

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

The Board hereby resolves to establish a Committee of the Board to be known as the Nomination Committee (the “Committee”).

The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference.

The Committee may sub-delegate any or all of its powers and authority as it thinks fit, including, without limitation, the establishment of sub-committees which are to report back to the Committee.

1. Membership

- 1.1 Members of the Committee shall be appointed by the Board and shall normally be made up of at least three members. The majority of members shall be independent Non-Executive Directors.
- 1.2 Appointments of the Committee shall be for a period of up to three years, which may be extended for up to two additional three-year periods, provided that the majority of the Committee members remain independent in the view of the Board.
- 1.3 The Board shall appoint the Committee Chair who should be either the Chair of the Board or an independent Non-Executive Director. 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 provided he or she would qualify under these terms of reference to be appointed to that position. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession of the chairpersonship.
- 1.4 In dealing upon the chairpersonship and membership of the Committee, the value of ensuring that membership of the Committee is refreshed and that undue reliance is not placed on particular individuals shall be taken into account.

2. Secretary

- 2.1 The Group Company Secretary, or their 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 members, 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 dissertations vested in or exercisable by the Committee.

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

4. Meetings

- 4.1 The Committee shall meet at least twice a year and at such other times as the Chair of the Committee shall require.
- 4.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals, such as the Chief Executive, the Group HR Director and external advisers, may be invited to attend for all or part of any meeting, as and when appropriate.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chair of the Committee or any of its members.
- 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 or invited to attend and all other Non-Executive Directors, 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, as well as any conflicts of interest.
- 6.2 Draft Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chair of the Board and, once agreed, to all other members, unless, exceptionally, it would be inappropriate to do so.

7. Annual General Meetings

- 7.1 The Chair of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee’s activities. In addition, the Chair of the Committee should seek engagement with shareholders on significant matters related to the Committee’s areas of responsibility.

8. Duties

The Committee shall carry out the duties set out below for the parent Company, major subsidiary undertakings and the Group as a whole, as appropriate.

- 8.1 The Committee shall:

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

- 8.1.1 regularly review the structure, size and composition (including the skills, knowledge, experience, independence and diversity) required of the Board and its Committees compared to its current position, taking account of the Company’s strategic priorities, and make recommendations to the Board with regard to any changes;
- 8.1.2 ensure plans are in place for orderly succession for Directors, Executive management and senior management and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- 8.1.3 be responsible for identifying, leading the process for recruitment; including the preparation of job specifications; and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- 8.1.4 before any appointment is made by the Board, evaluate the balance of skills, knowledge, 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 and the time commitment expected;
- 8.1.5 in identifying suitable candidates the committee shall:-
 - 8.1.5.1 use such methods as it deems appropriate, including the use of open advertising or the services of external advisers to facilitate the search;
 - 8.1.5.2 consider candidates from a wide range of backgrounds;
 - 8.1.5.3 consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position.
- 8.1.6 prior to the appointment of a Director, other significant time commitments should be disclosed and any future commitments should not be undertaken without the prior approval of the Board. The proposed appointee should also be required to disclose any other business interests that may result in a conflict of interest. These must be authorised by the Board prior to appointment and any future business interests that could result in a conflict of interest must not be undertaken without prior authorisation of the Board in accordance with section 175 of the Companies Act and the Company’s Articles of Association;
- 8.1.7 keep under review the leadership needs of the organisation, both Executive Directors and Non-Executive Directors, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

- 8.1.8 keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
 - 8.1.9 review annually the time required from Non-Executive Directors. Performance evaluation should be used to assess whether the Non-Executive Directors are spending enough time to fulfil their duties;
 - 8.1.10 ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment setting out clearly the term of office and that the appointment is subject to performance review by the Board and election/re-election by shareholders. The letter will also detail what is expected of them in terms of time commitment, Committee services and involvement outside Board meetings;
 - 8.1.11 review the results of the Board performance evaluation process which relate to the composition of the Board and succession planning; and
 - 8.1.12 Work and liaise as necessary with other Board Committees, (including the Remuneration Committee in respect of any remuneration package to be offered to any new appointee of the Board), ensuring the interaction is reviewed regularly.
- 8.2 The Committee shall also make recommendations to the Board concerning:
- 8.2.1 any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
 - 8.2.2 suitable candidates as new directors and succession for existing directors;
 - 8.2.3 membership of the Audit and Remuneration Committees and any other Board committees as appropriate, in consultation with the Chair of those committees;
 - 8.2.4 the re-appointment of any Non-Executive 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;
 - 8.2.5 the re-election by shareholders of any Director under the annual re-election provisions of the UK Corporate Governance Code (the “Code”) or the ‘retirement by rotation’ provisions in the Company’s Articles of Association 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 knowledge, skills and experience required and the need for progressive refreshing of the Board taking into account the length of service of individual directors, the Chair of the Board and the Board as a whole;

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

- 8.2.6 any matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provisions of the law and their service contract; and
 - 8.2.7 the appointment of any Director to Executive or other office other than to the positions of Chair of the Board and Chief Executive, the recommendation for which would be considered at a meeting of the full Board.
- 8.3 The Committee shall:
- 8.3.1 ensure that a full-time Executive Director does not take on more than one non-Executive Directorship in a FTSE company nor the permanent chairpersonship of such a company; and
 - 8.3.2 monitor developments in relation to the number of external Board appointments held by the Chaired non-Executive Directors, so as to avoid “over boarding.”

9. Reporting Responsibilities

- 9.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, highlighting its recommendations and actions to be taken.
- 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 make a report in the Annual Report about its activities including: -
 - 9.3.1 the process used to make appointments, its approach to succession planning and how both support the development of a diverse pipeline;
 - 9.3.2 how Board evaluation has been conducted, the nature and extent of any 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;
 - 9.3.3 the policy on diversity and inclusion, its objectives and linkage to company strategy, how it has been implemented and progress on achieving the objectives; and
 - 9.3.4 the gender balance of those in the senior management team and their direct reports
- 9.4 If an external search consultancy has been engaged, it should be identified in the annual report alongside a statement about any other connections it has with the Company or individual directors.

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

9.5 The Committee shall produce the statement required to be included in the annual report of the Company identifying the membership of the Committee and the frequency of, and attendance by members at, Committee meetings over the course of the year.

9.6 The Committee shall make available for inspection the terms and conditions of appointment of non-Executive Directors.

10. Other

10.1 The Committee shall:

10.1.1 have access to sufficient resources in order to carry out its duties including access to the Company secretariat for assistance as required;

10.1.2 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;

10.1.3 ensure that all new directors undertake an appropriate induction programme to ensure that they are fully informed about the Company’s main areas of business activity, including those involving significant risk, and the strategic priorities and commercial issues affecting the Company and the markets in which it operates as well as their duties and responsibilities as a director;

10.1.4 consider any training requirements for the Board as a whole; and

10.1.5 give due consideration to all relevant legal requirements, the provisions and recommendations in the Code and the FCA’s Listing Rules; Prospectus Rules; Disclosure Guidance and Transparency Rules Sourcebook and associated guidance and any other applicable Rules, as appropriate.

10.2 The Committee shall arrange for annual reviews of its own performance ; 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. Authority

11.1 The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.

11.2 In connection with its duties, the Committee is authorised to obtain, at the Company’s expense, outside legal or other professional advice on any matters within its terms of reference.

12. Publication of the terms of reference

- 12.1 These terms of reference shall be made available by publication on the Company’s website with an explanation of the Committee’s role and the authority delegated to it by the Board.

By Order of the Board

8 May 2024