

## **THE NOMINATION COMMITTEE TERMS OF REFERENCE**

### **CONSTITUTION**

The Board has established a committee to be known as the Nomination Committee (the "Committee"). The objective of the Committee is to lead the process of selection of the most suitable candidate or candidates for appointment to the Board, to ensure plans are in place for orderly succession to both the Board and senior management positions, and to monitor organisational capability and promote diversity, equity and inclusion within the business.

### **MEMBERSHIP**

Members of the Committee shall be appointed by the Board on the recommendation of the Committee.

The Committee shall consist of at least three directors. A majority of Committee members should be independent Non-Executive Directors.

### **CHAIR**

The Committee Chair shall be appointed by the Board and 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 from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession of the Chair of the Board, in this situation the Committee Chair will be assumed by the Senior Independent Director, or another Committee member in the absence of the Senior Independent Director.

### **SECRETARY**

The Company Secretary, or their nominee, shall be 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.

### **QUORUM**

A quorum shall be two Committee members, both of whom must be independent Non-Executive Directors.

### **ATTENDANCE AT MEETINGS**

Only members of the Committee have the right to attend the Committee meetings. However, other individuals such as the Chief Executive Officer, the Chief People & Culture Officer and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

### **FREQUENCY OF MEETINGS**

The Committee shall meet at least twice a year and otherwise as required.

### **NOTICE OF MEETINGS**

Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any of its members.

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, generally within 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.

Notices, agendas and supporting papers can be sent in electronic form.

## **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 the 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 unless in the opinion of the Committee Chair it would be inappropriate to do so

## **ENGAGEMENT WITH SHAREHOLDERS**

The Committee Chair should attend the annual general meeting to answer any shareholder questions on the Committee's activities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

## **DUTIES**

The Committee should carry out the duties below in respect of the parent company and the Group as a whole, as appropriate.

The Committee shall:

- keep under review the structure, size, composition (including skills, knowledge and experience and diversity) of the Board and make recommendations to the Board as deemed appropriate;
- ensure plans are in place for orderly succession to Board and senior management positions, and oversee the development of a diverse pipeline for succession taking into account the challenges and opportunities facing the Group, and the skills and expertise needed on the Board in the future;
- be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity of the Board and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and the time commitment expected. In identifying suitable candidates the Committee shall:
  - use the services of external advisers to facilitate the search or otherwise advertise as appropriate;
  - consider candidates from a wide range of backgrounds; and

- consider candidates on merit against objective criteria with due regard to the benefits of diversity on the Board and taking care that appointees have enough time available to devote to the position.
- prior to any appointment of a Director, other significant time commitments should be disclosed and any additional future commitments should not be undertaken without 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 must not be undertaken without prior authorisation of the Board;

keep under review the leadership needs of the Group, both executive and non-executive (including at Senior Management Team level), with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;

- keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates;
- ensure that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment clearly setting out what is expected of them in terms of conduct, time commitment, committee service and involvement outside Board meetings;
- review the results of the Board performance review process that relate to the composition of the Board and succession planning;
- be responsible for the Board Diversity & Inclusion Policy, ensuring a review is undertaken annually;
- work and liaise as necessary with all other Board Committees, ensuring the interaction between committees and with the Board is reviewed regularly;
- 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 in fulfilling their duties;

The Committee shall also make recommendations to the Board concerning:

- any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
- suitable candidates as new Directors and succession for existing Directors;
- membership of Board committees in consultation with the Chairs of those Committees;
- the re-appointment of Non-Executive Directors at the conclusion of their specified term of office having due regard to their performance and ability to continue to contribute to the Board in light of knowledge, skills and experience required;
- any matters relating to the continuation in office of any director at any time including the suspension and termination of services of an Executive Director as an employee of the Company subject to the provisions of the law and their service contract;
- the appointment of any Director to executive or other office.

## **REPORTING RESPONSIBILITIES**

- The Committee Chair shall report to the Board 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 describing the work of the Committee, including:
  - the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse succession /talent pipeline;
  - if an external search consultancy has been engaged, it should be identified in the Annual Report alongside a statement about any other connection it has with the Company or individual directors;
  - how the Board performance review 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;
  - the Board's policy and initiatives on diversity, equity and inclusion, its objectives and linkage to the Company's strategy, how it has been implemented and progress on achieving the objectives; and
  - the gender and ethnicity balance of those in the Senior Management Team and their direct reports.

## **OTHER MATTERS**

The Committee shall:

- have access to sufficient resources to carry out its duties, including access to the Company Secretary for advice and assistance as required;
- 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;
- give due consideration to all relevant laws and regulations, the provisions of the UK Corporate Governance Code, as amended from time to time, and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate; and
- at least once a year, review its own performance, 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.

## **AUTHORITY**

The Committee is authorised to:

- seek any information it requires from any employee of the Company in the performance of its duties; and
- obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference.

**Approved by the Board on 21 March 2024**