

# London Stock Exchange Group plc ("the Company")

## Nomination Committee Terms of Reference

Approved by the Board of Directors of the Company on 4 December 2024.

### 1. Constitution and Purpose

The Committee is constituted by the Board of Directors (the "Board") with the purpose of assisting the Board in meeting its responsibilities for ensuring that the Board retains an appropriate balance of skills to support the strategic objectives of the Group<sup>1</sup>, has a formal, rigorous, and transparent approach to the appointment of Directors, and maintains an effective framework for succession planning.

### 2. Membership and Attendance

2.1. Members of the Committee shall be appointed by the Board (following recommendation of the Nomination Committee) and shall be made up of at least three members, the majority of whom should be independent non-executive directors.

2.2. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, the Chief People Officer, 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 for a period of up to three years, which may be extended for two further three-year periods provided that the majority of the Committee members remain independent.

2.4. The Board shall appoint the Committee Chair who should be either the Chair of the Board or an independent non-executive director. 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. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chair.

### 3. Secretary

3.1. The Group Company Secretary or their nominee shall act as the Secretary of the Committee and ensure that the Committee receives information and papers in a timely manner to ensure full and proper consideration is given to matters.

### 4. Quorum

4.1. The quorum necessary for the transaction of business shall be two members, both of whom must be independent non-executive directors. 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.

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<sup>1</sup> For the purposes of this Document the Group shall mean London Stock Exchange Group plc and its direct and indirect subsidiaries.

## 5. **Frequency of Meetings**

- 5.1. The Committee shall meet at least twice a year and at such other times as the Committee Chair shall require.
- 5.2. The Committee may hold meetings by telephone or using any method of electronic communication and may take decisions without a meeting by unanimous written consent, when the Committee Chair considers this to be necessary or desirable.

## 6. **Notice of Meetings**

- 6.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time, and date of the meeting, 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 before the date of the meeting. The agenda shall be circulated together with relevant supporting papers to Committee members and other attendees as appropriate.

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

## 8. **Annual General Meeting**

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

## 9. **Responsibilities of the Committee Chair**

- 9.1 The responsibilities of the Committee Chair include:
  - 9.1.1. fostering an open, inclusive, and where appropriate, challenging discussion;
  - 9.1.2. ensuring the Committee receives accurate, high quality, timely and clear information necessary to perform its tasks and devoting sufficient time and attention to matters within its remit;
  - 9.1.3. reporting to the Board on the Committee's activities; and
  - 9.1.4. engaging with shareholders on significant matters related to the areas of responsibility of the Committee.

## 10. **Role**

The role of the Committee is to:

- 10.1. ensure that there is a formal, rigorous, and transparent procedure for appointments to the Board;
- 10.2. lead the process for appointments and make recommendations to the Board;
- 10.3. assist the Board in ensuring its composition is regularly reviewed and refreshed, taking into account the length of service of the Board as a whole, so that it is effective and able to operate in the best interests of shareholders; and
- 10.4. ensure plans are in place for orderly succession to positions on the Board and senior management.

## 11. **Duties**

### 11.1 Board composition

The Committee shall:

- 11.1.1 monitor and regularly review the structure, size, and composition (including the skills, knowledge, experience, independence, diversity, and length of service of the Board as a whole) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
- 11.1.2 keep under review the leadership needs of the organisation, relating both to the Board and senior management, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- 11.1.3 keep up to date and fully informed about strategic issues and commercial issues and priorities and main trends and factors affecting the long-term success and future viability of the Company and the market in which it operates; and
- 11.1.4 review and recommend changes to the Board Diversity Policy and review progress against Board diversity objectives.

### 11.2 Succession planning

The Committee shall:

- 11.2.1 satisfy itself that plans are in place for orderly succession for appointments to the Board and senior management, taking into account the challenges and opportunities facing the Company, the Company's purpose, values, strategy and culture, and what skills and expertise are therefore needed on the Board in the future for the Company's long-term success and future viability; and
- 11.2.2 oversee the development of a diverse pipeline for succession by receiving reports on Group diversity objectives and strategies, monitoring the impact of diversity initiatives, and making recommendations to the Board on how to promote diversity in the Group.

### 11.3 Appointments to the Board

The Committee shall:

- 11.3.1 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- 11.3.2 before appointment of non-executive directors is made by the Board, evaluate the balance of skills, independence, 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, including the time commitment expected. In identifying suitable candidates, the Committee shall:
  - 11.3.2.1 use methods as it deems appropriate, open advertising or the services of external advisers to facilitate the search;
  - 11.3.2.2 consider candidates from diverse backgrounds; and
  - 11.3.2.3 consider candidates on merit and against objective criteria and within this context, should promote diversity, inclusion and equal opportunity taking care that appointees have enough time available to devote to the position;
- 11.3.3 pursuant to the Board Conflicts of Interest Policy, approve any significant appointments<sup>2</sup>;
- 11.3.4 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 and the induction process; and
- 11.3.5 review annually the time required from non-executive directors. Performance reviews should be used to assess whether the non-executive directors are spending enough time to fulfil their duties.

### 11.4 Board recommendations

The Committee shall also make recommendations to the Board concerning:

- 11.4.1 formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Chair and Chief Executive (but see 11.4.7 below);
- 11.4.2 suitable candidates for the role of Senior Independent Director;
- 11.4.3 membership of the Audit, Remuneration and Risk Committees, in consultation with the chairs of those committees;

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<sup>2</sup> Significant appointments are any appointment to the board of a company with publicly traded shares.

- 11.4.4 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;
- 11.4.5 the re-election by shareholders of any director, 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;
- 11.4.6 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
- 11.4.7 the appointment of any director to executive or other office other than to the positions of Chair and Chief Executive, the recommendation for which would be considered at a meeting of the full Board.

## 12. **Reporting Responsibilities**

- 12.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 12.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 12.3 The Committee shall produce a report to be included in the Annual Report about its activities, the process used to make appointments and including any matters required by the UK Corporate Governance Code, Listing Rules and any other relevant legislation or rules.

## 13. **Other**

- 13.1 The Committee shall, 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.

## 14. **Authority**

The Committee is authorised by the Board to:

- 14.1 to undertake any activity within its terms of reference;
- 14.2 seek any information it requires from any employee of the Company in order to perform its duties;
- 14.3 obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference and invite persons giving such advice to attend Committee meetings; and
- 14.4 delegate any of its powers to one or more of its members or the Secretary of the Committee.