

# URBAN LOGISTICS REIT PLC

(the "Company")

## TERMS OF REFERENCE OF THE NOMINATIONS COMMITTEE

ADOPTED BY RESOLUTION OF THE BOARD ON 12 NOVEMBER 2021

### 1 DEFINITIONS

In this document: -

- (a) reference to the "**Board**" shall mean the board of directors of the Company;
- (b) reference to the "**Chairman**" shall mean the chairman of the Board;
- (c) reference to the "**Committee**" shall mean the Nominations Committee of the Board;
- (d) reference to the "**Manager**" shall mean the investment manager of the Company from time to time;
- (e) reference to the "**Committee Chairman**" shall mean the member appointed as the chairman of the Committee;
- (f) reference to the "**Secretary**" shall mean the secretary of the Committee
- (g) reference to the "**Market Abuse Regulation**" shall mean the UK version of Regulation (EU) No 596/2014 of the European Parliament and of the Council on 16 April 2014 on market abuse, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"), as amended by domestic law from time to time;
- (h) reference to the "**Prospectus Regulation**" shall mean the UK version of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the EUWA, as amended by domestic law from time to time; and
- (i) reference to the "**AIFMD**" shall mean the UK version of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No. 1095/2010; the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision which is part of UK law by virtue of the EUWA, as amended in the UK from time to time.

### 2 MEMBERS

2.1 The initial members of the Committee for the time being shall be:

- (a) Nigel Rich (Committee Chairman);
- (b) Jonathan Gray;
- (c) Bruce Anderson; and
- (d) Heather Hancock

### **3 MEMBERSHIP**

3.1 The Committee shall be made up of at least three members. A majority of the members of the Committee shall be independent non-executive directors.

3.2 Only members of the Committee have the right to attend Committee meetings. However, representatives of the Company and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

3.3 Appointments to the Committee are made by the Board and shall be indefinite as long as any member remains a director of the Company or until such member resigns from his or her position as a member of the Committee.

3.4 The Board shall appoint the Committee Chairman who should be either the Chairman or an independent non-executive director. In the absence of the Committee Chairman 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. The Chairman shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

### **4 SECRETARY**

4.1 The company secretary or his or her nominee shall act as the Secretary and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to all issues.

4.2 The Committee shall have access to the services of the secretary of the Company on all Committee matters, including: assisting the Committee Chairman in planning the Committee's work, drafting meeting agendas, maintaining minutes, drafting of material about its activities for the annual report and interim reports, collection and distribution of information and provision of any necessary practical support.

### **5 MEETINGS AND QUORUM**

5.1 The quorum necessary for the transaction of business shall be two (2) Committee members both of whom must be independent non-executive directors. 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.

- 5.2 Members may participate in a meeting of the Committee by means of conference telephone or other communication equipment.
- 5.3 Any matter to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Any action of the Committee may also be taken by an instrument or instruments in writing (including via email or other electronic means) signed (including via the use of electronic signatures) by all of the members of the Committee (including in counterparts) and any such action shall be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.
- 5.4 Except where he or she has a personal interest, the Committee Chairman shall have a casting vote.

## **6 FREQUENCY OF MEETINGS**

The Committee shall meet at least once a year and otherwise as required.

## **7 NOTICE OF MEETINGS**

- 7.1 Meetings of the Committee shall be called by the Secretary at the request of any of its members.
- 7.2 Unless otherwise agreed by consent of all members, 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, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. The Secretary, or his or her nominee shall ensure that supporting information and papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

## **8 MINUTES OF MEETINGS**

- 8.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 8.2 The Secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 8.3 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all members of the Board, unless in the opinion of the Committee Chairman it would be inappropriate to do so.
- 8.4 A resolution in writing or via email and signed or otherwise approved via electronic signature by all Committee members will be as effective as a resolution passed at a Committee meeting. Any written resolution shall be tabled and noted at the next meeting of the Committee.

## **9 SHAREHOLDER ENGAGEMENT**

**10** The Committee Chairman should attend the Company's Annual General Meeting ("AGM") or any general meeting relating to their area of responsibility prepared to respond to any shareholder questions on the Committee's activities. **DUTIES**

10.1 The Committee should carry out the duties below for the Company, major subsidiary undertakings (if any) and the group as a whole (if a group is in existence), as appropriate.

10.2 The Committee shall:

10.1.1 regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board as a whole and make recommendations to the Board with regard to any changes;

10.1.2 prepare a policy on the tenure of the Chairman and the Board;

10.1.3 give full consideration to succession planning for directors and key members of the management team employed by the Manager in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;

10.1.4 Consider and then recommend to the Board the re-election of Directors at the AGM;

10.1.5 recommend to the Board an appropriate appointment of a Director as Senior Independent Director;

10.1.6 keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;

10.1.7 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise, including appointments to the Board Committees;

10.1.8 before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall:

10.1.8.1 use open advertising or the services of external advisers to facilitate the search;

10.1.8.2 consider candidates from a wide range of backgrounds; and

10.1.8.3 consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, social and ethnic backgrounds, taking care that appointees have enough time available to devote to the position;

10.1.9 for the appointment of a Chairman, the Committee should prepare a job specification, including the time commitment expected. A proposed chairman's other significant

commitments should be disclosed to the Board before appointment and any changes to the Chairman's commitments should be reported to the Board as they arise. The current Chairman should not participate in these discussions;

10.1.10 prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;

10.1.11 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;

10.1.12 assist the Chairman with considering having a regular externally facilitated board evaluation, in line with the recommendations of the AIC Code of Corporate Governance (the "**Code**");

10.1.13 assist the Chairman with the implementation of an annual evaluation process to assess the overall and individual performance and effectiveness of the Board and its committees, including consideration of balance of skills, experience, independence and knowledge of the Company, its diversity, including gender, social and ethnic backgrounds, how the Board works together as a unit, and other factors relevant to the Board's effectiveness;

10.1.14 review the results of the Board performance evaluation process that relate to the composition of the Board;

10.1.15 Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;

10.1.16 work and liaise as necessary with all other Board committees;

10.2 The Committee shall also make recommendations to the Board concerning:

10.2.1 formulating plans for succession for non-executive directors and in particular for the key role of Chairman;

10.2.2 suitable candidates for the role of senior independent director (if appointed);

10.2.3 the re-election by shareholders of directors under the annual re-election provisions in the Code, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected);

10.2.4 memberships of the audit committee and management engagement committee and any other Board committees as appropriate, in consultation with the chairperson of those committees; and

- 10.2.5 the re-appointment of any non-executive director at the conclusion of their specified term of office, if any, having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required.

## **11 REPORTING RESPONSIBILITIES**

- 11.1 The Committee Chairman shall report formally to the Board on the Committee's proceedings after each meeting on all matters within its duties and responsibilities.
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 11.3 The Committee shall compile a report to the shareholders on its activities, including its membership and frequency of and attendance at its meetings, to be included in the Company's annual report. The report should include an explanation of the Committee's activities, the process used to make appointments and 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 and all other information requirements set out in the Code. The report should include a statement of the Board's policy on diversity and inclusion, any measurable objectives that it has set for implementing the policy and linking to the Company's strategy, and progress on achieving the objectives.

## **12 OTHER MATTERS**

- 12.1 The Committee shall:
- 12.1.1 have access to sufficient resources in order to carry out its duties, including access to the company secretary for assistance as required;
  - 12.1.2 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;
  - 12.1.3 at all times give due consideration to relevant laws and regulations, the provisions of the Code and the requirements of the Listing Rules, the Prospectus Regulation Rules and the Disclosure Guidance and Transparency Rules (each as made by the FCA), the Prospectus Regulation, the AIFMD, the Market Abuse Regulation and any other applicable rules, as appropriate;
  - 12.1.4 oversee any investigation of activities which are within its terms of reference;
  - 12.1.5 work and liaise as necessary with all other Board committees; and
  - 12.1.6 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, consider periodically an independent outside review to the Board and recommend any changes it considers necessary to the Board for approval.

## **13 AUTHORITY**

13.1 The Committee is authorised:

13.1.1 to seek any information, it requires from any representative of the Manager, any employee or officer of the Company, the company secretary and administrator of the Company in order to perform its duties;

13.1.2 to obtain, at a reasonable cost and at the Company's expense, outside legal or other professional advice on any matters within its terms of reference;

13.1.3 to call any representative of the Manager, any employee or officer of the Company, the company secretary and administrator of the Company to be questioned at a meeting of the Committee as and when required; and

13.1.4 to have the right to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.