

# **ARTEMIS UK FUTURE LEADERS PLC**

## **Nomination Committee Terms of Reference**

### **1. Objective**

- 1.1 The general objective of the Nomination Committee is to regularly review the Board's structure and composition, and to make recommendations to the Board with regard to any changes or new appointments.

### **2. Authority**

The Board authorises the Committee within the scope of its responsibilities:

- 2.1. to seek any information it requires from any relevant employee of the Manager in order to perform its duties.
- 2.2. to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference, up to an initial level of £10,000 without reference to the Board.
- 2.3. give due consideration to all relevant laws and regulations, the provisions of the Code and associated guidance, the requirements of the FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules.
- 2.4. 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.
- 2.5. ensure periodic evaluation of the Committee's own performance is carried out.
- 2.6. at least annually, review the Committee's 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.

### **3. Membership**

- 3.1. The Committee shall be appointed by the Board and shall comprise a Chair and at least two other members.
- 3.2. Members of the Nomination Committee shall be non-executive directors the majority of whom, in the opinion of the Board, are independent of the Company, its Manager and its advisers.

- 3.3. The Committee's membership currently comprises all Directors.
- 3.4. The Board shall appoint the Committee Chair. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.
- 3.5. Care should be taken to minimise the risk of any conflict of interest that might be seen to give rise to an unacceptable influence on the outcomes of any discussions of the Committee.

#### **4. Secretary**

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

#### **5. Quorum**

- 5.1. The quorum necessary for the transaction of business shall be two. A duly convened meeting of the Nomination 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 Nomination Committee.

#### **6. Frequency of Meetings**

- 6.1. The Committee shall meet not less than once a year and at such other times as the Chair of the Nomination Committee shall require.

#### **7. Notice of Meetings**

- 7.1. Meetings of the Nomination Committee shall be summoned by the Secretary of the Committee at the request of the Chair of the Committee.
- 7.2. Unless otherwise agreed, 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 no fewer than five working days prior to the date of the meeting.

#### **8. Minutes of Meetings**

- 8.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 8.2. Minutes of Committee meetings shall be reviewed by the Chair prior to approval by the Committee.

## **9. Annual General Meeting**

- 9.1. The Chair of the Nomination Committee shall attend the Company's Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

## **10. Duties**

- 10.1. The Committee shall:
- 10.1.1. regularly review the structure, size and composition of the Board (including the balance of skills, knowledge, independence, experience and diversity of the Board, including gender) and make recommendations to the Board with regard to any adjustments that are deemed necessary;
  - 10.1.2. before any appointment is made to the Board, evaluate the balance of skills, knowledge, independence, experience and diversity on the Board and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
  - 10.1.3. be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
  - 10.1.4. satisfy itself with regard to succession planning, that the processes and plans are in place with regard to the Board;
  - 10.1.5. assess and articulate the time needed to fulfil the roles of chair, senior independent director and non-executive directors, and undertake an annual performance evaluation to ensure that all members of the board have devoted sufficient time to their duties;
  - 10.1.6. use open advertising or the services of external advisers to facilitate the search;
  - 10.1.7. consider candidates from a wide range of backgrounds;
  - 10.1.8. consider candidates on merit against objective criteria, having due regard to the benefits of diversity on the Board and taking care that appointees have enough time available to devote to the position;
  - 10.1.9. prior to the appointment of a director, other significant time commitments should be disclosed, and any additional future commitments should not be undertaken without prior approval of the Board. The proposed appointee should also be required to disclose any other business interests that may result in a conflict of interest. These must be authorised by the Board prior to appointment and any

future business interests that could result in a conflict of interest must not be undertaken without prior authorisation of the Board;

- 10.1.10. ensure that the Secretary, on behalf of the Board, has formally written to any appointees, detailing the role and time commitments and proposing an induction plan produced in conjunction with the Chair of the Committee; and
- 10.1.11. Review the results of the Board performance evaluation process that relate to the composition and succession planning;
- 10.2. It shall also make recommendations to the Board:
  - 10.2.1. Any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
  - 10.2.2. Suitable candidates as new directors and succession for existing directors;
  - 10.2.3. Membership of the Audit Committee and other board committees as appropriate, in consultation with the chair of those committees;
  - 10.2.4. the reappointment of Directors 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 the light of knowledge, skills and experience required;
  - 10.2.5. the re-election by shareholders of directors under the annual re-election provisions of the Code, 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 a whole.

## **11. Reporting Responsibilities**

- 11.1 The Committee Chair shall report to the Board after each meeting on the nature and content of its discussion recommendations and action to be taken.
- 11.2 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.
- 11.3 The Committee shall approve the text to be included in the Company's AFR describing the work of the Nomination Committee, including:

- 11.3.1 the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline;
  - 11.3.2 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
  - 11.3.3 the policy on diversity and inclusion and the gender balance of the Board
- 11.4 If an external search consultancy has been engaged, it should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors.