

CVC

# Remuneration Policy

**CVC Capital Partners plc**

Remuneration policy (the *Remuneration Policy*)

Adopted on 30 April 2024

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## 1. Introduction

This Remuneration Policy for CVC Capital Partners plc (the **Company**) has been established by the board of directors of the Company (the **Board**) at the recommendation of the remuneration committee (the **Remuneration Committee**) of the Board. The Remuneration Policy provides the framework for the remuneration of the directors of the Board (the **Directors**).<sup>1</sup> The Remuneration Policy was approved by the shareholders of the Company and was adopted on 30 April 2024.

The Remuneration Policy governs the remuneration of the Directors of the Board. It intends to provide a compensation structure that allows the Company to attract, develop and retain highly qualified Directors enabling the Company to avail itself of the depth and breadth of governance and leadership skills needed to help guide the organization. In that light, this policy aims to provide a reward structure that:

- Is competitive compared to the compensation levels observed within comparable companies;
- Supports and reinforces the Company's culture of performance and meritocracy; and
- Aligns the interests of the executive Directors (**Executive Directors**) with those of the Company, shareholders and broader stakeholders.

The Remuneration Committee is responsible for the implementation of this Remuneration Policy. The remuneration of the Directors will be determined within the scope of this Remuneration Policy.

In considering the remuneration of the Directors, the Remuneration Committee will take into account both external benchmarks as well as the internal pay ratios within the Company.

The Remuneration Policy will be reviewed periodically. In doing so, the Remuneration Committee may consider remuneration policies of peer companies which are similar in size and complexity to the Company and taking into account compensation in the market as well as general, international, standards.

At least every four years, the Remuneration Policy will be reviewed by the Remuneration Committee and be submitted by the Board to the general meeting of shareholders for approval.

A copy of this Remuneration Policy is available on the Company's website, [www.cvc.com](http://www.cvc.com).

## 2. Overview of Remuneration

### *Executive Directors*

Executive Directors of the Board receive a fixed monthly component, short-term and long-term variable components of remuneration, post-employment benefits and other customary benefits. The variable components of the Executive Directors' remuneration demonstrate the Company's commitment to shareholders and long-term value creation by using criteria that align with the Company's strategy of delivering exceptional performance and shareholder returns.

When determining the level and structure of the remuneration, the extent of responsibilities and time commitment, the performance of the Company and benchmark data are taken into account.

### *Ratio between fixed and variable pay*

The pay ratio between fixed and variable remuneration of the Executive Directors will be appropriately balanced. The total remuneration of the Executive Directors shall consist of:

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<sup>1</sup> For the purpose of this Remuneration Policy, the Non-Executive Chair of the Board may be treated as either an Executive Director or a Non-Executive Director, as determined by the Remuneration Committee.

- *Base salary*: fixed cash compensation aimed at attracting and retaining well-qualified executives, targeted at median base salary of peer companies for each relevant Executive Director role. The base salary will ensure a fair and efficient ratio between fixed and variable elements of total remuneration.
- *Short-term incentives*: variable amount, paid annually in cash and/or shares and subject to the achievement of annually, pre-defined financial and other quantifiable performance objectives, to focus on company-wide business priorities for the relevant year and motivate executives to achieve performance objectives.
- *Long-term incentives*: variable amount in the form of equity awards and subject to the achievement of pre-determined financial and other objectives. Total vesting and holding periods of at least 5 years will apply for equity awards. This incentive is offered to motivate executives to deliver sustained long-term growth and aligns executives to shareholders' interests, through long-term value creation.
- *Pension and benefits contributions*: Directors shall participate in retirement plans or receive cash payment in lieu of participation in accordance with local regulations and policy of the Company, and pension contribution rates shall be aligned with those available to the UK workforce.
- *Severance payments*: in accordance with any applicable terms in employment agreements with the Executive Directors and the rules of any long-term incentive plan. Severance payments shall comply with local regulations.
- *Other benefits*: Executive Directors may receive other customary benefits in line with market practice, including but not limited to, private medical insurance, life assurance coverage, dental and travel insurance, permanent health insurance, and transport allowance.

### **Shareholding requirement**

In order to ensure alignment between the interests of the Executive Directors and sustainable, long-term value creation, minimum share ownership requirements apply, set at three times Executive Director base salary. This requirement may be built up over five years from appointment.

### **Non-Executive Directors**

Non-Executive Directors will receive fixed payments only and no variable compensation. They will not participate in any Company incentive plans. Customary fringe benefits may apply. The remuneration of the Non-Executive Directors is not dependent on the financial results of the Company and shall reflect time spent and the responsibilities of the relevant role.

## **3. Post-cessation of employment shareholding**

Holding and vesting periods for all equity awards will be adhered to post-employment and Executive Directors will be required to hold shares exceeding 100% of salary (or, if lower, their actual shareholding) for two years post-employment.

## **4. Recoupment of Incentive Compensation (Malus and Clawback Policy)**

The Board is dedicated to maintaining and enhancing a culture focused on integrity and accountability. The Company's malus and clawback policy will authorise the Company to recover, or "clawback", incentive compensation payments and provide the ability to make adjustments to compensation payments in certain circumstances, including if any cash or equity incentive award is predicated upon achieving financial results and the financial results are substantially subject to an accounting restatement.

## **5. New appointment policy**

In the case of the appointment of a new Executive Director, the Board will typically seek to align the remuneration package with the policy set out above.

When determining remuneration for a new Executive Director, the Board will, at the recommendation of the Remuneration Committee, consider the role's requirements, business needs, the individual's skills and experience and the relevant external market. Where an individual is recruited externally for the role of an Executive Director, the remuneration package in their prior role will be taken into account. The Company may offer compensation to buy out awards or other lost compensation which the candidate held prior to joining the Company, but which lapsed upon leaving their previous employer. The Company may also take into account any reasonable relocation costs and offer to pay for some or all of these.

Where an individual is appointed as an Executive Director through internal promotion or following a corporate transaction (e.g. an acquisition), the Board retains the ability to honour any legally binding legacy arrangements agreed prior to the appointment.

## **6. Deviations**

The Board may, upon recommendation of the Remuneration Committee, deviate from the Remuneration Policy in exceptional circumstances where appropriate. Exceptional circumstances are circumstances in which deviation is reasonably necessary considering the long-term perspectives of the Company.