

MCBRIDE PLC

THE NOMINATION COMMITTEE TERMS OF REFERENCE

(as adopted by the Board of Directors of McBride plc (the 'Board') on 14 April 2021)

The following are the terms of reference of the Nomination Committee (the '**Nomination Committee**') of McBride plc (the '**Company**') and its subsidiaries (together, the '**Group**').

1. Membership

- 1.1. Members of the Nomination Committee shall be appointed by the Board. The Nomination Committee shall be made up of at least three members. All of them shall be independent non-executive directors of the Company.
- 1.2. The chair of the Board shall act as Chair of the Nomination Committee (the '**Chair**') and, in his absence, the remaining members present at the meeting shall elect one of their number to chair the meeting. The chair of the Board shall not chair the Nomination Committee when it is dealing with the matter of succession to the chairmanship of the Board.
- 1.3. Only members of the Nomination Committee have the right to attend Nomination Committee meetings. However, other directors and other individuals (including representatives of external advisers) may be invited to attend for all or part of any meeting as and when appropriate in the opinion of the Nomination Committee's Chair or the majority of its members.
- 1.4. Membership of the Nomination Committee shall be periodically refreshed. Appointments shall be for a period of up to three years (subject to the election and re-election provisions in the Company's constitution and in the UK Corporate Governance Code) which may be extended for further periods of up to three years each, provided the Director concerned still satisfies the criteria (were he to be a new member) for appointment to the Nomination Committee.

2. Secretary

The Company Secretary, or any other person selected for the task by the Nomination Committee, shall act as the Secretary of the Nomination Committee. The Secretary 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.

3. Quorum

The quorum necessary for the transaction of business shall be two members, both of whom shall be independent non-executive directors. A duly convened meeting of the Nomination 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 Nomination Committee.

4. Frequency of Meetings

The Nomination Committee shall meet at least twice a year and at such other times as the Chair of the Nomination Committee or any member of the Nomination Committee shall require.

5. Engagement with shareholders

5.1. The Chair of the Nomination Committee shall attend the Company's Annual General Meeting and be prepared to respond to any shareholder questions on the Nomination Committee's activities. The Nomination Committee Chair may make a statement at the Annual General Meeting on the activities and achievements of the Nomination Committee during the year.

5.2. In addition, the Nomination Committee Chair should seek engagement with shareholders on significant matters related to the Nomination Committee's areas of responsibility.

6. Notice of Meetings

6.1. Meetings of the Nomination Committee shall be called by the Secretary of the Nomination Committee at the request of the Chair of the Nomination Committee or any member of the Nomination Committee.

6.2. Unless otherwise agreed by the Nomination Committee, 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, any other person required to attend and all other non-executive Directors, no later than five business days before the date of the meeting. The Chair shall have the sole discretion to reduce the above notice period to whatever the Chair considers appropriate in the circumstances. Supporting papers shall be sent to Nomination Committee members and to other attendees, as appropriate at the same time. Such information and papers can be sent in electronic form.

7. Minutes of meetings

7.1. The Secretary shall minute the proceedings and resolutions of all Nomination Committee meetings, including the names of those present and in attendance.

7.2. Draft minutes of the Nomination Committee meetings shall be agreed with the Nomination Committee Chair and then circulated promptly to all members of the Nomination Committee. Once approved, minutes should be circulated, to all other members of the Board, other than where, in the opinion of the Nomination Committee Chair, it would be inappropriate to do so.

8. Duties

- 8.1. The Nomination Committee will carry out the duties below for the Group as a whole, as appropriate. In carrying out these duties, the members of the Nomination Committee must comply with their duty under section 172 of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, whilst having regard to the interests of employees, stakeholders and other matters as required by section 172.
- 8.2. The Nomination Committee shall:
 - 8.2.1. regularly review the structure, size and composition (including the skills, knowledge, experience, diversity and independence) of the Board and make recommendations to the Board with regard to any changes required to execute strategy and to meet future challenges and opportunities facing the Company and its subsidiaries;
 - 8.2.2. in making its recommendations to the Board, have regard to the Chair of the Board's vision for achieving optimal Board composition and assess periodically whether the desired outcome has been achieved;
 - 8.2.3. be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
 - 8.2.4. before any appointment is made by the Board, 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 (including the time commitment) required for a particular appointment and agree the process to be undertaken to identify, sift and interview suitable candidates. In identifying suitable candidates, the Nomination Committee shall:
 - 8.2.4.1. use open advertising or the services of external advisers to facilitate the search, where appropriate, while having due regard to internal talent and capability;
 - 8.2.4.2. consider other ways in which it can access a more diverse pool of candidates from which to appoint;
 - 8.2.4.3. consider candidates from a wide range of backgrounds; and
 - 8.2.4.4. consider candidates on merit and against objective criteria and, within that context, promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths and taking care that appointees have enough time available to devote to the position.
 - 8.2.5. require that a proposed candidate's significant commitments are disclosed to the Board with an indication of the time involved before appointment and that, following appointment, any additional external appointments should not be undertaken without prior approval of the Board;

- 8.2.6. require that a proposed candidate discloses to the Board before appointment any business or other interests which the proposed candidate has which could result in a conflict of interest for him or her as a member of the Board. This must be authorised by the Board prior to appointment and any future business interests that could result in a conflict of interest must not be undertaken without prior authorisation to the Board;
- 8.2.7. 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;
- 8.2.8. keep under review Company's leadership needs, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the market place.
- 8.2.9. ensure progressive refreshing of the Board and ensure that plans are in place for orderly succession to both Board and senior management positions (being members of the Executive Committee including the Company Secretary), and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Company, the skills and expertise needed on the board in the future, and initiatives to develop and manage internal talent capability. Succession plans must be based on merit and against objective criteria and, within the context, promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths;
- 8.2.10. make recommendations to the Board concerning succession plans for both Board and senior management positions (including the Company Secretary) and in particular for the key roles of Board Chair and Chief Executive Officer (but see 8.2.6 below);
- 8.2.11. review and monitor the Board's policy and practices as regards diversity, taking an active role in the setting and meeting of diversity objectives and strategies for the Group as a whole and the monitoring of the impact of diversity initiatives;
- 8.2.12. consider and set the criteria for the objective and rigorous annual evaluation of the performance of the Board, each Board committee and each individual Director, and consider whether the performance evaluation should be externally facilitated periodically;
- 8.2.13. consider ways in which the performance evaluation process might obtain a broad range of feedback from the workforce and other stakeholders on the performance of the Board, its committees and individual Directors;
- 8.2.14. ensure that the conclusions and recommendations arising out of the annual performance evaluation process are reported to the Board and inform and influence succession planning;

- 8.2.15. agree an action plan addressing the results of the annual performance evaluation process and periodically review progress against the plan;
 - 8.2.16. review annually the time required from non-executive Directors and evaluate annually whether each non-executive Director is spending enough time to fulfil his/her duties;
 - 8.2.17. periodically review whether it is appropriate to set limits on the number and scale of other appointments it considers the Chair of the Board and other non-executive Directors may take on without compromising their effectiveness as members of the Board;
 - 8.2.18. periodically review the director induction programme and induction pack to ensure that the induction programme is fit for purpose and takes into account any changes to legislation or the UK Corporate Governance Code;
 - 8.2.19. in the course of its work, take account of the Company's strategic priorities and the main trends and factors affecting the Group's long-term success and future viability and the markets in which it operates; and
 - 8.2.20. work and liaise as necessary with all other Board committees.
- 8.3. The Nomination Committee shall also make recommendations to the Board concerning:
- 8.3.1. any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
 - 8.3.2. suitable candidates for new directors, the role of senior independent director, and succession for existing directors;
 - 8.3.3. membership of the Audit and Remuneration Committees, and any other Board committees as appropriate, in consultation with the Chair of those committees;
 - 8.3.4. the re-appointment of any non-executive Director at the conclusion of his specified term of office having given due regard to his performance, ability to continue to contribute to the Board in the light of the knowledge, skills, experience and independence required, and the importance of his/her contribution to the Company's long-term sustainable success;
 - 8.3.5. the election and re-election by shareholders of any Director under the Company's Articles of Association or under the UK Corporate Governance Code, having due regard to their performance, ability to continue to contribute to the Board in the light of the knowledge, skills, experience and independence required and the importance of his/her contribution to the Company's long-term sustainable success and the need for progressive refreshing of the Board;

8.3.6. 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 his service contract; and

8.3.7. the proposed appointment of any Director to executive or other office with any Group undertaking other than to the positions of Chair of the Board and Chief Executive Officer, the recommendation for which would be considered at a meeting of the Board.

9. Reporting Responsibilities

9.1. The Nomination Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

9.2. The Nomination Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where it considers action or improvement is needed, and adequate time should be made available for board discussion where necessary.

9.3. The Nomination Committee shall produce a report to be included in the Company's annual report describing its work, including:

9.3.1. the process used in relation to appointments, its approach to succession planning and how it supports developing a diverse pipeline;

9.3.2. how the annual performance evaluation process 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 or will influence Board composition;

9.3.3. the policy on diversity and inclusion, its objectives and linkage to the Company's strategy, how it has been implemented and progress on achieving those objectives;

9.3.4. the gender balance of those in senior management and their direct reports;

9.3.5. where a non-executive Director has been deemed to be independent notwithstanding the existence of any of the circumstances set out in Provision 10 of the UK Corporate Governance Code 2018 (or other relevant circumstances), considered likely to impair such independence, a clear explanation for this decision is provided;

9.3.6. where a Director has been authorised by the Board to accept a significant external appointment, the reasons for giving such authorisation;

9.3.7. where the Chair has remained in post beyond nine years from the date of their first appointment to the board, a clear explanation to be provided; and

9.3.8. the identity of any external search consultancy used and a statement whether such party has any other connection with the Company.

9.4. Where there is disagreement between the Nomination 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 disagreement cannot be resolved, the Nomination Committee shall have the right to report the issue to the Company's shareholders as part of the report on its activities in the annual report.

10. Other

The Nomination Committee shall:

- 10.1. have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
- 10.2. 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;
- 10.3. give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate; and
- 10.4. arrange for periodic reviews of its own performance and, at least once a year, 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.

11. Authority

The Nomination Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.