



Terms of Reference for the ESG Committee

1. Purpose of the Committee and definition of ESG matters

The main purpose of the Committee is to represent the Board in defining the Company's strategy relating to ESG matters and in reviewing the practices and initiatives of the Company relating to ESG matters ensuring that they remain effective and up to date.

In these terms of reference "ESG matters" or "ESG" refer to the following areas:

- Environmental: the Company's impact on the natural environment and its response to the challenge of climate change including: greenhouse gas emissions, energy consumption, generation and use of renewable energy, biodiversity and habitat, impact on water resources and deforestation, pollution, efficient use of resources, the reduction and management of waste, and the environmental impact of the Company's supply chain.
- Social: the Company's interaction with workers, other stakeholders and the communities in which it operates and the role of the Company in society including: workplace policies (e.g. employee relations and engagement, diversity, non-discrimination and equality of treatment, health, safety and wellbeing), ethical/responsible sourcing and social aspects and labour standards of the supply chain (including child labour and modern slavery), and engagement with and contribution to the broader community through social projects and charitable donations.
- Corporate Governance and Behaviour: the ethical conduct of the Company's business including its corporate governance framework, business ethics, policies, code of conduct and the transparency of non-financial reporting.

2. Membership

- 2.1 Members of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee in consultation with the Chair of the ESG Committee. The Committee shall be made up of least three members, including at least two independent Non-Executive Directors. The Chair of the Board may serve as a member (but not Chair) of the Committee if he or she was considered independent on appointment as Chair of the Board.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals from the Hyve Group and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.3 Appointments to the Committee shall be made by the Board for a period of up to three years, which may be extended for two further three-year periods.
- 2.4 The Board shall appoint the Committee Chair, selected only from members of the Committee. In the absence of the Committee Chair and/or an appointed deputy, the remaining members



present shall elect one of their number to chair the meeting.

3. Secretary

- 3.1 The Company Secretary or their 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 the matters under consideration.

4. Quorum

- 4.1 The quorum necessary for the transaction of business shall be two. 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.

5. Frequency of Meetings

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

6. Notice of Meetings

- 6.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chair of the Committee.
- 6.2 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, any other person required to attend and all other Non-Executive Directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

7. Minutes of Meetings

- 7.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 7.2 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chair of the Board and, once agreed, to all other members of the Board, unless a conflict of interest exists.

8. Annual General Meeting

- 8.1 The Chair of the Committee shall attend the Company's Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.



9. Duties

The Committee should carry out the duties below for the parent company, major subsidiary undertakings and the Group as a whole, as appropriate.

The Committee shall:

- 9.1 oversee the development of and make recommendations to the Board regarding the Group's ESG strategy;
- 9.2 oversee the establishment of ESG policies and codes of practice and their effective implementation, and monitor and review their ongoing relevance, effectiveness, and further development;
- 9.3 identify the relevant ESG matters that do or are likely to affect the operation of the Company and/or its strategy;
- 9.4 ensure that the Company monitors and reviews current and emerging ESG trends, relevant international standards and legislative requirements, identifies how those are likely to impact on the strategy, operations, and reputation of the Company and determines whether and how these are incorporated into or reflected in the Company's ESG policies and objectives;
- 9.5 set appropriate strategic goals, as well as shorter term KPIs and associated targets related to ESG matters and oversee the ongoing measurement and reporting of performance against those KPIs and targets;
- 9.6 work in conjunction with the Risk Committee to oversee the identification and mitigation of risks relating to ESG, as well as the identification of opportunities related to ESG matters;
- 9.7 make recommendations to the Board in relation to the required resourcing and funding of ESG-related activity and, on behalf of the Board, oversee the deployment and control of any resources and funds;
- 9.8 oversee the Company's engagement with its broader stakeholder community;
- 9.9 ensure that the Company provides appropriate information and is transparent regarding its ESG related policies with the investment community, particularly ethical/socially conscious investment funds, by whatever means are deemed to be most effective; and
- 9.10 work and liaise as necessary with all other Board committees.

10. Reporting Responsibilities

- 10.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed and adequate time should be made available for Board discussion when necessary.



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- 10.3 The Committee shall provide a description of its work in the annual report in line with the relevant guidance.

11. Other

The Committee shall:

- 11.1 at least 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; and
- 11.2 have access to sufficient resources in order to carry out its duties, including access to the Company Secretary as required.

12. Authority

- 12.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 12.2 The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.
- 12.3 The Committee is authorised to negotiate terms and appoint ESG consultants subject to prior Board consultation and approval.