

SPIRE HEALTHCARE GROUP PLC (THE COMPANY)

NOMINATION COMMITTEE - TERMS OF REFERENCE **adopted by the Board on 3 July 2014 and amended on 23 July 2015,** **17 December 2015, 1 February 2018, 2 March 2022 and 9 May 2024**

1. BACKGROUND

The board of directors of the Company (the *Board*) has resolved to establish a nomination committee (the *Committee*). These terms of reference replace any previous terms of reference for any nomination committee of the Board.

2. THE COMMITTEE'S DUTIES

Board composition and succession planning

2.1 To lead the process for Board appointments and make recommendations to the Board for all directors.

2.2 To review regularly the structure, size and composition of the Board (including its qualifications, competence, skills, knowledge, independence, experience, length of service and diversity, including gender) and make recommendations to the Board about any changes.

2.3 To consider plans and make recommendations to the Board for orderly succession for appointments to the Board and senior management positions, to maintain an appropriate balance of qualifications, competence, skills and experience within the Company and on the Board and to ensure progressive refreshing of the Board and a diverse pipeline for succession, taking into account the challenges and opportunities facing the Company and its subsidiary undertakings (the *Group*).

2.4 To keep the executive and non-executive leadership needs of the Group under review, with a view to ensuring it continues to compete effectively in the marketplace.

2.5 To make recommendations to the Board concerning the succession planning process if its periodic assessment indicates that the desired outcomes have not been achieved.

Board Appointments

2.6 To be responsible for identifying and nominating candidates for appointment to the Board for the Board's approval, using a formal, rigorous and transparent procedure for board appointments, based on merit and objective criteria and promoting diversity.

2.7 The Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 ("the Regulations") impose statutory obligations on entities which are registered with the Care Quality Commission to ensure that Executive or Non-Executive Directors meet the Fit and Proper Person Test set out under those Regulations.

2.8 The Board, having determined that it will comply with the principles of the Regulations as if they applied to the Company, has resolved to ensure that its own Executive and Non-Executive Directors meet the Fit and Proper Person Test under the Regulations.

2.9 When the Board wishes to appoint a director, to evaluate the balance of qualifications, competence, skills, knowledge, experience, independence and diversity on the Board, and prepare a description of the role, required capabilities and expected time commitment, and to consider candidates

on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position.

2.10 To consider candidates from a wide range of backgrounds on merit and against objective criteria, having due regard to the benefits of diversity on the Board.

2.11 To oversee the Company's policy, objectives and strategy on board, senior management and workforce diversity and inclusion, taking into account the Company's strategy, objectives and culture, and monitor and assess regularly the implementation of the policy and progress towards objectives.

2.12 To monitor any external directorships held, and ensure they comply with any applicable provisions in the UK Corporate Governance Code.

2.13 To review the results of the Board performance evaluation process as they relate to the composition of the Board.

2.14 To require proposed appointees to the Board to disclose:

- (a) all significant commitments (including external directorships), with an indication of time involved; and
- (b) the nature and extent of any actual or potential conflicts of their interests with the interests of the Company,

and make recommendations to the Board as appropriate.

2.15 To ensure that Non-Executive Directors receive a formal letter of appointment recording the Company's expectations on time commitment, board meetings, committee service and other expected involvement in the Company's activities.

Director's continuation in office

2.16 To make recommendations to the Board about candidates for membership of the audit and risk, clinical governance and safety, and remuneration committees of the Board and any other Board committees as appropriate, in consultation with the chairs of the relevant committee.

2.17 To make recommendations to the Board about whether to reappoint a director at the end of his or her term of office subject to re-election at the Company's annual general meeting, having regard to their performance and ability and their past and likely future contribution to the Board in the light of knowledge, skills and experience required, and the need for progressive refreshing of the Board, taking into account the length of service of individual directors, the Chair of the Board and the Board as a whole.

2.18 To make recommendations to the Board about any matters relating to the continuation in office of any director at any time, including any concerns or complaints which arise which may impact on the director remaining a fit and proper person within the meaning of the Regulations, the suspension or termination of service of an executive director as an employee of the Company.

2.19 To support and work with the Chief Executive Officer in building and maintaining a strong executive leadership team by, where appropriate, giving input to organisation design, reviewing the performance of, and succession plans for, Executive Committee members on at least an annual basis. The Committee will also approve the Chief Executive Officer's recommendations for changes to the Executive Committee.

Directors' conflicts of interest and external commitments

2.20 To require directors to disclose the nature and extent of any actual or potential conflicts of their interests with the interests of the Company, to monitor and assess such disclosures regularly, and make recommendations to the Board as appropriate.

2.21 To require directors to disclose all existing and proposed significant commitments, with an indication of the time involved, to monitor and assess such disclosures regularly, and make recommendations to the Board as appropriate in relation to the approval of such commitments and the disclosure of the reasons for approval of any approved commitment.

Board evaluation

2.22 To oversee, with the Chair of the Board and, where necessary, the Senior Independent Director, a formal and rigorous annual evaluation of the performance of the Board, its committees and individual directors and, in particular, to determine with the Chair of the Board and the Senior Independent Director whether the Board evaluation should be externally facilitated and, if so, the nature and extent of an external evaluator's contact with the Board, its committees and individual directors.

2.23 To review the results of the Board performance evaluation process as they relate to the composition of the Board and succession planning and make recommendations to the Board in relation to the outcomes and further actions.

Shareholder engagement

2.24 To seek effective engagement through the Committee chair with shareholders on significant matters related to the areas of the Committee's responsibilities.

3. PROCEDURES FOR APPOINTING DIRECTORS

3.1 The Committee will oversee the process for appointing all directors to the Board. The key principles are:

- (a) the Committee will approve a job description and position specification;
- (b) where external candidates are required an executive search firm will be appointed which will be approved by the Committee;
- (c) where there are internal candidates they will, whenever possible, be benchmarked against external candidates and reviewed through the same process as external candidates;
- (d) candidates will be selected for the short list and for the final appointment with due consideration given to the overall mix of skills, experience and diversity of the Board;
- (e) the Committee will review and approve the short list;
- (f) candidates will be interviewed by members of the Committee or other Directors as determined by the Chair;
- (g) the Committee will take references on external candidates; and
- (h) the Committee will make a recommendation for appointment to the Board once the above process is completed.

3.2 The recruitment process will be led by:

- (a) The Chair of the Board, supported by the Senior Independent Director /Deputy Chair, in the case of the Chief Executive Officer and the Non-Executive Directors (except the Chair of the Board);
- (b) the Chief Executive Officer, supported by the Chair of the Board, in the case of Executive Directors (except the Chief Executive Officer); and
- (c) the Senior Independent Director/Deputy Chair, supported by another member of the Committee in the case of the Chair of the Board.

3.3 The Committee may request that the Chief Executive Officer and/or Company Secretary confirm to the Committee that, in respect of the appointment of Executive Directors, all appropriate checks and selection processes have been undertaken to ensure that the director is a fit and proper person within the meaning of the Regulations.

3.4 The Committee shall provide the Chair of the Board with such information as if necessary in order for the Chair of the Board to discharge their responsibilities in respect of the requirements of the Fit and Proper Person Test.

3.5 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.

4. COMPOSITION

4.1 The Committee must have at least three members. Members of the Committee are appointed by the Board in consultation with the chair of the Committee (the *Committee Chair*). A majority of the members of the Committee must be independent non-executive directors. If the Board decides that a member of the Committee is no longer independent and as a result a majority of the members of the Committee are not independent non-executive directors, that member will cease to be a member of the Committee.

4.2 The Board appoints the Committee Chair, who must be either the Chair of the Board or an independent non-executive director.

4.3 Only members of the Committee have the right to attend Committee meetings, but the Committee may invite others to attend all or part of any meeting if it thinks it is appropriate or necessary.

4.4 Appointments to the Committee are for a period of up to three years, extendable for two further three-year periods, provided that the majority of the Committee members remain independent.

4.5 Members of the Committee will not, unless specifically requested by the other members of the Committee, participate in discussions and the appointment process for successors to their own position. In the absence of the Committee Chair or an appointed deputy, the remaining members of the Committee may appoint one of the independent non-executive directors to chair the meeting.

5. QUORUM

5.1 The quorum necessary for the transaction of business is two members, both of whom must be independent non-executive directors.

5.2 A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

6. MEETING ADMINISTRATION

6.1 The Committee shall meet as often as it deems necessary but in any case at least twice a year, at such times and places determined by the Committee Chair. Additional meetings may be called by the Committee Chair. Where possible a sufficient interval should be allowed between Committee meetings and main Board meetings to allow any work arising from the Committee meeting to be carried out and reported to the Board as appropriate. The Committee may hold meetings by telephone or using any other method of electronic communication, and may take decisions without a meeting by unanimous written consent, when deemed necessary or desirable by the Committee Chair.

6.2 Meetings of the Committee are called by the secretary of the Committee at the request of the Committee Chair.

6.3 Unless otherwise agreed by all Committee members, notice of each meeting confirming the venue, time and date (and dial-in details if required) of the meeting must be sent, with an agenda of the items to be discussed and any supporting papers, to each member of the Committee, any other person required to attend the meeting and all other non-executive directors as soon as practicable, and in any event no later than three working days before the date of the meeting.

7. SECRETARY

7.1 The Company Secretary or such person as the Committee Chair approves acts as the secretary of the Committee (the *Secretary*).

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

7.3 The Secretary must minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

7.4 The Secretary must ascertain, at the beginning of each meeting, whether any conflicts of interest exist and, if so, minute them accordingly.

7.5 Draft minutes of Committee meetings must be sent promptly to all members of the Committee. Once approved, minutes must be sent to all members of the Board, unless the Committee Chair thinks it is inappropriate to do so.

8. SELF-EVALUATION

8.1 The Committee must review its own performance, composition and terms of reference at least once a year and recommend to the Board any changes it considers necessary or desirable.

9. REPORTING RESPONSIBILITIES

9.1 After each Committee meeting, the Committee Chair must report formally to the Board on the Committee's proceedings, including on the nature and content of the discussion, decisions and recommendations made, and actions to be taken.

9.2 The Committee may make such recommendations to the Board it deems appropriate on any area within its remit where action or improvement is desirable.

9.3 The Committee Chair must attend the Company's annual general meeting and be available to answer questions on matters within the Committee's area of responsibility, as directed by the chair of the Company's annual general meeting.

9.4 The Committee must compile a report to shareholders on its activities and the process used to make appointments to be included in the Company's annual report. The report should also cover:

- (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.

10. OTHER MATTERS

The Committee must:

- (a) have access to sufficient resources to carry out its duties, including access to the Company secretariat for assistance as required on all Committee matters;
- (b) be given appropriate and timely training, in the form of an induction programme for new members and on an ongoing basis for all members;
- (c) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code, the requirements of the Financial Conduct Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules, as appropriate;
- (d) oversee any investigation of activities which are within its terms of reference; and
- (e) work and liaise as necessary with all other Board committees, ensuring the interaction amongst committees and with the Board is reviewed regularly.

11. AUTHORITY

The Board authorises the Committee to:

- (a) undertake any activity within its terms of reference;
- (b) seek any information from any Group employee, contractor, consultant or other provider of services to the Company that the Committee requires to perform its duties;
- (c) obtain external legal or other professional advice on any matter within its terms of reference at the Company's expense, and to invite persons giving such advice to attend Committee meetings;
- (d) call any Group employee, contractor, consultant or other provider of services to be questioned at a Committee meeting, as and when required; and
- (e) delegate any of its powers to one or more of its members or the secretary of the Committee.