

JD WETHERSPOON PLC (The Company)

Terms of Reference for the Remuneration Committee

1 Constitution

The Board has resolved to establish a committee of the board to be known as the remuneration committee ("the Committee")

2 Membership

The Committee shall comprise a minimum membership of three independent non-executive directors.

The Committee's quorum shall be two members.

The chair of the Committee shall be an independent non-executive director who before appointment should have served on a remuneration committee for at least 12 months

Appointments to the Committee are for a period of three years, which may be extended for further periods of three years, provided the director still meets the criteria for membership.

Members of the Committee: -

Shall be appointed by the board on the recommendation of the nomination committee and in consultation with the chair of the Committee;

Shall have no financial interest (other than as shareholders of the Company) in the matters considered by the Committee;

Should ensure that they have no potential conflicts of interest arising from cross-directorships; and

Shall have no day-to-day involvement in the running of the business of the Company.

3 Frequency of Meetings

Meetings shall be held not less than twice a year, and otherwise as required.

4 Attendance at Meetings

Attendance at meetings shall be confined to members of the Committee, who shall be free to invite other members of the board to attend and make representations if they should so wish. Executive directors or relevant members of senior management should play no part in decisions on their own remuneration.

A meeting may be held by members of the Committee communicating with each other by any technological means by which they can hear each other

simultaneously and participate in discussion. The meeting minutes shall record how the meeting was conducted in these circumstances.

5 Minutes of Meetings

The secretary and/or chair of the Committee shall minute and circulate the minutes of the Committee's meetings to members of the Committee for approval. Once approved, the minutes will be circulated to other board members, unless inappropriate.

6 Authority

- 6.1 The Committee is authorised by the board to determine and agree with the board the policy for executive director remuneration of executive directors and to set remuneration arrangements for the chairman, executive directors, company secretary and designated senior management with a view to ensuring that they are fairly rewarded for their individual contributions to the Company's overall performance.

For the purpose of these terms of reference, "senior management" is defined as members of the Company's management board and heads of department.

Remuneration of non-executive directors shall be a matter for the chairman and executive directors to determine.

- 6.2 No member of the Committee shall be present when his own salary or remuneration is discussed nor shall he vote thereon.
- 6.3 The Committee is authorised by the board to request such information as it shall deem necessary in order to carry out the duties set out hereafter either from inside the Company or externally.
- 6.4 The Committee is authorised by the board to obtain outside legal or other professional advice on any matters within its term of reference within any reasonable budgetary constraints imposed by the Company.

7 Governance Framework

The Remuneration Committee shall give full consideration in the carrying out of its duties to:

- 7.1 laws and regulations, the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable Rules as appropriate.
- 7.2 the provisions of the UK Corporate Governance Code 2018 in particular section 5 which relates to director and senior management remuneration.

8 Responsibilities, Powers and Discretions

- 8.1 The Committee shall be responsible for determining on behalf of the board:

- 8.1.1 the Company's policy on executive directors' remuneration;
 - 8.1.2 specific remuneration arrangements for the chairman, the executive directors, company secretary and designated senior management (including bonuses, incentive payments, other share awards, pension rights and compensation payments).
- 8.2 The Committee shall report on the matters referred to at paragraph 8.1 to the board to enable it to report to the Company's shareholders in its annual report and accounts
- 8.3 The Committee shall give full consideration to all factors it considers necessary including, but not limited to:
- 8.3.1 the performance of the Company;
 - 8.3.2 the performance of the individual;
 - 8.3.3 remuneration trends across the Company
 - 8.3.4 the condition of the labour market;
 - 8.3.5 the need to recruit and retain high quality staff;
 - 8.3.6 the need to preserve a competitive cost base for the Company;
 - 8.3.7 the ongoing appropriateness and relevance of the remuneration policy;
 - 8.3.8 the interests of all relevant stakeholders
 - 8.3.8 Comparative evidence should be considered where appropriate but should be treated with caution and in light of the other factors listed above.
- 8.4 The Committee shall be specifically responsible for determining
- 8.4.1 the salaries, bonuses, and all other terms and conditions of service of executive directors;
 - 8.4.2 termination arrangements for executive directors on their leaving the Company
 - are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
 - 8.4.3 pension or other long term incentive arrangements for executive directors including participation in any executive pension scheme and any increases in
 - pension benefits payable under the Company's pension scheme or otherwise;
 - 8.4.4 the application of, and invitations and grants of options under, the Company's
 - existing share and share option schemes and sharesave schemes and any new
 - share or share option schemes or sharesave schemes subsequently adopted by
 - the Company;
 - 8.4.5 Agreeing the policy for authorising expense claims from the chairman and executive directors
- 8.5 The Committee shall consult with the chairman about proposals relating to the remuneration of other executive directors.
- 8.6 The Committee shall assist the board in preparing a report to the Company's shareholders to be included in the Company's annual report and accounts, containing full details of the Company's policy on remuneration and a full disclosure of the remuneration package for each individual director by name, so as to ensure compliance with the requirements of, and other provisions relating

to remuneration set out in, the Listing Rules. The Committee will then ensure the report is put to shareholders for approval at the Company's AGM.

- 8.7 The Committee shall assist the board in considering every 3 years (or sooner if specifically required) whether the circumstances are such that the Company's Annual General Meeting should be invited to approve the remuneration policy set out in the remuneration report
- 8.8 The Committee shall review workforce remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for executive director remuneration
- 8.9 The Committee shall review its constitution, terms of reference and its own performance periodically to ensure its effectiveness, and recommend any changes it considers necessary to the board for approval.

9 **Reporting Procedure**

Recommendations as to the remuneration of individuals shall be communicated to the individuals concerned directly or indirectly, as appropriate, by the chair of the Committee.

The chair of the Committee shall:

Report to the board to enable it to report to the Company's shareholders on remuneration matters through the means specified in the Listing Rules; and

be available to answer questions on remuneration principles and practices at the Annual General Meeting of the Company.

Approved by Resolution of the Board 11th July 2019