

# URBAN LOGISTICS REIT PLC

(the "Company")

## TERMS OF REFERENCE OF THE NOMINATIONS COMMITTEE

ADOPTED BY RESOLUTION OF THE BOARD ON 1 MAY 2019

### 1 DEFINITIONS

1.1 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; and
- (e) reference to the "**Committee Chairman**" shall mean the member appointed as the chairman of the Committee.

### 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) Mark Johnson; and
- (d) Bruce Anderson.

### 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**

The company secretary or his or her nominee shall act as the secretary of the Committee.

#### **5 QUORUM**

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

#### **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 of the Committee at the request of any of its members.

7.2 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, 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 company 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.

## **9 ANNUAL GENERAL MEETING**

The Committee Chairman should attend the Annual General Meeting ("**AGM**") prepared to respond to any shareholder questions on the Committee's activities.

## **10 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.

10.1.1 The Committee shall:

- 10.1.1.1 regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
- 10.1.1.2 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;
- 10.1.1.3 Consider and then recommend to the Board the re-election of Directors at the AGM;
- 10.1.1.4 recommend to the Board an appropriate appointment of a Director as Senior Independent Director;
- 10.1.1.5 keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- 10.1.1.6 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;
- 10.1.1.7 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:
  - (a) use open advertising or the services of external advisers to facilitate the search;
  - (b) consider candidates from a wide range of backgrounds; and

- (c) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position;
- 10.1.1.8 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
- 10.1.1.9 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;
- 10.1.1.10 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;
- 10.1.1.11 review the results of the Board performance evaluation process that relate to the composition of the Board;
- 10.1.1.12 review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- 10.1.1.13 work and liaise as necessary with all other Board committees;

## **11 REPORTING RESPONSIBILITIES**

- 11.1 The Committee Chairman shall report formally to the Board on its 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 to be included in the Company's annual report.

## **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 laws and regulations, the provisions of and recommendations in the Quoted Companies Alliance ("**QCA**") Corporate Governance Code for Mid-size Quoted Companies, the requirements of the AIM Rules for Companies (including the Note for Investing Companies) and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules (as appropriate); and
- 12.1.4 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 employee 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 employee 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.