

## ESG COMMITTEE: TERMS OF REFERENCE

### Definitions

"Board"	the Board of Directors of Bakkavor Group plc
"Chair"	Chair of the ESG Committee
"Code"	the 2018 UK Corporate Governance Code
"Committee"	the ESG Committee
"Company Chairman"	Chairman of the Board
"Company"	Bakkavor Group plc
"ESG"	Environmental, Social and Governance
"Group"	Company and its subsidiary undertakings
"Management Board"	the Management Board of the Company
"Senior Executives"	the direct reports of the Management Board
"Trusted Partner"	the Group's ESG Strategy

### **1. Constitution and Purpose**

The Committee's purpose is to:

- 1.1 assist the Board in promoting the long-term sustainable success of the Company with regard to ESG matters by ensuring that the right strategies and action plans are in place to meet the Group's desired goals and monitor progress against those goals;
- 1.2 ensure that the Company agrees, implements, communicates and reviews strategy on key ESG issues; and
- 1.3 monitor the execution of Trusted Partner, to oversee the communication of the Group's ESG activities with its stakeholders and to provide input to the Board and other Board Committees on ESG matters as required. For the avoidance of doubt, Trusted Partner is developed by the

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Management Board with support from the Group ESG Executive Committee and is approved by the Board.

## **2. Membership**

- 2.1 The Committee shall comprise at least three Directors. A majority of the members of the Committee shall be independent Non-executive Directors.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Financial Officer, the Chief People Officer and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary or if required to do so by the terms of any relationship agreement entered into by the Company.
- 2.3 Appointments to the Committee are made by the Board on the recommendation of the Nomination Committee 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 Director still meets the criteria for membership of the Committee and the majority of the Committee members remain independent.
- 2.4 The Board shall appoint the Chair who should be either the Company Chair or an independent Non-executive Director. In the absence of the Chair 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 of reference to be appointed to that position by the Board.

## **3. Secretary**

- 3.1 The Company Secretary, or their nominee, shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
- 3.2 The Secretary must ascertain, at the beginning of each meeting, whether any conflicts of interest exist and, if so, minute them accordingly.

## **4. Quorum**

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The quorum necessary for the transaction of business shall be at least two independent Non-executive Directors, with the Chair or in the Chair's absence, an Independent Director.

## **5. Frequency of Meetings**

The Committee shall meet at least three times a year and otherwise as required. The Committee may hold meetings by telephone or using any other method of electronic communications and may take decisions without a meeting by unanimous written consent, when deemed necessary or desirable by the Chair.

## **6. Notice of Meetings**

6.1 Meetings of the Committee are called by the Secretary of the Committee at the request of the Chair or any of the Committee members.

6.2 Unless otherwise agreed, written notice of each meeting confirming the venue, time and date (together with the agenda of items to be discussed and supporting papers), 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 (unless all members of the Committee agree to shorter notice).

## **7. Minutes of Meetings**

7.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

7.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless, in the opinion of the Chair, it would be inappropriate to do so.

## **8. Engagement with Shareholders**

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

## **9. Duties**

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The Committee shall:

- 9.1 Oversee Management's execution of the ESG Strategy as agreed by the Board.
- 9.2 Monitor the Group's execution of Trusted Partner based on the identified priorities and provide updates to the Board in that regard.
- 9.3 Receive regular reports from the Group ESG Executive Committee on its activities and the progress on the Group's ESG practices.
- 9.4 Oversee the Group's disclosures relating to ESG (e.g. in the Annual Report) on behalf of the Board and provide information and advice and support to the Board and the other Board Committees in relation to those disclosures, as required.
- 9.5 Oversee the Group's approach to external communications relating to ESG and ensure a good dialogue with Shareholders on ESG is maintained.
- 9.6 Advise the Board and the other Board Committees (e.g. Remuneration Committee, Audit and Risk Committee) on the Group's performance against sustainability metrics and on the setting of sustainability targets.
- 9.7 Monitor developments and compliance with emerging best practice approaches to ESG and provide insight against the Group's strategy.
- 9.8 Engage with the employees delivering Trusted Partner and assess the Group's approach to nurturing talent and providing development opportunities.

## **10. Reporting Responsibilities**

- 10.1 The Chair shall report to the Board on all ESG matters within the Committee's duties and responsibilities.
- 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 desirable, and adequate time should be made available for board discussion when necessary.

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- 10.3 The Committee shall produce a report to shareholders to be included in the Company's Annual Report concerning its activities and how the Committee has discharged its ESG responsibilities and overseen the execution of Trusted Partner.

## **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 assistance as required on all Committee matters.
- 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 laws and regulations including, the general duties of Directors set out in the Companies Act 2006, provisions of the Code and the requirements of the FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook, the Market Abuse Regulation and any other applicable rules, as appropriate.
- 11.4 Oversee any investigation of activities which are within its Terms of Reference.
- 11.5 Work and liaise as necessary with all other Board committees.
- 11.6 Ensure that a periodic evaluation of its own performance is carried out.
- 11.7 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.
- 11.8 Monitor and assess the Group's culture to ensure policies, practices and procedures are aligned with the Group's values and strategy and promote the long-term success of the Group whilst giving due consideration to the Group's stakeholders.

## **12. Authority**

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The Committee is authorised to:

- 12.1 Undertake any activity within its Terms of Reference.
- 12.2 Request any information from any employee/Director/contractor of the Company/Group that is required in order to perform its duties.
- 12.3 Obtain, at the Company's expense, external legal, or other professional advice, on any matter within its Terms of Reference, and the authority to invite persons giving such advice to attend Committee meetings.
- 12.4 Request the attendance of any employee/contractor to be questioned at a meeting of the Committee as and when required.
- 12.5 Delegate any of its powers to one or more of its members or the Secretary.

These Terms of Reference were adopted by the ESG Committee on **28 June 2022**.