



Terms of Reference: Group Nomination & Governance Committee

1. Constitution and Purpose

The Committee is constituted by the Board of Directors with the purpose of:

- a. assisting the Board in meeting its responsibilities for ensuring that the Board retains an appropriate balance of skills to support the strategic objectives of the Group, has a formal rigorous and transparent approach to the appointment of Directors and maintains an effective framework for succession planning; and
- b. providing support and advice to the Board to ensure that the Group and its significant subsidiaries have appropriate governance arrangements, providing oversight and making recommendations to the Board.

2. Membership

- a. The Committee shall comprise the Chair of the Board, the Senior Independent Director and at least one additional Non-executive Director, taking into account the combination of skills, experience and knowledge among the members of the Committee.
- b. Appointments to the Committee are made by the Board, on recommendation by the Committee.
- c. The Board shall appoint the Committee Chair who shall preferably be the Chair of the Board or, in the event of a conflict of interest, the Senior Independent Director or another Non-executive Director.

3. Secretary

The Company Secretary, or their nominee, shall act as the secretary for 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 business of the meeting.

4. Meetings

- a. The Committee will meet at least three times a year and otherwise as required.
- b. 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. Committee members may convene additional meetings at any time to deal with matters within the remit of the Committee.
- c. In the absence of the Committee Chair or where there is a conflict of interest, the Senior Independent Director (or another Non-executive Director) will chair the Committee meeting and hold responsibility for reporting to the Board on the Committee's activities. Where membership exceeds three and both the Committee Chair and the Senior Independent Director are absent, the remaining members present shall elect

one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board.

- d. A quorum is two unaffected members of the Committee, one of whom must be the Chair or the Senior Independent Director unless precluded by a conflict of interest.
- e. Only members of the Committee have the right to attend Committee meetings. Other Board members may be invited to attend Committee meetings as appropriate except to private meetings. In addition, the following individuals would be expected to attend meetings on a more regular basis, at the invitation of the Committee Chair:
 - the Group Chief Executive; and
 - the Group Human Resources Director.

Other individuals may be invited by the Committee Chair to attend for all or part of any meeting, as and when appropriate.

- f. External advisors appointed by the Committee may also be invited to attend meetings to assist the Committee.
- g. Unless otherwise agreed, reasonable notice of each meeting together with an agenda of items to be discussed and supporting papers shall be provided to each member of the Committee and any other attendee as required.

5. Minutes of Meetings

- a. The secretary or their nominee shall minute the proceedings and decisions of all Committee meetings, and retain copies of the papers.
- b. Minutes of Committee meetings shall be circulated to Committee members and, where appropriate, other meeting attendees, taking into account any conflicts of interest that may exist.

6. Engagement with Shareholders

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

7. Duties

PART A: NOMINATION COMMITTEE

i) Composition of the Board and its Committees

The Committee shall:

- a. regularly review the size, structure and composition of the Board and its principal committees, including the balance of skills, experience, knowledge, competence, perspective, length of service, other demands on directors' time, and diversity.
- b. When recommending changes to committee membership, the Committee shall ensure that any recommendation is made in consultation with the relevant committee chair.
- c. make recommendations to the Board with regard to any changes to the size, structure or composition Board and its principal committees.
- d. develop, where appropriate, objectives for increasing all forms of diversity of the Board, and monitor progress towards the achievement of Board diversity objectives.

ii) Succession Planning

The Committee shall:

- a. keep under review the leadership needs of the Group, both for Executive and Non-executive Directors, with a view to ensuring the continued ability of the Group to fulfil its obligations and compete effectively in the marketplace.
- b. facilitate the Board in meeting its responsibilities to plan and execute timely Group Chief Executive succession and to work with the Group Chief Executive to plan and execute Executive Director succession.
- c. ensure suitable succession plans are in place for the Board and other senior executives to achieve the Group's strategic objectives. When fulfilling this duty, the Committee shall:
 - oversee the development of a diverse pipeline in the executive succession plan.
 - ensure succession plans are based on merit and against objective criteria, including promoting diversity across gender, social and ethnic background, nationality, cognitive and personal strengths.
 - in the case of Board appointments, succession plans take into account the results of the Board evaluation process.
- d. assist the Board in the development of a Group-wide approach to all forms of diversity and inclusion connected with Group strategy, including the setting of measurable objectives and monitoring progress against key metrics.

iii) **New Appointments**

The Committee shall:

- a. identify and nominate candidates, based on merit and against objective criteria, including all forms of diversity, for approval by the Board to fill any Board vacancies or for appointment to one of the principal committees. The Committee will consult with other Board members in shaping its recommendations.
- b. before any appointment is made by 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 for a particular appointment, including the time commitment expected. In respect of a proposal for the appointment of a Board Chair, the assessment of the time commitment shall recognise in particular the need for availability in the event of crises.
- c. In identifying suitable candidates, the Committee shall use open advertising and / or external search consultants to facilitate the search.
- d. in respect of an Executive Director proposed for appointment, consult with the Group Chief Executive (except in the context of the appointment of a new Group Chief Executive when the Chair will determine whether or not to consult with the incumbent Group Chief Executive).
- e. ensure that, prior to the appointment of a Non-executive Director, their other significant time commitments are disclosed and assessed to confirm that they can fulfil their responsibilities effectively.
- f. ensure that on appointment, each Non-executive Director receives 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. working with the Chair, ensure that each new Non-executive Director is provided with a tailored induction programme.

iv) **Serving Directors**

The Committee shall:

- a. advise the Board on any matters relating to the continuation in office of any Director, including the renewal of terms of office for non-executive Directors and the suspension or termination of service of any Director.
- b. recommend to the Board the election or annual re-election by shareholders of all Directors, taking into account their performance, and why their contribution is important to the Group'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 and the Board as a whole. In the case of Non-executive Directors the Committee shall consider their independence and any additional commitments they may undertake during their tenure.

- c. annually review the independence of Non-executive Directors.
- d. annually review the time required for a Non-executive Director to fulfil the obligations of the position and keep under review the number of external directorships held by Non-executive Directors.
- e. working with the Board Chair, ensuring that the development needs of Directors are identified and met. Directors should be able to continually update their skills and knowledge required to fulfil their role on the Board and its Committees.
- f. working with the Board Chair, identifying the development needs of the Board as a whole to enhance its overall effectiveness as a team.

v) Board Effectiveness

The Committee shall:

- a. oversee the process by which the Board, its Committees and individual Directors' effectiveness is assessed.
- b. ensure that at least once every three years, in line with the applicable Corporate Governance guidance, the evaluation is conducted externally by an independent party.
- c. review the results of the Board performance evaluation process, particularly as it relates to the performance of the Committee and the composition of the Board and make recommendations to the Board as appropriate.

vi) Conflicts of Interest

The Committee shall:

- a. consider and authorise any actual or potential situational conflicts, on any terms considered appropriate by the Committee, arising from either new or existing appointments.
- b. in the case of specially material conflicts, advise the Board on whether the conflict should be authorised and recommend any conditions which should be applied to the authorisation.

PART B: GOVERNANCE COMMITTEE

The Committee shall annually review the Group's governance framework, monitoring the Group's significant governance policies, including governance arrangements of the Group's main subsidiaries, and make recommendations to the Board as appropriate.

8. Reporting Responsibilities

- a. The Committee Chair shall report to the Board after each meeting on the nature and content of the discussion, recommendations and actions to be taken.

- b. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- c. The Committee shall produce a report to be included in the Group's Annual Report, which describes the work of the Committee.
- d. The Committee shall provide confirmation to the Group Audit Committee that, to the best of the Committee's belief, the disclosures made on its activities in the Annual Report are fair, balanced and understandable.
- e. The Committee shall also ensure that other relevant laws and regulations and provisions regarding disclosure of information under applicable Corporate Governance Codes are fulfilled.

9. Other Matters

The Committee will:

- a. give due consideration to all relevant laws and regulations, the provisions of applicable Corporate Governance Codes and published guidelines or recommendations, as appropriate.
- b. have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for advice and assistance as required.
- c. be provided with appropriate and timely training.
- d. ensure that a periodic evaluation of the Committee's own performance is carried out.
- e. at least annually, review its terms of reference and recommend any changes it considers necessary to the Board for approval.

10. Authority

The Committee is authorised to:

- a. at the Group's expense and through the Company Secretary's office where applicable, be able to select, appoint and agree the terms of appointment of any advisers deemed appropriate by the Committee to provide advice to the Committee, including those used by management provided no conflict of interest arises.
- b. investigate any matter within its remit, seek any information from any of the Group's Directors and/or employees which is necessary to enable it to satisfactorily discharge its duties, and commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company.