

A.G. BARR p.l.c. (the “Company”)

REMUNERATION COMMITTEE – TERMS OF REFERENCE

1. Membership

- 1.1.** Members of the Remuneration Committee (the “**Committee**”) shall be appointed by the board of directors of the Company (the “**Board**”), on the recommendation of the Nomination Committee, in consultation with the Committee chair. The Board shall appoint the Committee chair, who should have served on a remuneration committee for at least 12 months prior to appointment. The chair of the Board can only be a member if they were independent on appointment and shall not be chair of the Committee.
- 1.2.** The Committee shall comprise a chair and at least two other members. All members of the Committee should be independent non-executive directors.
- 1.3.** Appointments to the Committee shall be for a period of up to three years, which may be extended by additional three-year periods.
- 1.4.** The Company Secretary or their nominee shall be the secretary to the Committee.

2. Meetings

- 2.1.** The Committee shall meet at least three times a year and otherwise as required.
- 2.2.** No one other than members of the Committee is entitled to attend meetings of the Committee. Other individuals such as the CEO, People Director and external advisors may be invited to attend meetings as and when appropriate.
- 2.3.** Meetings of the Committee may be called by the Secretary of the Committee at the request of any of its members.
- 2.4.** Unless otherwise agreed, notice of each meeting confirming the date, venue and time, together with an agenda of items and supporting papers, shall be provided to Committee members, and to other attendees as appropriate, at least three working days before the meeting.
- 2.5.** The quorum necessary for the transaction of business shall be two members. In the absence of the Committee chair, the remaining members shall elect one of themselves to chair the meeting. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 2.6.** Members may participate in a meeting by means of a conference telephone, video conferencing facility or other appropriate communicating equipment.

- 2.7.** The Secretary shall minute the proceedings and resolutions of all meetings of the Committee and shall keep appropriate records, including the names of all those attending. Minutes of Committee meetings shall be circulated, once agreed with the Committee chair, to all members of the Committee. Provided there is no conflict of interest, any other director may obtain copies of the minutes upon request to the Secretary.
- 2.8.** The Committee has the authority to pass resolutions in writing. Resolutions may be passed by a majority vote of the Committee (by e-mail or in person). Approved and signed resolutions shall be circulated to all members of the Committee once passed.

3. Annual General Meeting

- 3.1.** The chair of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

4. Duties

The Committee shall:

- 4.1.** Determine and agree with the Board the policy for the remuneration of the Company's executive directors and determine the remuneration for the chair of the Board, the executive directors, and the Executive Committee, including base salaries, bonuses, incentive payments and share options or other share awards. The Committee shall consider the pension consequences and associated costs of basic salary increases for executive directors compared to workforce arrangements. The remuneration of non-executive directors shall be a matter for the Board. No director or manager shall be involved in any decisions as to their own remuneration;
- 4.2.** In determining the directors' remuneration policy, the Committee shall take into account all factors which it deems necessary, including pay and employment conditions, workforce remuneration and related policies and the alignment of incentives and rewards with culture. The objective of the policy shall be to ensure that levels of remuneration are sufficient to attract, retain and motivate executive directors of the Company of the quality required to promote the long term success of the Company;
- 4.3.** Review the ongoing appropriateness and relevance of the directors' remuneration policy;
- 4.4.** Approve the design of, and determine targets for, any performance-related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- 4.5.** Review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to executive directors and the performance levels to be used;

- 4.6. Determine the policy for and scope of pension arrangements, termination payments and compensation commitments for executive directors;
 - 4.7. Consider any proposed changes in pension remuneration, or pension contribution rates for executive directors, compared to pension arrangements for the wider workforce;
 - 4.8. Review annually the remuneration trends, pay levels and employment conditions across the Company;
 - 4.9. Review any major changes in employee benefits structures throughout the Company;
 - 4.10. Agree the policy for authorising claims for expenses from the chief executive and chair of the Board;
 - 4.11. Ensure that all relevant provisions regarding disclosure of remuneration including pensions are fulfilled, including those set out in the Companies Act 2006, the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and the UK Corporate Governance Code;
 - 4.12. Obtain reliable, up-to-date information regarding remuneration in other companies, such as peer companies and companies of a similar size and standing to the Company on the FTSE; and
 - 4.13. Be responsible for selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- 4.14. Reporting responsibilities**
- 4.14.1. The Committee chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
 - 4.14.2. The Committee shall make whatever recommendations to the Board it deems appropriate in respect of any matter which it has identified as requiring action or improvement.
 - 4.14.3. The Committee shall compile an annual report on the Company's remuneration policy and practices. This report will form part of the Company's Annual Report and will be submitted to shareholders for approval at the Company's Annual General Meeting.
- 4.15. Other matters**
- 4.15.1. The Committee shall:

- i. have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;
- ii. be provided with appropriate and timely training, including an induction programme for new members and training on an ongoing basis for all members;
- iii. give due consideration to applicable laws, regulations, rules and codes, including the UK Corporate Governance Code and the Financial Conduct Authority's Listing, Prospectus, Disclosure Guidance and Transparency Rules; and
- iv. at least once a year, review its own performance and terms of reference and recommend any necessary changes to the Board.

4.16. Authority

4.16.1. The Committee is authorised by the Board:

- i. to seek any information it requires from any employee of the Company in order to perform its duties; and
- ii. to obtain, at the Company's expense, outside legal or other professional advice reasonably required on any matter within its terms of reference.

Approved by the Board on 23 January 2025