

# Compensation Committee Charter



Adopted by the Board on February 28, 2019

*This Charter is intended as a component of the flexible framework within which the Board of Directors, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Memorandum of Association and Bye-laws, it is not intended to establish by its own force any legally binding obligations.*

## I. Purpose

The Compensation Committee (the "Committee") shall: (a) assist the Board of Directors (the "Board") of Signet Jewelers Limited (the "Company") in fulfilling its oversight responsibilities by: (i) reviewing and approving corporate goals and objectives relevant to compensation of the Company's Chief Executive Officer and the Company's other executive officers (as agreed from time to time); (ii) in consultation with the Chairman of the Board, evaluating the performance of the Chief Executive Officer and, in consultation with the Chief Executive Officer, evaluating the performance of the other executive officers (as agreed from time to time), in light of those goals and objectives; (iii) determining and approving the compensation of the Chief Executive Officer and the Company's other executive officers (as agreed from time to time) based on these evaluations; (iv) reviewing management incentive compensation policies and programs, and exercising discretion in the administration of such programs; and (v) reviewing and approving equity compensation programs (subject to overall shareholder approval as appropriate) and exercising discretion in the administration of such programs; and (b) prepare the report of the Committee required by the regulations of the Securities and Exchange Commission (the "SEC").

## II. Membership

Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination and Corporate Governance Committee in consultation with the Chair of the Committee.

The Committee shall be made up of at least three members of the Board, each of whom the Board has selected and determined to be "independent" in accordance with the Board's definition of "independence" and applicable rules of the New York Stock Exchange. In affirmatively determining the independence of any director who will serve on the Committee, the Board must consider all factors specifically relevant to determining whether such director has a relationship to the Company which is material to his or her ability to be independent from management in connection with the duties of a Committee member, including, but not limited to: (a) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the Company to such director; and (b) whether such director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

In addition, no director may serve on the Committee unless he or she (a) is a "non-employee director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and (b) satisfies the requirements of an "outside director" for purposes of Section 162(m) of the Internal Revenue Code, if applicable.

Any action duly taken by the Committee shall be valid and effective, whether or not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided herein.

Appointments to the Committee shall be for a period of up to one year, which may be extended annually, provided the Director continues to satisfy the criteria for membership on the Committee. Any member may be removed by the Board, with or without cause, at any time.

The Board shall appoint the Committee Chair. 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.

### **III. Secretary**

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

### **IV. Quorum**

The quorum necessary for the transaction of business shall be two. 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.

### **V. Meetings**

The Committee shall meet at least three times a year and additionally as circumstances dictate.

The Committee Chair may in his or her discretion invite any individual either internal or external to attend for all or part of any meeting as and when considered appropriate.

Subject to the Company's Bye-laws, the Committee may also act by a resolution signed by all members of the Committee.

### **VI. Notice of Meetings**

Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Committee Chair or any other member of the Committee.

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 and any other person required to attend, no later than five working days before the date of the meeting, or some shorter period in circumstances where providing notice of at least five working days is not practicable. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

### **VII. Minutes of Meetings**

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

Minutes of Committee meetings shall be circulated for review and approval to all Committee members.

#### **a. Annual General Meeting**

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

## **b. Authority**

The Committee is authorized to seek any information it requires from any employee of the Company in order to perform its duties and has access to all books, records, facilities and personnel of the Company.

The Committee is authorized to form, and delegate any of its responsibilities to, a subcommittee so long as such subcommittee is solely comprised of one or more members of the Committee.

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, independent legal counsel or other adviser (each, an "Adviser"). The Committee will be directly responsible for the appointment, termination, compensation and oversight of the work of any Adviser retained by the Committee. The Company will provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to an Adviser retained by the Committee.

Prior to selecting an Adviser, and at least annually thereafter, the Committee shall assess the Adviser's independence, taking into consideration all relevant factors, including: (a) the provision of other services to the Company by the person that employs the Adviser; (b) the amount of fees received from the Company by the person that employs the Adviser, as a percentage of the total revenue of the person that employs the Adviser; (c) the policies and procedures of the person that employs the Adviser that are designed to prevent conflicts of interest; (d) any business or personal relationship of the Adviser with a member of the Committee; (e) any stock of the Company owned by the Adviser; and (f) any business or personal relationship of the Adviser or the person employing the Adviser with an executive officer of the Company.

## **X. Responsibilities and Duties**

The following responsibilities are set forth as a guide to fulfilling the Committee's purposes with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities as directed by the Board from time to time, and take any actions reasonably related to the mandate of this charter.

The Committee shall:

- a. establish and review periodically the Company's overall management compensation philosophy, policy and total compensation structure, which is to be designed to ensure that members of management are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company after taking due consideration of the long-term interests of the Company and its shareholders;
- b. review and approve corporate goals and objectives, including performance targets, relevant to the compensation of the Company's executive officers, including annual and long-term performance goals and objectives;
- c. review on a periodic basis the Company's management compensation programs, including any management incentive compensation plans as well as plans and policies pertaining to supplemental benefits and perquisites, to determine whether they are appropriate, properly coordinated and achieve their intended purpose(s), and recommend, as appropriate, to the Board any appropriate modifications or new plans, programs or policies;

- d. review and recommend to the Board for the adoption by shareholders as necessary any equity-based compensation plan for employees and directors of the Company, and any modification of any such plan, and review at least annually the awards made pursuant to such plans;
- e. administer the Company's equity-based compensation plans for employees and directors as provided by the terms of such plans, including authorizing all awards made pursuant to such plans, and monitor compliance by management with such rules, policies and guidelines for the issuance of awards pursuant to such plans as the Committee or the Board may establish;
- f. review, approve and recommend to the Board the adoption of any non-equity-based incentive compensation plan for employees of the Company and any material modification of any such plan, and review at least annually the awards made pursuant to such plans;
- g. review, approve and recommend to the Board the adoption of any employee retirement plan, and other material employee benefit plans, and any material modifications of any such plan;
- h. review employment, compensation, benefit and severance agreements for executive officers and other members of senior management, and make recommendations to the Board for approval, as appropriate;
- i. in consultation with the Chairman of the Board, evaluate at least annually the performance of the Company's Chief Executive Officer ("CEO") and, in consultation with the CEO, evaluate at least annually the performance of the other executive officers against corporate goals and objectives including performance targets and, based on this evaluation, determine the total individual compensation earned by each executive officer (including bonuses, incentive payments, options or other equity awards and any material benefits and perquisites) based on this evaluation;
- j. determine and approve the compensation level (including bonuses, incentive payments, options or other equity awards and any material supplemental benefits and perquisites) for other members of senior management of the Company as the Committee or the Board may from time to time determine to be appropriate;
- k. review at least quarterly any equity awards granted to executives by the CEO pursuant to the CEO's delegation of authority by the Committee pursuant to the Company's equity-based compensation plans, as applicable;
- l. review the form and amount of director compensation at least annually, and make recommendations to the Board after consultation with the Nomination and Corporate Governance Committee;
- m. approve any major changes in employee benefits structures throughout the Company;
- n. review at least annually the Company's compensation policies and practices for executives and employees generally to ensure that they do not inadvertently encourage excessive risk taking;
- o. the Committee shall periodically review the Company's clawback policy, approve changes to the policy, as appropriate, and oversee the application of the policy;

- p. with respect to any compensation consultant who has been engaged by the Committee to provide advice on the amount or form of executive or director compensation, review and approve any engagement of such consultant to provide any other services to the Company and review at least annually the nature of any services provided to the Company by any other compensation consultant who provided advice or recommendations on the amount or form of executive or director compensation to the Committee or to management, as well as all remuneration provided to such consultant;
- q. report regularly to the Board on Committee findings, recommendations and any other matters the Committee deems appropriate or the Board requests;
- r. make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
- s. review the Company's Compensation Discussion and Analysis disclosure required by SEC regulations and determine whether to recommend to the Board that it be included in the Company's Annual Report on Form 10-K or proxy statement, as applicable; as part of this review, the Committee shall consider the results of the most recent shareholder advisory vote on executive compensation ("say-on-pay vote") required by Section 14A of the Exchange Act;
- t. review and recommend to the Board for approval the frequency with which the Company will conduct say-on-pay votes, taking into account the results of the most recent shareholder advisory vote on the frequency of say-on-pay votes ("frequency vote") required by Section 14A of the Exchange Act, and review and approve proposals regarding the say-on-pay vote and the frequency vote to be included in the Company's proxy statement;
- u. prepare the report of the Committee required to be included in the Company's Annual Report on Form 10-K or proxy statement, as applicable, in accordance with applicable rules and regulations of the SEC; and
- v. review annually its charter and its own effectiveness and compliance with its charter, and recommend any changes to the Board.