

# SHAFTESBURY CAPITAL PLC

## TERMS OF REFERENCE OF THE CHAIRMAN

The Chairman is responsible for the leadership of the Board and creating the conditions to ensure it is effective in all aspects of its role. Specifically, the Chairman is responsible and accountable for:

### 1. Purpose, Values and Culture

- 1.1 Promoting the success of the Company over the long-term for the benefit of shareholders as a whole, having regard to other key stakeholders and interests; and
- 1.2 establishing with the Board as a whole the purpose, values and culture of the Group.

### 2. Managing the Board

- 2.1 in collaboration with the Chief Executive Officer and Company Secretary, setting the Board's agenda and the regularity, frequency and timing of meetings, ensuring that the agenda reflects the important issues facing the Group, in accordance with its authority levels;
- 2.2 the Board being presented with sufficient analysis appropriate to the scale and nature of the decisions that it is asked to make and that adequate time is available for full and open discussions, in particular for strategic, complex or contentious issues and that the Non-Executive Directors are kept fully informed of strategic or important developments affecting the Company in a timely manner;
- 2.3 setting the Board agenda to ensure appropriate coverage of strategy, performance, value creation, identification of risks and associated risk management, culture, stakeholders and accountability and ensuring that issues relevant to these areas are reserved for Board decision;
- 2.4 ensuring that the directors receive timely, accurate and clear information, including that on the Company's current performance, to enable the Board to take sound decisions, monitor performance and provide advice to promote the success of the Company;
- 2.5 creating the conditions for overall Board and individual Director effectiveness, encouraging all Board members to engage constructively and openly in all meetings by drawing on their skills, experiences, knowledge and independence so as to maximise their contribution to the work of the Board, facilitate the effective contribution of the non-executive directors and encourage active engagement and appropriate challenge by Board members;
- 2.6 ensuring that there is appropriate delegation of authority from Board to the Executive Directors, Executive Committee and Senior Leadership Team;
- 2.7 holding regular meetings with the Non-Executive Directors without Executive Directors present;
- 2.8 fostering relationships based on trust, mutual respect and open communication – both in and outside the Boardroom – between Executive and Non-Executive Directors;
- 2.9 consulting with the Senior Independent Director on Board matters as appropriate; and
- 2.10 identifying the development needs of the Board as a whole to enhance its overall effectiveness as a team.

### 3. Membership and Composition of the Board

- 3.1 Building an effective, diverse and complementary Board;
- 3.2 ensuring the performance of the Board, its Committees and individual directors is evaluated at least once a year and acting on results of such evaluation by recognising the strengths and addressing the weaknesses of the Board and, where appropriate, through the Nomination Committee, proposing that new members be appointed to the Board or seeking the resignation of others;

- 3.3 providing guidance and mentoring to new Directors as appropriate and ensuring that the Directors receive a formal tailored induction programme and that they keep their skills, knowledge and familiarity with the Company up-to-date;
- 3.4 acting as the Chairman of the Nomination Committee; and
- 3.5 ensuring, in conjunction with the Chief Executive and Nomination Committee, that there is succession planning for all Directors and senior management positions.

#### **4. Governance**

- 4.1 Promoting the highest standards of integrity and probity and setting clear expectations concerning the Company's culture, values and behaviours and leading the Board's determination of appropriate corporate governance and business values, and of their dissemination through the Group;
- 4.2 ensuring that Board Committees are properly structured with appropriate Terms of Reference and that Committee membership is periodically refreshed, and ensuring the timeliness and completeness of information and essential reports to and from these Committees;
- 4.3 promote high standards of corporate governance, seeking to achieve compliance with all provisions of the UK Corporate Governance Code (the **Code**) where possible; and
- 4.4 that all Directors are aware of and able to discharge their statutory duties.

#### **5. Risk Management**

- 5.1 Ensuring that the Board considers the nature and extent of the significant current and emerging risks and opportunities that the Group is willing to embrace in implementing its strategy and how they are managed.

#### **6. Relationships with the Executive Directors**

- 6.1 Developing effective working relationships with the Executive Directors and the Chief Executive in particular, providing regular support, and advice while respecting executive responsibility;
- 6.2 discussing with the Chief Executive the broad strategic plans that the Group will follow prior to submission to the Board and ensuring that the Board is aware of the necessary resources to give effect to the components of that strategic plan; and
- 6.3 ensuring that appropriate personal objectives are developed and put in place for the Chief Executive and Executive directors and recommending such targets to the Remuneration Committee, assessing performance against those objectives and providing feedback to the Chief Executive and discussing and agreeing the level of achievement for onward reporting to the Remuneration Committee.

#### **7. Communication**

- 7.1 Representing the Group externally at a business and community level, together with the Chief Executive, as agreed with the Board. In particular, it is part of both the Chairman and Chief Executive's roles to represent the Group's views and position as determined by the Board on key public policy and industry matters and to communicate them effectively to governments, other public organisations and regulatory authorities;
- 7.2 balancing the interests of different categories of stakeholders, (e.g. shareholders, employees, occupiers, joint venture partners, suppliers, national and local government, the local community and other stakeholders as appropriate) and preserving an independent view;
- 7.3 ensuring effective communication with major shareholders and stakeholders on all matters and ensuring that their views are communicated to the Board as a whole;
- 7.4 ensuring effective engagement with employees by appointing a designated Non-Executive Director or other means as appropriate; and

7.5 supporting the commercial activities of the Group and meeting with internal and external groups as required from time to time.

*Approved by the Board on 6 March 2023.*