

**Malin Corporation plc (the "Company")**

**Terms of reference for the Nominations & Governance Committee (the "Committee")**

**of the Board of Directors (the "Board")**

**Adopted by the Board on 20<sup>th</sup> March 2020**

There shall be established a committee of the Board, duly constituted in accordance with the main provisions of, the Quoted Companies Alliance Corporate Governance Code for Small to Mid-size Quoted Companies (the "QCA Code") and the Company's Constitution, to be known as the Nominations & Governance Committee.

**1. MEMBERSHIP**

- 1.1. Members of the Committee shall be appointed by the Board. The Committee shall be made up of at least two non-executive directors of the Board, at least one of whom shall be an independent non-executive director.
- 1.2. Members of the committee have the right to attend committee meetings. All other directors of the Company shall have a standing invitation but not an obligation to attend Committee meetings subject to discussing their attendance with the Committee Chairman prior to the relevant meeting. Other representatives from the service providers to the Company may be invited to attend all or part of any meeting as and when appropriate and necessary.
- 1.3. Appointments to the Committee shall be for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to meet the criteria for membership of the Committee.
- 1.4. The Board shall appoint the Committee chairman. In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board.
- 1.5. The Board will have the authority to remove any Committee member at any time without cause.

**2. SECRETARY**

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

**3. MEETINGS**

- 3.1. The quorum necessary for the transaction of business shall be two members, one of whom must be 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.
- 3.2. The Committee shall meet at least once a year and otherwise as required.
- 3.3. Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chairman.
- 3.4. 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 and any other person required to attend, if any, 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.

- 3.5. The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. 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.

#### **4. ANNUAL GENERAL MEETING**

The Committee chairman should attend the annual general meeting of the Company to answer any shareholder questions on the Committee's activities.

#### **5. DUTIES**

The Committee should carry out the duties below in respect of the Company and, where appropriate, reference to the Company includes its subsidiaries and the group as a whole:

##### **5.1. Nominations Obligations:**

The Committee shall:

- 5.1.1. regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes;
- 5.1.2. assess the effectiveness and performance of the Board and each of its Committees including consideration of the balance of skills, experience, independence and knowledge of the Company on the Board, its diversity, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness;
- 5.1.3. give full consideration to succession planning for directors and other senior executives of the Company, if any, in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future, in particular with respect to the chairman of the Company and prepare, with the Chief Executive Officer of the Company, a short-term succession plan on a continuous basis, which sets out a temporary delegation of authority if some or all of the senior officers become unable to perform their duties;
- 5.1.4. be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- 5.1.5. conduct annual evaluations of the Chairman of the Board and the Chief Executive Officer, the results of which will be reviewed with the independent directors;
- 5.1.6. before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience, independence 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:
  - (1) shall have the option (but not the obligation) use open advertising or the services of external advisers to facilitate the search;
  - (2) shall consider candidates from a wide range of backgrounds; and
  - (3) shall 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 available to devote to the position.
- 5.1.7. for the appointment of a chairman of the Company, the Committee should prepare a job specification, including the time commitment expected, recognising the need for availability in

the event of crises. The proposed chairman's other significant commitments should be disclosed to the Board before the appointment and any changes to the chairman's commitments should be reported to the Board as they arise;

- 5.1.8. prior to the appointment of a director, the proposed appointee should be required 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;
- 5.1.9. 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;
- 5.1.10. develop and monitor an appropriate orientation program for new directors and a program of ongoing education for all directors;
- 5.1.11. review the results of the Board performance evaluation process that relate to the composition of the Board;
- 5.1.12. review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending appropriate time to fulfill their duties;
- 5.1.13. keep under review the leadership needs of the Company with a view to ensuring the continued ability of the Company to compete effectively in the marketplace; and
- 5.1.14. consider such other matters as may be requested by the Board of directors.

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

- 5.2.1. formulating plans for succession for non-executive directors and in particular for the key role of chairman of the Company;
- 5.2.2. suitable candidates for the role of Lead Independent Director, if required;
- 5.2.3. membership of the Audit, Remuneration and Nominations & Governance committees and any other Board committees as appropriate, in consultation with the chairmen of those committees;
- 5.2.4. the re-appointment of any non-executive director of the Company 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;
- 5.2.5. the re-election by shareholders of directors under the retirement by rotation provisions in the Company's Constitution, 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 (particularly in relation to directors being re-elected for a term beyond nine years); and
- 5.2.6. any matters relating to the continuation in office of any director at any time, including, if applicable, the suspension or termination of service of a director as an employee of the Company subject to the provisions of the law and their service contract.

### 5.3. **Corporate Governance Obligations**

The Committee shall:

- 5.3.1. oversee an annual self-evaluation by the Board and its committees to determine whether the Board and its committees are functioning effectively. The Committee shall determine the

nature of these evaluations, supervise the conduct of the evaluations and prepare an assessment of the Board's and each committee's performance; and

- 5.3.2. approve the terms of reference for any external person or agency engaged to facilitate the evaluation of Board performance; and
- 5.3.3. keep under review and challenge where necessary the policies and procedures of the Nominations & Governance Committee.
- 5.3.4. ensure compliance with the provisions of the Corporate Governance Guidelines;
- 5.3.5. review, as it deems appropriate, the adequacy of the Corporate Governance Guidelines and recommend any changes to the Board for approval; and
- 5.3.6. receive and consider reports on views expressed by shareholders, shareholder representative bodies and other interested parties in relation to corporate governance;
- 5.3.7. keep under review any corporate governance developments that might affect the Company.

#### **5.4. Conflict of Interest Obligations**

The Committee shall:

- 5.4.1. ensure compliance with the principles and provisions contained within the Company's Code of Conduct and Conflicts of Interest Policy, and shall perform the obligations related to the Committee contained therein;
- 5.4.2. identify any conflicts of interest (including potential conflicts of interest) and appropriately manage any conflicts of interest arising from time to time;
- 5.4.3. report to the Board any particular ethical issues requiring urgent attention; and
- 5.4.4. keep under review the provisions of the Code of Conduct and Conflicts of Interest Policy and ensure they are in line with industry best practice.

#### **5.5. Obligations in respect of Performance Threshold Evaluation**

- 5.5.1. Subject to the Company's Constitution, the Committee shall be responsible for evaluating whether or not the performance thresholds of the A Ordinary Shares in the Company have been achieved by the Company and for approving the conversion of the A Ordinary Shares to Ordinary Shares in the Company if it determines that the performance thresholds have been achieved.

### **6. REPORTING RESPONSIBILITIES**

- 6.1. The Committee chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 6.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 6.3. The Committee shall compile a report on its activities to be included in the Company's annual report.

## **7. OTHER MATTERS**

### **7.1. The Committee shall:**

- 7.1.1. have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;
- 7.1.2. 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;
- 7.1.3. oversee any investigation of activities which are within its terms of reference;
- 7.1.4. 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; and
- 7.1.5. make available its terms of reference, explaining its role and the authority delegated to it by the Board.

## **8. VOTING ARRANGEMENTS**

- 8.1. Each member of the committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the committee.

## **9. AUTHORITY**

### **9.1. The Committee is authorised by the Board to:**

- 9.1.1. seek any information it requires from any employee of the Company and from any of the service providers of the Company in order to perform its duties;
- 9.1.2. undertake any activity within its terms of reference;
- 9.1.3. do all matters as the Committee believes appropriate in respect of the conduct of its duties, including, without limitation, the matters referred to herein;
- 9.1.4. obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference, such advice to be coordinated through the chairman of the Committee; and
- 9.1.5. delegate any of its powers to one or more of its members or the secretary of the Committee.