

# Nominations Committee

## Terms of Reference

Approval reference: Main Board 25 July 2023 | Effective date: 1 September 2023

### A. Purpose

The role of the Nominations Committee is to make recommendations to the Main Board on suitable candidates for appointment as Main Board Directors, as members of the Management Board or as Company Secretary, ensuring that both the Main Board and the Management Board have an appropriate balance of expertise and ability. In addition, it is responsible for reviewing the succession plans for the Executive Director(s), members of the Management Board and the Company Secretary.

### B. Membership and Procedures

The Nominations Committee is appointed by the Main Board and comprises at least three members, a majority of whom shall be independent Non-Executive Directors, and shall include the Chair of the Board and the Senior Independent Director. The quorum is any two members of the Committee including the Chair of the Board or in his absence the Senior Independent Director.

The Chair of the Board will chair the Committee and in his absence the members present will elect one of their number to chair the meeting. The Senior Independent Director will chair the Committee when it is considering a successor to the Chair of the Board.

The Chief Executive and the Director, Talent, Culture & Inclusion, will regularly attend meetings of the Committee. Other relevant senior management may attend by invitation. No one other than the Committee Chair and members will be entitled as of right to attend or vote at a meeting of the Committee.

The Company Secretary or his or her nominee will act as the Secretary of the Committee and will prepare minutes for circulation to all members of the Main Board. The Company Secretary will also keep a record of the membership of and the dates of changes to the membership of the Committee.

The Committee normally meets two times a year and at such other times as the Committee Chair or any member of the Committee may request. The agenda for the meetings will be determined by the Chair of the Committee, taking into account the views of other members of the Committee as appropriate. The agenda and supporting papers, unless otherwise agreed, shall be circulated to each member of the Committee no fewer than four working days prior to the date of the meeting.

Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the Company's Articles of Association.

### C. Authority

The Nominations Committee is authorised by the Main Board to seek any information it requires from, and require the attendance at any of its meetings of, any Director or member of management, and all employees are expected to cooperate with any request made by the Committee.

The Committee is authorised by the Main Board to obtain, at the Company's expense, outside legal or other independent professional advice, including independent consultants, and to secure the attendance of advisers with relevant experience and expertise if it considers this necessary.

These terms of reference may be amended from time to time as required subject to approval by the Main Board.

### D. Responsibilities and Objectives

The responsibilities and objectives of the Nominations Committee are as follows:

#### 1. Board Composition

The Committee will:

- (a) regularly review the structure, size and composition of the Main Board and the Management Board to ensure that both boards have an appropriate balance of skills, expertise, knowledge and (in the case of the Main Board) independence, bearing in mind the leadership needs of the organisation and with a view to ensuring the continued ability of the Group to compete effectively in the market place; and

- (b) make such recommendations to the Main Board with regard to the composition of the Main Board and Management Board or in relation to the role of Company Secretary as it may consider necessary.

## 2. Board Appointments

The Committee will:

- (a) prepare a description of the role and capabilities required for a particular appointment and regularly review the profiles of the required skills and attributes for membership of the Main Board and the Management Board;
- (b) be responsible for identifying and nominating candidates, for the approval of the Main Board, to fill vacancies on the Main Board and the Management Board and for the role of the Company Secretary, ensuring that such candidates, as well as fitting the specific profile, are capable of taking a broad view of the Group's overall interests; and
- (c) ensure that all appointments are made on merit against objective criteria and with due regard for the benefits of diversity, including gender, social and ethnic backgrounds, and cognitive and personal strengths.

In identifying candidates for the position of Chair of the Board or Non-Executive Director, the Committee will prepare an explanation for inclusion in the Annual Report and Form 20-F if neither an external search consultancy nor open advertising is used for the appointment.

## 3. Succession Planning

The Committee will:

- (a) satisfy itself that processes and plans are in place for orderly succession for appointments to each of the Main Board and the Management Board and to the role of Company Secretary, so as to maintain an appropriate balance of skills and experience and to ensure the progressive refreshing of both Boards; and
- (b) support the oversight of the development of a pipeline of diverse, high-performing potential Executive Director(s), Management Board members and other senior managers.

## 4. Commitment

The Committee will:

- (a) assess and articulate the time needed to fulfil the role of Chair of the Board, Senior Independent Director or Non-Executive Director;
- (b) ensure that Non-Executive Directors undertake that they will have sufficient time to fulfil their duties and understand that any additional appointments outside the Company are not to be undertaken without the prior approval of the Main Board; and
- (c) ensure that the Company Secretary on behalf of the Main Board has formally written to any appointees, detailing the role and time commitments and proposing an induction plan produced in conjunction with the Chair of the Board.

## 5. Other matters

The Committee will:

- (a) make recommendations to the Main Board:
  - as regards the re-appointment of any Non-Executive Director at the conclusion of their specified term of office after formally reviewing the Director's performance;
  - concerning the re-election by shareholders of any Director; and
  - concerning the continuation in office of any Director at any time;
- (b) make recommendations to the Board regarding the membership of the Board Committees, in consultation with the Chair of the applicable Committee;
- (c) implement the Board Diversity Policy and monitor progress towards achievement of the objectives of that policy; and
- (d) generally have regard to the UK Corporate Governance Code in carrying out its duties.

## **6. Annual Report and 20-F**

The Committee will review the section of the Annual Report and 20-F describing:

- (a) the work of the Committee and how it has discharged its responsibilities, its members and their attendance records and the number of meetings held;
- (b) the process used in relation to appointments, the Committee's approach to succession planning, and how both support developing a diverse succession pipeline;
- (c) the Company's policy on diversity and inclusion, its objectives and linkage to Group strategy, how it has been implemented and progress on achieving the objectives; and
- (d) the gender balance of the combined Management Board and the Company Secretary, and their direct reports.