

# DOWLAIS

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**Dowlais Group plc**

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**Nomination Committee Composition & Terms of Reference**

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**DOWLAIS GROUP PLC**  
(the “Company”)

**NOMINATION COMMITTEE**  
(the “Committee”)

**COMPOSITION & TERMS OF REFERENCE**

The Committee is established in accordance with the Articles of Association of the Company.

**1. MEMBERSHIP**

- 1.1 The Committee should consist of not less than three members.
- 1.2 A majority of the members of the Committee shall be independent non-executive Directors.
- 1.3 No one other than a member of the Committee is entitled to attend meetings of the Committee but other persons may attend by invitation of the Committee, as and when appropriate and necessary.
- 1.4 Appointments to the Committee shall be made by the Board on the recommendation of the Committee and shall be for a period of up to three years, subject to annual re-election as a Board member, which may be extended by two further three-year periods, provided the member continues to meet the criteria for membership of the Committee.
- 1.5 The Board shall appoint the Chair of the Committee who should 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 themselves to chair the meeting, although the Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chair.

**2. SECRETARY**

The Company Secretary or their nominee shall be the 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 issues.

**3. QUORUM & PROCEDURAL MATTERS**

- 3.1 The quorum for meetings of the Committee shall be any two independent non-executive directors, except that no member shall be entitled to attend and therefore be included in the calculation of any quorum when his own position is under discussion.
- 3.2 It is not necessary for all members of the Committee to be present in the same physical location, provided that each member can communicate with the others.
- 3.3 Decisions of the Committee will be taken on a majority basis.
- 3.4 A resolution in writing which is signed by all members of the Committee entitled to receive notice of a Committee meeting, who would have been entitled to vote and not being less than a quorum will be as effective as a resolution passed at a Committee meeting. Any written resolution will be tabled and noted at the next meeting of the Committee.
- 3.5 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise any or all authorities, powers and discretions vested in or exercisable by the Committee.

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

The Committee shall meet at least twice per year, and at such other times as the members of the Committee request.

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

5.1 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.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Committee and any other person required to attend, generally no later than 5 working days before the date of the meeting.

5.3 Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

#### **6. MINUTES & CONFLICTS OF INTEREST**

6.1 The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

6.2 The Secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

6.3 Each member of the Committee will disclose to the Committee:

- (a) any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee;
- (b) any potential conflict of interest; and
- (c) any other matter which may compromise their status as an independent non-executive director, where applicable.

A member will abstain from voting on resolutions of the Committee in relation to which an interest or conflict exists and from participating in the discussions concerning such resolutions and, if so requested by the Board, will resign from the Committee.

6.4 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once approved by the Chair of the Committee, the final minutes shall be circulated to all members of the Board except to the extent that a conflict of interest would make it inappropriate to do so.

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

The Chair of the Committee shall attend the Annual General Meeting of the Company and be prepared to respond to any shareholder questions on the Committee's activities. 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:

- (a) keep the membership (including the structure, size, composition, skills, knowledge, experience and diversity) of the Board under regular review and recommend to the Board any adjustments it thinks necessary;

- (b) give full consideration to succession planning and in particular put plans in place to ensure orderly succession with respect to Board and Senior Management positions, and shall ensure the optimum balance of executive/non-executive Directors, disciplines and relevant experience, taking into account the challenges and opportunities facing the Company, the skills and expertise needed on the Board in the future and the need to oversee a diverse pipeline for succession;
- (c) before any appointment is made by the Board, evaluate the balance of skills, knowledge, diversity and experience on the Board and accordingly be responsible for identifying and nominating for approval of the Board, candidates to fill Board vacancies as and when they arise, and prepare descriptions of the roles and capabilities required and the time commitment expected for a particular appointment and agree the process to identify and interview candidates;
- (d) in making appropriate recommendations to the Board in order to satisfy its responsibilities:
- (e) where necessary, use open advertising or external recruitment advisers;
- (f) consider candidates from a wide range of backgrounds; and
- (g) consider candidates on merit and against objective criteria, with due regard for the benefits of diversity, and ensure on appointment that a candidate has sufficient time to undertake the role. In particular, the Committee should consider that no individual should be appointed as a chair for a FTSE 100 company and a full time executive Director should not take on more than one non-executive Directorship in a FTSE 100 company nor the chair of such a company, or other significant appointment;
- (h) 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;
- (i) prior to the appointment of a Director, require the proposed appointee 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;
- (j) prior to the appointment of a Director, require the proposed appointee to disclose any other significant time commitments and be required to ensure that any additional future commitments should not be undertaken without prior approval of the Board;
- (k) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and market in which it operates;
- (l) 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;
- (m) ensure that on appointment non-executive Directors receive a formal letter setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings; and
- (n) review and approve the Company's Diversity, Equity & Inclusion Policy on an annual basis.

8.2 The Committee shall make recommendations to the Board concerning:

- (a) formulating plans for succession of both executive and non-executive Directors and in particular for the key roles of Chair and Chief Executive;

- (b) any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
- (c) suitable candidates for the role of Senior Independent Director;
- (d) membership of the Audit and Remuneration Committees, in consultation with the Chair of each of those Committees;
- (e) the reappointment of any non-executive Director at the conclusion of his or her specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
- (f) the re-election by shareholders of Directors who will be retiring by rotation to be proposed for re-election having due regard to their performance and ability and why their contribution is important to the Company'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, the Chair and the Board as whole;
- (g) 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
- (h) the appointment of any Director to executive or other office..

8.3 The Chief Executive Officer shall have responsibility for the succession plans for Senior Employees and the Committee's role in succession planning of Senior Management shall be to review the decisions taken by the Chief Executive Officer, by reviewing such information as the Committee may reasonably request, so as to satisfy themselves that appropriate succession plans are in place.

## **9. REPORTING**

- 9.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever further recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall make a statement in the Company's Annual Report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. 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 or individual directors.
- 9.4 The report referred to in 9.3 above should describe the work of the Committee, including:
- (a) the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline;
  - (b) how the Board evaluation has been conducted, the nature and extent of any 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 Senior Management and its direct reports.

## 10. OTHER

10.1 The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required;
- (b) 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; and
- (c) give due consideration to all relevant laws and regulations, the provisions of the Code and the requirements of the Financial Conduct Authority's Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate.

10.2 At the direction of the Committee Chair, the Committee shall, 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.

10.3 The Committee shall, in consultation with the Board, conduct externally facilitated Board and Committee evaluations at least every three years, with an internal evaluation conducted in other years in consultation with each member of the Committee. Such annual evaluation shall consider as applicable the Board and Committee's composition, diversity and how effectively members work together to achieve objectives.

## 11. AUTHORITY

The Committee is authorised by the Board to:

- 11.1 obtain, at the Company's expense, outside legal or other professional advice on any matter it considers appropriate to its terms of reference; and
- 11.2 require any other employee of the Company and/or any of its direct and indirect subsidiaries to attend its meetings to provide any information or assistance that the Committee deems necessary in order to perform its duties.

## 12. DEFINITION

**"Senior Management"** shall mean any member of the Executive Committee from time to time adopted by the Group who is not also a member of the Board.