Beazley Plc

Remuneration Committee

Terms of Reference approved by the Beazley Plc Board on 3 August 2026

The Remuneration Committee is a Committee established by the Beazley Plc Board

1. Objective

1.1. To assist the Beazley Plc Board of Directors in fulfilling their oversight responsibilities for the Group's overall remuneration policy and practice, including the remuneration policy for the Company's executive directors. This also involves overseeing and reviewing compliance with the Group remuneration policy to ensure that the Group's policy and practices reward fairly and responsibly, with a clear link to corporate and individual performance, having regard to statutory and regulatory requirements. The committee will also review and approve the remuneration arrangements for directors and senior management, as well as the remuneration approach for individuals identified as relevant staff under any regulatory regimes applicable to the Group.

2. Mandate

2.1. The Remuneration Committee (the 'Committee') derives its authority from the Beazley Plc Board

2.2. The authority of the Remuneration Committee is restricted by the items outlined in the Scheme of Delegation, and Matters Requiring Approval Schedule.

3. Reporting Responsibilities

3.1. The Committee Chair or their nominee will report formally to the Beazley Plc Board on its proceedings after each meeting on all matters within its duties and responsibilities.

3.2. The Committee shall make whatever recommendations to the Beazley Plc Board it deems appropriate on any area within its remit where action or improvement is needed.

3.3. The Committee shall produce a directors' remuneration report to be included in the Company's annual report and ensure each year that it is put to shareholders for approval at the Annual General Meeting.

3.4. The Committee shall produce a report of the Company's remuneration policy and practices to be made available to shareholders, and which shall be put to shareholders for approval at the Annual General Meeting every three years.

3.5. The Committee shall compile a report on its activities to be included in the Company's annual report, confirming that all applicable regulatory disclosure requirements are met, as well the requirements of the UK Corporate Governance Code including:

3.5.1. An explanation of the strategic rationale for executive directors' remuneration policies, structures and any performance metrics;

3.5.2. Reasons why the remuneration is appropriate using internal and external measures, including pay ratios and pay gaps;

3.5.3. A description, with examples, of how the Remuneration Committee has addressed the factors in section 4.2;

3.5.4. Whether the remuneration policy operated as intended in terms of Company performance and quantum, and, if not, what changes are necessary;

3.5.5. What engagement has taken place with shareholders and the impact this has had on remuneration policy and outcomes;

3.5.6. How engagement with the workforce has taken place to explain how executive remuneration aligns with wider Company pay policy; and

3.5.7. To what extent discretion had been applied to remuneration outcomes and the reasons why;

3.5.8. A description of malus and clawback provisions, and whether they were used in the last reporting period, and if so, a clear explanation of the reason.

4. Duties

The Committee is, subject to the parameters set out in the Scheme of Delegation, Matters Requiring Approval Schedule, responsible for:

4.1. **Group Remuneration Policy Development & Approval**

4.1.1. Recommending to the Board for approval the Group remuneration policy, including the policy for the remuneration of the Chair of the Company, the chief executive, the executive directors, the direct reports to the chief executive, senior management, the Company secretary and such other members of the executive management as it is designated to consider, taking into account workforce remuneration and related policies, and the alignment of incentives and rewards with culture, when setting the level of executive director remuneration. The directors' remuneration policy should be recommended to the Board for renewal at least every three years. The remuneration of independent non-executive directors of Beazley Plc shall be a matter for the executive members of the Board. No director or manager shall be involved in any decisions as to his or her own remuneration.

4.1.2. In recommending or approving the Group remuneration policy, taking into account all factors which it deems necessary, including remuneration trends across the Company and Group. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance, whilst also promoting sound and effective risk management, and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company. It shall also liaise with the nomination Committee to ensure that the remuneration of newly appointed executives is within the Company's overall policy.

4.1.3. Recommending to the Board and where appropriate, approving the Company and Group's remuneration policy for all employees, in line with the Group's business and risk management strategy, its risk profile, objectives, risk management practices and the long-term interests and performance of the Group as a whole, and ensuring workforce incentives and rewards are aligned with culture.

4.1.4. Recommending to the Board and where appropriate, approving and overseeing the implementation of, the policy for the remuneration of key functions and other categories of staff whose professional activities have a material impact on the Company and Group's risk profile.

4.1.5. Reviewing the ongoing appropriateness and relevance of the remuneration policies and practices which should be designed to support strategy and promote long-term sustainable success.

4.1.6. Being aware of and overseeing any major changes in employee benefit structures throughout the Company or Group.

4.1.7. Developing and overseeing a formal policy for post-employment shareholding requirements.

4.2. **Principles and Considerations for Remuneration**

4.2.1. When determining executive director remuneration policy and practices, consideration is given to:

4.2.1.1. <u>Clarity</u>: Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;

4.2.1.2. <u>Simplicity</u>: Remuneration structures should avoid complexity, and their rationale and operation should be easy to understand;

4.2.1.3. <u>Risk</u>: Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated;

4.2.1.4. <u>Predictability</u>: The range of possible value of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy;

4.2.1.5. <u>Proportionality</u>: The link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes do not reward poor performance; and

4.2.1.6. <u>Alignment to Culture</u>: Incentive schemes should drive behaviours consistent with Company purpose, values and strategy and with culture.

4.2.1.7. <u>Promotes long-term shareholdings</u>: Promote long-term shareholdings that support alignment with shareholder interests.

4.2.2. Ensuring that remuneration policy and practices enable the use of discretion by the Committee to override formulaic outcomes and to exercise independent judgement and discretion (whether upwards or downwards) when authorising remuneration outcomes, taking into account Group, Company and individual performance and wider circumstances, as appropriate.

4.3. **Individual Remuneration & Incentive Schemes**

4.3.1. Reviewing the design of all share incentive plans for approval by the Board, and where relevant, shareholders.

4.3.2. Recommending and where appropriate approving targets for any performance related pay schemes operated by the Company and asking the Board, when appropriate, to seek shareholder approval for any long-term incentive arrangements.

4.3.3. Within the terms of the agreed policy, recommending and where appropriate approving the total individual remuneration package of each executive director and employee set out in clause 4.1.1 including, where appropriate, bonuses, incentive payments and share options. The remuneration of senior management who work exclusively for Beazley Furlonge Ltd or Beazley Insurance dac is the responsibility of the relevant Remuneration Committee,.

4.3.4. Considering the policy for and scope of pension arrangements, service agreements, termination payments and compensation commitments for each executive director and employee set out in clause 4.1.1.

4.3.5. Ensuring that contractual terms on termination of any executive director or employee set out in clause 4.1.1, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.

4.3.6. Reviewing and approving the remuneration of the Chair of the Company.

4.4. **Compliance, Governance & External Advice**

4.4.1. Ensuring that the Group's remuneration policy and practices comply with and consider all relevant legislation, and good remuneration practice, including the provisions of the UK Corporate Governance Code as well as the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules, relevant Solvency II, EIOPA and FCA and PRA guidelines on remuneration and other applicable Rules and guidance, as appropriate.

4.4.2. Review and approval of the Beazley plc Gender and Race pay gap report, prior to publication on the Company's website.

4.4.3. Obtaining reliable, up-to-date information about remuneration in other companies. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to help commission or purchase any reports or surveys which it deems necessary, within any budgetary constraints imposed by the Board.

4.4.4. Being exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.

4.4.5. Receiving regular updates from the Beazley Furlonge Limited and Beazley Insurance dac Remuneration Committees, regarding their activities, and share relevant information in relation to the Committee's duties with these Committees.

5. Members

5.1. The Committee shall comprise not less than three members, all of whom shall be independent non-executive directors.

5.2. 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 Remuneration Committee.

5.3. The Chair should have served on a Remuneration Committee for at least 12 months prior to appointment.

5.4. The Board shall appoint the Committee Chair and determine the period for which they shall hold office. In the absence of the Chair and/or an appointed deputy, the remaining members present shall elect one of their number to Chair the meeting.

5.5. Care should be taken to minimise the risk of any conflict of interest that might be seen to give rise to an unacceptable influence. Where possible, the Chair and members of the Committee should be rotated on a regular basis.

5.6. Only members of the Committee have the right to attend Committee meetings. However, the Chief Executive and other subject matter experts may be invited to attend for all or part of any meeting, as and when appropriate, to provide information or assistance.

6. Secretary

6.1. The Company Secretary or their nominee shall act as the Secretary of the Committee.

7. Quorum

7.1. The quorum necessary for the transaction of business shall be two members present in person, by telephone, or other virtual means. 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, discretions, and independent judgement vested in or exercisable by the Committee.

8. Frequency and Location

Meetings shall be aligned with those of the Beazley Plc Board, and occur:

8.1. At such a time before a Board meeting so that all business can be properly and fully conducted, with referrals and minutes passed to the Board in line with the requirements of the Board.

8.2. The Committee shall meet at least three times a year and at such other times as required.

8.3. The Committee Secretary shall schedule a calendar of meetings at the beginning of the year and indicate whether the meeting is expected to be in person, via virtual means, or hybrid.

8.4. However, if the day and time needs to be changed to accommodate other business needs, this will be done as far in advance as possible.

9. Notice of Meeting

9.1. Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chair of the Committee or at the request of any member if they consider it necessary.

9.2. Unless otherwise agreed by the Chair, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. The agenda and supporting papers shall be sent to Committee members and to other attendees as appropriate in advance of the meeting.

10. Minutes of Meeting

10.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

10.2. Minutes of Committee meetings shall be circulated promptly to the Chair of the Committee and made available to the Board if appropriate.

10.3. Updated minutes will be included in the next scheduled Committee meeting agenda for final approval.

11. Other Matters

The Committee shall:

11.1. Have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required.

11.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

11.3. Give due consideration to all relevant laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority's Listing, Prospectus and Transparency Rules, relevant Solvency II, EIOPA and PRA guidelines on remuneration and any other applicable rules, as appropriate.

11.4. Arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

11.5. Work and liaise as necessary with all other Committees including the Remuneration Committees of regulated subsidiaries.

The Chair shall:

11.6. Engage with shareholders to understand their views on significant remuneration matters.

11.7. Attend the Annual General Meeting and shall be prepared to respond to any shareholder questions on the Committee’s activities.

12. Authority

12.1. The Committee is authorised by the Board to:

12.1.1. Seek any information it requires from any employee in order to perform its duties;

12.1.2. Obtain legal or other independent professional advice or assistance from external advisers with relevant expertise and experience, as it considers necessary, at the Company's expense on any matters within its Terms of Reference;

12.1.3. Have the right to publish in the Company's annual report, details of any issues that cannot be resolved between the Committee and the Board;

12.1.4. The Committee may carry out some of its duties on behalf of Beazley Group companies if requested.