

# **CAPITAL & COUNTIES PROPERTIES PLC**

## **TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**

### **1. CONSTITUTION**

These terms of reference were adopted by Resolution of the Board dated 29 November 2018, and effective from 1 January 2019, and amended by Resolution of the Board dated 10 August 2020.

The Nomination Committee is a committee of the Board of Directors of Capital & Counties Properties PLC ("Capital & Counties") and answerable to the Board. The meetings and proceedings of the Committee shall be governed by the appropriate clauses of Capital & Counties' Articles of Association.

### **2. MEMBERSHIP AND ATTENDANCE**

Members of the Committee will be appointed by the Board and shall comprise:

- (a) the Chairman of the Company, the Chief Executive and a minimum of three non-Executive Directors;
- (b) a majority of independent non-Executive Directors.

The Committee will be chaired by either the Chairman of the company or in his absence by a non-Executive Director. The Chairman will not chair the Committee when it is dealing with the appointment of a successor to the Chairmanship. The quorum shall be two independent non-Executive Directors.

Other Directors may attend meetings by invitation of the Chairman or a majority of the Committee.

The company secretary shall act as secretary of the Committee and shall minute the proceedings and resolutions of all committee meetings.

At the beginning of any meeting, each Director should declare to the Secretary the existence of any conflict of interest affecting him in respect of any matter to be discussed and should absent himself from any discussion of any such matter.

The Chair of the Committee shall attend the AGM to answer any shareholder questions on the Committee's activities.

### **3. FREQUENCY OF MEETINGS**

At least once annually and as and when required by the Chairman or by a member of the Committee when any duties and responsibilities delegated to the Committee are to be considered.

### **4. REPORTING REQUIREMENTS**

Minutes of all meetings of the Nomination Committee shall be maintained and kept in a minute book designated for that purpose. The minutes, or a summary of them, shall be submitted to the Board of Directors of Capital & Counties at the next following full Board Meeting, unless it would be inappropriate to do so in the opinion of the Committee Chairman.

The agenda for each full Board Meeting shall provide an opportunity for the Chairman of the Nomination Committee to report verbally on any matters of importance arising from the Committee's activities.

The Committee will make a statement in the annual report about its activities as set out below, and report the frequency of, and attendance by members at, Nomination Committee meetings in the annual report.

## **5. DUTIES AND RESPONSIBILITIES**

To lead the process for appointments to the Board of the Company and make recommendations to the Board on any appointment or change in the composition of the Board, to ensure plans are in place for orderly succession to both the Board and senior management positions and the terms and conditions relating to any such appointment, and oversee the development of a diverse pipeline for succession.

Specifically, the Committee will:

- (i) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- (ii) before making an appointment, evaluate the balance of skills, knowledge, experience and diversity on the Board and, in light of this evaluation, prepare a description of the role, capabilities and time commitments required for a particular appointment;
- (iii) review annually the time required from a non-Executive Director. (Performance evaluation will be used to assess whether the non-Executive Directors are spending enough time to fulfil their duties);
- (iv) consider candidates:
  - from a wide range of backgrounds and look beyond the "usual suspects" to ensure that the Committee remains in touch with the marketplace;
  - on merit, against objective criteria and with due regard for the benefits of diversity on the Board, taking care that appointees have enough time available to devote to the position;
  - and where appropriate, use open advertising or the services of external advisers to facilitate in its search.
- (v) ensure plans are in place for orderly succession to both the Board and senior management, taking into account the challenges and opportunities facing the company and what skills and expertise are therefore needed on the Board in the future;
- (vi) regularly review the structure, size and composition (including the skills, knowledge, experience, diversity and independence) of the Board and make recommendations to the Board with regard to any changes;
- (vii) 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;

- (viii) make a statement in the annual report about its activities; the process used in relation to appointments, the Committee's approach to succession planning and how both support developing a diverse pipeline; how the 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 or will influence board composition; 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 the gender balance of those in the senior management and their direct reports, the membership of the Committee, number of committee meetings and attendance over the course of the year;
- (ix) make available its terms of reference to the public (on the Company's website) explaining clearly its role and the authority delegated to it by the Board. These will be reviewed annually and, where necessary, updated with the approval of the Board;
- (x) Ensure that prior to appointment a director should disclose and other significant time commitments and any other business interests that may result in a conflict of interests. Ensure that any future business interests that may result in a conflict of interest are not undertaken without prior authorisation in line with the Company's Articles of Association.
- (xi) 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;
- (xii) be responsible for undertaking the annual Performance Evaluation of the Board, its Committees and individual directors and for reviewing the results of such evaluation that relate to the Committee;
- (xiii) give due consideration to laws and regulation, the provision of the UK Corporate Governance Code and the requirements of the Financial Conduct Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules as appropriate; and
- (xiv) keep up-to-date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (xv) where an external search consultancy has been engaged, ensure that the external consultancy be identified in the annual report alongside a statement about any connection it has with the Company or Directors;
- (xvi) have access to sufficient resources to conduct its duties, including access to the Secretary;
- (xvii) Be provided with appropriate training.

The Chair of the Committee shall seek engagement with shareholders on significant matters related to the Committee's areas of responsibility as deemed appropriate.

The Committee is expected to make recommendations to the Board:

- (i) as regards plans for succession for Executive and non-Executive Directors and senior management positions;

- (ii) as regards the re-appointment of any non-Executive Director at the conclusion of his or her specified term of office, having given due regard to their performance and continued contribution in light of the knowledge, skills and experience required;
- (iii) concerning the annual re-election by shareholders of any Director, having due regard to their performance and ability and why their contribution is important to the Company's sustainable long-term success in light of the knowledge, skills and experience required;
- (iv) concerning any matters which may have a bearing on any Director continuing in office at any time;
- (v) concerning the appointment of any Director to Executive or other office other than to the positions of Chairman and Chief Executive, (the recommendation for which shall be considered at a meeting of the full Board);
- (vi) concerning membership of the audit and remuneration committees, and any other board committees as appropriate, in consultation with the chairman of those committees ;and
- (vii) any changes deemed necessary to succession planning if in the Committee's period assessment indicates the desired outcomes have not been achieved

## **6. AUTHORITY**

- (i) The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

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