



PETROPAVLOVSK

PETROPAVLOVSK PLC
(company)
NOMINATION COMMITTEE
(committee)

TERMS OF REFERENCE

Adopted by the board of directors (*board*) of the company on **22 December 2021**

1 Purpose

The primary purpose of the committee is to assist the board:

- by ensuring there is a rigorous process for appointments to the board, leading the process for such appointments and recommending proposed appointees;
- in keeping the board's composition under review; and
- with succession planning.

Changes to these terms of reference shall only be effective if approved by the board.

2 Membership

- 2.1 The committee shall comprise at least three directors, including the Chairman of the board. A majority of members of the committee shall be independent non-executive directors.
- 2.2 Appointments to the committee are made by the board and shall be for a period of up to three years, which may be extended for up to two additional three-year periods, provided the proposed appointee continues to meet the criteria for membership of the committee.
- 2.3 Only members of the committee have the right to attend committee meetings. However, other individuals may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.4 The board shall appoint the committee chairman, who should be either the Chairman of the board or an independent non-executive director. In the absence of the committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms to be appointed to that position by the board. The Chairman of the board shall not chair the committee when it is dealing with the matter of succession to the chairmanship of the board.

3 Secretary

The Company Secretary or their nominee shall act as the secretary of the committee.

4 Quorum

The quorum necessary for the transaction of business shall be two 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.

5 Frequency of meetings

The committee shall meet not less than twice a year and otherwise as required.



6 Notice of meetings

- 6.1 Meetings of the committee shall be summoned by the secretary of the committee at the request of the chairman of the committee or any of its members.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee and to any other person required to attend prior to the meeting. The agenda of items to be discussed and any supporting papers shall be sent to committee members and other attendees, as appropriate, in sufficient time prior to the meeting to allow their proper consideration.

7 Minutes of meetings

- 7.1 The secretary shall minute the proceedings and decisions of all committee meetings, including recording the names of those present and in attendance.
- 7.2 Draft minutes of committee meetings shall be circulated to all members of the committee. Once approved, minutes should be circulated to all other members of the board, save where inappropriate to do so.

8 Engagement with shareholders

The chairman of the committee shall attend the company's annual general meeting to answer any shareholder questions on the committee's activities and seek engagement with shareholders on significant matters related to the committee's areas of responsibility.

9 Duties

The committee's duties extend to the company and the group as a whole. The 'group' shall mean the company and each and all of its direct and indirect subsidiaries.

The committee shall:

Leadership

- 9.1 Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the board and make recommendations to the board with regard to any changes that are deemed necessary.
- 9.2 Keep under review the leadership needs of the company, both executive and non-executive.
- 9.3 Keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates.

Succession planning

- 9.4 Satisfy itself that plans are in place for orderly succession to board and executive management, taking into account the challenges and opportunities facing the company and the skills, experience, expertise, independence and diversity required.
- 9.5 Oversee the development of a diverse pipeline for succession.

Appointments to the board

- 9.6 Be responsible for identifying and nominating for the approval of the board, candidates to fill board vacancies as and when they arise.
- 9.7 Before any appointment is made by the board, evaluate the balance of skills, knowledge and



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experience and diversity on the board and the needs of the group, and, in the light of this evaluation, determine a rigorous and transparent process to identify, select and appoint suitable candidates, including:

- 9.7.1 considering and if appropriate using open advertising or the services of external advisers to facilitate the search;
- 9.7.2 considering candidates from a wide range of backgrounds, having regard to the benefits of diversity in the composition of the board;
- 9.7.3 considering candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
- 9.7.4 requiring candidates to disclose other significant commitments and potential conflicts of interest (which must be approved by the board prior to any appointment);
- 9.7.5 ensuring that appointees to the role of non-executive director 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.

Board evaluation

- 9.8 If requested, assist the chairman of the board with the implementation of an annual evaluation process to assess the effectiveness and performance of the board, its committees and individual directors.
- 9.9 Review the results of such evaluation process in relation to matters within the remit of the committee and the committee's performance.
- 9.10 Review annually the time commitment required of the non-executive directors.

The committee shall also make recommendations to the board on:

Nominations and succession planning

- 9.11 Succession planning for the board and senior management, including any changes proposed if its periodic assessment indicates the desired outcomes have not been achieved.
- 9.12 The appointment of suitable candidates as new directors or to any role on the board and/or its committees and succession to those roles.
- 9.13 Membership to board committees as appropriate, in consultation with the chair of those committees.

Re-appointment of directors

- 9.14 The re-appointment of non-executive directors 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 knowledge, skills and experience required.
- 9.15 The re-election by shareholders of any director under any 'retirement by rotation' provisions in the company's articles of association having due regard to their performance and ability, and their contribution to the company's long-term sustainable success in the light of the knowledge, skills and experience required and the need of progressive refreshing of the board, taking into account the length of service of individual directors, the chair and the board as whole.

Continuation in office

- 9.16 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.

Matters referred by the board

9.17 Any related matters which may be referred to it by the board for consideration.

10 Reporting responsibilities

- 10.1 The committee chairman shall report formally to the board after each meeting on the nature and content of its discussion, recommendations and actions to be taken.
- 10.2 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3 The committee shall produce a report to be included in the company's annual report describing the work of the committee, including all matters on which the committee is required to report under any application law, regulation or governance code or standard.

11 Other matters

The committee shall:

- 11.1 Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 11.2 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 11.3 Give due consideration to all relevant laws and regulations, the provisions of the UK Corporate Governance Code and associated guidance, FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate.
- 11.4 Ensure that a periodic evaluation of the committee's own performance is carried out.
- 11.5 At least once a year, review the committee's constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the board for approval.
- 11.6 Work and liaise as necessary with other board committees, ensuring the interaction between committees and with the board is reviewed regularly.

12 Authority

The committee is authorised to:

- 12.1 Seek any information it requires from any employee of the company or the group in order to perform its duties and all employees shall be directed to co-operate with any request made by the committee.
- 12.2 Call any employee to be questioned at a meeting of the committee as and when required.
- 12.3 Obtain, at the company's expense and after consultation with the Chairman of the board, outside legal or other professional advice on any matters within its terms of reference (within such budgetary constraints as may be set by the board).
- 12.4 Delegate any of its powers to a sub-committee, an individual director or the executive committee of the company, if it considers this appropriate.

Reviewed and approved by the Committee between 9 and 22 December 2021

Approved and adopted by the board on 22 December 2021