

Brooks Macdonald Group plc

Nominations Committee Terms of Reference

Chair: Maarten Slendebroek

Approval and Review Summary

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BROOKS MACDONALD

Nominations Committee

Terms of Reference

1. Purpose

The Brooks Macdonald Nominations Committee (the “Committee”) is a committee of the Board of Directors of Brooks Macdonald Group plc (the “Board”), the purpose of which is to:

- (a) help the Board to monitor the balance of skills, knowledge, experience and diversity on the Board, to recommend Board and Board Committee appointments based on merit and objective criteria and, within this context to promote diversity of gender, social and ethnic background, cognitive and personal strengths and to monitor succession planning at the senior management level; and
- (b) keep the Board’s governance arrangements under review and make appropriate recommendation to the Board to ensure that the Company’s arrangement are consistent with best practice corporate governance standards.

2. Scope

The scope of the Committee covers oversight of the effective management of Board appointments and oversight of senior management succession planning. (The term “senior management”, when used in these Terms of Reference shall mean (i) the members of the company’s Executive Management Committee; and (ii) any person appointed to the Board of a regulated subsidiary of Brooks Macdonald Group plc.)

3. Chair

- 3.1 The Chair of the Committee shall be a Non-Executive Director appointed by the Board.
- 3.2 In the event that the Chair of the Committee is not present, the members of the Committee present shall elect one of their number to chair the meeting (subject to 3.4, below).
- 3.3 The Chair will have the responsibility for overseeing and assessing the overall performance of the Committee, based on the responsibilities set out in section 10 and, in furtherance of this, will arrange for reviews of the Committee to be conducted at least annually.
- 3.4 The chairman of Brooks Macdonald Group plc may be appointed Chair of the Committee but may not chair any meeting of the Committee when the Committee is dealing with the appointment of a successor to the chairmanship of Brooks Macdonald Group plc.

4. Membership

- 4.1 The Committee shall comprise at least three members, being independent Non-Executive Directors of Brooks Macdonald Group plc, who shall be appointed by the Board

5. Attendees

- 5.1 Only members of the Committee have the right to attend Committee meetings. The Committee may invite any individual, to attend all or part of any meeting in whatever capacity the Chair of the Committee deems appropriate in order to assist the Committee in its duties.
- 5.2 No person invited to attend a meeting in accordance with 5.1 may attend the part of a Committee meeting at which their own position is being discussed.

6. Quorum

- 6.1 A meeting of the Committee will not be quorate unless at least two members of the Committee are present (either in person or by telephone, video conference, e-mail or other electronic means that facilitate the contemporaneous exchange of views).
- 6.2 A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the responsibilities and discretions vested in or exercisable by the Committee.

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7. Frequency of Meeting

- 7.1 The Committee shall meet as frequently as necessary to fulfil its duties and responsibilities.
- 7.2 Any member of the Committee may request that a meeting be convened but the convening of meetings will be at the absolute discretion of the Chair.

8. Minutes of Meeting

- 8.1 The secretary shall record the proceedings, decisions and actions arising of Committee meetings, including the names of those present and in attendance.
- 8.2 Draft minutes of a meeting shall be provided to the Chair of that meeting and, where appropriate, circulated to the members and other persons in attendance. Once approved, final copies of the minutes shall be maintained for the company's records.

9. Annual General Meeting ("AGM")

- 9.1 The Committee Chair should attend the AGM to answer any shareholder questions on the Committee's activities.

10. Responsibilities and Delegated Matters

Acting in its capacity as a Committee of the Board and of its regulated subsidiary companies, the Committee shall:

10.1 Composition of the Board and its Committees

- (i) Evaluate the balance of skills, experience, independence and knowledge on the Board and of its committees at least annually, taking into account the results of the Board evaluation process. The evaluation should include an assessment as to which of the non-executive members of the Board are considered independent (having regard to the member's independence from management and freedom from any business or other relationship which could materially interfere with the exercise of independent judgment) 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 whole.
- (ii) Recommend membership of the Board committees, in consultation with the chair of those committees.
- (iii) Be responsible for the appointment of the Senior Independent Director.

10.2 New Appointments

- (i) The Committee shall be responsible for leading the process for Board appointments and for identifying and nominating candidates for appointment as Directors of the Company.
- (ii) At the request of the Chair or of the Board, the Committee will evaluate the balance of skills, experience, independence, knowledge and diversity, on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment.
- (iii) In identifying suitable candidates the Committee would expect to use open advertising or the services of external advisers to facilitate the search.

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- (iv) 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.
- (v) The Committee will ensure that prospective non-executive Directors undertake that they will have sufficient time to fulfil their duties and that any significant new appointments outside the Group are subsequently disclosed to the Board for approval prior to their acceptance.

10.3 Significant Subsidiaries

The Committee shall be responsible for reviewing and recommending to the Board any material changes to the structure, size and composition of regulated subsidiary company boards.

10.4 Board Effectiveness

The Committee shall:

- (i) ensure that an annual performance evaluation is conducted of the composition, diversity and effectiveness of the Board and its committees and the contribution of each Director,
- (ii) ensure that the conclusions and recommendations arising from these reviews and evaluations of the Chair of the Board and Group Chief Executive Officer are reported to the Board;
- (iii) agree an action plan addressing the results of the Board effectiveness review, particularly in relation to any changes required to succession planning, and periodically review progress against the plan; and
- (iv) consider the effectiveness of each Board evaluation carried out.

10.5 Serving Directors

The Committee will:

- (i) Consider additional commitments of non-executive Directors during their tenure, especially where such commitments might affect the time the non-executive Director is able to devote to their role, and review annually the time commitment required of non-executive Directors, taking into account the assessment made in performance evaluations;
- (ii) Consider:
 - a) the independence of non-executive Directors and the individual's ability to perform his or her duties independently without undue influence from other persons; and
 - b) any matters relating to the continuation in office of any Director at any time.

In making these recommendations to the Board the Committee shall take into account the Director's performance and ability to contribute as well as the need for progressive refreshing of the Board.

- (iii) Consider any matters relating to the continuation of office of any Director at any time including the suspension and termination of service of an Executive Director as an employee of the Company subject to provisions of law and service contracts.

10.6 Legal and Regulatory Requirements

The Committee shall assist the Chair of the Committee, as required, in discharging his or her duties and complying with those requirements of statutory and regulatory bodies that affect the

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functions and responsibilities of the Board, as appropriate, including supporting the Chair of the Board in:

- (i) ensuring the Group's performance of its obligations under *Fitness and Propriety* (in the FCA Rulebook) in respect of its notified non-executive Directors, as applicable; and
- (ii) leading the development of and monitoring the effective implementation of policies and procedures for the induction, training and professional development of all members of the Board.

The Committee shall also ensure that appropriate internal policies and procedures are in place for assessing the suitability of Directors, members of the Executive Management Committee and other key personnel subject to regulatory approval.

10.7 Corporate Governance

The Committee shall work and liaise as necessary with other board committees, ensuring the interaction between committees and with the board is reviewed regularly.

10.8 Conflicts of Interest

The Committee:-

- (i) Will, with assistance from the Company Secretary, ensure that prospective non-executive Directors disclose any business interests that may result in any actual or potential conflict of interests with those of the Group prior to any offer of appointment being made and ensure they report any future business interest that could result in a conflict of interest;
- (ii) May consider and authorise, subject to ratification by the Board, any situational conflict in which a Director may have a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company;
- (iii) When considering the authorisation of these situations, the Committee will have regard to the possible time required to fulfil this, and all other outside commitments notified by the Director, and whether it could impede the Director from spending sufficient time to fulfil his or her obligations to the Company; and
- (iv) Will conduct an annual review of the Board Conflicts Register and review any disclosure relating to conflicts of interest to be made public.

10.9 Succession Planning

- (i) Maintain an effective process for orderly succession for appointments to the Board and to senior management, so as to maintain an appropriate balance of skills, experience, independence, knowledge and diversity within the company and on the Board and to ensure progressive refreshing of the Board.
- (ii) Ensure effective succession plans are in place for Board and senior management positions to cover immediate and short-term situations as well as longer-term replacements.

11. Reporting Responsibilities

11.1 The Committee will produce a report to be included in the Group's annual report about its activities, including

- (i) the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline

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- (ii) how board evaluation has been conducted, the nature and extent of any 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
 - (iii) 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
 - (iv) the gender balance of those in the senior management team and their direct reports.
- 11.2 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.
- 11.3 The Committee Chair shall provide a regular update to the Board on all matters within its duties and responsibilities. A verbal briefing is sufficient unless the Chair or Board consider a more formal update to be appropriate. The Committee may make recommendations to the Board as it deems appropriate on any area within its remit.

12. Ongoing support

The Committee shall have access to sufficient resources to enable it to carry out its duties;

- 12.1 At the expense of BM, the Committee will be able to select, appoint and agree the terms of appointment of any advisers deemed appropriate by the Committee to provide advice to the Committee, including those used by management provided no conflict of interest arises, and invite such advisers to attend meetings to assist the Committee.
- 12.2 The Committee must give due consideration to all applicable laws and regulations, including the UK Corporate Governance Code, together with any relevant developments or implementation of new requirements as advised by the Company Secretariat.