



There shall be established a committee of the board, duly constituted in accordance with the main provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex thereto (the "Governance Code"), and the Company's articles of association, to be known as the Remuneration Committee.

References to 'the Committee' are to the Remuneration Committee.

References to 'the Board' are to the Board of Directors.

References to 'the Company' are to Dalata Hotel Group plc.

1. MEMBERSHIP

- 1.1. Committee shall be appointed by the Board, on the recommendation of the Nomination Committee, and shall comprise of a Chair and at least two other members. All members of the Committee shall be independent non-executive directors. The Chair of the Board may be a member of, but not Chair, the Committee if he or she was considered independent on appointment as Chair.
- 1.2. Before appointment as Committee Chair, the appointee will normally have served on a remuneration committee (either of the Company another company) for at least 12 months. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to Chair the meeting who would qualify under these

terms of reference to be appointed to that position by the Board.

- 1.3. Only members of the committee have the right to attend committee meetings. However, other individuals such as the Chief Executive or external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.4. Appointments to the Committee are made by the Board and shall be for a period of up to three years, which may be extended for no more than two additional three year periods, so long as members (other than the Chair of the Board, if he or she is a member of the Committee) continue to be independent. Any further term will be based on annual re-appointment.
- 1.5. The members of the Committee can be varied at any time by a majority resolution of the existing members of the committee save that any additional appointment must still be an independent non-executive director.

2. SECRETARY

- 2.1. The company secretary or his or her nominee shall act as the secretary of the committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. QUORUM

- 3.1. The quorum necessary for the transaction of business shall be two, both of whom must be independent non-executive directors. 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.

4. MEETINGS

- 4.1. The Committee shall meet at least twice a year and otherwise as required or as agreed between the members of the Committee.

5. NOTICE OF MEETINGS

- 5.1. Meetings of the committee shall be called by the secretary of the Committee at the request of the Committee Chair or the board. Any member may also call a meeting of the Committee..
- 5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend, if any, normally no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. MINUTES OF MEETINGS

- 6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to

all other members of the Board, if any, unless it would be inappropriate to do so.

7. ANNUAL GENERAL MEETING

- 7.1. The Committee Chair should attend the Annual General Meeting of the Company to answer any shareholder questions on the Committee's activities.

8. DUTIES

The Committee should carry out the duties below in respect of the Company and, where appropriate, reference to the Company includes its subsidiaries and the group as a whole.

The Committee shall:

- 8.1. Determine and agree with the Board the framework and policy for the remuneration of the Company's Chair, executive directors, and such other members of the executive management (to include, at a minimum, the first layer of management below Board level and the Company Secretary), as it is designated by the Board to consider (the "Senior Executives"). The Committee shall review wider workforce remuneration and related policies and the alignment of incentives and rewards with culture and take these into account when setting the policy for executive director remuneration. The remuneration of non-executive directors shall be a matter for the Board (within the limits set in the articles of association or shareholders above this limit). No director or senior manager shall be involved in any decisions as to their own remuneration to guard against conflicts of interest.
- 8.2. Assess and monitor the Company's remuneration framework and policy for alignment with the Board's definition of the Company's purpose, strategy and culture, the desired behaviors that underpin them, and responsible risk taking, and recommend to the Board such

- amendments to the reward structures as it deems necessary. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values, and be clearly linked to the successful delivery of the company's long-term strategy. Remuneration schemes should promote long-term shareholdings by executive directors that support alignment with long-term shareholder interests.
- 8.3. Address the six areas (clarity, simplicity, risk, predictability, proportionality, and alignment to culture) set out in Paragraph 40 of The UK Corporate Governance Code (July 2018) when determining executive director remuneration policy and practices.
- 8.4. Determine the total individual remuneration package of the Chair, each executive director, and other Senior Executives, including the balance between fixed and performance related remuneration, and where appropriate, bonuses, incentive payments and share options or other share awards.
- 8.5. Determine the policy for, and scope of, pension arrangements for each executive director and other Senior Executives.
- 8.6. Review the design of, and determine targets for, any performance related pay schemes including share incentive schemes operated by the Company for approval by the Board and shareholders where relevant and approve the total annual payments made under such schemes. The Committee shall determine the individual awards to executive directors and Senior Executives and the payout or vesting of any such awards.
- 8.7. Oversee any major changes in employee benefits structures throughout the Company or Group.
- 8.8. Ensure that remuneration schemes and policies enable the use of discretion to override formulaic outturns, and exercise independent judgement and discretion when authorising remuneration outcomes, taking into account of Company and individual performance, and wider circumstances.
- 8.9. Consider and determine the malus and clawback provisions to apply to the annual bonus scheme and share based remuneration schemes.
- 8.10. Ensure that contractual terms on termination, 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.
- 8.11. Determine on behalf of the Board and keep under review the shareholding guidelines, including any policies for post-employment shareholding requirements, for executive directors and other members of executive management.
- 8.12. Obtain reliable, up-to-date information about remuneration in other companies of comparable scale. The Committee shall have full authority to commission or purchase any reports, surveys or information which it deems necessary to help it fulfil its obligations within any budgetary restraints imposed by the Board.
- 8.13. Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.
- 8.14. Agree the policy for authorising claims for expenses from the directors.
- 8.15. Consider such other matters as may be requested by the board.
- 8.16. Ensure effective engagement with shareholders in relation to remuneration and related policies and practices, ensuring their views are understood and

considered as appropriate by the Committee and the Board.

9. REPORTING RESPONSIBILITIES

- 9.1. The Committee Chair shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2. The Committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3. The Committee shall ensure that the provisions regarding disclosure of remuneration, including pensions, as set out in Paragraph 41 of The UK Corporate Governance Code (July 2018), are fulfilled and produce a report of the Company's remuneration policy and practices to be included in the Company's annual report and ensure that it is put to shareholders for approval at the AGM, as required. If the Committee has appointed remuneration consultants, the annual report of the Company's remuneration policy should identify such consultants and state whether they have any other connection with the Company.
- 9.4. Through the Chair of the Board, ensure that the Company maintains contact as required with its principal shareholders about remuneration.

10. OTHER MATTERS

The committee shall:

- 10.1. Have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required.
- 10.2. 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.
- 10.3. Give due consideration to laws, regulations, the provisions of the

Governance Code and the requirements of the Euronext Dublin and UK Listing Authority's Listing Rules, as well as Prospectus and Disclosure and Transparency Rules and guidelines published by the Investment Association and the Pension and Lifetime Savings Association and any other applicable publications, as appropriate.

- 10.4. 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. VOTING ARRANGEMENTS

- 11.1. Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Committee.
- 11.2. If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.
- 11.3. Save where he has a personal interest, the Committee Chair will have a casting vote.

12. AUTHORITY

The Committee is authorised by the Board to:

- 12.1. Undertake any activity within its terms of reference.
- 12.2. Undertake all matters as the Committee believes appropriate in respect of the conduct of its duties, including, without limitation, the matters referred to herein
- 12.3. Obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

- 12.4. Delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 12.5. Seek any information it requires from any employee or director, and all such employees or directors will be directed to co-operate with any request made by the Committee.

Adopted by the Board of Directors in March 2014 and last amended 28 January 2019.