

Renishaw plc

Nomination Committee Terms of Reference

(approved by the Board and adopted by the Committee effective from 16 August 2022)

1. Membership

- 1.1 The Committee shall be appointed by the Board and shall comprise a chair and at least 2 other members. Each appointment shall continue for such period as decided by the Board, bearing in mind the desirability of continuity, and conditional on the relevant director continuing to meet the criteria for membership of the Committee.
- 1.2 A majority of the members of the Committee shall be independent non-executive directors.
- 1.3 Care should be taken to minimise the risk of any conflict of interest that might be seen to give rise to an unacceptable influence.
- 1.4 The Board shall appoint the chair of the Committee. In the absence of the chair of the Committee, the remaining members present shall select one of their number present to chair the meeting. The chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chair of the Committee.
- 1.5 Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited by the Committee to attend for all or part of any meeting, as and when deemed by the Committee to be appropriate and necessary.

2. Secretary

- 2.1 The Company Secretary, or their nominee, shall act as the secretary of the Committee.

3. Quorum

- 3.1 The quorum necessary for the transaction of business shall be 2. 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

- 4.1 The Committee shall meet not less than twice a year and at such other times as the chair of the Committee shall require.

5. Notice of meetings

- 5.1 Meetings of the Committee shall be convened by the secretary of the Committee at the request of any member of the Committee.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and any supporting papers shall be forwarded to each member of the Committee and any other person attending the meeting no less than 3 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.

6. Minutes of meetings

- 6.1 The secretary of the Committee 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 should 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 made available to other members of the Board upon request unless in the opinion of the chair of the Committee it would be inappropriate to do so.

7. **Annual General Meeting**

7.1 The chair of the Committee shall attend the Annual General Meeting to respond to any shareholder questions on the Committee's activities.

8. **Duties**

8.1 The Committee shall:

- (a) regularly review the structure, size and composition (including skills, knowledge-, diversity and experience) of the Board and make recommendations to the Board with regard to any changes, having due regard to the length of service of the Board as a whole and refreshing its membership and the results of the Board performance evaluation process;
- (b) satisfy itself with regard to effective and orderly succession plans for directors and senior management, overseeing a diverse pipeline for succession which promotes diversity of gender, social and ethnic backgrounds and cognitive and personal strengths and takes into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed in the future;
- (c) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- (d) before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board and the future needs and prospective challenges facing the Company, and, in the light of this evaluation prepare a written description of the role and capabilities required and the time commitment expected for a particular appointment. In identifying suitable candidates, the Committee shall:
 - (1) consider using open advertising or the services of external advisers to facilitate the search;
 - (2) consider candidates from a wide range of backgrounds;
 - (3) consider candidates on merit and against objective criteria and within this context, promote diversity of gender, social and ethnic backgrounds and cognitive and personal strengths; and
 - (4) ensure that proposed appointees have enough time available to devote to the position;
- (e) prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
- (f) 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 services and involvement outside Board meetings;
- (g) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- (h) make recommendations to the Board regarding the policy on diversity and inclusion as it applies to the Board and its Committees, its objectives and linkage to strategy, how it has been implemented and the progress on achieving its objectives;

- (i) keep up-to-date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates so that these can be reflected in the Committee's decision making;
- (j) review regularly the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- (k) review the results of the Board performance evaluation process that relate to the composition of the Board; and
- (l) work and liaise as necessary with all other Board committees.

8.2 The Committee shall also make recommendations to the Board concerning:

- (a) formulating plans for succession for both executive and non-executive directors and in particular for the key roles of chairman and chief executive;
- (b) suitable candidates for the role of senior independent director;
- (c) membership of the Audit and Remuneration committees and any other Board committees as appropriate, in consultation with the chairs of those committees;
- (d) 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;
- (e) the re-election of any director by shareholders under the annual re-election provisions of the UK Corporate Governance Code 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);
- (f) 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
- (g) the appointment of any director to executive or other office.

8.3 The chair of the Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

8.4 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

8.5 The Committee shall provide a report to be included in the annual report about its activities, including:

- (a) the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline;
- (b) how the Board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual directors, the outcomes and actions taken, and how it has or will influence board composition;
- (c) the policy on diversity and inclusion, its objectives and linkage to company strategy, how it has been implemented and progress on achieving the objectives; and
- (d) the gender balance of those in the senior management and their direct reports.

9. **Authority**

9.1 The Committee is authorised:

- (a) to seek any information it requires from any employee of the Company in order to perform its duties and employees are directed to cooperate with any requests made by the Committee;
- (b) to obtain, at the Company's expense within an agreed budget, external legal or other professional advice on any matters within its terms of reference; and
- (c) to secure the attendance of any employee or third party with relevant expertise at a Committee meeting as and when required.

10. **Other matters**

- 10.1 The Committee shall give due consideration to the requirements of the UK Corporate Governance Code, Financial Conduct Authority's Listing Rules, Prospectus Regulation Rules, Disclosure Guidance and Transparency Rules, and the UK Market Abuse Regulation as appropriate.
- 10.2 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating effectively to and recommend any changes it considers necessary to the Board for approval.
- 10.3 The Committee shall ensure that it has access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required.
- 10.4 Appropriate and timely training shall be provided to the Committee, both in the form of an induction programme for new members and on an on-going basis for all members.