

NOMINATION COMMITTEE

TERMS OF REFERENCE

(last reviewed and updated on 19 May 2021)

1. There shall be a Committee of the Board to be known as "The Nomination Committee".
2. The objectives of the Nomination Committee shall be:
 - a) to ensure that the Company has a formal, rigorous and transparent procedure for the appointment of new executive and non-executive directors to the Board;
 - b) to ensure that the Company has in place appropriate succession planning for key individuals; and
 - c) to ensure that the Company reviews the membership and balance of the board, identifying the skills needed and those individuals who might best provide them, in accordance with the UK Corporate Governance Code.
3. The Committee shall comprise the Chairman and Non-Executive Directors. A quorum shall be two members. Executive Directors may be invited to meetings at the discretion of the Chairman. A majority of the members of the Committee shall be independent Non-Executive Directors.
4. The Board shall appoint the Committee Chairman who should be either the Chairman 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 Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession of the Chairman of the Board (in which case the Senior Independent Director will chair the Committee).
5. The Company Secretary shall be the Secretary of the Committee and shall keep an appropriate record of its proceedings. The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.
6. Meetings shall be held not less than once a year.
7. The Committee is authorised to obtain outside independent professional advice relevant to its duties.
8. The Committee will review its own performance annually.
9. The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, and the Committee shall produce a report to be included in the company's annual report about 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 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;
 - c) 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
 - d) the gender balance of those in the senior management team and their direct reports.

- e) if an external search consultancy has been engaged in respect of a Board appointment, it should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors
10. The Committee Chairman should attend the annual general meeting to answer any shareholder questions on the Committee's activities. In addition the Committee Chairman should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.
11. The Committee shall be responsible for:-
- a) making recommendations to the Board on all new appointments to the Board and to Senior Executive positions;
 - b) reviewing regularly the Board structure, size and composition (including its skills, knowledge, experience and diversity) and making recommendations to the Board with regard to any adjustments that are deemed necessary;
 - c) identifying and nominating candidates for the approval of the Board, to fill vacancies as and when they arise;
 - d) giving full consideration to succession planning for directors and other Senior Executives generally (including the overseeing of a diverse pipeline for such successions) and putting in place specific plans for succession in relation to, in particular, the Chief Executive and Group Finance Director (where the process will be chaired by the Chairman) and the Chairman (where the process will normally be chaired by the Senior Independent Director);
 - e) before any appointment is made by the Board, evaluating the balance of skills, knowledge, experience and diversity of members of the Board, and, in the light of this evaluation preparing a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall:-
 - i) where appropriate in the view of the Committee, use open advertising or the services of external advisers to facilitate the search;
 - ii) consider candidates from a wide range of backgrounds; and
 - iii) 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;
 - f) reviewing the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
 - g) reviewing annually the time required from non-executive directors, including using performance evaluation to assess whether the non-executive directors are spending enough time to fulfil their duties;
 - h) making recommendations to the Board for the appointment and continuation (or not) in service of a non-executive director;
 - i) making recommendations to the Board as to the membership of the audit and remuneration committees in consultation with the chairmen of those committees;
 - j) the re-election by shareholders of Directors under the annual re-election provisions of the UK Corporate Governance Code or the retirement by rotation provisions in the company's articles of association having given regard to their performance and their ability to continue to contribute to the Board in light of their knowledge, skills and experience and why their contribution is important to the Company's long-term sustainable success and

the need for progressive refreshing of the board, taking into account the length of service of individual Directors, the Chairman and the Board as a whole.

- k) making recommendations to the Board concerning suitable candidates for the role of senior independent director;
- l) making recommendations to the Board concerning 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;
- m) reviewing the results of the board performance evaluation process that relate to the composition of the Board;
- n) ensuring prior to the 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 also should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest; and
- o) At least annually, reviewing the Committee's 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.