

**ELEMENTIS PLC –  
NOMINATION COMMITTEE TERMS OF REFERENCE**  
(approved by the Board on 8 December 2021)

**1. PURPOSE**

- 1.1 The purpose of the Committee is to regularly review the structure, size and composition of the Board and senior management.
- 1.2 The Committee must ensure that there are formal, rigorous and transparent procedures in place for succession planning and appointments.
- 1.3 Appointments to Board and senior management positions must be based on merit, against objective criteria whilst having due regard to the benefits of diversity, including gender, social and ethnic backgrounds.

**2. MEMBERSHIP**

- 2.1 The Committee shall be appointed by the Board and shall consist of the Company Chair and all Non-Executive Directors of the Board. A majority of the Committee shall be Independent Non-Executive Directors.
- 2.2 Only members of the Committee have the right to attend Committee meetings. A standing invitation is in place for the Chief Executive Officer (“the CEO”) to attend all Committee meetings, although this may be amended or withdrawn at any time by the Committee Chair. Other Executive Directors, senior management and external advisors may also be invited to attend for all or part of the meeting, as and when appropriate, with particular care being taken to recognise and avoid any conflicts of interest.
- 2.3 The Chair of the Committee shall be the Chair of the Board unless the Committee is dealing with the appointment of a successor to the chairmanship or reviewing the performance of the Chair in which case the Senior Independent Director will act as the Chair of the Committee.
- 2.4 Appointment to the Committee shall be for a period of up to three years, which may be extended by up to two further three year periods provided that the member continues to be an Independent Non-Executive Director.
- 2.5 The Chair and Committee members shall be listed on the Company’s website and each year in the Company’s Annual Report and Accounts.

**3. SECRETARY**

- 3.1 The Company Secretary or their nominee shall act as the Secretary of the Committee and shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

**4. RELATIONSHIP WITH THE BOARD**

- 4.1 The Board shall determine the role of the Committee and review its authority, terms of reference and scope of activity.
- 4.2 The Board shall review the effectiveness of the Committee on an annual basis.
- 4.3 Where there is a disagreement between the Committee and the Board, adequate time should be made available for discussion of the issue with a view to resolving the

disagreement. Where any such disagreements cannot be resolved, the Committee shall have the right to report the issue to the shareholders as part of the report on its activities in the annual report.

## **5. MEETINGS**

### **5.1 Quorum**

5.1.1 The quorum necessary for the transaction of the business by the Committee will be two Committee members, which for the avoidance of doubt, may include the Chair.

### **5.2 Frequency of Meetings**

5.2.1 Meetings shall be held at least two times per annum and at such other times as the Committee Chair shall require.

### **5.3 Notice of Meetings**

5.3.1 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.

5.3.2 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 and to any other person required to attend, in sufficient time to allow the committee to consider the papers and for the Board to follow up on any recommendations if necessary. Supporting papers shall be sent to the Committee members and to other attendees as appropriate, at the same time to enable proper consideration of matters by the Committee.

5.3.3 Members may participate in a meeting by means of telephone, video conferencing facility or other suitable communication equipment.

### **5.4 Minutes of Meetings**

5.4.1 The Secretary, or their Nominee, shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.

5.4.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee after a meeting. Once approved, minutes should be circulated to all other members of the Board and attendees unless the Committee Chair considers that it would be inappropriate to do so.

## **6. ENGAGEMENT WITH SHAREHOLDERS**

6.1 The Committee Chair shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

6.2 The Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

## **7. DUTIES**

7.1 The responsibilities of the Committee shall be to:-

- 7.1.1 Regularly review the structure, size and composition of the Board (including skills, knowledge, independence, experience and diversity) of the Board and to make recommendations to the Board with regard to any changes;
- 7.1.2 Carry out an annual performance evaluation, and a three-yearly externally facilitated performance evaluation, in order to assess whether a Non-Executive Director continues to contribute effectively and to demonstrate commitment to the role, such as spending enough time to fulfil their duties as a director as well as in connection with any other role (e.g. Chair of a Board Committee);
- 7.1.3 Led by the Senior Independent Director, appraise at least annually the performance of the Chair of the Board;
- 7.1.4 Give full consideration to succession planning for Directors and other Senior Executives, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future;
- 7.1.5 Prepare a job specification for a particular appointment, having carried out a comprehensive evaluation of the same, taking into account the balance of skills, knowledge and experience already on the Board, as well as the Code requirements on board diversity (including gender and broad range of backgrounds);
- 7.1.6 Prepare a job specification with regard to the appointment of a Chair, including an assessment of the time commitment expected. They should make sure that a Chair's other significant commitments are disclosed to the Board before appointment and these should also be included in the next Annual Report;
- 7.1.7 Identify and nominate for approval of the Board, candidates to fill any Board vacancies, as and when they arise, including recommending the re-appointment of Non-Executive Directors when their three yearly appointment terms come up for renewal (subject to Code requirements on independence) and certain members of the Senior Management team;
- 7.1.8 Ensure that on appointment to the Board, the Non-Executive Directors receive a formal letter of appointment setting out in clear terms what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings and the induction process. The Non-Executive Directors should undertake to the Company that they will have sufficient time to meet what is expected of them.
- 7.1.9 Keep under review any conflict or potential conflict of interest situations authorised by the Board in accordance with the Company's Articles of Association and determine whether it is appropriate for such matter to remain so authorised;
- 7.1.10 Keep under review the leadership 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;
- 7.1.11 Keep under review the number of external appointments and time commitments held by each Director and ensure any new appointments are approved by the Board, in advance of the appointment being accepted.

## **8. RECOMMENDATIONS TO THE BOARD**

- 8.1 The Committee shall also make the following recommendations to the Board concerning:-
  - 8.1.1 Succession planning for both Executive and Non-Executive Directors;

- 8.1.2 Suitable candidates for the role of Senior Independent Director;
- 8.1.3 Suitable candidates for the role of designated Non-Executive Director for workforce engagement;
- 8.1.4 The re-appointment of any non-executive director at the end of their specified term of office;
- 8.1.5. The re-election by shareholders of any director under the retirement by rotation provisions within the company's Articles of Association;
- 8.1.6 Any matters relating to the continuation in office of any Non-Executive Director at any time; and
- 8.1.7 The appointment of any Non-Executive Director to Executive Director or other office other than to the positions of the Company Chair and CEO.

## **9. REPORTING PROCEDURES**

- 9.1 The Secretary shall prepare the agenda and minutes of meetings of the Committee for circulation to all members of the Committee and the CEO. Any Director who is not a member of the Committee or who does not have a standing invitation to attend Committee meetings shall only be entitled to receive a copy of the agenda for any Committee meeting.
- 9.2 The Committee Chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.3 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.4 The Committee shall produce a report to be included within the Company's Annual Report about its activities, including:
  - 9.4.1 The membership of the Committee, the number of Committee meetings and attendance of members during the year;
  - 9.4.2 The process used to make appointments and explain if external advice or open advertising has been used. Where an external search consultant has been engaged, it shall be identified in the Annual Report and a statement should be added to state whether the consultant has any connection with the Company;
  - 9.4.3 The Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objective. The report should also include the gender balance of those in the Senior Management and their direct reports;
  - 9.4.4 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. Where an external evaluator has been engaged, it shall be identified in the Annual Report and a statement should be added to state whether the evaluator has any connection with the Company.

## **10. AUTHORITY**

- 10.1 The Committee shall be authorised, by the Board, to:

- 10.1.1 Lead the process for Board appointments and make recommendations to the Board;
- 10.1.2 Seek any information it requires from any employee of the Company in order to perform its duties;
- 10.1.3 Obtain, at the Company's expense, outside legal, financial or other independent professional advisers on any matters within its Terms of Reference and to secure the attendance of outsiders with relevant experience and expertise if it considers it necessary.

**11. OTHER MATTERS**

11.1 The Committee shall:

- 11.1.1 Have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required;
- 11.1.2 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 member;
- 11.1.3 Give due considering to laws and regulations, the provisions of the Code and the requirements of the Listing Rules, Prospectus Rules, Disclosure, Guidance, Transparency Rules and any other applicable rules, as appropriate;
- 11.1.4 Review, at least once a year, its performance, Constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it consider necessary to the Board for approval;
- 11.1.5 Make the Committee's Terms of Reference publicly available, explaining clearly the role and the authority delegated to it by the Board.

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