



GBG

**Environmental, Social and
Governance (ESG)
Committee
Terms of Reference**

1. Membership

- 1.1 The main purpose of the Committee is to represent the Board in defining the Group's strategy relating to ESG matters and in reviewing the practices and initiatives of the Group relating to ESG matters ensuring they remain effective and up to date. In these terms of reference "ESG matters" or "ESG" refers to the following areas:
- 1.1.1 **Environmental:** the Group's impact on the natural environment and its response to the challenge of climate change including; greenhouse gas emissions, energy consumption, generation and use of renewable energy, pollution prevention, efficient use of resources, the reduction and management of waste and the environmental impact of the Group's supply chain;
- 1.1.2 **Social:** the Group's relationships and interactions with employees, customers, suppliers, stakeholders and the communities in which it operates as well as the role of the Group in society, policies, ethical procurement, any social or community projects undertaken by the Group and social aspects of the supply chain, community and stakeholder engagement or partnerships; and
- 1.1.3 **Governance:** the ethical conduct of the Group's business including its corporate governance framework (including compliance with the Quoted Companies Alliance), codes of conduct, counterparty due diligence and onboarding policies and procedures, the management of bribery, corruption and money laundering risk and the transparency of reporting

2. Membership

- 2.1 The Committee shall comprise at least two members the majority of whom are independent non-executive directors. Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chair of the ESG Committee.
- 2.2 An independent non-executive director of the Group will be elected the Chair of the Committee. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 2.3 An independent non-executive director of the Group will be elected, by the Board, the Chair of the Committee.
- 2.4 In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

3. Secretary

The Group Secretary, or his or her nominee, shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the matters under discussion.

4. Quorum

The quorum necessary for the transaction of business shall be two members.

5. Frequency of Meetings

- 5.1 The Committee shall meet at least three times a year at appropriate intervals and at such other times as the Chair of the Committee shall require.
- 5.2 Only members of the Committee and the Secretary of the Committee have the right to attend Committee meetings. However, other individuals including the Chair of the Board (where not a member of the Committee), the Chief Executive (where not a member of the Committee), ESG Representatives and external advisers may be invited by the Chair of the Committee to attend for all or part of any meeting when considered appropriate.
- 5.3 Outside of the formal meeting agendas, the Committee Chair will maintain a regular dialogue with key individuals from different areas of the business involved in the Group's ESG programme (ESG Representatives).
- 5.4 Members may participate in a meeting of the Committee by means of a telephone or video conferencing facility.

6. Notice of Meetings

- 6.1 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any of its members.
- 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, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

7. Minutes of Meetings

- 7.1 The secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chair.

8. Annual General Meeting

The Committee Chair should attend the annual general meeting to answer shareholder questions on the Committee's activities.

9. Decisions of the Committee

Any decisions of the Committee shall be taken on a simple majority basis. The Chair shall have a casting vote in the event of there being no majority.

10. Duties

The Committee should carry out the duties below for the Group as a whole and as appropriate.

- 10.1. To oversee the development of and to make recommendations to the Board regarding the Group's ESG strategy.
- 10.2 To oversee the establishment of policies and codes of practice and their effective implementation and to monitor and review their ongoing relevance, effectiveness, and further development.
- 10.3. To identify the relevant ESG matters that do or are likely to affect the operation of the Group and/or its strategy.
- 10.4. Ensure that the Group monitors and reviews current and emerging ESG trends, relevant international standards and legislative requirements; identifies how those are likely to impact on the strategy, operations, and reputation of the Group; and determines whether and how these are incorporated into or reflected in the Group's ESG policies and objectives.
- 10.5. To set appropriate strategic goals, as well as shorter term KPI's and associated targets related to ESG matters and oversee the ongoing measurement and reporting of performance against those KPI's and targets.
- 10.6. Work in conjunction with the Audit & Risk Committee, to oversee the identification and mitigation of risks relating to ESG, as well as the identification of opportunities related to ESG matters.
- 10.7. Make recommendations to the Board in relation to the required resourcing and funding of ESG related activities, and on behalf of the Board, oversee the deployment and control of any resources and funds.
- 10.8. To oversee the Group's engagement with its broader stakeholder community, working with the Chief People Officer in the case of team members.
- 10.9. To ensure that the Group provides appropriate information and is transparent regarding its ESG related policies with the investment community, particularly ethical/socially conscious investment funds, by whatever means are deemed to be most effective.
- 10.10. Work and liaise as necessary with all other board committees.

11. Reporting Responsibilities

The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.

- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 11.3 The Committee shall oversee the production of an annual report of the Company's ESG strategy, policies and practices, which will form part of the Company's annual report.

12. Other Matters

The Committee shall:

- 12.1 have access to sufficient resources in order to carry out its duties, including access to the Group Secretariat for assistance as required;
- 12.2 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;
- 12.3 oversee any investigation of activities which are within its terms of reference;
- 12.4 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.

13. Authority

The Committee is authorised to:

- 13.1 seek any information it requires from any employee of the Group in order to perform its duties;
- 13.2 obtain, at the Group's expense, independent legal or other professional advice on any matter it believes it necessary to do so;
- 13.3 call any employee to attend a meeting of the Committee as and when required;
- 13.4 commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties; and
- 13.5 negotiate terms and appoint ESG consultants subject to prior Board consultation and approval.