

Shaftesbury

CHAIRMAN TERMS OF REFERENCE

The Chairman is responsible for the leadership of the Board and creating the conditions to ensure it is effective in all aspects of its role. Specifically, the Chairman is responsible and accountable for:

1. Purpose, Values and Culture

- 1.1 Promoting the success of the Company over the long-term for the benefit of shareholders as a whole, having regard to other key stakeholders and interests; and
- 1.2 establishing with the Board as a whole the purpose, values and culture of the Group.

2. Managing the Board

- 2.1 Creating the conditions for overall Board and individual Director effectiveness;
- 2.2 leadership and governance of the Board as a whole, including the setting of the Board's agenda, regularity and frequency of meetings, presiding over meetings of the Board to ensure its smooth and effective running in discharging its responsibilities and organising the management of the Board's business;
- 2.3 setting the Board agenda to ensure appropriate coverage of strategy, performance, value creation, culture, stakeholders and accountability and ensuring that issues relevant to these areas are reserved for Board decision;
- 2.4 ensuring that the directors receive timely, accurate and clear information, including that on the Company's current performance, to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the Company;
- 2.5 ensuring in collaboration with the Chief Executive, that sufficient time is allowed for consideration by the Board of the strategic and other matters as appropriate facing the Group and that the Board is presented with sufficient analysis appropriate to the scale and nature of the decisions that it is asked to make;
- 2.6 encouraging all Board members to engage constructively and openly in all meetings by drawing on their skills, experiences, knowledge and independence so as to maximise their contribution to the work of the Board;
- 2.7 ensuring the Board has effective decision-making processes and applies sufficient challenge to major proposals;
- 2.8 holding regular meetings with the Non-Executive Directors without Executive Directors present;
- 2.9 ensuring, in collaboration with the Chief Executive, that the appropriate issues are brought to the Board in accordance with its authority levels and that there is open and honest debate;
- 2.10 ensuring that there is appropriate delegation of authority from Board to the Executive Directors and Senior Leadership Team;
- 2.11 ensuring the effective implementation by the Executive Directors of the Board decisions;

- 2.12 fostering relationships based on trust, mutual respect and open communication – both in and outside the Boardroom – between Executive and Non-Executive Directors;
- 2.13 consulting with the Senior Independent Director on Board matters as appropriate;
- 2.14 identifying the development needs of the Board as a whole to enhance its overall effectiveness as a team; and
- 2.15 undertaking appropriate personal self-development.

3. Membership and Composition of the Board

- 3.1 Ensuring the performance of the Board, its Committees and individual directors is evaluated at least once a year and acting on results of such evaluation by recognising the strengths and addressing the weaknesses of the Board and, where appropriate, through the Nomination Committee, proposing that new members be appointed to the Board or seeking the resignation of others;
- 3.2 providing guidance and mentoring to new Directors as appropriate and ensuring that the Directors receive a formal induction programme and that they keep their skills, knowledge and familiarity with the Company up-to-date;
- 3.3 acting as the Chairman of the Nomination Committee;
- 3.4 ensuring, in conjunction with the Chief Executive and Nomination Committee, that there is succession planning for all Directors and senior management positions;
- 3.5 ensuring that Board Committees are properly structured with appropriate Terms of Reference and that Committee membership is periodically refreshed, and ensuring the timeliness and completeness of information and essential reports to and from these Committees; and
- 3.6 all Directors are aware of and able to discharge their statutory duties.

4. Governance

- 4.1 Promoting the highest standards of integrity and probity and setting clear expectations concerning the Company's culture, values and behaviours and leading the Board's determination of appropriate corporate governance and business values, and of their dissemination through the Group; and
- 4.2 ensuring a Board evaluation is undertaken annually and the results are acted upon.

5. Risk Management

- 5.1 Ensuring that the Board considers the nature and extent of the significant current and emerging risks and opportunities that the Group is willing to embrace in implementing its strategy and how they are managed.

6. Relationships with the Executive Directors

- 6.1 Developing effective working relationships with the Executive Directors and the Chief Executive in particular, providing regular support, and advice while respecting executive responsibility;
- 6.2 discussing with the Chief Executive the broad strategic plans that the Group will follow prior to submission to the Board and ensuring that the Board is aware of the necessary resources to

give effect to the components of that strategic plan. The Chairman will also be expected to play a role together with the Chief Executive, on strategic issues; and

- 6.3 ensuring that appropriate personal objectives are developed and put in place for the Chief Executive, assessing those objectives and providing feedback to him and discussing and agreeing the level of achievement for onward reporting to the Remuneration Committee.

7. Communication

- 7.1 Representing the Group externally at a business and community level, together with the Chief Executive, as agreed with the Board. In particular, it is part of both the Chairman and Chief Executive's roles to represent the Group's views and position as determined by the Board on key public policy and industry matters and to communicate them effectively to governments, other public organisations and regulatory authorities;
- 7.2 balancing the interests of different categories of stakeholders, (e.g. shareholders, employees, occupiers, joint venture partners, suppliers, national and local government, the local community and other stakeholders as appropriate) and preserving an independent view;
- 7.3 ensuring effective communication with major shareholders and stakeholders on all matters and ensuring that their views are communicated to the Board as a whole;
- 7.4 ensuring effective engagement with employees by appointing a designated Non-Executive Director or other means as appropriate;
- 7.5 maintaining and enhancing the reputation of the Group; and
- 7.6 supporting the commercial activities of the Group and meeting with internal and external groups as required from time to time.

Approved by the Board on 2 June 2020