



CALISEN PLC

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

1. These terms of reference for the Nomination Committee (the “**Committee**”) have been adopted by the Board of Directors (the “**Board**”) of Calisen plc (the **Company**).

2. **PURPOSE**

The Committee shall assist the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is also responsible for periodically reviewing the Board’s structure and identifying potential candidates to be appointed as Directors or committee members as the need may arise.

3. **DUTIES AND RESPONSIBILITIES**

3.1. In furtherance of this purpose, the Committee shall have the following duties and responsibilities:

- (a) Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and Senior Management, defined as the first layer of management below the level of the Board and reporting to the Chief Executive including the Company Secretary and make recommendations to the Board for any changes;
- (b) Give full consideration to succession planning for the roles of the Chair of the Board, Chief Executive, other executive directors and Senior Management, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- (c) Keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
- (d) Keep up-to-date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (e) Be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- (f) Before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity of 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, taking care that appointees have enough time available to devote to the position;
- (g) For the appointment of a Chair of the Board, 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 must receive prior authorisation from the Board;
- (h) Prior to the appointment of a director, require the 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. Any conflicts must be authorised by the Board prior to appointment;
- (i) 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;
- (j) 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;
- (k) To oversee, with the Chair of the Board, a formal and rigorous annual evaluation of the performance of the Board, its committees and individual directors and, in particular, to determine with the Chair whether the Board evaluation should be externally facilitated (at least every three years);
- (l) To oversee diversity and inclusion across the Group (including but not limited to gender, age, sexual orientation, disability, race & ethnic origin, religion & faith, marital status, social, educational background and way of thinking) and to monitor progress made against objectives;
- (m) Review the results of the board performance evaluation process that relate to the composition of the Board and succession planning; and
- (n) To have oversight over talent development with a view to monitoring and overseeing the development of a diverse pipeline within the Group.

3.2. The Committee shall also make recommendations to the Board concerning:

- (a) formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Chair, Chief Executive, other Executive Directors and Senior Management positions;
- (b) any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
- (c) suitable candidates for the role of senior independent director;
- (d) membership of the Audit and Risk Committee, Remuneration Committee, Disclosure Committee and any change to the Executive Directors membership of the Investment Committee in consultation with the chair of those committees;
- (e) the re-appointment of any non-executive director, including the Chair, 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;
- (f) the re-election by shareholders of any director under the annual re-election provisions of the UK Corporate Governance 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 progressive refreshing of the Board;

- (g) 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
- (h) the appointment of any director to executive or other office.

4. MEMBERSHIP AND INDEPENDENCE REQUIREMENTS

- 4.1. The Committee shall consist of at least three (3) members. Members of the Committee shall be appointed by the Board in consultation with the chair of the Committee (the "**Committee Chair**"). The majority of the members of the Committee shall be independent non-executive directors.
- 4.2. As set out in the Relationship Agreement dated 7 February 2020 between Calisen plc and KKR Evergreen Aggregator L.P., (the "**Relationship Agreement**") for so long as the KKR Shareholder and/or any of its Associates, when taken together, hold 10 per cent or more of the Voting Rights of the Shares (and for the avoidance of doubt, Shares shall not, for so long as they are held in treasury by the Company, carry any Voting Rights), one KKR Director (or that Director's alternate) shall be entitled to be a member of the Committee provided that the quorum necessary for the transaction of business of the Committee shall include at least two (2) independent non-executive directors. The definitions used in this paragraph correspond to the definitions used in the Relationship Agreement.
- 4.3. The Company Secretary or his or her nominee shall act as the secretary of the Committee (the "**Committee Secretary**").
- 4.4. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chair of the Board, the Chief Executive Officer, Chief People Officer and external advisers may be invited to attend for all or any part of any meeting, as and when appropriate.
- 4.5. The Committee Chair shall be appointed by the Board. The Chair of the Board or an independent non-executive director should be the Committee Chair. The Committee Chair shall be entitled to chair all regular sessions of the Committee and add topics to the agenda. In the absence of the Committee Chair, the remaining members present (in person or by telephone or video conference) shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed as Committee Chair, although the Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chair.
- 4.6. Appointments to the Committee shall be for a period of three (3) years, which may be extended by no more than two (2) additional three (3) year periods, provided that the director still meets the criteria for membership of the Committee.

5. MEETINGS

- 5.1. The Committee shall meet at least twice a year, or more frequently as circumstances dictate, and all Committee members shall strive to be present at all Committee meetings. The Committee meetings shall follow a set agenda established by the Committee.
- 5.2. Two (2) independent Committee members, acting in person, who may be linked by telephone or video conference facilities or by proxy, shall constitute a quorum. 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.

6. NOTICE OF MEETINGS

- 6.1. Meetings of the Committee shall be convened by the Committee Secretary at the request of the Committee Chair.
- 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 (if appropriate) no later than three working days before the date of the meeting. Supporting papers shall be sent to Committee members and to the attendees as appropriate, at the same time.

7. REPORTING PROCEDURES

- 7.1. The Committee Secretary shall prepare and circulate the minutes of the meetings of the Committee to all members of the Committee and maintain a minute book containing minutes for meetings signed by the chair of the meeting.
- 7.2. The Committee shall report its actions and recommendations to the Board after each Committee meeting, including reporting on how it has discharged its responsibilities, and, once agreed upon by the Committee, shall provide to the Board a copy of the minutes, unless in the opinion of the Committee Chair it would be inappropriate to do so. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 7.3. The Committee will ensure that provisions regarding disclosure of information, as set out in the Companies Act 2006, the UK Corporate Governance Code and any other relevant laws, regulations and codes of practice, are fulfilled and shall produce a report to be included in the Company's annual report and accounts, which should include:
 - (a) a description of the activities of the Committee;
 - (b) a description of how the Board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual directors (and the identity of an external evaluator), the outcomes and actions taken, and how it has or will influence Board composition;
 - (c) a description of the process used to make appointments, the Committee's approach to succession planning and how both support developing a diverse pipeline;
 - (d) if external advice or open advertising has not been used for appointments, an explanation of this decision. 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, the outcomes and actions taken, and how it has or will influence Board composition;
 - (e) a statement of the Board's policy on diversity and inclusion, its objectives and linkage to Company strategy, how it has been implemented and progress on achieving the objectives; and
 - (f) a statement detailing the gender balance of Senior Management and their direct reports.
- 7.4. The Committee Chair should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.
- 7.5. The terms of reference of the Committee will be made available on the Company's website.

8. ANNUAL PERFORMANCE EVALUATION

The Committee shall, 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.

9. OUTSIDE ADVISERS

The Committee shall have the authority to retain, at the Company's expense, outside legal, accounting, or other advisers or experts it deems necessary to perform its duties. The Committee shall retain these advisers without seeking Board approval and shall have sole authority to approve related fees and retention terms. The Committee shall receive appropriate funding from the Company for payment of fees to outside advisers engaged by the Committee.

10. AUTHORITY

10.1. The Committee is authorised by the Board to (i) seek any information it requires from any employee of the Company in order to perform its duties, and (ii) call any employee to attend a meeting of the Committee as and when required.

10.2. The Committee shall oversee any investigation of activities which are within its Terms of Reference.

11. OTHER MATTERS

The Committee shall:

11.1. have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;

11.2. be provided with appropriate and timely training from suitably qualified external advisers, for new members and on an on-going basis, to ensure that the Committee remains up to date with developments.

11.3. give due consideration to all relevant laws, regulations and codes of practice, including but not limited to, the provisions of the UK Corporate Governance Code, the Companies Act 2006 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;

11.4. work and liaise as necessary with all other Board committees; and

11.5. consider other matters as referred to the Committee by the Board.

As approved by the Board on 30 July 2020.