



UBICO LIMITED

Governance and Nominations Committee Terms of Reference

DOCUMENT HISTORY

Document Location:	N:\Corporate\ELT\Board of Directors\Governance & Nominations Committee
---------------------------	--

This document has been approved by:

Date	Name
02/07/2020	Board of Directors
28/07/2023	Governance and Nominations Committee
28/09/2023	Board of Directors
22/02/2024	Board of Directors

Version Number	Version Date	Summary of Changes
1.0	02/07/2020	Version 1 – approved by the board of directors
2.0	28/09/2023	Amendment to point one under 'key responsibilities' to better reflect the requirements stated in the Shareholder Agreement. Add to the key responsibilities an annual review of the list of policies routinely presented for board approval. Increased minimum frequency of meetings to two per year.
3.0	January 2024	Amended to reflect requirements outlined in new board terms of reference.

Objective

The committee was constituted in 2020 and has the delegated authority of the board in respect of the functions and powers set out in these terms of reference.

The committee will provide support and guidance to the board of directors and oversee the company in the areas of governance, legal requirements, nominations and performance review processes, appointment processes for directors of the board, assessment of the constitution of the board, review of remuneration for directors and all relevant terms and conditions for employment contracts.

The committee will support the board in ensuring the company has the necessary financial, human and other resources in place to achieve its aims, priorities and plans, and in reviewing the company's key policies.

The board of directors will continue to be responsible for all decisions taken or actions carried out by or on behalf of the company.

Key responsibilities, duties and terms of reference

The committee will carry out the following duties for the company:

Area	Authority
Annual review of the composition of the board	To undertake an annual review of the structure, size, and composition of the board (including the skills, experience, independence, knowledge, and diversity) of the board and as appropriate make recommendations to the board with regard to any changes that are deemed necessary. To give consideration to succession planning for directors and other senior executives, taking into account the skills, experience, independence, knowledge and diversity needed on the board in the future.

Appointment to the board	<p>To be responsible for identifying and nominating for the board's approval, candidates to fill board vacancies as and when they arise.</p> <p>Ensure that all new directors undertake an appropriate induction programme to ensure that they are fully informed about their duties and responsibilities as a director.</p> <p>To consider any training requirements for the board as a whole.</p>
Board evaluation	<p>To approve the evaluation process for formal performance reviews to assess the overall and individual performance and effectiveness of the board and its committees, including consideration of balance of skills, experience, independence and knowledge of the company, how the board works together and other factors relevant to the boards effectiveness.</p>
Board of Directors mandatory agenda items	<p>To approve the mandatory list of board agenda items annually.</p>
Policies to be presented for board approval, and the recommended frequency of their review	<p>To approve the list of policies to be routinely presented for board approval and the frequency of their review.</p> <p>Make recommendations for updates to company policies to comply with changes in the law, statutory guidance and best practice principles.</p>
Director remuneration	<p>To determine and agree with the board the policy for the remuneration of the executive directors, the chair of the company and the committee members for recommendation to the shareholders at the AGM (EGM or by written resolution).</p>

The committee will consider other matters as directed from time to time by the board.

These terms of reference will be reviewed as a minimum every two years.

Authority

The committee shall follow procedures which are based on the provisions of the Articles and the Shareholders Agreement.

The board authorises the committee to carry out the key responsibilities set out in these terms of reference, to have access to the company's documents and information and to obtain outside legal or other independent professional advice provided that any costs are budgeted for, and the board are kept informed at all times.

The authority granted to the committees is subject to the following:

- The committees must refer any decisions back to the board if they might:
 - result in a significant change to company practice.
 - be challenged by shareholders or require shareholder approval.
 - result in an amendment to any current projects or business plan objectives previously approved by the board.
 - require the reassignment of significant staff, finances or other resources.
 - represent a material risk to the company or its shareholders.

Where any one of these criteria is met, the committee will refer the decision to the board with a clear recommendation.

The committee must be able to meet without paid staff being present where needed.

Membership

The committee shall comprise a chair and a minimum of three members, a majority of whom shall be independent non-executive directors:

- Vice chair of board
- Chair of board
- One independent non- executive director

- One LA non-executive director
- Managing director

The committee members will be nominated and elected by the board of directors.

The quorum necessary for the transaction of business at a committee meeting shall be three members one of whom should be the chair. In the event of difficulty in relation to achievement of a quorum, non-executive directors who are not members of the committee may attend.

Each member of the committee shall have one vote. Except where they have a personal interest the committee chair shall have a casting vote

Only committee members have the right to attend and vote at committee meetings. However, the managing director, employees and external advisors may be invited to attend and address meetings of the committee on a regular basis.

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. The members of the committee shall ascertain at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

Appointments to the committee shall be for a period of three years, extendable by no more than one additional three-year period, so long as members continue to be independent.

Chair

The board shall appoint the committee chair, who shall be a non-executive director, every three years, or sooner if the postholder stands down.

The chair of the committee shall not chair the committee when it is dealing with the matter of succession to the position of the chair.

Frequency of meetings

- The committee will meet twice a year as a minimum, one of the meetings to be at least two months prior to the AGM and a month prior to the board meeting before the AGM.
- Meeting papers will be circulated to committee members at least seven calendar days before the date of the meeting.

Reporting procedures

The managing director shall ensure that a minute taker is appointed to take formal minutes for each meeting. The minutes will be checked and approved prior to circulation by the committee chair.

The committee shall report to the board after each meeting on all matters within its duties and responsibilities and the minutes from all committee meetings shall be included in the board papers for the next scheduled board meeting.

Serviced by

The managing director will oversee the preparation of all relevant papers and be responsible for ensuring that the latest legislation, guidance and codes are implemented, where applicable.

The managing director and chair of the committee will jointly consider training requirements for committee members and the managing director will arrange for agreed training to be provided.