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**TERMS OF REFERENCE OF THE NOMINATION  
COMMITTEE  
OF  
PHOENIX GROUP HOLDINGS plc**

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Adopted by the Phoenix Group Holdings plc Board  
on 24 November 2022

**PHOENIX GROUP HOLDINGS plc**  
**(the "Company")**

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**  
**OF THE BOARD OF DIRECTORS**  
**(the "Committee")**

**1. CONSTITUTION**

The Committee has been established by resolution of the board of directors of the Company (the "**Board**") and is to be known as the Nomination Committee. Its terms of reference replace the terms of reference of any pre-existing nomination committee.

**2. ROLE**

The role of the Committee is to lead the process for Board appointments and to keep under review the balance of skills, knowledge and experience on the Board to ensure the orderly evolution of the membership of the Board. The duties of the Committee are more fully detailed in paragraph 9.

**3. MEMBERSHIP**

- 3.1 The Committee shall comprise not less than three members appointed by the Board, the majority of whom shall be independent non-executive directors of the Company. The Board will determine each member's independence based on whether a member is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the member's judgement. The Committee Chair shall be appointed by the Board and shall be either the Chair of the Board or an independent non-executive director. The Chair of the Board shall not chair the Committee when it is dealing with the appointment of a successor to the chairship; instead, the senior independent director should chair the Committee on such occasions. The quorum for meetings of the Committee shall be two, both of whom must be independent non-executive directors.
- 3.2 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided that the majority of the Committee members remain independent.
- 3.3 No person shall be permitted to attend Committee meetings unless they are:
- (a) a member or secretary of the Committee;
  - (b) the Group Company Secretary; or

- (c) invited by the Committee Chair to attend the meeting in question (including but not limited to other individuals such as the Chief Executive Officer, the Group HR Director and other external advisers).

3.4 Appointments to the Committee shall be made by the Board.

3.5 Members of the Committee shall be named in the annual report and accounts of the Company.

#### **4. SECRETARY**

The Company Secretary or their nominee shall act as the secretary of the Committee.

#### **5. MEETINGS**

5.1 The Committee shall meet at least twice a year and at such other times as the Committee Chair shall require.

5.2 Meetings of the Committee shall be conducted in accordance with the provisions of the Company's articles of association (the "**Articles**") governing the proceedings of directors.

#### **6. NOTICE OF MEETINGS**

6.1 Meetings of the Committee shall be summoned by the secretary of the Committee at the request of any of its members.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of the items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than two working days before the date of the meeting.

6.3 No person other than permitted attendees and members of the Company Secretariat shall be entitled to receive any papers relating to the Committee unless expressly authorised by the Committee Chair.

6.4 Notwithstanding paragraph 6.3 above, the Board will have access to copies of the minutes of any meeting of this Committee (provided that no conflict of interest with the business of the meeting exists).

#### **7. REPORTING RESPONSIBILITIES**

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

ascertain, at the beginning of each meeting, the existence of any conflict of interest and minute it accordingly. Minutes of Committee meetings shall be circulated promptly to all members of the Committee.

- 7.2 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 7.3 The Committee shall bring to the attention of the Board and/or make appropriate recommendations to the Board concerning those matters that have been considered or reviewed by it at the meeting of the Board next following a meeting of the Committee.
- 7.4 The Committee Chair shall attend the annual general meeting of the Company and shall be prepared to respond to any shareholder questions on the Committee's activities raised at that meeting.

## **8. AUTHORITY**

- 8.1 The Committee is authorised by the Board to:
  - (a) investigate and undertake any activity within its terms of reference;
  - (b) seek any information it properly requires from any employee of the Company or of any subsidiary company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee; and
  - (c) call any employee to be questioned at a meeting of the Committee as and when required.
- 8.2 If the Committee considers it necessary so to do, it is authorised to obtain appropriate external advice to assist it in the performance of its duties and to secure the services of external parties with relevant experience and expertise and invite those persons to attend meetings of the Committee. The cost of obtaining any advice or services shall be paid by the Company within the limits authorised by the Board.

## **9. DUTIES**

- 9.1 The duties of the Committee shall be to:
  - (a) be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise, as well as putting in place plans for succession, in particular with respect to the Chair of the Board (ensuring that the appointment of the Chair is reviewed by all directors of the Company) and

the Chief Executive Officer (ensuring that the appointment of the Chief Executive Officer is reviewed by all non-executive directors);

- (b) review regularly the Board structure, size, composition and make recommendations to the Board of any adjustments that are deemed necessary;
- (c) oversee the Board diversity and inclusion policy (including its objectives and linkage to the Company's strategy) and the implementation of that policy, monitoring progress against its objectives in line with developing regulatory practice;
- (d) consider succession planning for directors and other senior executives<sup>1</sup> and put in place plans for the orderly succession of appointments to the Board and to senior management, taking into account the challenges and opportunities facing the Company and the skills and experience needed within the Company and on the Board, and to ensure progressive refreshing of the Board, taking into account the challenges and opportunities facing the Company and its Group; In respect of the Group Chief Financial Officer appointment it should be undertaken in consultation with the Board's Audit Committee;
- (e) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the market place;
- (f) review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- (g) recommend to the Board the re-appointment of any non-executive director 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;
- (h) 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;
- (i) recommend to the Board suitable candidates for the role of senior independent director;

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<sup>1</sup> Senior executives shall, for the purposes of these terms of reference, include the executive committee or first layer of management below board level, including the Company Secretary.

- (j) recommend to the Board the membership of the Board's Committees, in consultation with the chairs of those Committees;
- (k) make recommendations to the Board concerning any matters relating to the 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 law and the provisions of their service contract;
- (l) identify and recommend directors who are to be put forward for retirement by rotation in accordance with the Articles and 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;
- (m) before an appointment is made by the Board, evaluate the balance of skills, knowledge, experience and enhance diversity (where possible) 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 shall:
  - (i) use open advertising or the services of external advisers to facilitate the search;
  - (ii) consider candidates from a wide range of backgrounds; and
  - (iii) consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
- (n) prior to the appointment of a director, to require any proposed appointee 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;
- (o) recommend to the Board the induction process for directors joining the Board developed in conjunction with the Chair;
- (p) recommend to the Board the appointment or removal of non-executive directors of the Boards of the regulated entities within in the Phoenix Group (including but not limited to the Life Companies<sup>2</sup>), direct subsidiaries of PGH plc and such other entities within the Group as the Board may designate (noting that any such approval by the Board shall be subject to approval of each respective subsidiary

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<sup>2</sup> The Life Companies means Phoenix Life Limited, Phoenix Life Assurance Limited, Standard Life Assurance Limited, ReAssure Limited and ReAssure Life Limited.

board and, where applicable, regulatory approval), where those directors are not subject to a contract for employment within the Phoenix Group<sup>3</sup>;

- (q) monitor the Diversity & Inclusion aspects of succession planning (including the diversity of the succession pipeline), noting that remuneration aspects are monitored by the Remuneration Committee;
- (r) delegate any of its powers to one or more of its members or the secretary of the Committee;
- (s) recommend for approval by the Board, as part of the Corporate Governance Report, a statement in the annual report about the Committee's activities, the process used to make appointments, if external advertising or advice has not been used in the appointment of the Chair or a non-executive director, give reasons as to why not, the membership of the Committee and the number of Committee meetings and attendance over the course of the year;
- (t) keep up-to-date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (u) consider any other matters as may be requested by the Board; and
- (v) make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

## 10. PROCEDURES

In order for the Committee to be able to perform its role, it will have the following procedures:

### **Non-executive directors**

- (a) when it is decided that a new appointment is to be made, a short-list will be circulated to members of the Committee (and other directors, if felt appropriate) for comment and the addition of any further potential non-executive directors. The Committee may also engage a reputable firm of search consultants to recommend candidates. These consultants would normally also be engaged to assist in filling a specific vacancy;

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<sup>3</sup> It should be noted that the Board Executive Directors have been delegated approval of the appointment or removal of executive directors (or internal Non-Executive Directors where those directors are subject to a contract of employment with the Phoenix Group) to the boards of those entities referred to within 9(p) (subject to approval of each respective subsidiary board and, where applicable, regulatory approval).

- (b) a revised shortlist will then be considered by the Committee;
- (c) shortlisted candidates selected by the Committee will be seen in the first instance by the Chair of the Board (and other directors, if felt appropriate). If the Chair of the Board wishes to take the selection process further, the potential candidate(s) will be invited to meet the Committee;
- (d) the Committee will decide whether to recommend to the Board an appointment; and
- (e) the Board will decide whether to make the appointment;

### **Appointment of the Chair of the Board**

- (a) The appointment of the Chair of the Board shall follow the selection and appointment process above; however, the process shall be led by the Senior Independent Director of the Board. Both internal and external candidates should be considered for appointment as appropriate.
- (b) The Chair of the Board shall not chair the Committee when it is dealing with the appointment of a successor to the chairship.

### **Appointment of non-executive directors to the board(s) of subsidiaries**

- (a) the appointment of non-executive directors to the board(s) of regulated legal entities within the Phoenix Group, direct subsidiaries of the Company and/or other such companies as the Board may designate shall follow the selection and appointment process of those relevant boards in question. The Committee shall consider relevant recommendations for the appointment of such non-executive directors and, if deemed appropriate, recommend approval of such appointments by the Board (subject to approval of each respective subsidiary board and, where applicable, regulatory approval). The selection and appointment process of those relevant boards referred to above shall engage relevant Board members as appropriate (e.g. selection for the appointment of a new Life Companies board audit committee chair shall involve the chair of the Board's Audit Committee).

### **Executive directors**

- (a) the Chair of the Board and the CEO will submit to the Committee a short-list of one or more candidates;
- (b) some or all of the Committee's members will meet the candidate(s) selected for interview;



- (c) the Committee's assessments will be reviewed with the Chair of the Board and the CEO following which a candidate will be submitted to the Board for appointment; and
- (d) the Chair of the Board and the CEO and/or the Committee may engage a search consultant to assist in the selection of external candidates for a specific appointment.

## **11. OTHER MATTERS**

### **11.1 The Committee shall:**

- (a) engage with the Board Sustainability Committee as appropriate, in particular in relation to Diversity and Inclusion matters, to drive a consistent approach to the execution of the sustainability<sup>4</sup> strategy across the Group and to ensure appropriate sustainability related reporting on matters within the remit of the Committee
- (b) have access to the services of the Company Secretariat function on all Committee matters, including assisting the Committee Chair in planning the Committee's work, drawing up meeting agendas, maintenance of minutes, drafting of material about its activities for the annual report, collection and distribution of information and provision of any necessary practical support;
- (c) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the rules and regulations of any market on which the Company's securities are listed from time to time;
- (d) oversee any investigation of activities which are within its terms of reference and act as a court of the last resort; and
- (e) at least once a year, review its own performance, constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

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<sup>4</sup> For the purpose of these terms of reference, 'sustainability' is deemed to include only those environmental, social or governance aspects related to our defined sustainability strategy and material areas of focus, and other such matters as determined by the board from time to time.