



PensionBee Nomination Committee Terms of Reference

Adopted by the Board of PensionBee Group on: 13 April 2022

The PensionBee Group **consists** of PensionBee Group PLC (the "**Parent**") and PensionBee Limited (the "**Subsidiary**").

1. Composition and meetings of the Nomination Committee

1.1 The Nomination Committee comprises not less than three directors of the Group, to be selected initially by the board of directors of the Group (the "**Board**") and then subsequently on the recommendation of the Nomination Committee. A majority of the members of the Nomination Committee should be non-executive directors who are independent in character and judgement and free from any relationships or circumstances which are likely to affect, or could appear to affect, the Committee member's judgement. Appointments to the Nomination 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 Nomination Committee remain independent. The Board must from time to time review the composition of the Nomination Committee to ensure that membership of the Nomination Committee rotates amongst the Group's non-executive directors.

1.2 If any member of the Nomination Committee is unable to act for any reason, the chair of the Nomination Committee may appoint any other non-executive director of the Group to act as their alternate.

1.3 The chair of the Nomination Committee, who should be the Chair of the Board or an independent non-executive director, shall be appointed by the Board. In the absence of the chair of the Nomination Committee, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chair of the Board should not chair the Nomination Committee when it is dealing with the appointment of a successor to the chairmanship.

1.4 The Group Company Secretary (or their nominees) shall be the secretary of the Nomination Committee and will ensure that the Nomination Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

1.5 The quorum for meetings of the Nomination Committee is two of its members both of whom must be independent non-executive directors.

1.6 No one other than a Committee Member is entitled to attend meetings of the Nomination Committee but others may attend by invitation. The head of human resources and external advisers may be invited to attend for one or part of any meetings as and when appropriate and necessary.

1.7 Meetings of the Nomination Committee are to be held not less than twice a year and at such other times as the chair of the Nomination Committee shall require. Any of the Committee members may request a meeting of the Nomination Committee if they consider it necessary, to be arranged by the secretary.

1.8 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 Nomination Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Nomination Committee members and to other attendees, as appropriate, at the same time.

2. Duties of the Nomination Committee

2.1 The duties of the Nomination Committee are:

2.1.1 to regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board (with particular regard to the balance of executive and non-executive directors, including independent non-executives) and to make recommendations to the Board with regard to any changes that the Nomination Committee considers necessary;

2.1.2 to put in place plans for the orderly succession of appointments to the Board and to senior management and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Group and the skills, experience and knowledge needed within the Group and on the Board in the future;

2.1.3 to ensure that both appointments and succession plans should be based on merit and objective criteria and, within this context, promote diversity of gender, social and ethnic background, cognitive and personal strengths;

2.1.4 to identify and nominate candidates, for the approval of the Board, to fill Board vacancies as and when they arise. In identifying suitable candidates, the Nomination Committee shall:

(a) use open advertising or the services of external advisers to facilitate the search;

(b) consider candidates from a wide range of backgrounds; and

(c) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board including gender, taking care that appointees have enough time to devote to the position;

- 2.1.5 to evaluate the balance of skills, knowledge, 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;
- 2.1.6 for the appointment of a chair, to prepare a job specification, including the time commitment expected;
- 2.1.7 to ensure that prior to any appointment to the Board, an appointee's significant commitments are disclosed to the Board with an indication of the time involved;
- 2.1.8 to consider requests for approval and to advise the Board where any director seeks consent to take on an additional external appointment, and to ensure that the reasons for permitting any significant appointment are disclosed in the annual report;
- 2.1.9 prior to the appointment of a director, to require any proposed appointee to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
- 2.1.10 to 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;
- 2.1.11 to keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates;
- 2.1.12 to review annually 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;
- 2.1.13 to ensure that on appointment non-executive directors receive a formal letter setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside of Board meetings;
- 2.1.14 to review the results of the Board performance evaluation process that relate to the composition of the Board and succession planning;
- 2.1.15 to ensure, in conjunction with the Chair of the Board, that new directors receive a full, formal and tailored induction;
- 2.1.16 to make recommendations to the Board concerning:
- (a) succession planning for both executive and non-executive directors and in particular for key roles of chair and chief executive, including any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;

- (b) suitable candidates as new directors and succession for existing directors, in particular for the role of senior independent director;
 - (c) the membership of the Audit and Remuneration Committees and any other Board committees as appropriate, in consultation with the chairs of those committees;
 - (d) the reappointment 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 continuation, or not, in service of an executive director as an executive or non-executive director having given due regard to their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required;
 - (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 Group subject to the provisions of the law and their service contract;
 - (g) the appointment of any director to executive or other office; and
 - (h) the re-election by shareholders of directors under the annual re-election provisions of the UK Corporate Governance Code, or the retirement by rotation provisions in the Group's articles of association, having due regard to their performance and ability, and why their contribution is important to the Group'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;
- 2.1.17 to 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;
- 2.1.18 working with Human Resources, to take an active role in setting and meeting diversity objectives and strategies for the Group, and in monitoring the impact of diversity initiatives;
- 2.1.19 to work and liaise as necessary with other Board committees, ensuring the interaction between committees and with the Board is reviewed regularly;
- 2.1.20 to make a statement in the annual report about its activities, the process used to make appointments and explain 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 Group. It shall explain 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. This report should also include a statement of the board's policy on diversity and inclusion, its objectives and linkage to the Group strategy, how it has been



implemented and progress on achieving the objectives and the gender balance of those in the senior management and their direct reports; and

2.1.21 to consider other matters as referred to the Nomination Committee by the Board.

3. Nomination Committee Chair

3.1 The Nomination Committee chair shall:

3.1.1 report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities; and

3.1.2 attend the Group's annual general meeting prepared to answer shareholders' questions on the Nomination Committee's activities and seek engagement with shareholders on significant matters related to the Nomination Committee's areas of responsibility.

4. Nomination Committee Secretary

4.1 The secretary shall:

4.1.1 minute the proceedings and resolutions of all meetings of the Nomination Committee, including recording the names of those present and in attendance;

4.1.2 ascertain, at the beginning of each meeting the existence of any conflicts of interest and minute them accordingly; and

4.1.3 promptly circulate minutes of Nomination Committee meetings to all members of the Nomination Committee and, once agreed, to all members of the Board, unless in the opinion of the committee chair, a conflict of interest exists.

5. Authorisation

5.1 The Nomination Committee is authorised by the Board:

5.1.1 at the Group's expense, to obtain such legal or other independent professional advice as it deems necessary to fulfil its responsibilities; and

5.1.2 to secure the attendance of other persons at its meetings if it considers this necessary.

6. Other matters

6.1 The Nomination Committee shall:

6.1.1 have access to sufficient resources in order to carry out its duties, including access to the Group Company Secretariat for assistance as required;

6.1.2 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 members;

6.1.3 give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the Financial Conduct Authority's Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules and any other applicable Rules, as appropriate; and

6.1.4 arrange for periodic reviews of its own performance and, at least annually, review its 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.