

**KINGFISHER PLC  
(THE 'COMPANY')**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE (THE 'COMMITTEE')**

**1. Purpose**

The primary purpose of the Committee is to ensure there is a formal, rigorous and transparent procedure for appointments to the Board and that plans are in place for orderly succession for appointments to the Board and to senior management, so as to maintain an appropriate balance of skills and experience within the Company and on the Board and to ensure progressive refreshing of the Board.

**2. Membership**

- 2.1. The Committee shall consist of not less than three members. The Committee shall be appointed by the Board, in consultation with the Chairman of the Committee. All the members shall be independent non-executive Directors.
- 2.2. Members of the Committee and all other Members of the Board who are not committee members have the right to attend Committee meetings. Other individuals such as the Chief Executive Officer, Chief People Officer and external advisers may also attend all or part of any meeting at the invitation of the Committee.
- 2.3. The Chairman of the Committee shall be appointed by the Board who should be either the Chairman of the Board or an independent non-executive Director. In the absence of the Chairman of the Committee the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board shall not chair the Committee when it is dealing with the appointment of a successor to the Chairman.

**3. Secretary**

The Group Company Secretary or their designee shall act as secretary to the Committee.

The Secretary shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration of the issues.

**4. Quorum**

A quorum shall be any two members.

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, discretions exercisable by the Committee.

**5. Frequency of meetings**

The Committee shall meet at least twice a year and at such other times as required.

**6. Notices of meetings**

- 6.1. Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chairman of the Committee.
- 6.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with the agenda of items to be discussed, shall be forwarded to each member of the Committee in advance of the meeting.

## **7. Minutes of meetings**

- 7.1. The Secretary shall minute the proceedings and decisions of all meetings of the Committee.
- 7.2. The Secretary shall circulate the minutes of meetings to the Committee.
- 7.3. The Secretary shall also circulate the minutes (or a summary thereof) to all members of the Board and such other attendees of the meetings as the Chairman of the Committee shall direct.

## **8. Annual General Meeting**

The Chairman of the Committee is expected to attend the Annual General Meeting to answer shareholder questions on the Committee's activities and to seek engagement with shareholders on significant matters related to the Committee's responsibilities.

## **9. Responsibilities and Powers**

- 10.1. The Committee shall be responsible for:
  - 9.1.1. reviewing the structure, size and composition (including the balance of skills, experience, independence, knowledge and diversity) of the Board and its committees on a regular basis, taking account of the Company's strategic priorities, and making recommendations to the Board with regard to any changes;
  - 9.1.2. considering succession planning for the Board and Senior Management positions, taking into account the challenges and opportunities facing the Group and the skills and expertise needed in the future, the need to ensure the progressive refreshing of the Board and the development of a diverse pipeline for succession;
  - 9.1.3. reviewing the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
  - 9.1.4. identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise, including preparing a description of the role and capabilities required for a particular appointment; setting and overseeing the process followed in respect of the appointment of new individuals to the Board, ensuring that this process is formal, rigorous and transparent and conducted in a manner which supports the objectives of the Board Diversity Policy;
  - 9.1.5. ensuring 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;
  - 9.1.6. developing a policy, setting targets and measurable objectives to promote diversity and inclusion on the Board and in senior management and to increase the gender balance of those in senior management and their direct reports.
  - 9.1.7. ensuring that, on appointment, all new appointees undertake an appropriate and tailored induction programme to assist them to contribute effectively to the discussions at the Board and Committee meetings;
  - 9.1.8. reviewing annually the time commitment expected of non-executive Directors and the number of external directorships held. Individual evaluation should be used to assess whether each Director continues to contribute effectively; and

- 9.1.9. reviewing the results of the board performance evaluation process including the composition of the Board and Committees, individual performance and analysing training requirements.
- 9.2. The Committee shall make recommendations to the Board regarding the following matters:
  - 9.2.1. plans for succession for both executive and non-executive Board Directors and in particular for the key roles of Chairman and Group Chief Executive;
  - 9.2.2. suitable candidates for appointment to the role of Senior Independent Director;
  - 9.2.3. membership of the Audit and Remuneration Committees, and any other Board Committees as appropriate, in consultation with the Chairmen of those Committees;
  - 9.2.4. the re-appointment of any non-executive Director at the conclusion of their specified term of office;
  - 9.2.5. the standing for re-election by shareholders of any Board Director under the annual re-election provisions of the UK Corporate Governance Code or the provisions in the Company's Articles of Association;
  - 9.2.6. any matters relating to the continuation in office of any Board Director at any time; and
  - 9.2.7. the appointment of any Board Director to an executive or other officer position on the Board, other than to the positions of Chairman and Chief Executive, (the recommendation for which would be considered at a meeting of the Board).
- 9.3. The Committee shall have the power to employ the services of such advisers as it deems necessary to fulfil its responsibilities.

## **10. Reporting Procedures**

- 10.1. The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3. The Committee shall produce a report to be included in the Company's annual report about its activities, including:
  - 10.3.1. the membership of the Committee, the number of meetings, the attendance of members, and matters covered during the year;
  - 10.3.2. the appointment process it has used for new Board members, its approach to succession planning and how both support developing a diverse pipeline;
  - 10.3.3. whether any external search consultants were engaged to assist in the identification of candidates, together with a statement about any connection that the consultants have with the Company or individual directors;
  - 10.3.4. how the board evaluation has been conducted, the nature and extent of an external evaluator's contact the Board and individual directors, the outcomes and actions taken and how it has or will influence Board composition;
  - 10.3.5. identify in the annual report any external evaluator together with a statement about any other connection it has with the Company or individual directors.

- 10.3.6. the policy on diversity and inclusion, its objectives and linkage to Company strategy, how it has been implemented and progress on achieving the objectives; and
- 10.3.7. the gender balance of those in senior management and their direct reports.

## **11. Other matters**

The Committee shall:

- 11.1. Investigate any matters within its terms of reference, as well as any matter referred to it by the Board for consideration.
- 11.2. Arrange for periodic reviews of its own membership and performance and, at least annually, review its constitution and terms of reference and recommend any changes it considers necessary to the Board for approval.
- 11.3. 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.
- 11.4. Work and liaise with other Board committees as necessary.
- 11.5. Make the Committee's terms of reference publicly available.

APPROVED BY THE BOARD OF DIRECTORS: 5 September 2019