

**Admiral Group Plc**  
(the "Company")

## **Terms of Reference of the Nomination and Governance Committee**

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Approved: December 2024

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In these Terms of Reference the following terms shall have the following meanings:

the "**Board**" means the board of directors of the Company

the "**Committee**" means the Nomination and Governance Committee

the "**Group**" means the Company and its subsidiaries

### **1. Membership**

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- 1.1** Members of the Committee shall be appointed by the Board on the recommendation of the Committee. The Committee shall be made up of at least three members, the majority of whom shall be independent, non-executive directors. In determining whether members are independent in character and judgment, the Board should consider all relevant factors referred to in provision 10 of the UK Corporate Governance Code.
- 1.2** Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, the Head of People Services, Group Head of People Talent and Development and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3** Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided that the director still meets the criteria for membership of the Committee.
- 1.4** The Committee shall review its membership annually, in conjunction with its annual performance review.

### **2. Quorum**

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- 2.1** The quorum necessary for the transaction of business shall be two members, both of whom must be independent non-executive directors, present in person or by audio or video conference.
- 2.2** 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. The Chair of the Committee does not have a casting vote.

### **3. Frequency of Meetings**

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- 3.1** The Committee shall meet at least twice a year and at such other times as the Chair of the Committee may require.
- 3.2** The Chair of the Committee may convene meetings of the Committee at any time to consider the nomination of new directors or any other matters falling within these terms of reference.

### **4. Chair**

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- 4.1** The Board shall appoint the Committee Chair who should either be the Chair of the Board or an independent non-executive director. In the absence of the Committee Chair and/or appointed deputy, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chair of the Board.

### **5. Secretary**

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- 5.1** The Secretary of the Company, or their nominee shall act as the Secretary of the Committee and shall attend meetings of the Committee. 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 relevant issues.
- 5.2** The Committee will be supported by the Secretary of the Company, who shall have independent access to the Chair of the Committee.

### **6. Notice of Meetings**

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- 6.1** Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chair 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 any other person required to attend, no later than five working days before the date of the meeting in sufficient time. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at least five working days before the date of the meeting.

### **7. Minutes of Meetings**

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- 7.1** The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present, in attendance and the existence of any conflicts of interest.
- 7.2** Draft minutes of Committee meetings shall be circulated to all members of the Committee and the Chair of the Board and, once agreed, to all other members of the Board, unless, in the opinion of

the Committee Chair, it would be inappropriate to do so.

## **8. Annual General Meeting**

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- 8.1** The Chair of the Committee shall attend the Annual General Meeting to answer any shareholder questions on the Committee's activities and achievements over the year. In addition, the Chair of the Committee shall seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

## **9. Role and Duties**

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- 9.1** The role of the Committee is to:

- 9.1.1** Ensure that there is a formal, rigorous and transparent procedure for appointments to the Board.
- 9.1.2** Lead the process for appointments and make recommendations to the Board.
- 9.1.3** Assist the Board in ensuring that its composition is regularly reviewed and refreshed, taking into account the length of service of the Board as a whole, so that it is effective and able to operate in the best interests of shareholders.
- 9.1.4** Ensure plans are in place for orderly succession to positions on the Board and as regards senior management, including the Company Secretary.
- 9.1.5** Oversee the development of a diverse pipeline for succession.
- 9.1.6** Work and liaise with other Board Committees, as appropriate (including the Remuneration Committee in respect of any remuneration package to be offered to any new appointee of the Board) and ensure that the interaction between Committees and between the Committee and the Board is reviewed regularly.

- 9.2** The Committee shall:

### **Composition of the Board and senior management**

- 9.2.1** regularly review the structure, size, composition, (including the skills, experience, independence, knowledge and diversity) of the Board and its Committees, taking account of the strategic priorities and the matters affecting the Company, and make recommendations to the Board with regard to any changes.
- 9.2.2** Keep under review the leadership needs of the organisation, relating both to the Board and senior management, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.
- 9.2.3** Keep up to date and fully informed about the strategic and commercial issues, priorities and main trends, and factors affecting the long-term success and future viability of the Company and the market in which it operates.
- 9.2.4** Set measurable objectives and targets for diversity, equal opportunity and inclusion in relation to the Board and senior management positions, prepare a policy on the promotion of diversity, equal opportunity and inclusion on the Board and in senior management.

## Succession Planning

- 9.2.5 ensure that plans are in place for orderly succession to both the Board and senior management positions, based on merit and objective criteria and taking into account the challenges and opportunities facing the Company, the skills, experience, independence, knowledge and diversity needed on the Board in the future, the length of service of the Board as a whole and the need for its membership to be regularly refreshed.
- 9.2.6 Satisfy itself that plans are in place for orderly succession for appointments to the Board and senior management.
- 9.2.7 Oversee the development of a diverse pipeline for succession, having regard to diversity, inclusion and opportunity.

## Appointments to the Board

- 9.2.8 Be responsible for identifying, reviewing and nominating for the approval of the Board candidates from diverse backgrounds to fill Board vacancies as and when they arise.
- 9.2.9 Consider proposals for the reappointment or promotion of directors and also any proposal for their dismissal, retirement, non-reappointment or any substantial change in their duties or responsibilities or the term of their appointment.
- 9.2.10 before an appointment is made by the Board, evaluate the balance of skills, knowledge, independence, diversity and experience on the Board, and the future challenges affecting the Company, and, in the light of this evaluation, prepare a description of the role, capabilities and time commitment required for a particular appointment and set the process to identify, sift and interview suitable candidates. In identifying suitable candidates, the Committee shall:
- (a) Use open advertising or the services of external advisors to facilitate the search;
  - (b) consider candidates from diverse backgrounds; and
  - (c) consider candidates on merit, against objective criteria, and with due regard for promoting the benefits of diversity, inclusion and equal opportunity on the Board, taking care that appointees are able to allocate sufficient time to the position to discharge their responsibilities effectively.
- 9.2.11 for the appointment of the Chair of the Board, the Committee should prepare a job specification that includes an assessment of the time commitment expected of the role, recognising the need for availability in the event of crises. A proposed Chair's other significant commitments should be disclosed to the Board before appointment and any changes to the Chair's commitments, including external appointments should be reported to and approved by the Board as they arise.
- 9.2.12 review the number and nature of external directorships, significant commitments (including, but not limited to, external appointments as senior independent director, committee chair and/or committee member) and other positions held by (i) any person being considered for appointment

to the Board or (ii) any existing director of the Board, considering whether these could impact the director's or proposed director's independence status or time commitment or give rise to an actual or potential conflict of interest. Consider setting any limits on such commitments, and review annually the time required from non-executive directors.

- 9.2.13 ensure that on appointment to the Board, non-executive directors 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.

### **Appointments to Material Subsidiaries**

- 9.2.14 review and approve appointments to the boards of the Material Subsidiaries and other Group subsidiary companies, having regard to the overall balance of skills, knowledge, experience and diversity on the relevant board. The Chairs of the Boards of Material Subsidiaries and other Group subsidiary companies shall make recommendations to the Committee as to the directors to be appointed to their respective Boards. Papers containing such recommendations for the Committee to consider should include full details of the appointment process, reasons why the process was appropriate in each case and input sought from the Group Risk team. Any external appointments or significant commitments for existing directors on a Material Subsidiary Board or any Group subsidiary company shall be reviewed by the Chair of the relevant Material Subsidiary Board or Group subsidiary company as to whether the appointment could impact the proposed director's independence status or time commitment or give rise to an actual or potential conflict of interest.

### **Conflicts of Interest**

- 9.2.15 prior to appointment, require proposed appointees, including the Chair of the Board, to disclose any other business interests that may result in a conflict of interest and be required to report and obtain the prior approval of the Board for all external appointments, significant commitments indicating the time involved, or other positions that may or may not result in a conflict of interest.
- 9.2.16 consider and authorise any potential conflicts of interest arising from either new or existing appointments and as regards material conflicts, advising the Board on whether the conflict should be authorised and recommending any conditions which should be applied to the authorisation.

### **Induction and Training**

- 9.2.17 ensure that all new directors undertake an appropriate induction programme to ensure that they are fully informed about the Company's business model, its purpose and values, its strategy, risk management and internal controls framework and principal risks of the Company, main areas of business activity, commercial issues affecting the Company and the markets in which it operates, their rights, duties and responsibilities as a director and the role of the Company's committees.
- 9.2.18 consider any training requirements of the Board as a whole.

### **Group Senior Managers & Certification Regime Policy**

- 9.2.19 review annually the Group’s Senior Managers & Certification Regime (SMCR) Policy (“the Policy”) to ensure that it provides an effective structure and process for the Group to follow that aligns itself with the strategy as agreed by the Group Board; meets the needs of the business; and adheres to current legislation and best practice. Such review shall consider input from the Compliance and People Services functions. Identified breaches of the Policy will be escalated for consideration to the Group Board or appropriate Board Committee. The Committee shall be responsible for informing the risk management, internal audit, compliance and actuarial functions of facts relevant to the discharge of their duties.
- 9.2.20 delegate responsibility for implementation of the Policy for Executive Directors and Group staff to the Head of People Services who shall ensure that all senior individuals who represent, and are recruited to, the Group meet the requirements set out in the Policy including their qualifications, capability, honesty and integrity. The Head of People Services shall report to the Committee on the implementation of the Policy during the Committee’s annual review of the Policy.
- 9.2.21 delegate responsibility for compliance with the Policy for Non-Executive Directors to the Chair of the Board who shall ensure that all Non-Executive Directors who represent, and are recruited to, the Board meet the Fit & Proper requirements set out in the Policy including their qualifications, capability, honesty and integrity.

### **Group Governance Arrangements**

- 9.2.22 review the governance arrangements for the Company and its principal and material regulated entities including EUI Limited (EUIL), Admiral Insurance Company Limited (AICL Admiral Financial Services Limited (AFSL), Admiral Europe Campania De Seguros (AECS), and Admiral Insurance (Gibraltar) Limited (AIGL) (“Material Subsidiaries”) to ensure they remain appropriate by reference to best practice in corporate governance (having regard to relevant legislation, guidelines and industry practice). This includes the approval of approved person applications to both the FCA and PRA.

### **Board Performance Review**

- 9.2.23 review the results of the board performance review process that relate to the Board’s composition, succession planning, its diversity and how effectively the members of the Board work together to achieve objectives.

### **Board Recommendations**

- 9.3 The Committee shall also make recommendations to the Board with respect to:
- 9.3.1 formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Chair and Chief Executive. Including any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved.
- 9.3.2 suitable candidates for the role of senior independent director.

- 9.3.3 membership of the Audit, Risk, Nomination and Governance and Remuneration Committees, and any other Board Committee as appropriate, in consultation with the Chairs of those Committees.
- 9.3.4 the re-appointment of any non-executive director at the conclusion of their specified term of office, having due regard to (i) their performance and ability to continue to contribute to the Board and the Company's long term success, (ii) in the light of the knowledge, skills and experience required, and (iii) the length of service of the Board as a whole and its membership being regularly refreshed.
- 9.3.5 the re-election by shareholders of directors under the annual re-election provisions set out in the company's articles of association, having due regard to (i) their performance, ability and commitment to continue to contribute to the Board and the Company's long term success, (ii) in the light of the knowledge, skills and experience required, and (iii) the length of service of the board as whole and its membership being regularly refreshed.
- 9.3.6 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.
- 9.3.7 the appointment of any director to executive or other office.

## **10. Reporting Responsibilities**

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- 10.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and the minutes of all Committee meetings shall be included in the Board papers for a subsequent Board meeting or made available on request. To the extent that the Chair of the EUIL Board is also a director on the Board, then he or she shall keep the Board of EUIL updated of any matters discussed by the Committee that he or she determine are relevant to EUIL. Where appropriate, extracts of the Committee minutes that are relevant to EUIL shall be provided to the EUILBoard.
- 10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit, and/or where action or improvement is needed. Adequate time should be made available for Board discussion when necessary.
- 10.3 The Committee shall produce a report to be included in the Group's annual report including any matters required by the Disclosure and Transparency Rules published by the FCA and describing its activities, including:
  - 10.3.1 the membership of the Committee, number of meetings and attendance over the course of the year (unless this is covered elsewhere within the Group's annual report);
  - 10.3.2 the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline;
  - 10.3.3 how the Board performance review has been conducted, the nature and extent of an external

reviewer's contact with the Board and individual directors, the outcomes and actions taken, and how it has or will influence future Board composition;

- 10.3.4 the identification of any external reviewer engaged together with a statement about any other connection it has with the Company or individual directors;
- 10.3.5 a description of the Board's policy and any initiatives on diversity and inclusion, their objectives and link to company strategy, how they have been implemented and progress on achieving the objectives;
- 10.3.6 the gender balance of those in senior management and their direct reports; and
- 10.3.7 explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company or individual directors.

## 11. Other Matters

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### 11.1 The committee shall:

- 11.1.1 have access to sufficient resources to carry out its duties, including access to the company secretariat for assistance as required;
- 11.1.2 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;
- 11.1.3 give due consideration to all relevant laws and regulations, in particular, the directors' duties in the Companies Act 2006, the provisions of the Code and associated guidance and the requirements of the UK Listing Rules, Prospectus and Disclosure and Transparency Rules published by the FCA and any other applicable Rules, as appropriate; and
- 11.1.4 arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 11.1.5 make publicly available the Committee's terms of reference by placing them on the Company's website.

## 12. Authority

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- 12.1 The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.