

UNITY TRUST BANK PLC

NOMINATION COMMITTEE

Terms of Reference

1. Constitution

The Unity Trust Bank plc (the “Bank”) Board of Directors (the “Board”) established, by resolution on 21 May 2015, a Nomination Committee (the “Committee”). The Terms of Reference for the Committee are set out below and were last revised and approved by the Board on 24 November 2023.

2. Purpose

The Committee is accountable to the Board and assists the Bank’s Chair in keeping the composition of the Board and its Committees under review and to lead the process for nominations. Furthermore, the Committee is responsible for ensuring plans are in place for the orderly succession of Board members. The Committee also reviews and monitors the Corporate Governance Framework and ensures consistency with corporate governance standards and best practice.

3. Authority

3.1 The Committee is a committee of the Board of the Bank, from which it derives its authority and to which it reports.

3.2 The Committee has delegated authority from the Board in respect of the functions and powers in these Terms of Reference.

3.3 The Committee is authorised to seek external legal or other professional advice on any matters within its Terms of Reference at the Bank’s expense, within any budgetary restraints imposed by the Board.

4. Membership

4.1 The Committee shall be appointed by the Board and shall normally consist of no less than three Non-Executive Directors, at least one of whom shall be a Director determined by the Board to be independent.

4.2 The membership of the Committee shall be reviewed by the Chair on an annual basis.

4.3 The Committee Chair shall normally be the Chair of the Board. In the absence of the Chair of the Board, the remaining members present shall elect one of themselves 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 chairship.

5. Quorum

The quorum shall be two members, at least one of whom must be a director determined to be independent.

6. Attendance at the Meetings

6.1 No one other than the Committee Chair and its members shall be entitled to attend meetings of the Committee, unless at the invitation of the Chair.

6.2 Members should endeavour to attend Committee meetings in person where possible but may also attend by video or telephone conference.

6.3 The Company Secretary of the Bank, or their nominee with the agreement of the Committee Chair, will be secretary to the Committee.

7. Frequency

The Committee shall meet twice a year or more frequently if circumstances require.

8. Meeting Materials

8.1 The Secretary will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

8.2 The Secretary shall circulate the minutes of the meeting to all members of the Board unless it would be inappropriate to do so taking into account any conflicts of interest that may exist.

9. Responsibilities

The responsibilities of the Committee are set out below.

The Committee shall:

In Relation to the Board and its Committees

9.1 in accordance with the framework set out in Article 24.2 of the Bank's Articles of Association and any current regulatory requirements, annually review the structure, size, and composition (including the skills, knowledge, experience, and diversity) of the Board and make recommendations to the Board with regards to any changes;

9.2 take account of the need to ensure that the Board's decision making is not dominated by any one individual or small group of individuals in a manner that is detrimental to the interest of the Bank as a whole with consideration given to the length of service of the Board as a whole;

9.3 annually assess the knowledge, skills, and experience of individual members of the Board and of the Board collectively, and report this to the Board;

9.4 review, make recommendations, and approve the Board Diversity Policy;

- 9.5 review the Corporate Governance Framework and make recommendations to the Board;
- 9.6 review the Management Responsibilities Map and make recommendations to the Board;
- 9.7 agree a target for the representation of any underrepresented gender identity on the Board, review the Board Diversity Policy and make recommendations to the Board;
- 9.8 make recommendations to the Board concerning membership of the Board's Committees, in consultation with the Chairs of those committees;
- 9.9 keep under review the leadership needs of the Bank, both Executive and Non-Executive, with a view to ensuring the continued ability of the Bank to compete effectively in the marketplace;
- 9.10 keep up to date and fully informed about strategic issues and commercial changes affecting the Bank and the market in which it operates;
- 9.11 endeavour to have plans in place for orderly succession to both the Board and executive management positions,
- 9.12 oversee the development of a diverse pipeline for succession;
- 9.13 take into account the challenges and opportunities facing the Bank and what skills and expertise are therefore needed on the Board in the future;
- 9.14 make recommendations to the Board concerning plans for succession for both Executive and Non-Executive Directors;
- 9.15 make recommendations to the Board any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
- 9.16 make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time.

In Making Particular Nominations

- 9.17 be responsible for identifying and nominating for the approval of the Board, and shareholders at the Annual General Meeting (the "AGM"), candidates for Board positions, including both Executive and Non-Executive Directors;
- 9.18 be responsible for identifying and nominating for the approval of the Board, candidates for the Senior Independent Director ("SID) position;
- 9.19 be responsible for identifying and nominating for the approval of the Board, candidates for the President position;
- 9.20 before making a nomination evaluate the balance of skills, knowledge, diversity, and experience of 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;

- 9.21 consider candidates from a wide range of backgrounds;
- 9.22 ensure that both appointments and succession plans are based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths;
- 9.23 prior to the appointment of a Director, require the proposed appointee to disclose any other business interests that may result in a conflict of interest or conflict with the Bank's values, and to report any future business interests that could result in a conflict of interest or values;
- 9.24 ensure that Board members do not hold more directorships than is appropriate taking into account individual circumstances and the nature, scale and complexity of the Bank's activities;
- 9.25 make recommendations to the Board concerning re-election by shareholders of any Director under the retirement by rotation provisions in the Bank's Articles of Association, having given due regard to their performance and ability to continue to contribute to the board in the light of knowledge, skills and experience required; and;
- 9.26 be responsible for recommending any other appointment that requires approval by the Board.

In Relation to Executive Directors

- 9.27 periodically review the Recruitment and Selection Policy and recommend it to the Board for approval; and
- 9.28 make recommendations to the Board concerning the appointment of any Director to Executive or other office.

In Relation to Non-Executive Directors

- 9.29 in preparation for a forthcoming vacancy, review an analysis of the Board's skills and identify the skill gaps to be filled by the appointment;
- 9.30 consider the fitness and propriety of candidates for board positions, based on the candidate's competence and capability in line with Prudential Regulation Authority (the "PRA") expectations;
- 9.31 ensure that on appointment to the Board, Directors receive a formal letter of appointment and a role profile setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
- 9.32 review annually the time required from a Non-Executive Director taking into consideration Continuing Professional Development and performance evaluation; and
- 9.33 make recommendations to the Board concerning the re-election of any Non-Executive Director.

10. Other Matters

The Committee shall:

- 10.1 have access to sufficient resources in order to carry out its duties, including access to Secretariat for assistance as required;
- 10.2 ensure that appropriate and timely training is provided, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 10.3 ensure there is a regular review of its own performance and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval. The committee evaluation should cover the Committee's interaction with other Board committees; and
- 10.4 in order to support the Committee in discharging its responsibilities in accordance with these Terms of Reference, maintain and regularly review the annual schedule of agenda items.

11. Reporting Responsibilities

- 11.1 The Committee Chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate to any area within its remit where action or improvement is needed.
- 11.3 The minutes of the meeting shall be provided to the Board.
- 11.4 The Committee Chair should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.
- 11.5 The Committee shall include on the Bank's website a description of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.
- 11.6 The Committee shall make available its terms of reference clearly explaining its role and the authority delegated to it by the Board.