



**CONDUIT RE**

**DATED 18 NOVEMBER 2020**

**CONDUIT HOLDINGS LIMITED**

**NOMINATION COMMITTEE – TERMS OF REFERENCE**

## CONDUIT HOLDINGS LIMITED (THE "COMPANY")

### NOMINATION COMMITTEE – TERMS OF REFERENCE

#### 1. MEMBERSHIP

1.1 The members of the Nomination Committee (the "**Committee**") for the time being shall be:

Ken Randall (Chair)  
Brian Williamson  
Elizabeth Murphy  
Malcolm Furbert  
Richard Sandor

1.2 The Committee shall consist of a minimum of three members appointed by the Board of the Company (the "**Board**"). A majority of the members of the Committee should be independent non-executive directors. The Chair of the Committee shall be appointed by the Board, which shall determine the period for which they shall hold office, and shall be an independent non-executive director. In the absence of the Chair of the Committee and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Executive Chair of the Board shall not serve on the Committee.

1.3 Appointments to 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 the members continue to meet the criteria for membership of the Committee.

1.4 Only Members of the Committee have the right to attend Committee meetings. However, other individuals such as the Executive Chair, the head of human resources and external advisers may be invited to attend all or part of the meeting, as and when appropriate.

1.5 Any Committee member, by notice to the Chairman, is authorised to appoint any person to act as his authorized representative at an upcoming Committee meeting.

#### 2. SECRETARY

The Company Secretary or their nominee shall act as the Secretary of the Committee.

#### 3. QUORUM

The quorum for decisions of the Committee shall be any two members present in person or by duly authorized representative and a resolution put to the vote at a Committee meeting shall be carried by the affirmative votes of majority of the votes cast and in the case of an equality of votes the Chair shall have a casting vote. Members may participate in any meeting by such telephonic, electronic or other communication facilities or means as permit all

persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

#### **4. FREQUENCY OF MEETINGS**

The Committee shall meet at least twice each year or otherwise as required.

#### **5. NOTICE OF MEETINGS**

**5.1** Meetings may be called by the Secretary of the Committee at the request of any member of the Committee.

**5.2** Notice of any meeting of the Committee shall be given to each member of the Committee and notice of a Committee meeting shall be deemed to be duly given to a member if it is given to such member verbally (including in person or by telephone) or otherwise communicated or sent to such member by post, electronic means or other mode of representing words in a visible form at such member's last known address or in accordance with any other instructions given by such member to the Company for this purpose. Notice of the meeting shall confirm the venue, time and date together with an agenda of items to be discussed. Notice shall be sent to each member of the Committee, any other person required to attend and all other non-executive directors. 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 and the existence of any conflicts of interest.

**6.2** The draft minutes of the meeting of the Committee shall be circulated to all members of the Committee and, once agreed, to the Board unless a conflict of interest exists or, exceptionally, it would otherwise be inappropriate to do so in the opinion of the Chair of the Committee.

#### **7. ENGAGEMENT WITH SHAREHOLDERS**

The Chair of the Committee shall be available at the Annual General Meeting of the Company to respond to any shareholder questions on the activities and achievements of the Committee. 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**

**8.1** The Committee shall:

- 8.1.1** regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) required of the Board and make recommendations to the Board with regard to any changes;
- 8.1.2** give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future and ensure plans are in place for orderly succession and oversee the development of a diverse pipeline for succession;
- 8.1.3** set measurable objectives for, and prepare a policy in relation to, Board and senior management diversity;
- 8.1.4** keep under review 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;
- 8.1.5** keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- 8.1.6** be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- 8.1.7** 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 required for a particular appointment and the time commitment expected. In identifying suitable candidates the Committee shall:

  - (a) use open advertising or the services of external advisers to facilitate the search or, if neither are used in the appointment of a non-executive director, explain the reasons for this;
  - (b) consider candidates from a wide range of backgrounds; and
  - (c) consider candidates on merit and against objective criteria and with due regard to the benefits of diversity on the Board, taking care that appointees have enough time available to devote to the position;
- 8.1.8** prior to the appointment of a director, require the proposed appointee to disclose (i) any other business interests that may result in a conflict of interest and to report any future business interests that could result in a conflict of interest and (ii) any significant commitments, with an indication of the time involved. Any business interests that could result in a conflict of interest must be authorised by the Board prior to appointment. Any future business interests that could result in a conflict of interest must not be undertaken without prior

authorisation of the Board. Additional external appointments should not be undertaken without prior approval of the Board;

- 8.1.9** ensure that on appointment to the Board, non-executive directors receive 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 and that all directors receive suitable induction materials and/or training to assist them in fulfilling their duties, obligations and responsibilities as directors of the Company;
- 8.1.10** 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;
- 8.1.11** review the results of the Board performance evaluation process that relate to the composition of the Board and succession planning;
- 8.1.12** keep under regular review any authorisations granted by the Board in connection with a director's conflict of interest;
- 8.1.13** keep under review 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;
- 8.1.14** work and liaise as necessary with all other Board committees, ensuring the interaction between committees and that the Board is reviewed regularly; and
- 8.1.15** keep under review the non-executive directors in respect of their independence, available time commitments and performance.

**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 committees of the Board (as appropriate), in consultation with the chairs 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 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 having due regard to their performance and ability and why their contribution is important in 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 long-term of service of individual directors, the Executive Chair of the Company and the Board as a whole;
- 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.

## **9. REPORTING RESPONSIBILITIES**

- 9.1** All decisions of the Committee shall be reported formally to the Board by the Chair of the Committee.
- 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 and adequate time should be made available for Board discussion when necessary. All decisions on recommendations referred to the Board shall take effect only upon approval thereof by resolution of the Board, at a meeting which is properly convened and constituted and in accordance with the Company's Bye-laws.
- 9.3** The Committee shall produce a report to be included in the annual report about:
  - 9.3.1** its activities, the number of meetings of the Committee and the individual attendance by each of the members;
  - 9.3.2** the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline;
  - 9.3.3** 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;
  - 9.3.4** 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
  - 9.3.5** the gender balance of those in the senior management and their direct reports, with an explanation if external advice or open advertising has not been used.

- 9.4** Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company.
- 9.5** The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.
- 9.6** 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.
- 9.7** The Committee shall conduct an annual review of its work and these terms of reference to ensure it is operating at maximum effectiveness and shall make recommendations about any changes it considers necessary to the Board.
- 9.8** The Chair of the Committee shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.
- 9.9** The Committee shall make available its terms of reference on the Company's website explaining clearly its role and authority delegated to it by the Board.

**10. OTHER MATTERS**

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 advice and 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** give due consideration to applicable laws and regulations, including the provisions of the UK Corporate Governance Code and the requirements of the FCA's Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules;
- 10.1.4** oversee any investigation of activities which are within its terms of reference; and
- 10.1.5** work and liaise as necessary with all other Board Committees.

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