

## Policy for the Appointment of Directors to the Board

### 1. Introduction and purpose:

This Board is responsible for its composition. This policy sets out the processes that are followed to ensure that the Board and its committees have an appropriate balance of knowledge, skills, experience, diversity and independence to effectively discharge their duties. Diversity is specifically dealt with in a separate policy for the promotion of overall diversity on the Board.

### 2. Appointment philosophy:

It is the Group's intention to maintain a vibrant Board that constructively challenges management's strategies, evaluates performance against established benchmarks and ably and without bias discharges its governance role and responsibilities. Given the retail environment in which the Group operates, it is essential for there to be a balanced representation of retail experience, both local and international as appropriate, whilst consideration is also given to the contribution afforded by skills and experience in other disciplines, including international business experience, which will strengthen the decision making abilities of the Board. A Board majority of independent Directors will be maintained. The Board appreciates the need for diversity in its membership, including age, culture, gender, race, diversity, to promote better decision making. All appointments are based on the most suitable skills, experience, field of knowledge, diversity and fit required to fulfill business needs and support the achievement of strategy.

### 3. Analysis of Board composition:

- 3.1. A skills matrix which rates, on a scale of 1 to 5, the proficiency of the skills of each director obtained by virtue of formal qualification or through experience (direct and indirect), is maintained by the Company Secretary. Each director annually reviews and updates their skills proficiency self-assessment. The updated skills matrix, which includes a consolidated view of skills across the Board, is used to identify skills and diversity gaps in the composition of the Board.
- 3.2. The diversity of the Board is a key consideration and the Board has set in place voluntary gender and ethnicity targets in a formal policy for the promotion of diversity.
- 3.3. The skills matrix and how the Board is progressing towards achieving its diversity targets is presented to the Remuneration and Nominations committee (Remnomco) in a report prepared by the committee chair in conjunction with the Company Secretary,
- 3.4. This report, which includes analysis of the Board age profile, size, balance of independence, mix of executive and non-executive directors, and committee composition, forms the basis for the Board composition and succession discussions at Remnomco, and the Board succession plan presented to the Board at the annual Special Corporate Governance meeting.
- 3.5. Board composition is also considered on an ad hoc basis as and when directors retire or resign or as a skills or diversity gap is identified.
- 3.6. Once a gap is identified and the Board has confirmed the need for an additional appointee/s, the process of identifying suitable candidates commences.

### 4. Nomination and appointment procedure:

- 4.1. Remnomco is responsible for reviewing, nominating and recommending suitable candidates for appointment to the Board.
- 4.2. Nominations for suitable candidates are requested from Board members including executive management. Nominations for suitable candidates may also be independently sourced or received, and Remnomco is entitled to make use of professional recruitment services, at the Company's cost, if necessary.
- 4.3. Candidates identified through the above process who appear to have the necessary skills, experience and profile, are approached by the Remnomco chair to gauge interest in the position and, where it has not already been obtained, request a copy of the candidate's CV. The Remnomco chair circulates the CV to Remnomco member for their review and consideration.
- 4.4. Should Remnomco favourably consider the candidate, the candidate is interviewed to assess suitability by the Remnomco chair, the Board chair, and/or the Lead Independent, and other committee chairs or directors as appropriate and at the invitation of the Remnomco chair.
- 4.5. Suitability of a candidate will be determined by having regard to *inter alia* the current diversity requirements of the Board (in terms of fields of knowledge, skills, experience, age, culture, race and

- gender) and the candidate's existing professional commitments (as a measure of the time available to fulfill their responsibilities to the Board).
- 4.6. If the candidate is considered potentially appropriate, background and reference checks are undertaken to ensure suitability of the candidate.
  - 4.7. The candidate is then recommended by Remnomco to the Board for consideration and the candidate's CV, together with Remnomco's view, are provided to the Board.
  - 4.8. Individual directors may, at their election, meet the candidate during one-on-one sessions or, for further confirmation of suitability;
  - 4.9. If the candidate is considered to be acceptable by the Board, the Board formally approves the appointment of the candidate as a director (and committee member, if relevant) and a letter of appointment is issued by the Board chair and countersigned by the new director;
  - 4.10. The new director is introduced to the Group through a comprehensive induction process, including a detailed induction pack, store and distribution centre visits, retail induction training, attendance at trading division merchandise strategies and reviews, and meetings with the various Managing Directors/Heads of each trading division and centre of excellence.
  - 4.11. The appointment of any new director other than at an AGM, is required to be ratified and confirmed by shareholders at the next AGM of the Group in line with the requirements of the Memorandum of Incorporation.
- 5. Review:**  
This Policy shall be reviewed by the Board on an annual basis.
- 6. Approval:**  
Approved on 23 November 2021.



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**NG Payne**

Chairman  
Mr Price Group