

# WORKSPACE GROUP PLC

## TERMS OF REFERENCE OF THE ESG COMMITTEE

ESTABLISHED BY THE BOARD ON 15 SEPTEMBER 2022 AND AMENDED APRIL 2024

### 1. Purpose

1.1. The ESG Committee is a Committee of the board of directors (the “**Board**”) of Workspace Group PLC (the “**Company**”). The purpose of the ESG Committee is to assist the Board in promoting the long-term sustainable success of the Company with regard to ESG matters (as defined below). The Board retains ultimate responsibility for ESG matters.

1.2. In these terms of reference, “ESG matters” or “ESG” refers to the following areas:

#### Environmental:

The Company’s impact on the natural environment and the environment’s impact on the Company, including climate change impacts, direct impacts (the Company’s own activities) and indirect impacts (through its value chain, including suppliers and customers or investments), Including:

- Greenhouse gas emissions
- Energy Consumption
- Waste management and pollution
- Resource use
- Targets and disclosures
- Nature and biodiversity
- Transition planning

#### Social:

The Company’s interactions with, responsibilities towards and impact on stakeholders, Including:

- Workforce: safety, physical and mental wellbeing, workplace policies such as whistleblowing , employee engagement, diversity and inclusion initiatives , fair pay (including gender / ethnic pay gap reporting), professional development, company culture and other standards applicable to employees of the Company;
- Customers: including supporting customer wellbeing, fair competition, driving customer satisfaction, engagement and other standards applicable under law and regulation;
- Communities: social or community projects and partnerships, charitable giving; and
- Suppliers and other stakeholders: ethical procurement, modern slavery risk, human rights violations and alignment with Workspace’s supplier code of conduct

## Governance:

Compliant and ethical conduct of the Company's business, in line with its purpose and enabled through effective decision-making:

- Corporate Governance framework and relevant Governance Codes
- Effective integration of ESG into the Company's strategy and operations
- Compliance policies, codes of conduct
- Due diligence, onboarding policies and procedures
- Management of bribery, corruption and money laundering risk
- Data privacy and security
- Transparency and assurance of reporting
- Supply chain controls and management
- Application of the Company's values, culture and purpose
- Stewardship and proxy voting policies

## **2. Membership**

- 2.1. The Committee shall be appointed by the Board and shall comprise of at least three independent Non-Executive Directors. Membership can be extended by invitation to relevant members of executive committee and / or heads of departments. Members shall have appropriate knowledge, skills and expertise to fully understand the Company's strategy in respect of ESG matters.
- 2.2. The designated Non-Executive Director responsible for workforce engagement shall be a member.
- 2.3. Appointments to the Committee shall be for a period of three years.
- 2.4. Only members of the Committee have the right to attend Committee meetings. The Committee may at its discretion invite any other persons to attend all or part of its meetings as appropriate.
- 2.5. The Board shall appoint the Committee Chair who shall be a Non-Executive Director. The chair of the board shall not be chair of the committee. In the absence of the Committee Chair, the remaining members present shall elect one of their number to Chair the meeting.

## **3. Secretary**

- 3.1. The Company Secretary or his or her nominee shall act as the secretary of the Committee and shall oversee that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the matters included in meeting agendas.

#### **4. Quorum**

- 4.1. The quorum necessary for the transaction of business shall be two members. 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**

- 5.1. The Committee shall meet at least three times a year and at such times as required.
- 5.2. 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 Chair of the Committee.

#### **6. Notice of meetings**

- 6.1. Meetings of the Committee shall be called by the Secretary of the Committee at the request of 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. Supporting papers shall be sent to the Committee members and to other attendees as appropriate, at the same time.

#### **7. Minutes of meetings**

- 7.1. The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.2. Draft minutes of the Committee meetings shall be distributed promptly to the Chair of the Committee. Once approved, minutes should be distributed to all members of the Committee and made available to all other members of the Board unless a conflict of interest exists.

#### **8. Annual General Meeting**

The Committee Chair should attend the annual general meeting to answer shareholder questions on the Committee's activities. In addition, where appropriate the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

#### **9. Duties**

The Committee shall carry out the duties below for Workspace Group PLC, and its group as a whole (the "**Group**"), as appropriate.

The Committee shall:

*ESG Strategy or Framework*

- 9.1. Oversee the development of, advise the Board regarding and recommend for approval by the Board, the Company's ESG strategy. Ensure that this strategy is effective, aligned with prevailing regulations and good practice, and integrated with the company's business plan, values and objectives, in order to support the company's long-term sustainable success.
- 9.2. Oversee the execution of the ESG strategy and approve implementation of projects developed in response to the strategy. Review the effectiveness of the teams, governance and processes in place to ensure the outcomes of the ESG strategy are delivered. Advise on the risks and opportunities for the company's operations and reputation in relation to the execution of its ESG strategy.

*Goals and metrics*

- 9.3. Advise on, and recommend for approval by the Board, appropriate ESG strategic goals, short and long-term targets, and key ESG metrics. Monitor annual and long-term progress against previously set ESG objectives, including compliance with public commitments on ESG issues. Oversee the ongoing measurement and reporting of performance against key ESG metrics.

*Reporting*

- 9.4. Review the content, integrity and completeness of external statements and disclosures about ESG activity, targets and progress. Review ESG-related reporting prior to Board approval, including the annual sustainability report, information to be included in the annual report, and mandatory or voluntary disclosures in line with recommended practice and regulatory requirements. Evaluate the extent and effectiveness of external reporting on ESG performance and participation in external benchmarking indices.
- 9.5. Review regularly the requirement for internal and external audit assurance of ESG-related matters, and as necessary, appoint external parties to provide assurance on relevant reporting.

*Horizon Scanning*

- 9.6. Identify current and emerging ESG-related issues, standards, good practice, and regulatory or legislative developments, at the sectoral, national and international level. This includes undertaking relevant training and development opportunities, both for the committee members and for company employees as appropriate. Evaluate which issues and developments are likely to impact the company's strategy, operations, and reputation. Determine, therefore, whether and how these should be reflected in the Company's ESG objectives, policies and reporting.

*Policies and procedures*

- 9.7. Monitor the establishment of appropriate ESG-related policies, procedures for incident reporting, codes of practice, and standards of business conduct. Where

these exist, review their adequacy and ongoing relevance and effectiveness. Where necessary, ensure they are updated to remain in compliance with relevant national and international standards. Review any serious incidents which breach the Company's ESG-related policies, codes, standards and procedures and ensure appropriate action is taken by the Company to resolve these.

#### *Social Issues*

- 9.8. Oversee the company's interactions with and responsibilities towards its stakeholders in relation to ESG-issues, most notably, its employees, customers, suppliers and the communities in which it operates. Support the board in monitoring the culture of the company, the safety and wellbeing of its workforce, and the adequacy of its supply chain controls in relation to modern slavery and human rights risk.

#### *Risk*

- 9.9. Review the effectiveness of risk management and internal control policies where relevant to ESG matters.

#### *Collaboration with other committees*

- 9.10. Work in conjunction with the Remuneration Committee regarding appropriate ESG-related performance objectives and incentives for Executive Directors, to ensure that ESG matters are appropriately considered when setting the overall remuneration policy.
- 9.11. Work in conjunction with the Audit Committee to regularly review the requirement for internal and external assurance of ESG-related matters. Monitor the role and effectiveness of the internal audit function with regards to assurance on ESG-related disclosures. As necessary, ensure appointment by Company's management of external parties to provide assurance on relevant reporting.
- 9.12. Work in conjunction with the Nominations Committee to support the oversight of a diverse pipeline for appointments to the Board.

### **10. Reporting responsibilities**

- 10.1. The Committee Chair shall report to the Board after each meeting on the nature and content of its discussion, recommendations, and action 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, and adequate time should be made available for Board discussion where necessary.
- 10.3. The Committee shall oversee the production of an annual summary of the company's ESG strategy, policies and practices, which will form part of the company's annual report.

## **11. Other Matters**

The Committee shall:

11.1. Have access to sufficient resources in order to carry out its duties. This includes access to the Company Secretary for assistance as required.

11.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and an ongoing basis for all members.

11.3. Give due consideration to relevant laws and regulations, the provisions of the Code and published guidelines or recommendations as appropriate.

11.4. Ensure that a periodic evaluation of the Committee's own performance is carried out.

11.5. At least annually, review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

## **12. Authority**

The Committee is authorised to:

12.1. The Committee is authorised by the Board to investigate any matter within its terms of reference.

12.2. Establish any sub committees or working groups which may be relevant to support the Committee's work.

12.3. To seek any information, if required, from any officer or employee of the Company, in order to perform its duties.

12.4. Request the attendance of any employee, contractor, consultant, or other external provider of services or advice to the Company, at a meeting of the Committee, as and when required.

12.5. Oversee, on behalf of the Board, any investigations concerning matters detailed within its terms of reference.

12.6. To obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.