

Terms of Reference of the Nomination Committee (the “Committee”)

Adopted by the Board on 05 March 2024

1. Constitution and Role

- 1.1. The Committee was constituted as a committee of the board of directors (“**Board**”) of IP Group plc (“**Company**”) in accordance with the Company’s articles of association.
- 1.2. The Committee has the delegated authority of the Board in respect of the functions and powers set out herein.
- 1.3. The Committee may sub-delegate any or all of its powers and authority as it thinks fit to one or more of its members or the Company Secretary, or to other members of the Board including, without limitation, the establishment of sub-committees which shall report back to the Committee or to the Board, as applicable.
- 1.4. The role of the Committee is to ensure that there is a formal, rigorous and transparent procedure for the appointment of new directors to the Board, to lead the process for Board appointments and the re-election and succession of directors and the Chair of the Board, and to make recommendations to the Board in connection therewith. The Committee’s key objective is to ensure that the Board comprises individuals with the necessary skills, knowledge and experience to ensure that the Board is effective in discharging its duties, including ensuring that plans are in place for orderly succession to positions on the Board and the senior leadership team (comprising, for this purpose, the Executive Directors, the CEO’s direct reports, the Company Secretary and Group General Counsel and any other persons/positions which the CEO may designate to be included from time to time) (the “**senior management**”), and overseeing the development of a diverse pipeline for succession. Further, the Committee is to assist the Board in ensuring its composition is regularly reviewed and refreshed, taking into account the length of service of the Board as a whole, so that it is effective and able to operate in the best interests of shareholders; and in doing so, the Committee shall work and liaise with other Board committees, as appropriate.

2. Duties

The Committee shall carry out the following duties for the Company and advise the Board appropriately:

2.1. Composition of the Board

The Committee shall:

- 2.1.1. regularly review the structure, size and composition (including the skills, experience, independence, knowledge and diversity) of the Board and its Committees, taking account of the Company’s strategic priorities and the matters affecting the Company in paragraph 2.1.3, and make recommendations to the Board with regard to any changes that are deemed necessary or appropriate;
- 2.1.2. keep under review the leadership needs of the organisation, relating both to the Board and senior management, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace and to deliver its purpose and strategy;
- 2.1.3. keep up to date and fully informed about strategic issues and commercial changes affecting the Company and its subsidiaries (together the “**Group**”) and the market in which it operates;
- 2.1.4. give consideration on an annual basis as to whether measurable objectives and targets for diversity and inclusion in relation to the Board and senior management positions should be set; and
- 2.1.5. review progress made to increase diversity and inclusion on the Board and the senior management team.

2.2. Succession Planning

The Committee shall:

- 2.2.1. give full consideration to succession planning for directors and other senior management in the course of its work, based on merit and objective criteria and taking into account the challenges and opportunities facing the Company, and the skills, experience, independence, knowledge and diversity needed on the Board in the future, the length of service of the Board as a whole and the need for its membership to be regularly refreshed;

- 2.2.2. oversee the development of a diverse and inclusive pipeline for succession, taking account of the challenges and opportunities affecting the Company and the skills and expertise needed on the Board in the future;
- 2.2.3. in conjunction with human resources and any other applicable group/committee, consider the setting of diversity and inclusion objectives and strategies for the Company as a whole and then monitor the impact and outcome of any agreed upon diversity and inclusion initiatives; and
- 2.2.4. satisfy itself that plans are in place for orderly succession for appointments to the Board, the Executive Committee and such other senior management positions within the Group as it may from time to time be requested to consider by the Board.

2.3. Appointments to the Board

The Committee shall:

- 2.3.1. be responsible for identifying and nominating for the Board's approval, candidates to fill Board vacancies (both executive and non-executive) as and when they arise;
- 2.3.2. consider proposals for the re-appointment or promotion of directors and also any proposal for their dismissal, retirement, non-re-appointment or any substantial change in their duties or responsibilities or the term of their appointment and make recommendations to the Board in connection therewith;
- 2.3.3. before the Board makes any appointment, evaluate the balance of skills, experience, independence, knowledge and diversity on the Board, and the future challenges affecting the Company, and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and the time commitment expected, as well as setting the process to identify, sift and interview suitable candidates;
- 2.3.4. in identifying suitable candidates, the Committee shall:
 - a) use such methods as it deems appropriate, including the use of open advertising, the services of external advisers or the Group's in-house executive search function to facilitate the search;
 - b) consider candidates from a diverse range of backgrounds; and
 - c) consider candidates on merit and against objective criteria and with due regard for promoting the benefits of diversity, inclusion and equal opportunity across a range of criteria on the Board, taking care that appointees have enough time available to devote to the position;
- 2.3.5. for the appointment of a Chair, prepare a job specification, including the time commitment expected;
- 2.3.6. before appointment, require proposed appointees, including the Chair, to disclose other significant commitments to the Board indicating the time involved and disclose any changes to commitments to the Board as they arise;
- 2.3.7. ensure that on appointment to the Board, non-executive directors (including the Chair) 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
- 2.3.8. keep under review the number of external directorships held by each director.

2.4. Induction and Training

The Committee shall:

- 2.4.1. ensure that all new directors undertake an appropriate induction programme so that they are fully informed about the Company's main areas of business activity, including those involving significant risk, and strategic priorities and commercial issues affecting the Company and the markets in which it operates as well as their duties and responsibilities as a director; and
- 2.4.2. consider any ongoing training requirements for the Board as a whole.

2.5. Conflicts of Interest

The Committee shall:

- 2.5.1. before the appointment of any director, require the proposed appointee to disclose 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;
- 2.5.2. consider and, if appropriate, authorise situational conflicts of interest of directors and potential directors;
- 2.5.3. keep under review at least annually potential conflicts of interests of directors disclosed to the Company and develop appropriate processes for managing such conflicts if the Committee considers this to be necessary;
- 2.5.4. at all times take care to minimise the risk of any conflict of interest within the Committee that might be seen to give rise to an unacceptable influence; and
- 2.5.5. instruct the Company Secretary to ascertain, at the beginning of each Board meeting, the existence of any conflicts of interest and minute them accordingly.

2.6. Board Performance Review

The Committee shall:

- 2.6.1. assist the Chair with the implementation of an annual performance review process to assess the overall performance and effectiveness of the Board and its committees, as well as the performance of individual Board members, including consideration of balance of skills, experience, independence and knowledge of the Board, its diversity, including gender, how the Board works together as a unit, and other factors relevant to the Board's effectiveness;
- 2.6.2. review the results of the Board performance review process that relate to the composition of the Board, its diversity and how effectively the members of the Board work together to achieve objectives;
- 2.6.3. ensure that the performance review of the Board is externally facilitated at least every three years or otherwise as may be required under the UK Corporate Governance Code (the "**Code**");
- 2.6.4. review the results of the performance review of the Committee; and
- 2.6.5. review annually each directors' significant commitments and the time required from non-executive directors in the performance of their duties, including the Chair and senior independent director. Performance reviews should be used to assess whether the non-executive directors are spending enough time on fulfilling their duties.

3. Board Recommendations

In addition to the above duties, the Committee shall also make the following recommendations to the Board, as appropriate.

3.1. Nominations and Succession Planning

The Committee shall make recommendations to the Board on:

- 3.1.1. the appointment of any director to executive or other office;
- 3.1.2. suitable candidates for the role of senior independent director;
- 3.1.3. membership and the role of chair of the Audit and Remuneration Committees, and any other Board committees as appropriate, in consultation with the chair of those committees; and
- 3.1.4. formulating succession plans for both executive and non-executive directors and in particular for the key roles of Chair and Chief Executive, bearing in mind, in particular, Provision 19 of the Code.

3.2. Re-appointment of Directors

The Committee shall make recommendations to the Board on:

- 3.2.1. 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 and the Company's long-term sustainable success, in the light of the knowledge, skills and experience required and the length of service of the Board as a whole and its membership being regularly refreshed; and
- 3.2.2. the annual re-election by shareholders of all directors in accordance with the Code or the retirement by rotation provisions in the articles of association, having regard to their performance and commitment to the role and their ability to continue to contribute to the Board in the light of the knowledge, independence, skills and experience 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 a whole.

3.3. Continuation of Office

- 3.3.1. The Committee shall make recommendations to the Board on 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.

4. Membership and Committee Chair

- 4.1. The Committee shall comprise at least three members, including the Chair of the Board and all of the independent non-executive directors in office from time to time. The Committee Chair shall review membership of the Committee annually, as part of the annual performance review of the Committee.
- 4.2. Appointments to the Committee are made by the Board on the recommendation of the Committee, in consultation with the Committee Chair, and shall be for a period of up to three years, which may be extended for further periods of up to three years, provided the member still meets the criteria for membership of the Committee.
- 4.3. The Board shall appoint the Committee Chairman, who shall be either the Chair of the Board or an independent non-executive director and determine the period for which the Committee Chair shall hold office.
- 4.4. In the absence of the Committee Chair and/or an appointed deputy, the senior independent director will chair meetings of the Committee or, in his or her absence, 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.
- 4.5. The Chair of the Board may express his or her views but shall not act as Committee Chair or be present when the Committee is dealing with the matter of succession to the chairpersonship.

5. Secretary

- 5.1. The Company Secretary (or his or her nominee) shall act as the secretary of the Committee and will provide all necessary support to the Committee, including ensuring that the Committee receives information and papers in a timely manner in order to enable full and proper consideration of the relevant issues.

6. Frequency and attendance at Meetings

- 6.1. The Committee shall meet at least twice a year and otherwise as the Committee Chair shall determine or as may be requested by any member of the Committee. Meetings shall, so far as is possible, be organised so that attendance is maximised (i.e., by timetabling them to coincide with Board meetings or other Company events at which the Board is in attendance (as the case may be)).
- 6.2. Only members of the Committee shall have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer, the Chief Financial and Operating Officer, the Group People Director and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary and with the agreement of the Committee Chair. The Committee shall have the discretion to decide who, other than Committee members, shall attend and address Committee meetings.

- 6.3. The Company Secretary shall ascertain, at the beginning of each Committee meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.4. Meetings of the Committee may be conducted when the members are physically present together or in the form of either audio or video conference.

7. Quorum

- 7.1. The quorum necessary for the transaction of business shall be two members present in person or by audio or video conference. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

8. Voting

- 8.1. Subject to paragraphs 8.3 and 8.3, each member of the Committee shall have one vote which may be cast on matters considered at the meeting.
- 8.2. Votes can only be cast by members attending a meeting of the Committee (whether in person or by audio or video conference).
- 8.3. If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.
- 8.4. The Committee Chair may ask any attendees of a Committee meeting to leave the meeting to allow discussions of matters relating to them.

9. Reporting Responsibilities

- 9.1. The Committee Chair shall report to the Board on its proceedings at the next Board meeting following each Committee meeting on all matters within its duties and responsibilities, and the minutes of all Committee meetings shall be made available to the Board on request.
- 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 required, and adequate time should be made available for Board discussion when necessary.
- 9.3. The Committee shall produce a report for shareholders to be included in the Company's annual report including any matters required by the Listing Rules and the Disclosure Guidance and Transparency Rules published by the Financial Conduct Authority and describing its work, including:
 - 9.3.1. its activities, the membership of the Committee, number of meetings and attendance over the course of the year;
 - 9.3.2. the process used to make appointments, its approach to succession planning and how both support developing a diverse pipeline;
 - 9.3.3. identifying in the annual report any external search consultancy that has been engaged, together with a statement about any other connection it has with the Company or individual directors;
 - 9.3.4. how the Board performance review has been conducted, the nature and extent of an external reviewer's contact with the Board and individual directors, the outcomes and actions taken, and its influence on Board composition; and
 - 9.3.5. identifying in the annual report any external reviewer together with a statement about any other connection it has with the Company or individual directors.
- 9.4. The report in paragraph 9.3 shall also include:
 - 9.4.1. a description of the Board's policy and any initiatives 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; and

9.4.2. a "comply or explain" statement on whether certain diversity targets have been met at board level, a table setting out numerical disclosure on the ethnic background and sex or gender identity of the Board, senior Board positions and executive management team, and an explanation of the Company's approach to collecting the data used for the purposes of making these disclosures .

9.5. The Committee shall ensure, through the Chair of the Board, that the Company maintains contact and the Committee Chair seeks engagement, as required, with the Company's major shareholders on significant matters related to the Committee's areas of responsibility.

9.6. The Committee shall make available these Terms of Reference on the Company's website.

10. Notice of Meetings

10.1. Meetings of the Committee shall be called by the Committee Chair or the Company Secretary (as secretary of the Committee) at the request of the Committee Chair. The agenda for the meetings will be determined by the Committee Chair, taking into account the views of the other members of the Committee as appropriate.

10.2. Unless otherwise agreed with the Committee Chair, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend and all other non-executive directors, no later than three (3) working days before the date of the meeting.

10.3. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time. Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

11. Minutes of Meetings

11.1. The Company Secretary, or their nominee, shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

11.2. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee Chair, it would be inappropriate to do so (including where a conflict of interest exists).

12. Annual General Meeting

12.1. The Committee Chair should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

13. Other Matters

The Committee shall:

13.1. have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;

13.2. 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;

13.3. in carrying out its duties, give due consideration to all relevant laws and regulations, and in particular the directors duties contained in the Companies Act 2006, the provisions of the Code and the requirements of the FCA's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules, as appropriate; and

13.4. arrange for periodic reviews of its own performance and, at least annually, review its membership and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

14. Authority

- 14.1. The Committee is authorised by the Board to carry out the duties set out in these Terms of Reference, to have unrestricted access to the Company's documents and information and to obtain, at the Company's expense, appropriate independent legal or other professional advice on any matters within these Terms of Reference, as necessary in order to perform its duties.
- 14.2. The Board authorises the Committee to seek any information it requires from any employee or director of the Company, and all such employees or directors will be directed to co-operate with any request made by the Committee.
- 14.3. The Committee is authorised by the Board to carry out the duties set out in these Terms of Reference, for the parent company, major subsidiary undertakings and the Group as a whole, as appropriate.
- 14.4. The Committee is authorised by the Board to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.

ENDS