



CELTIC PLC

TERMS OF REFERENCE

of the

NOMINATION COMMITTEE

1. ADOPTION

On 16 September 2022, the Board of Directors (the “**Board**”) of Celtic plc (“**the Company**”) resolved to adopt these Terms of Reference (replacing the previous terms of reference adopted by the Company on 9 May 2005) to regulate the function and define the responsibilities of the Nomination Committee of the Board (“**the Committee**”).

2. MEMBERSHIP AND DURATION

- 2.1. The members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Committee’s Chair.
- 2.2. The majority of the members of the Committee should be independent non-executive Directors.
- 2.3. The Chair of the Company shall not chair the Committee when the Committee is dealing with the matter of succession to the Company Chair.
- 2.4. There shall be a minimum of three members of the Committee. Two members must be present to form a quorum.
- 2.5. If any member of the Committee is unable to attend a meeting of the Committee for any reason, the remaining members of the Committee shall have the power to co-opt any other non-executive Director of the Company on to the Committee for the purposes of that meeting.
- 2.6. If any member of the Committee ceases for any reason to be a non-executive Director of the Company, he or she shall automatically cease to be a member of the Committee.
- 2.7. Appointments to the Committee shall normally be made for an initial period of up to three years, but may be extended, provided that any such extension is in the best interests of the Company and the member remains an independent non-executive Director.

3. INDUCTION AND TRAINING

The Company shall provide any relevant induction or training to members of the Committee.

4. CHAIR

- 4.1 The Chair of the Committee shall be appointed or removed by the Board. The Chair of the Committee should be either the Chair of the Board or an independent non-executive Director.
- 4.2 If the Chair of the Committee is unable to attend a meeting for any reason, the remaining members of the Committee may nominate one of their number to chair the meeting.
- 4.3 The Chair of the Committee will be required to attend the Company's Annual General Meeting to answer questions, through the Chair of the Board, on the Committee's activities and matters within its scope of responsibility.

5. THE SECRETARY

The Company Secretary shall be the Secretary of the Committee. The Company Secretary shall maintain minutes of meetings of the Committee. Following approval from the Chair of the Committee, the minutes shall be circulated to the other Committee members in a timely manner and will be made available to other Directors on request.

6. MEETINGS

- 6.1. Meetings of the Committee shall be held as often as is considered necessary but shall in any event be held at least once per year.
- 6.2. Meetings shall be convened by the Chair of the Committee or by the Company Secretary at the request of any member of the Committee or pursuant to a resolution of the Board.
- 6.3. Notices of all meetings of the Committee together with an agenda of the matters to be discussed and any relevant papers shall be served on all Committee members in accordance with the Articles of Association of the Company.
- 6.4. Meetings shall be held at the time and place specified in the notice convening the meeting. A member may participate in a meeting of the Committee by way of telephone or video conference.
- 6.5. Only members of the Committee are entitled to be present or vote at a meeting of the Committee. Executive Directors of the Company and the Company Secretary shall attend meetings if invited to do so by the Committee and shall supply timeously such information to the Committee, as the Committee considers necessary to enable it to carry out its functions.
- 6.6. 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. If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.

7. FUNCTION

- 7.1. The Committee has responsibility for leading the process for Board appointments and making recommendations to the Board on such appointments and succession planning. In particular the Committee is responsible for: -
- 7.1.1. identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
 - 7.1.2. before recommending an appointment, evaluating the balance of skills, knowledge, experience and diversity of the Board and, in the light of this, considering the role and capabilities required for a particular appointment. Candidates should be considered from a wide range of backgrounds and on merit against objective criteria and with due regard for the benefits of diversity on the Board and taking care that appointees have enough time available to devote to the position;
 - 7.1.3. prior to the appointment of a Director, requiring the proposed appointee to disclose other significant time commitments and any other business interests that may result in a conflict of interest and to report any future business interests that could result in a conflict of interest;
 - 7.1.4. considering succession planning for both executive and non-executive Directors, taking into account the challenges and opportunities facing the Company and what skills and experience needed on the Board in future;
 - 7.1.5. reviewing the structure, size and composition of the Board and its committees and making recommendations to the Board with regard to any changes;
 - 7.1.6. reviewing the results of the Board performance evaluation process that relate to the composition of the board;
 - 7.1.7. monitoring the Company's and Committee's compliance with the provisions of the Quoted Companies Alliance Corporate Governance Code (the "**QCA Code**") relevant to the work of the Committee;
 - 7.1.8. keeping under review 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;
 - 7.1.9. explaining, within the Annual Report, the activities of the Committee, the process used for appointments, the Board's policy on diversity, including gender (and any measurable objectives that it has set for implementing the policy and progress on achieving objectives), and the extent of the Company's compliance with the provisions of the QCA Code relevant to the Committee's work; and
 - 7.1.10. making recommendations to the Board in connection with the reappointment of Directors to the Board at the expiry of their terms of office and the re-election of Directors under the retirement by rotation provisions in the Company's Articles of Association.

- 7.2. In implementing the functions referred to in paragraph 7.1, the Committee shall:
- 7.2.1. be entitled at the expense of the Company to have access to professional advice both inside and outside the Company;
 - 7.2.2. be entitled, generally, to take such steps and actions as may be required by it to ensure compliance with the responsibilities set out in paragraph 7 including (without limitation) to seek any information it requires from any employee or Director, and all such employees or Directors will be directed to co-operate with any request made by the Committee; and
 - 7.2.3. give due consideration to applicable laws and regulations, as well as published guidelines including but not limited to the QCA Code and the AIM Rules for Companies.

8. APPOINTMENT OF DIRECTORS

- 8.1 When making recommendations to the Board on the selection and appointment of Directors, the Committee shall have regard to the provisions of the QCA Code, including in particular:
- 8.1.1. the role of a Director as a member of a unitary board;
 - 8.1.2. the maintenance of an appropriate balance between the numbers of executive and non-executive Directors;
 - 8.1.3. assessment of the independence of candidates for appointment as non-executive Directors, including utilising the test set out in the QCA Code;
 - 8.1.4. that appointments are made on merit and against objective criteria including relevant skills, experience in listed companies and the sector, and professional and other qualifications; and
 - 8.1.5. checking that a prospective Board member will have sufficient time to meet the commitments expected of him or her.

9. REPORTING PROCEDURES

- 9.1. The Committee shall:
- 9.1.1. report to the Board on its proceedings after each meeting on all matters within the scope of its duties and responsibilities;
 - 9.1.2. make recommendations to the Board, as appropriate, on any area within its remit where action or improvement is required; and
 - 9.1.3. make formal recommendations to the Board regarding its composition.
- 9.2. The Chair of the Committee should make themselves available at each annual general meeting of the company to answer questions concerning the Committee's work.

10. REVIEW AND AMENDMENT

These Terms of Reference shall be reviewed annually by the Committee to ensure the Committee is operating at maximum effectiveness. The Committee shall recommend to the Board any changes it considers necessary, however these Terms of Reference may only be amended pursuant to a resolution of the Board.

11. ARTICLES OF ASSOCIATION

Where applicable, the provisions of the Articles of Association of the Company shall apply to any meetings of the Committee. In the event of conflict between the Articles of Association and these Terms of Reference, the Articles of Association shall prevail.

By Order of the Board

Christopher Duffy
Company Secretary
Date: 16 September 2022