the main factors that affect the Company's long-term sustainability, the skills and personal characteristics of the Directors, the Directors' individual and collective suitability, the degree of independence, the benefits of diversity, including gender and range of experience, the assessment of the Board and succession planning.



b. Independence

It shall review the independence of the non-executive Directors, including: the balance of the number of independent non-executive Directors on the Board, their length of service, any situational conflict which a Director may have with the interests of the Company, as well as any other relevant matter.

c. When selecting candidate Directors:

(a) it shall develop meritocratic and objective criteria for identifying and evaluating candidate Directors in accordance with the “Policy for the Suitability Assessment of the Members of the Board”, as well as for assessing and planning the succession of Directors. Indicatively, it shall consider the candidate’s knowledge, ability, diversity, experience in companies of comparable size, the interaction of the candidate’s knowledge, experience and skills with other Directors, the time of employment, as well as the challenges that the Company is expected to face in the future;

(b) It shall describe the role, knowledge, skills, experience, abilities and the required personal attributes of a specific candidate Director;

(c) It shall identify individuals qualified to be Directors, whom it shall recommend to the Board.

For support in the process of seeking suitable candidates for Director, the Committee may request the assistance of an external consultant, to whom it may assign specific tasks. These tasks may, as the case may be, include conducting an inquiry into candidate Directors, compiling a list of leading candidates and assessing their suitability, in accordance with the Committee's instructions. The Committee then shall assess the suitability of the candidate Directors and shall submit its recommendations to the Board, with the assistance, as the case may be, of the Lead Independent Director.

d. Succession

(a) It shall plan for the orderly succession of the Directors and senior executives and shall make recommendations to the Board;

(b) It shall consider different time horizons in succession plans and, in particular: i) contingencies for sudden and unplanned departures; ii) in medium-term planning, namely for the orderly replacement of current Directors; and iii) in long-term planning, the relationship between delivering the Company’s strategy and its objectives.

e. Evaluation



It shall establish and oversee an objective and rigorous evaluation process of the Board and Board Committees, including assessing suitability at individual and collective level. The assessments shall be conducted annually; with the assistance of an external consultant every three years, or earlier. The Committee shall record the results of the assessment, particularly any weaknesses identified between the projected and actual individual and collective suitability, and shall propose measures to address these deficiencies. The outcomes of the Board assessment shall be taken into account in the succession process.

f. Induction and ongoing training

It shall oversee the induction process of new Directors and their ongoing training in accordance with the relevant Training Policy.

g. Policy for the Suitability Assessment of Members of the Board

(a) It shall be in the Committee's remit to draw up the Company's "Policy for the Suitability Assessment of the Members of the Board", which it shall submit to the Board for its approval, prior to its submission for approval to the General Meeting ;

(b) The Committee shall be responsible for submitting amendments to the "Policy for the Suitability Assessment of the Members of the Board" to the Board for approval; amendments which, in the Committee's opinion, are substantial, namely they introduce derogations from, or significantly alter the content of the Policy, particularly as regards its general principles and the suitability criteria. Subsequently, the Board shall submit such amendments to the General Meeting for approval.

Article 9 - Access to information and resources

1. The Committee should be provided with sufficient resources to carry out its duties.

2. To discharge its duties properly, the Committee may in particular:

(a) have access to the relevant internal information and/or to ask for and receive, through the Secretary, any information from the competent executives and employees of the Company; and

(b) if it should deem it reasonable and appropriate, to receive independent legal or other professional advice from external consultants on any matter within its remit, the Company providing it with sufficient funds to this end.



Chapter 4 – Final provisions

Article 10 – Provision of information

1. The Board, top and senior executives, as well as the other staff of the Company shall cooperate with the Committee and shall provide it with any information it may request.
2. At least annually, the Committee Chair shall inform the Board regarding the Committee's work on all matters falling within its remit and the manner in which it has fulfilled its duties; submitting a report in this regard in accordance with the Code.
3. The Company's Management must ensure that the Committee shall be kept informed in a timely and adequate manner regarding Company's decisions affecting its remit, also to ensure that the Committee shall be provided with the required information.

Article 11 – Shareholder engagement

1. The Committee shall assist in shareholder engagement in accordance with the Company's Shareholder Engagement Policy.
2. The Committee Chair shall seek cooperation with shareholders on important issues related to the Committee's remit, such as the results of the shareholders' vote on the Remuneration Policy and the Remuneration Report and by participating in the Company's corporate governance roadshows.
3. The Committee Chair shall attend the Company's Annual Ordinary General Meeting to support, if required, the Chairman of the Board in questions on the Committee's activities and issues falling within its remit.

Article 12 – Applying and amending the Terms of Reference

1. The Committee members must comply with these Terms of Reference. The other Directors, the executives and in general the staff of the Company must observe the provisions of the Terms of Reference insofar as they concern them and to the extent they are involved in or influenced by the e Committee's work.
2. The Committee shall draft these Terms of Reference, which shall enter into force immediately upon approval by the Board and shall be posted on the Company's website.
3. The Committee shall review the Terms of Reference annually and revise them as appropriate.