

## PEPCO GROUP N.V. (the *Company*)

### Terms of Reference of the Nomination Committee

The Nomination Committee of the Company (the ***Committee***) consists of non-executive directors. The Committee will meet as required to fulfil its duties of reviewing the structure and composition of the Board of Directors (the ***Board***) and identifying and nominating candidates to fill vacancies on the Board as they arise, but at least three times a year.

1.	<b>Constitution</b>	
	The Committee is responsible for assisting the Board with the selection and appointment of directors of the Company. The Committee shall also assist in selecting certain key employees on the Company's Executive Committee. The duties of the Nomination Committee include preparing the selection criteria and appointment procedures for the Board and proposing the Board profile.	
2.	<b>Membership</b>	
2.1	The Committee shall comprise at least three directors. The members of the Committee shall be non-executive directors	
2.2	Members of the Committee are appointed by the Board on the recommendation of the Nomination Committee.	
2.3	All non-executive directors have the right to attend committee meetings. Other individuals such as the Chief Executive Officer and external advisers may be invited to attend for all or part of any meeting as and when appropriate and necessary.	
2.4	The Board shall appoint the Committee chair who should be either the chair of the Board or an independent non-executive director, and a vice Committee chair in the event the Committee chair is absent. The chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the chair of the Board.	
3.	<b>Secretary</b>	
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 issues.	
4.	<b>Quorum</b>	
4.1	The quorum for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present will be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.	
5.	<b>Frequency of meetings</b>	
5.1	The Committee shall meet at least three times a year and otherwise as required.	
6.	<b>Notice of Meetings</b>	
6.1	Meetings of the Committee shall be convened by the secretary of the Committee at the request of the Committee chair or any of its members.	
6.2	Unless otherwise agreed by the Committee, 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 no later than five days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.	
6.3	Meetings may be conducted by telephone, video conference or other suitable communication equipment and decisions made by such means shall be appropriately recorded and shall have the same effect as those meetings conducted in person.	
7.	<b>Minutes</b>	
7.1	The secretary to the Committee shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.	

	7.2	The secretary will ascertain, at the beginning of each meeting, the existence of any conflicts of interest not previously noted and minute them accordingly.
	7.3	Draft minutes of Committee meetings shall be agreed with the Committee chair and then circulated promptly to all members of the Committee. Once approved, minutes can be circulated to all other members of the Board unless, exceptionally, it would be inappropriate to do so.
	7.4	Resolutions of the Committee may also be prepared outside of a meeting in writing, provided that all members in office (in respect of whom no conflict of interest exists) have consented in writing to this manner of decision-making.
<b>8.</b>	<b>Engagement with shareholders</b>	
	8.1	The Committee chair, or another member of the Committee nominated by the chair, should attend the annual general meeting to answer any shareholder questions on the Committee's activities. In addition, if the Chair deems this desirable or necessary the Committee chair will seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.
<b>9.</b>	<b>Duties</b>	
	9.1	The Committee should perform the duties below in respect of the Board:
	9.1.1	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 change;
	9.1.2	ensure that the Board has a degree of diversity appropriate for the Company with regard to expertise, experience, competencies, other personal qualities, sex or gender identity, age, nationality and cultural or other background;
	9.1.3	ensure plans are in place for orderly succession to Board and senior executive level of the Company's group, taking into account the challenges and opportunities facing the Company and the skills, expertise and diversity needed on the Board in the future;
	9.1.4	identify and nominate for the Board's approval, candidates to fill vacancies on the Board as and when they arise;
	9.1.5	before any appointment is made by the Board, evaluate the balance of skills, experience, knowledge, independence and diversity of the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and the time commitment expected. In identifying suitable candidates, the Committee shall: <ul style="list-style-type: none"> <li>(i) use open advertising or the services of a professional advisor to facilitate the search;</li> <li>(ii) consider candidates from a wide range of backgrounds; and</li> <li>(iii) consider candidates on merit and against objective criteria, having due regard to the benefits of diversity on the Board and taking care that appointees have sufficient time available to devote to the position;</li> </ul>
	9.1.6	periodically assess the performance of individual executive directors and non-executive directors, and report on this to the non-executive directors. At the time of an external Board evaluation, such assessment should take place under the guidance of an external evaluator;
	9.1.7	ensure that, on appointment to the Board, non-executive directors receive formal letters of appointment that provide clear parameters of expectation in time commitment, committee service and involvement outside Board meetings.
	9.1.8	review the results of the Board evaluation process that relate to the composition of the Board and succession planning;
	9.1.9	annually review the time required from non-executive directors using the Board evaluation process;
	9.1.10	work and liaise as necessary with other Board committees, ensuring the interaction between committees and with the Board is reviewed regularly.
	9.2	The Committee shall also make recommendations to the Board concerning:

	9.2.1	any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
	9.2.2	suitable candidates as new directors and succession planning for existing directors;
	9.2.3	membership of the audit and remuneration committees, and any other Board committee as appropriate, in consultation with the chair of those committees;
	9.2.4	the re-appointment of any non-executive director at the conclusion of their specified term of office, having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience needed;
	9.2.5	any matters relating to the continuation in office of any director at any time, including the suspension or dismissal of an executive director or the termination of service of an executive director of the Company subject to the provisions of the law and their service contract; and
	9.2.6	the appointment of any executive director or non-executive director.
	9.3	Prior to the appointment of a director, other significant time commitments should be disclosed and any additional future commitments (business, non for profit or otherwise) should not be undertaken without prior approval of the Board. The proposed appointee should also be required to disclose any other business interests that may result in a conflict of interest. These must be authorised by the Board prior to appointment and any future business interests that could result in a conflict of interest must not be undertaken without prior authorisation of the Board.
10.	<b>Reporting</b>	
	10.1	The Committee chair shall report to the Board on its proceedings after each meeting on all matters within its 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 needed, and adequate time should be made available for Board discussion when necessary.
	10.4	If an external consultancy has been engaged, it should be identified in the annual report alongside a statement about any other connection it has with the Company or individual directors.
	10.5	The Committee shall produce a report to be included in the Company's annual report describing the work of the Committee, including:
	10.5.1	the process used for Board appointments;
	10.5.2	the Committee's approach to succession planning;
	10.5.3	how the succession planning and Board appointment process support the development of a diverse pipeline of leadership talent;
	10.5.4	how the board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual directors (if an external evaluation firm has been engaged) the outcomes and actions taken from the board evaluation and how it has influenced or will influence board composition;
	10.5.5	the goals of the Company's policy on diversity and inclusion, the plan to achieve the goals of the diversity and inclusion policy, the results of the diversity and inclusion policy and, where relevant and applicable, insight into the inflow, progression and retention of employees; and
	10.5.6	the gender composition of the Board and senior management of the Company at the end of the past financial year as well as of the categories of employees in management positions as determined by the Company, the gender diversity targets, the plan to achieve these goals and if one or more targets have not been met, the reasons for this.

11.	<b>Authority</b>	
	11.1	The Committee shall investigate any activity or state of affairs within its terms of reference and obtain any information it requires to achieve this from any employees or officers as applicable.
	11.2	The Committee shall obtain, at the Company's expense, expert advice from the Company's auditors, professional advisors or otherwise, take independent professional advice and require the attendance of third parties with relevant experience and expertise if it considers necessary.
12.	<b>Other matters</b>	
	The Committee shall:	
	12.1	have access to sufficient resources in order to carry out its duties, including access to the company secretariat as required;
	12.2	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;
	12.3	give due consideration to applicable laws and regulations, the provisions of the Code of Best Practice for WSE Listed Companies and the requirements of any other applicable code as appropriate; and
	12.4	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 and recommend any changes it considers necessary to the board of directors for approval.

**7<sup>th</sup> December 2023**