

Role of the Group Chair

The chair's duties include:

a) Leadership, culture and strategy:

- (i) setting a Board agenda which is primarily focused on strategy, performance, value creation and accountability and ensuring that issues relevant to these objectives are reserved for Board consideration
- (ii) demonstrating the highest standards of integrity and probity, and setting clear expectations concerning the Company's culture, values and behaviours, and the style and tone of Board discussions;
- (iii) promoting a culture of openness and debate;
- (iv) chairing board meetings, general meetings and those of the Nomination Committee (except for when it is dealing with the appointment of the chair's successor);
- (v) ensuring the submission to the board by the group chief executive of objectives, policies and strategies for the group, including the group business plan and the annual budget;
- (vi) ensuring that the board determines the nature, and extent, of the significant risks the Company is willing to embrace in the implementation of its strategy;
- (vii) monitoring progress towards the timely and effective achievement and implementation of the objectives, policies and strategies set by the Board and ensuring that appropriate decisions are taken promptly but only after sufficient time for discussion of strategic, complex or contentious issues; and
- (viii) under review with the board the general progress and long-term development of the group and ensuring that effective strategic planning for the group is undertaken by the [group] chief executive and endorsed by the board after discussion, consistent with the goal of creating shareholder value in accordance with the Company's purpose, values and strategy.

b) Board direction and effectiveness:

- (i) being responsible for leadership of the Board and ensuring its effectiveness on all aspects of its role, facilitating constructive board relations and creating the conditions for overall Board and individual director effectiveness;
- (ii) ensuring that all directors are aware of their responsibilities;
- (iii) with the assistance of the executive directors and the company secretary, setting the agenda for the Board's deliberations;
- (iv) managing the business of the Board and chairing its meetings, managing the relationships between directors and resolving differences between directors and seeing that decisions are reached promptly but only after sufficient time for discussion of strategic, complex or contentious issues and after due consideration by the directors of their duties, the Company's strategy and values, and the impact of decisions on employees and other stakeholders;
- (v) fostering relationships founded on trust, mutual respect and open communication - both in and outside the boardroom - between the non-executive directors and executive team; and
- (vi) developing productive working relationships with all executive directors, and the [group] chief executive in particular, providing support and advice while respecting executive responsibility;
 - (i) consulting the senior independent director (once appointed) on Board matters as appropriate;
 - (ii) ensuring that all directors receive high quality, accurate,

- timely and clear information to support the proper performance of their duties; and
- (iii) providing advice to the group chief executive on the allocation of duties to individual directors and assignment of *ad hoc* responsibilities or special tasks to directors or groups of directors.

Board Committees:

- (i) ensuring that the Board's committees are properly structured with appropriate terms of reference, which are published on the Company website, and that committee membership is periodically refreshed and individual independent non-executive directors are not overburdened when deciding the chairs and membership of committees;
- (ii) ensuring that sufficient time is allowed at the Board for committees to report on the nature and content of discussion, on recommendations, and on actions to be taken. Where there is disagreement between the relevant committee and the Board, adequate time should be made available for discussion of the issue with a view to resolving the disagreement;
- (iii) encouraging the active engagement of all Board members in Board and committee meetings, drawing fully on their skills, experience, knowledge and, where appropriate, independence; and
- (iv) arranging for the chairmen of Board committees to be available to answer questions at each annual general meeting and ensuring all other directors attend.

c) Board evaluation:

- (i) holding meetings with the non-executive directors without the executive directors present in order to facilitate a full and frank airing of views;
- (ii) leading, with support from the senior independent director as appropriate, the annual evaluation of the performance of the Board, its committees and individual directors, facilitating periodic external board evaluations, and acting on the results of such evaluations;
- (iii) considering having a regular externally facilitated board evaluation¹ and, where one is undertaken, ensure that the board gets the most from such externally facilitated board evaluation and that it is not approached as a compliance exercise;
- (iv) giving a summary of the outcomes and actions of the board evaluation process in their statement in the annual report;
- (v) formally appraising the performance of the group chief executive and making recommendations to the Remuneration Committee on his remuneration package; and
- (vi) as appropriate, reviewing with the group chief executive his conclusions and recommendations to the Remuneration Committee on the performance and remuneration of executive directors.

d) Corporate governance:

- (i) ensuring that the corporate governance of the Group is maintained in line with current best practice and the policies agreed by the Board;
- (ii) alongside the secretary, periodically review whether the Board and the Company's governance processes are fit for purpose and consider any improvements or initiatives that could strengthen the governance of the Company; and
- (iii) supporting the secretary.

e) Board composition and succession:

- (i) advising the Nomination Committee and the Board, after appropriate consultation with all directors, on candidates for appointment as group chief executive and directors of the Company, including executive and non-executive and advising the Board on the retirement or removal of the group chief executive and other directors from office;
- (ii) providing guidance and mentoring to new directors as appropriate, and ensuring that they participate in a full, formal and tailored induction programme, facilitated by the secretary and that major shareholders are given the opportunity to meet them;
- (iii) ensuring that the training and development needs of directors and the Board are identified and, with the secretary having a key role, that these needs are met. All development activities will require some structuring, assessment and feedback to ensure effectiveness;
- (iv) agreeing with the group chief executive on recommendations to the Board for appointments to the boards of relevant subsidiary undertakings; and
- (v) circulating to the Board members and the company secretary any written statement sent to him by a director who resigns due to unresolved concerns about the running of the Company.

f) Employee and stakeholder engagement:

- (i) participating with the group chief executive, as appropriate, in public relations, including ensuring effective communications with the Company's shareholders, other companies, organisations and bodies, the media and stakeholders generally;
- (ii) seeking regular engagement with major shareholders in order to understand their issues and concerns, in particular discussing governance, strategy and remuneration with them and ensuring that the Board as a whole has a clear understanding of the views of shareholders; and
- (iii) representing the Company to its key stakeholders, considering ways in which to obtain feedback from the workforce and other stakeholders, and ensuring that the Board listens to the views of shareholders, the workforce, customers and other key stakeholders.