

**TERMS OF REFERENCE
BOARD SUSTAINABILITY COMMITTEE (THE 'COMMITTEE')**

8 April 2020

The Board of the Company ('the Board') had previously established a committee of the Board known as the Board Sustainability Committee at a meeting held on 17 September 2019, when terms of reference were formally agreed. The terms of reference for the Board Sustainability Committee were revised and approved by the Board on 8 April 2020.

1. Membership

Members shall be appointed by the Board and shall be made up of at least three members on the recommendation of the Nominations Committee in consultation with the Committee Chair:

1.1 The Committee Chair shall be an independent director appointed by the Board. In the Committee Chair's temporary absence, one of the other Committee members, either nominated by the Committee Chair or elected by the Committee, will act as Committee Chair. The Chair of the Board may be a member, but not Chair, of the Committee.

1.2 The membership of the Committee shall be

Chair	Ralf Wunderlich
Non-Executive Director	Nicki Demby
Non-Executive Director	Mary Reilly
Chief Executive	Paul Forman
Company Secretary & General Counsel	Jon Green
Group Operations Director	Nick Pennell
Secretary	Emma Reid

At least one member of the Committee must have relevant skills, experience or qualifications, as determined by the Board, in sustainability related matters

1.3 Only members of the Committee have the right to attend Committee meetings. However, the Strategy & Commercial Director and the Group Communications Director will be invited to attend meetings of the Committee on a regular basis and other non-members may be invited to attend from time to time together with other executives responsible for sustainability matters including environmental performance and security affairs of the Group as appropriate.

1.4 In the absence of the Committee Chairman the remaining members present shall elect one of themselves to chair the meeting.

2. Secretary

The appointed person or their nominee shall act as the Secretary of the Committee.

3. Quorum

The quorum necessary for the transaction of business shall be two members, provided at least one is an independent non-executive director. 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 and discretions vested in or exercisable by the Committee.

4. Frequency of Meetings

The Committee shall meet at least four times a year at appropriate times in the annual review and reporting cycle and otherwise as required.

5. Notice of Meetings

5.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting

5.3 Supporting papers shall be available in either a paper or an electronic format and to other attendees as appropriate, at the same time.

6. Minutes of Meetings

6.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee including recording the names of those present and in attendance.

6.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

6.3 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board unless it would be inappropriate to do so in the opinion of the Chair of the Committee

7. Responsibilities

The focus of the Committee is to provide advice on and review sustainability-related activities across the Company, in four main areas:

- Stakeholder understanding with respect to sustainability
- Sustainability strategy development
- Review company-wide opportunities to improve performance through sustainability-related activity
- Review opportunities to reduce the Company's risk profile through sustainability-related activity

8. Duties

8.1 The Committee should have oversight of the Group as a whole and, unless required otherwise by regulation, carry out the duties below for the parent company, major subsidiary undertakings and the Group as a whole.

8.2 In the context of the requirement for companies to conduct their business in a responsible manner in relation to environmental and the management of non-financial risks for this area, the

duties of the Committee, in a nonexecutive capacity, are to review the strategies, policies, management, initiatives, targets and performance of the Company) and the Group as a whole, as appropriate, in the following areas:

- Environment, including: emissions to air, water and land; energy management; climate change; waste and resource productivity; and compliance with environmental regulation.
- Assess the adequacy of the Company's sustainable development framework and endorse the sustainability targets
- review the extent and effectiveness of the Company's external reporting of sustainability performance, and its participation in relevant external benchmarking indices.

9. Reporting Responsibilities

9.1 The Chair of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.

9.2 The Committee will advise the Audit and Risk Committee of any material non-financial risks identified which are relevant to the role of the ARC.

9.3 Review and approve for submission to the Board a statement to be included in the Annual Report concerning the activities of the Committee.

9.4 Review all relevant non-financial Group policies for inclusion within the Annual Report.

9.5 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. Other Matters

The Committee shall:

10.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required and, at the Committee's discretion, seeking advice from external consultants;

10.2 Work and liaise as necessary with all other Board and Executive Committees

10.3 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;

10.4 give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority's Listing Rules as appropriate; and

10.5 once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

11. Authority

The Committee is authorised to:

- Investigate any matter which it regards as relevant to its duties

- seek any information it requires from any employee of the Group in order to perform its duties;
- obtain, at the Company's expense, outside legal or other professional advice on any matter within its terms of reference; and
- call any employee to attend at a meeting of the Committee as and when required
- have the right to publish in the Company's Annual Report, details of any issues that cannot be resolved between the Committee and the Board.