



## **ALPHA FINANCIAL MARKETS CONSULTING PLC TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE**

In this document, the "**Company**" shall mean Alpha Financial Markets Consulting plc; the "**Board**" shall mean the board of directors of the Company; the "**Board Chairman**" shall mean the chairman of the Board; the "**Committee**" shall mean the committee of the Board to be known as the Nomination Committee; the "**Committee Chairman**" shall mean the chairman of the Committee; and the "**Group**" shall mean the Company and its subsidiaries and subsidiary undertakings (in each case as defined in the Companies Act 2006). References to the "**QCA Code**" are to the Quoted Companies Alliance Corporate Governance Code.

### **1 CONSTITUTION**

The Board has resolved to establish the Committee.

### **2 PURPOSE OF COMMITTEE**

The purpose of the Committee is:

- (a) to keep under review the structure, size and composition of the Board as well as succession planning for directors; and
- (b) to lead the process for identifying and nominating for approval by the Board, candidates to fill Board and Committee vacancies.

### **3 MEMBERSHIP**

- 3.1 The Committee shall comprise a minimum of two members. Members of the Committee shall be appointed by the Board.
- 3.2 All members shall be independent non-executive directors of the Company.
- 3.3 The Board shall appoint the Committee Chairman who shall be either the Board Chairman or an independent non-executive director of the Company. In the absence of the Committee Chairman, the members attending shall elect another member to chair the meeting. The Board Chairman shall not chair the Committee when it is dealing with the matter of succession to the chairmanship of the Board.

### **4 SECRETARY**

The Company's secretary or his or her nominee shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

### **5 ATTENDANCE AT MEETINGS**

- 5.1 The quorum shall be two members, both of whom must be independent non-executive directors. No meeting may be convened unless all members have received notice of the meeting. Unless it is impracticable, meetings should be arranged so that all members and the secretary can attend.

- 5.2 Only members of the Committee have the right to attend meetings. However, other individuals such as the chief executive and external advisers may be invited by the chairman to attend all or part of any meeting, as and when appropriate.
- 5.3 A duly convened meeting 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.

## **6 MEETINGS BY TELEPHONE OR OTHER ELECTRONIC MEANS**

- 6.1 A meeting of the Committee may consist of a conference between members some or all of whom are in different places provided that each member may participate in the business of the meeting whether directly, by telephone or by any other electronic means which enables him or her:
- (a) to hear each of the other participating members addressing the meeting; and
  - (b) if he or she so wishes, to address all of the other participating members simultaneously.
- 6.2 A quorum is deemed to be present if at least the number of members required to form a quorum may participate in the manner specified in paragraph 6.1 in the business of the meeting.
- 6.3 A meeting held in the manner specified in paragraph 6.1 is deemed to take place at the place where the largest group of participating Committee members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

## **7 FREQUENCY AND NOTICE OF MEETINGS**

- 7.1 The Committee shall meet at least twice a year and at such other times as the Committee Chairman shall require.
- 7.2 Meetings shall be called by the secretary of the Committee at the request of the Committee Chairman.
- 7.3 Unless otherwise agreed by all members, 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, any other person required to attend and all other directors of the Company, no later than five working days before the date of the meeting (or such shorter period of time the members may otherwise agree). Supporting papers shall be sent to members and to other attendees, as appropriate, at the same time.

## **8 MINUTES OF MEETINGS**

- 8.1 The secretary shall minute the proceedings and decisions of all meetings, including recording the names of those present and in attendance.
- 8.2 Draft minutes shall be circulated promptly to all members. Once approved, minutes shall be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chairman.

## **9 ANNUAL GENERAL MEETING**

The Committee Chairman shall attend the annual general meeting of the Company to answer any shareholders questions on the Committee's activities.

## 10 ROLES AND RESPONSIBILITIES

The Committee shall carry out the duties detailed in this paragraph 10 for the Company and/or any member of the Group, as appropriate.

The Committee shall:

- (a) regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and its committees, taking into account, amongst other things, the results of the Board effectiveness review process, the total number of directors and the balance of executive and non-executive directors, the need to ensure appropriate collective knowledge and experience, the length of service of directors and diversity factors (including the skills mix, regional and industry experience and gender) and make recommendations to the Board with regard to any changes;
- (b) give full consideration to succession planning for directors and other senior executives, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- (c) keep under review the leadership needs of the Company, both executive and non-executive directors, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- (d) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (e) identify and nominate for approval of the Board, candidates to fill Board vacancies as and when they arise, giving full consideration to succession planning;
- (f) before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity 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 and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position;
- (g) prior to the appointment of a director, require the proposed appointee to disclose any other business interests that may result in a conflict of interest and ensure that they are aware of reporting any future business interests that could result in a conflict of interest;
- (h) for the appointment of the Board Chairman, prepare a job specification, including the time commitment expected. A proposed chairman's commitments should be disclosed to the Board before appointment and any changes should be reported to the Board when they arise;
- (i) 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;
- (j) review the results of the Board performance evaluation process and ensure conclusions and recommendations are reported to the Board;

- (k) review annually the time required from the non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- (l) work and liaise with all other Board committees; and
- (m) make recommendations to the Board concerning:
  - (i) formulating plans for succession for both executive and non-executive directors and in particular for the key roles of the Board Chairman and chief executive officer;
  - (ii) suitable candidates for the role of senior independent director;
  - (iii) membership of the audit and risk and remuneration committees of the Board and any other committees of the Board as appropriate, in consultation with the chairman of those committees;
  - (iv) 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;
  - (v) the re-election by shareholders of directors by annual re-election or the retirement by rotation provisions in the Company's articles of association, 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 and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);
  - (vi) 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 the provisions of the law and their service contract; and
  - (vii) the appointment of any director to executive or other office.

## **11 REPORTING RESPONSIBILITIES**

- 11.1 The Committee Chairman 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. This report shall include:
- (a) any recommendations requiring Board approval and/or action; and
  - (b) any other issues on which the Board has requested the Committee's opinion or the Committee believes should be brought to the attention of the Board.
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 11.3 The Committee shall compile a report on its activities to be included in the Company's annual report and accounts. The report shall include:
- (a) the process used to make appointment and explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified and a statement made as to whether it has any connection with the Company; and

- (b) a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy and progress on achieving the objectives.

## **12 OTHER MATTERS**

The Committee shall:

- 12.1 have access to sufficient resources in order to carry out its duties and responsibilities, including access to the Company's secretariat for assistance as required;
- 12.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members;
- 12.3 give due consideration to laws and regulations, the provisions of the QCA Code and the requirements of the Disclosure Guidance and Transparency Rules applicable to AIM companies, the AIM Rules for Companies and any other applicable rules and/or regulations, as appropriate;
- 12.4 oversee any investigation of activities which are within its terms of reference; and
- 12.5 arrange for periodic reviews on a two year cycle of its 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.

## **13 AUTHORITY**

The Committee is authorised by the Board to obtain, at the Company's expense but within any budgetary restraints imposed by the Board, independent legal or other professional advice reasonably required on any matter within its terms of reference.

**Reviewed and approved by the Board on 3 February 2022.**