

Constitution

1. The Board has established a committee known as the Finance Committee (the “Committee”).
2. These Terms of Reference are defined by the Board and may be amended by the Board at any time. The proceedings of the Committee shall be regulated by the Company’s Articles of Association.

Chair

3. The Board shall appoint a Non-executive Director as the Chair of the Committee. In the absence of the Chair of the Committee, the members present at any meeting shall elect one of themselves to chair the meeting.

Membership

4. The Committee shall comprise the SID, Chair of the Board and at least one other Non-executive Director with relevant and recent financial experience.
5. Appointments to the Committee shall be determined by the Board, on the recommendation of the Committee and in consultation with the Chair of the Committee, having regard to the Director’s experience, performance, suitability and independence. A Director shall automatically cease to be a Committee member on ceasing to be a Director.

Secretary

6. The Company Secretary, or his or her nominee, shall act as Secretary to the Committee.

Quorum

7. The quorum shall be two members. Any member shall abstain from voting on resolutions of the Committee in relation to which any potential conflict of interest exists.

Attendance and voting at meetings

8. Only Committee members shall have the right to attend Committee meetings and other Non-executive Directors may attend and observe Committee meetings. The Chief Executive Officer and Chief Financial Officer shall normally be invited to attend and other individuals and external advisers may be invited to attend if appropriate.
9. If there is an equality of votes, the Chair of the Committee shall have a casting vote.

Frequency of meetings

10. The Committee shall meet as required by the Chair of the Committee.

Notice of meetings

11. Meetings shall be called by the Company Secretary at the request of the Chair of the Committee.
12. The agenda and supporting materials for the items to be discussed shall be forwarded to each member of the Committee and any other person required to attend in a timely manner to enable full and proper consideration to be given to the issues. Unless otherwise agreed this shall be no later than seven days before the date of the meeting.

Minutes of meeting

13. The Secretary to the Committee shall minute the proceedings and decisions of all Committee meetings. Once approved by the Chair of the Committee, minutes shall be circulated to all Committee members and, unless otherwise indicated by the Chair of the Committee, to other Non-executive Directors of the Company, the Chief Executive Officer and the Chief Financial Officer.

Authority

14. The Board authorises the Committee, at the Company’s expense, to use internal resources and/or to obtain external professional advice, as appropriate.

Annual General Meeting

15. The Chair of the Committee shall attend the Annual General Meeting prepared to answer any shareholder questions on the Committee’s activities.

Duties

16. If the monetary value of one of the following matters exceeds the authority delegated by the Board to the Chief Executive Officer or a different Committee of the Board, the Committee is authorised to consider and if appropriate make recommendations prior to the Board’s consideration of that matter:
 - a) Proposals for the disposal of Group assets with annual sales greater than £500m;
 - b) Use of proceeds arising from the disposal of assets envisioned by 16 (a);

Terms of Reference

- c) “Bolt on” M&A activity, Joint Ventures and alternative investments such as technology Venture Capital projects with enterprise values in excess of £100m;
- d) “Transformational” M&A opportunities;
- e) Financial Projections including the Annual and Strategic Plans;
- f) Matters relating to tax and treasury strategy which are sufficiently material to require consideration by the Board as a whole;
- g) Funding of and investment strategies for the Group’s Pension schemes including de-risking ‘buy-in’ and ‘buy-out’ proposals;
- h) Changes to the Groups’ capital structure including:
 - a. consideration of the Group’s financing arrangements; and
 - b. any distribution or return of capital to shareholders, including buy-backs and the Group’s dividend policy and proposals for the quantum of any distribution or dividend to be paid or to be put to shareholders for approval.

17. The Committee may also be authorised by the Board to consider and make recommendations in respect of any other matter that the Board deems appropriate or desirable.

Reporting

18. The Chair of the Committee shall report to the Board on the Committee’s proceedings and the Committee shall make recommendations to the Board as it deems appropriate.

These Terms of Reference were approved by the Board on 16 November 2021.