



Board Structure and Composition Policy

Version 1.0

July 2021

Version Control

Version	Owner	Reviewer	Changes	Approval date	Next Review
1.0	Michael Walsh	Monica Whitefield	Initial version or first version uploaded on portal - see ESG share for historical information	07/2021	06/2022

Purpose

The Board Structure and Composition Policy (“the Policy”) sets out the approach to diversity on the Board of Directors of Newable Limited (“the Board”).



Scope

This Policy applies to the Board. It does not apply to diversity in relation to employees of Newable Limited or its subsidiaries (“Newable”), which is addressed by separate diversity and inclusiveness policies.

Policy

Newable recognises and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. In developing this Policy, reference has been made to the QCA Corporate Governance Code (which was adopted by the Board on 1 April 2020) and to the Financial Reporting Council's ("FRC") guidance on Board diversity which states:

"The boardroom should be a place for robust debate where challenge, support, diversity of thought and teamwork are essential features. Diversity of skills, background and personal strengths is an important driver of a board's effectiveness, creating different perspectives among directors, and breaking down a tendency towards 'group think'."

A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, social and ethnic background, gender and other distinctions between Directors such as cognitive and personal strengths. These differences will be considered in determining the optimum composition of the Board and when possible will be balanced appropriately.

All Board appointments and succession plans are based on merit and objective criteria, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

The Nominations Committee ('the Committee') reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. The Committee also assists in overseeing the conduct of the annual review of Board effectiveness. The Committee will consider the following key areas:

- In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.
- In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.
- As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the Committee will consider the balance of skills, experience, independence and knowledge of Newable on the Board and the diversity representation of the Board, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness.
- The Committee will oversee the development of a diverse pipeline for succession for the Board.

The Committee will also be guided and will consider the following factors:

- Does Newable have the right ratio of Executive to Non-Executive Directors?
- What are the likely future needs of Newable and does the Board have the right knowledge and skills currently?
- If Newable needs to recruit, what new skills and experience are we looking for in a new Executive Director or Non-Executive Director?
- Does Newable have a robust process established for identifying and appointing new directors?
- Does Newable have succession plans in place for the members of the Board?
- Are Newable's procedures appropriate for identifying and appointing the Chair and the Chief Executive?
- Are the terms of reference for the Committee up to date? Do they help ensure that the range of potential candidates to be potentially recruited to the Board is wide enough, and is the selection process rigorous enough?
- Is the contribution of each Director assessed in an annual review and can individual development programs be arranged where necessary?
- Is a comprehensive induction program available for new members of the Board?

Measurable Objectives

The Committee will discuss and agree annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption.

With regard to gender diversity, the Board supports the recommendations and objectives set out in the Hampton-Alexander Review on gender diversity and the recommendations set out in the Parker Review on ethnic diversity.

At any given time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

Gender Diversity

The Board's current target is to ensure that the proportion of women on the Board is at least 33 per cent and that this is maintained going forward.

Ethnic Diversity

The Board's current target is to ensure that at least one Board member is from an ethnic minority group and that this is maintained going forward.

Monitoring and Reporting

Effective for Financial Year 2022 and future financial years, the Committee will report annually, in the corporate governance section of the Newable Annual Report, on the process it has used in relation to Board appointments. This report will include a summary of this Policy, the measurable objectives set for implementing the Policy and progress made towards achieving those objectives.

The Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

Governance

Policy Sponsor: Group Chair

Policy Management: The Nominations Committee

Date Approved: By Committee Chairs and Executive Team on 14 June 2021 with full Board approval due to take place at the 20th November Group Board Meeting.