

## **NOMINATION COMMITTEE**

### **TERMS OF REFERENCE**

**Approved 20 October 2022**

#### **1. Constitution**

It is hereby resolved that the Nomination Committee of the Board (the Committee) formed by resolution of the Directors on 20 October 2022 be established with effect from 1 November 2022 on the following terms:

#### **2. Membership**

The Committee shall be appointed by the Board and shall consist of all independent Non-Executive Directors. Any Committee member who ceases to remain independent will step down. Appointments to the Committee shall be from appointment until retirement as a Director, unless otherwise determined by the Board.

The Chair of the Board shall chair the Committee except when the succession to the Chair position is being considered by the Committee, when the Senior Independent Director shall take the chair. The Chair of the Board will also not participate in the process to recruit and appoint their successor.

The Committee Chair will not have a second or casting vote in any matter to be determined by the Committee or recommended by the Committee to the Board.

#### **3. Secretary**

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

#### **4. Quorum**

A quorum shall be any two members. A duly convened meeting of the Committee at which a quorum is present will be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

#### **5. Meetings**

Meetings shall be held at least once a year and otherwise at such times as the Committee considers necessary for the fulfillment of its duties.

#### **6. Notice of meetings**

Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, will 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. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

#### **7. Minutes of meetings**

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

Draft minutes of Committee meetings will be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all members of the Board and the Company Secretary unless, exceptionally, it would be inappropriate to do so.

## **8. Engagement with shareholders**

The Committee Chair should attend the Annual General Meeting to answer shareholder questions on the Committee's activities. [In addition, the Committee Chair will report to shareholders through the Annual Report and Accounts and, where necessary or appropriate, will engage with shareholders on significant matters related to the Committee's areas of responsibility.

## **9. Duties**

The Committee shall carry out the duties below:

- a) regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board;
- b) ensure plans are in place for orderly succession to Board positions, in particular, of the Chair, Senior Independent Director and Board Committee Chairs, and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- c) be responsible for identifying (taking external advice where appropriate) and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- d) before any appointment is made to the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall:
  - i. use open advertising or the services of external advisers to facilitate the search;
  - ii. consider candidates from a wide range of backgrounds;
  - iii. consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board; and
  - iv. identify and consider potential conflicts of interest that might arise from the appointment of each candidate;
- e) prior to the appointment as a Director, the Committee should take care that appointees have enough time available to devote to the position and require proposed appointees to disclose significant time commitments and any other external interests which they or any connected person have that may result in a conflict of interest. These must be authorised by the Board prior to appointment and any future significant time commitments and/or business interests that may result in a conflict of interest must not be undertaken without prior approval of the Board;
- f) ensure that prior appointment to the Board, Directors receive and agree a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings;

- g) review the results of the Board performance evaluation process that relate to the composition of the Board and succession planning;
- h) make recommendations with regard to any variation in the terms of Directors' appointments and in the standard period of appointment for which a Director is appointed;
- i) review annually the time required to perform the duties of a Director and assess whether Directors are spending enough time to fulfill their duties;
- j) assess and recommend which Directors are independent or not independent for approval by the Board and for disclosure in the Annual Report and Accounts of the Company.

The Committee shall also make recommendations to the Board concerning:

- k) any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
- l) membership of any other Board Committees as appropriate, in consultation with the Chair of those Committees;
- m) the re-appointment of any Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required. The deliberations over any nominee for re-appointment should take place in the absence of that nominee;
- n) the re-election by shareholders of Directors, having due regard to their performance and ability, and why their contribution is important to the Company's long-term sustainable success in the light of the skills, experience and knowledge required and the need for progressive refreshing of the Board, taking into account the length of service of individual Directors, the Chair and the Board as whole. The deliberations over any nominee for re-election should take place in the absence of that nominee;
- o) any matters relating to the continuation in office of any Director at any time; and
- p) the appointment of any Director to executive or other office.

## **10. Reporting**

The Committee Chair shall report formally to the Board on its proceedings after each meeting on the nature and content of its discussion, recommendations and action to be taken.

The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for Board discussion when necessary .

The Committee shall produce a report to be included in the Company's Annual Report on its activities, including:

- a) the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline;
- b) how the Board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual Directors, the outcomes and actions taken, and how It has influenced or will influence Board composition; and

- c) the Board's policy on diversity and inclusion, its objectives and linkage to Company strategy, how it has been implemented and progress on achieving the objectives.

## **11. Other matters**

The Committee shall:

- a) have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for advice and assistance as required;
- b) 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;
- c) give due consideration to laws and regulations, the provisions of the Code and the requirements of the Financial Conduct Authority's Listing Rules, Prospectus Rules and Disclosure and Transparency Rules and any other applicable rules, as appropriate; and
- d) 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.

## **12. Authority**

The Committee is authorised to obtain, at the Company's expense, outside legal or independent professional advice on any matters within its terms of reference.