

# Shaftesbury

## CHIEF EXECUTIVE TERMS OF REFERENCE

The Chief Executive is accountable to, and reports, to the Board. He is responsible for:

### 1. Business Strategy and Management

- 1.1 Proposing the Group's strategy, budgets and financial objectives, having regard to the Group's purpose, values, culture and responsibilities to its shareholders, employees, occupiers, joint venture partners, suppliers, national and local government, the local community and other stakeholders as appropriate for presentation to the Board;
- 1.2 the successful achievement of the execution of the Group's strategy, budgets and financial objectives;
- 1.3 ensuring the Board receives timely and high-quality information including in respect of the financial position of the Company;
- 1.4 determining the adequacy of and optimising as far as is reasonably possible, the use of the Group's financial and human resources;
- 1.5 ensuring, in collaboration with the Chairman of the Board (the "**Chairman**"), 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;
- 1.6 ensuring in collaboration with the Chairman, that the appropriate issues are brought to the Board in accordance with its authority levels and that there is open and honest debate;
- 1.7 leading the Executive Directors and senior management in the day to day running of the Group's business, including chairing the Executive Committee and communicating its decisions / recommendations to the Board;
- 1.8 ensuring effective implementation of Board decisions;
- 1.9 regularly reviewing the operational performance and strategic direction of the Group's business;
- 1.10 providing the Board with a balanced assessment of the performance of the business, including performance against relevant KPIs, operation of the risk management framework and effectiveness of the control environment;
- 1.11 setting an example and providing leadership to the Company's employees and communicating to them the expectations of the Board in relation to the Company's culture, values and behaviours;
- 1.12 ensuring that operational policies are in place that set out and encourage appropriate behaviours and practices;
- 1.13 ensuring wherever possible the maintenance and enhancement of the reputation of the Group for business practices in line with its purpose and values;

- 1.14 supporting the Chairman to make certain that appropriate standards of governance permeate through all parts of the organisation;
- 1.15 ensuring the Board is made aware of relevant views gathered via engagement between management and shareholders, employees, occupiers, joint venture partners, suppliers, national and local government, the local community and other stakeholders as appropriate; and
- 1.16 ensuring the Board knows the views of senior management on business issues in order to improve the standard of discussion in the boardroom and, prior to a final decision on an issue, explaining in a balanced way any divergence of view.

## **2. Financing Strategy**

- 2.1 Working with the Finance Director to ensure optimum funding of the business given the strategic objectives laid down in the Group strategy and the operational performance of the Group.

## **3. Risk Management Controls**

- 3.1 Managing the Group's risk profile in line with the extent and categories of risk identified as acceptable by the Board in implementing its strategy and how they are managed;
- 3.2 ensuring appropriate authority levels are established, approved by the Board and updated as appropriate; and
- 3.3 ensuring appropriate internal controls are in place.

## **4. Performance Evaluation and Remuneration Policy**

- 4.1 Making recommendations on remuneration policy, executive remuneration and terms of employment of senior management, including the Company Secretary, to the Remuneration Committee;
- 4.2 making recommendations to the Nomination Committee on the role and capabilities required in respect of the appointment of Executive Directors;
- 4.3 regularly reviewing the organisational structure of the Group, recommending changes as appropriate and clearly defining the roles of senior management;
- 4.4 setting Group HR policies, including management development and succession planning for senior management; and
- 4.5 ensuring the appropriate mix of skills and diversity exist within the organisation to execute the Group strategy.

## **5. Communication**

- 5.1 Ensuring that the Chairman and Board are kept informed on all key issues;
- 5.2 ensuring the Board is aware of the Executive Directors views and, prior to final decision on an issue, explaining in a balanced way any divergence of view in the Executive team;
- 5.3 encourage constructive challenge from the Non-Executive Directors;
- 5.4 providing a means for timely and accurate disclosure of information, including an escalation route for issues;

- 5.5 ensuring effective communication with shareholders of Group strategy and performance;
- 5.6 representing the Group externally at a business and community level, together with the Chairman. 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; and
- 5.7 having oversight of the strategic use of the "Shaftesbury" brand to ensure consistency with the Group's perceived and desired image.

## **6. Governance**

- 6.1 Ensuring overall communication and compliance with all Group policies and procedures conform to the highest standards, are communicated effectively and followed, alongside the business values as approved by the Board;
- 6.2 maintaining material Environmental, Social and Governance policies for Board approval and ensuring their implementation, including:
  - Share Dealing Code and Policy;
  - Health and Safety Policy;
  - Diversity Policy;
  - Sustainability Policy;
  - Charitable and Community Strategy;
  - Whistleblowing Policy;
  - Bribery and Anti-Corruption Policy; and
  - Modern Slavery and Human Trafficking Statement; and
- 6.3 ensuring that senior management fulfils its obligations to provide Directors with:
  - Accurate, timely and clear information in a form and of a quality and comprehensiveness that will enable it to discharge its duties; and
  - Appropriate knowledge of the Group, including access to Group operations and employees.

*Approved by the Board on 2 June 2020*