

## **Numis Corporation Plc ("the Company")**

### **TERMS OF REFERENCE & MATTERS RESERVED FOR THE BOARD OF DIRECTORS (THE "BOARD")**

**Amended and approved for adoption 7 February 2023**

#### **Membership**

1. The Board shall comprise all the executive and non-executive directors of the Company. It shall also comprise at least two independent non-executive directors, excluding the Chairman. The number of directors shall not be less than three.
2. Only members of the Board have the right to attend Board meetings. However, other senior management such as the head of human resources, the general counsel, the head of risk, the head of compliance and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
3. Appointments to the Board are made in consultation with the nominations committee.
4. In the absence of the Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
5. Current membership comprises:

Luke Savage (LS)	Independent Non-Executive Chairman
Catherine James (CJ)	Non-Executive director
Kathryn Gray (KG)	Non-Executive director
Richard Hennity (RH)	Non Executive director
Alex Ham (AH)	Co-CEO
Ross Mitchinson (RM)	Co-CEO
Andrew Holloway (AMH)	CFO & Company Secretary

#### **Secretary**

6. The company secretary, or his or her nominee, shall act as the secretary of the Board and will ensure that the Board receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

#### **Quorum**

7. The quorum necessary for the transaction of business shall be two members. Members may attend in person or by conference telephone or similar communications equipment or by electronic means, provided that all the members participating in the meeting can communicate simultaneously and in an interactive manner with each other.

#### **Frequency of Meetings**

8. The Board shall meet at least seven times a year and otherwise as required.

#### **Notice of Meetings**

9. Meetings of the Board shall be called by the company secretary at the request of the Chairman.
10. 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 Board member and any other person required to attend, as appropriate, in good time. Supporting papers shall be sent to Board members and to other attendees as appropriate, at the same time

### **Minutes of Meetings**

11. The company secretary shall minute the proceedings and decisions of all meetings of the Board, including recording the names of those present and in attendance.
12. Draft minutes of Board meetings shall be circulated promptly to the Chairman and approved by the Board at their next meeting.

### **Annual General Meeting**

13. The Chairman should attend the annual general meeting of the Company to answer shareholder questions on the Board's activities.

### **Matters Reserved for the Board / Duties of the Board**

See appendix 1 attached.

### **Reporting Responsibilities**

14. The Board shall approve the format and content of any report to be included in the group or company's annual report about the Board's activities.

### **Other Matters**

15. The Board shall:
  - have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required;
  - 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;
  - give due consideration to laws and regulations, the provisions of the QCA Corporate Governance Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules or regulations, as appropriate;
  - 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; and
  - work and liaise as necessary with all other Board committees.

### **Authority**

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

## **Appendix 1**

### **Matters Reserved for the Board / Duties of the Board**

#### **Strategy and Management**

1. Responsibility for the overall leadership of the Company's group and setting the company's values and standards.
2. Approval of the group's strategic aims and objectives.
3. Approvals of the annual operating and capital expenditure budgets and any material changes to them.
4. Oversight of the group's operations ensuring:
  - a. competent and prudent management;
  - b. sound planning;
  - c. maintenance of sound management and internal control systems;
  - d. adequate accounting and other records; and
  - e. compliance with statutory and regulatory obligations.
5. Review of performance in the light of the group's strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
6. Extension of the group's activities into new business or geographic areas.
7. Oversight, consideration and approval of the group's Environmental, Social and Governance (ESG) strategy.
8. Any decision to cease to operate all or any material part of the group's business.

#### **Capital Structure**

9. Changes relating to the group's capital structure including reduction of capital, share issues (except under employee share plans), share buy backs including the use of treasury shares.
10. Major changes to the group's corporate structure, including, but not limited to acquisitions and disposals of shares which are material relative to the size of the group in question (taking into account initial and deferred consideration).
11. Changes to the group's management and control structure.
12. Any changes to the company's listing or its status as a plc.

#### **Financial Reporting and Controls**

13. Approval of the half-yearly report and any preliminary announcement of the final results.
14. Approval of the group and company's annual report and accounts, including the corporate governance statement and directors' reports.
15. Approval of the dividend policy.
16. Declaration of the interim dividend and recommendation of the final dividend.
17. Approval of any significant changes in accounting policies or practices.
18. Approval of material treasury policies including foreign currency exposure and the use of financial derivatives.
19. Approval of material unbudgeted capital or operating expenditures.

#### **Internal Controls**

20. Ensuring maintenance of a sound system of internal control and risk management including:
  - a. Approving the company/group's risk appetite;
  - b. Receiving reports on, and reviewing the effectiveness of, the group's risk and control processes to support its strategy and objectives;
  - c. Approving procedures for the detection of fraud and the prevention of bribery;

- d. Undertaking an annual assessment of these processes; and
- e. Approving an appropriate statement, as required, for inclusion in the annual report

### **Contracts**

- 21. Approval of major capital projects and oversight over execution and delivery for contracts which are material strategically or by reason of size, entered into by the Group in the ordinary course of business, for example all bank borrowings and acquisitions or disposals of material fixed assets (including intangible assets such as intellectual property) above £0.5m million.
- 22. Contracts of the company or any subsidiary not in the ordinary course of business, for example loans and repayments.

### **Communication**

- 23. Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives
- 24. Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- 25. Approval of all circulars, prospectuses and listing particulars as appropriate.
- 26. Approval of press releases concerning matters decided by the Board.

### **Board Membership and Other Appointments**

- 27. Changes to the structure, size and composition of the Board, following recommendations from the Nomination committee.
- 28. Ensuring adequate succession planning for the Board and senior management so as to maintain an appropriate balance of skills and experience within the company and on the Board.
- 29. Appointments to the Board, following recommendations by the nomination committee.
- 30. Selection of the Chairman and the chief executive.
- 31. Membership and chairmanship of Board committees.
- 32. Continuation in office of directors at the end of their term of office, when they are due to be re-elected by shareholders at the AGM and otherwise as appropriate.
- 33. 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 law and their service contract.
- 34. Appointment or removal of the company secretary.
- 35. Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the audit & risk committee.
- 36. Appointments to Boards of subsidiaries.

### **Remuneration**

- 37. Through delegation to the Remuneration Committee, determining the remuneration policy for the directors, company secretary and other senior executives.
- 38. Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
- 39. The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval if required.

### **Delegation of Authority**

- 40. The division of responsibilities between the Chairman, the chief executive and other executive directors.
- 41. Establishing Board committees and approving their terms of reference, and approving material changes thereto.
- 42. Receiving reports from Board committees on their activities.

## **Corporate Governance Matters**

43. Undertaking a formal annual review of its own performance, that of its committees and individual directors, and the division of responsibilities.
44. Determining the independence of non-executive directors in light of their character, judgment and relationships.
45. Considering the balance of interests between shareholders and stakeholders including, employees, customers, the community and the environment.
46. Review of the group's overall corporate governance arrangements.
47. Receiving reports on the views of the company's shareholders, where appropriate, to ensure that they are communicated to the Board as a whole.
48. Authorising conflicts of interest where permitted by the Company's articles of association.

## **Policies**

49. Approval of policies, including but not limited to:
  - a. Governing principles of conduct;
  - b. Personal account transactions;
  - c. Anti Bribery and corruption policy;
  - d. Whistleblowing policy;
  - e. Health and safety policy; and
  - f. Charitable donations policy.

## **Other**

50. The making of political donations.
51. Approval of the appointment of the group's principal professional advisers. The prosecution, defence or settlement, including by way of mediation, arbitration or alternative dispute resolution, of potential or actual litigation or regulatory enforcement action which is:
  - a. in the opinion of the Co-CEOs and the general counsel, material to the interests of the Group; and
  - b. in the opinion of the general counsel, not without merit.
52. Approval of the overall levels of insurance for the group including directors' & officers' liability insurance and indemnification of directors.
53. Major changes to the rules of the group's pension scheme.
54. Any decision likely to have a material impact on the company or group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
55. Matters which the Board considers suitable for delegation are contained in the terms of reference of its committees.
56. In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the group.

- Amended as to membership 5 May 2016 – David Poutney resigned from the Board Membership clause 5.
- Amended as to membership 26 July 2016 – Alex Ham and Ross Mitchinson added to the Membership clause 5.
- Amended as to Co-CEO titles – effective 1 September 2016
- Amended as to membership clause 21 March 2017 – Appointment of new Non-executive Chairman, Alan Carruthers.
- Amended as to membership - Oliver Hemsley resigned from the Board Membership clause 5

- Amended as to frequency of membership - from 8 meetings to 7 in each year clause 8
- Amended as to membership - Lorna Tilbian and Marcus Chorley resigned from the Board Membership clause 5
- Amended as to membership - Simon Denyer resigned from the Board Membership clause 5 and Andrew Holloway joined the Board 8 January 2018
- Amended as to membership - Geoffrey Vero resigned from the Board Membership clause 5 and Luke Savage joined the Board 5 February 2019
- Reviewed and agreed 4 Feb 2020
- Reviewed and agreed 9 Feb 2021
- Amended, reviewed and agreed 8 Feb 2022 to: change Chairman from Mr Carruthers to Mr Savage; reflect Articles of Association provisions re: remote meetings; reflect splitting out of risk function from general counsel; update the litigation paragraph (reserved matter 50); and general tidying/typographical errors
- Amended as to Membership 31 March 2022
- Amended as to ESG July 2022
- Amended as to Membership 7 February 2032