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## Group Succession Planning – Approach and Process

Approved by Board 21 October 2024

1. This Process considers a five-year horizon and the Group’s likely expansion over that timeframe, together with any likely gaps in skills, insights, perspectives and experience. It must be reviewed and updated where necessary on at least an annual basis.
2. The process must:
  - a. work hand-in-hand **with the Group DEI Policy** with the HR Team in each business to lead and be responsible for this. Each business to establish a methodology on activity to be taken arising from the policy to ensure that it is properly implemented and has practical impact. Progress to be reported to the Nomination Committee on an annual basis;
  - b. include a risk assessment of **risk of immediate loss** of key personnel;
  - c. include internal **talent identification** amongst personnel by including ‘*Potential to Progress*’ ratings (aptitude to move up one, two or more levels within the organisation) in annual appraisals for **all** mid-level management in the businesses.
  - d. support and encourage **training and development** to actively manage a pipeline of diverse internal talent when identified. HR Team in each business to lead and be responsible for this;
  - e. support and encourage **active networking** by all Senior persons within the businesses so each builds a broad pool of diverse future candidates when future roles arise;
  - f. support and encourage active **building of relationships with external recruitment agencies** by HR Team in each business, with the aim of having established relationships of trust with skilled specialists that understand and are familiar with the Group’s DEI Policy, its businesses, values and key personnel; and
  - g. include consideration of engaging external persons in a **consultancy capacity** initially with a view to development into a formal Board position.
3. Succession planning to be carried out as follows:
  - a. **Executive Team to include the Divisional Leads** - Succession matrix template completed by Group Executive Directors and presented to Nomination Committee on annual basis for discussion and noting on an annual basis.  
  
Group CEO to lead and be responsible for this.
  - b. **Operational Board not including Divisional Leads** - Succession matrix template to be completed by the Divisional Lead of each business and tabled at the Group Executive Committee for discussion, then Nomination Committee for noting on an annual basis.  
  
Each Divisional Lead to lead and be responsible for their own business, each in consultation with Group CEO.
  - c. **Non-Executive Directors** - Succession planning to take the form of review of ‘Board Structure Size and Composition’ as part of the annual Board Effectiveness Review process and to include completion of a forward looking ‘NED Skills Matrix’ by Nomination Committee Chair to highlight skills gaps and possible requirements over the upcoming 2-3 year period.  
  
Nomination Committee Chair to be responsible for this.