

**FERREXPO PLC**  
**(the "Company")**

**Nominations Committee Terms of Reference**

**Approved by the Board on 1 June 2007 and amended on 23 November 2017,  
4 December 2019 and on 29 July 2021**

**1. INTRODUCTION**

The board of directors of the Company (the "Board") hereby constitutes and establishes a Nominations Committee (the "Committee"). These terms of reference have been produced to identify and formalise the roles, tasks and responsibilities of the Committee for compliance with the UK guidance on corporate governance and to assist the Committee in achieving best practice in corporate governance.

**2. MEMBERSHIP**

- 2.1 The Committee shall be appointed by the Board and shall consist of a minimum of two members. A majority of the members shall be independent non-executive directors. The chair of the Board shall be a member of the Committee.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the chief executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
- 2.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided that the majority of the members of the Committee remain independent.
- 2.4 The Board shall appoint the chair of the Committee (who shall be either the chair of the Board or an independent non-executive director) and deputy chair. The chair of the Board shall not act as chair of the Committee when it is dealing with the matter of succession to the chairmanship. In the absence of the chair and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting.
- 2.5 If a regular member is unable to act due to absence, illness or any other cause, the chair of the Committee may appoint another director of the Company to serve as an alternate member having due regard to maintaining the required balance of executive and independent non-executive members.

**3. SECRETARY**

The company secretary or his/her nominee shall act as the secretary of the Committee.

**4. QUORUM**

The quorum necessary for the transaction of business shall be two members each of whom shall be the chair of the Board or an independent non-executive director. 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.

**5. FREQUENCY OF MEETINGS**

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

## **6. NOTICE OF MEETINGS**

- 6.1 Meetings of the Committee shall be summoned by the secretary of the Committee at the request of the chair of the Committee.
- 6.2 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, any other person required to attend and all other non-executive directors not less than five working days prior to the date of the meeting. Supporting papers shall be sent to members of the Committee, and to other attendees as appropriate, at the same time.

## **7. MINUTES OF MEETINGS**

- 7.1 The secretary shall prepare minutes of the proceedings and resolutions of all Committee meetings, including recording the names of those present and in attendance.
- 7.2 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the chair of the board and, once agreed, to all other members of the board, unless a conflict of interests exists.

## **8. ANNUAL GENERAL MEETING**

The chair of the Committee shall attend the annual general meeting and shall be prepared to respond to any questions from shareholders concerning the Committee's activities.

## **9. DUTIES**

- 9.1 The Committee shall:
- (a) regularly review the structure, size and composition (including the skills, knowledge, diversity and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
  - (b) give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board and among the senior executives in the future;
  - (c) be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
  - (d) ensure that succession planning and appointments to the Board whilst being based on merit and objective criteria promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths;
  - (e) before making an appointment, evaluate the balance of skills, knowledge, experience 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. In identifying suitable candidates, the Committee shall:
    - (i) use open advertising or the services of external advisers to facilitate the search;
    - (ii) consider candidates from a wide range of backgrounds; and
    - (iii) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including of gender, culture and ethnicity, taking care that appointees have enough time available to devote to the position;

- (f) for the appointment of a chair of the Board, the Committee should prepare a job specification, including the time commitment expected. A proposed chair's other significant commitments should be disclosed to the Board before appointment and any changes to the chair's commitments should be reported to the Board as they arise;
- (g) keep under review the leadership needs 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;
- (h) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (i) keep under review the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- (j) ensure that, 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;
- (k) review the results of the board performance evaluation process that relate to the composition of the board; and
- (l) make available its terms of reference explaining clearly its role and the authority delegated to it by the Board.

9.2 The Committee shall also make recommendations to the Board concerning:

- (a) plans for succession for both executive and non-executive directors and in particular for the key roles of chair and chief executive;
- (b) suitable candidates for the role of senior independent director;
- (c) membership of the audit and remuneration committees, in consultation with the chairs of those committees;
- (d) 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 in the light of the knowledge, skills and experience required;
- (e) the re-election by shareholders of any director under the annual re-election provisions of the Code or the "retirement by rotation" provisions in the Company's articles of association, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for the progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);
- (f) 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; and
- (g) the appointment of any director to executive or other office other than to the positions of chair and chief executive, the recommendation for which would be considered at a meeting of the full Board.

## **10. REPORTING RESPONSIBILITIES**

10.1 The chair of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

- 10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3 The Committee shall make a statement in the annual report about its activities including:
- (a) the process used in relation to appointments including an explanation if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the company;
  - (b) its approach to succession planning and how both appointments and succession planning support a diverse pipeline;
  - (c) where relevant, how the Board evaluation has been concluded, 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;
  - (d) 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
  - (e) the gender balance of those in senior management and their direct reports.

## 11. **OTHER MATTERS**

The Committee shall:

- 11.1 have access to sufficient resources in order to carry out its duties;
- 11.2 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;
- 11.3 at least once a year, review its own performance, 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.

## 12. **AUTHORITY**

- 12.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 12.2 In connection with its duties the Committee is authorised by the Board to obtain, at the Company's expense, any outside legal or other professional advice.