Smiths News plc
TERMS OF REFERENCE - ESG COMMITTEE

1. PURPOSE

a. The purpose of the Environmental, Social and Governance (ESG) Committee (the "Committee") is to assist the Board in promoting the long-term sustainable success of the Company with regards to ESG matters by providing oversight of the Company's Environment, Social and Governance strategy ('the ESG strategy') and monitoring progress against key performance indicators and external ESG index results.

b. In these terms of reference "ESG matters" or "ESG" refers to the following areas:

   i. Environmental: the Company's climate transition strategy and impact on the environment including greenhouse gas emissions, efficient use of resources, and biodiversity, and the environmental impact of the Group's supply chain.

   ii. Social: the Company's responsibilities towards:

      1. employees, including workplace policies concerning safety and wellbeing, engagement, diversity and inclusion and other standards detailed within the Company's Code of Conduct.
      2. Engagement with the local communities in which the Company operates.
      3. Customers, suppliers and other stakeholders, and the application of human rights to such stakeholder groups and the Company's operations.

   iii. Governance: the conduct of the Company's business including corporate governance, business ethics, H&S, anti-bribery and corruption programme, commercial and product governance, data privacy and security.

2. COMPOSITION

a. The Committee shall comprise at least two members. Members of the Committee shall be appointed by the Board, on the recommendation of the Nominations Committee in consultation with the chair of the ESG Committee.

b. All members of the Committee shall be directors, at least one of whom shall be an independent non-executive director, have recent and relevant sustainability experience and with competence in understanding and interpreting relevant data.

c. Only members of the Committee have the right to attend Committee meetings. However, other non-members may be invited to attend all or part of any meeting as and when appropriate and necessary.

d. The Board shall appoint the Committee chair. In the absence of the Committee chair and/or an appointed deputy at a Committee meeting, the remaining members present shall elect one of themselves to chair the meeting.

e. Appointments shall be subject to annual re-election at each Annual General Meeting.

3. SECRETARY

The Company Secretary, or his or her 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. MEETINGS

a. The quorum necessary for the transaction of business shall be two members.
b. The Committee shall meet at least three times a year and additionally as required.
c. 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 and to each other person invited to attend (in electronic form, if the recipients' consent) in a timely manner to enable full and proper consideration to be given to issues. Supporting papers shall be sent to Committee members and other attendees, as appropriate, at the same time.
d. At the discretion of the Committee chair, a member of the Committee may participate in a Committee meeting electronically.
e. The Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
f. Draft minutes of Committee meetings shall be agreed with the Committee chair and then circulated promptly to all members of the Committee as well as to all other members of the Board and the Company Secretary, unless it would be inappropriate to do so in the opinion of the Committee chair.

5. ANNUAL GENERAL MEETING

The Committee chair should attend the Annual General Meeting to answer shareholder questions on the Committee's activities and where required, engage with shareholders on significant matters related to the Committee's areas of responsibility.

6. DUTIES

a. Assist the Board in overseeing the development of the Group's ESG strategy and the alignment thereof with the Company business planning cycle as well as monitoring its performance in relation to ESG matters, including related targets and KPIs to measure the Company's performance and the internal and external recognition of its strategy;
b. Monitor and receive updates on developments, emerging best practice and regulatory changes in relation to climate and sustainability matters which impact the business of the Company and its climate and sustainability strategy, as well as the implementation of its strategy;
c. Provide advice and direction to the Company's management on implementation of the ESG Strategy, the opportunities and risks to the Company's operations and reputation and its corporate responsibility;
d. Provide oversight of the execution of the ESG Strategy and the Company's progress and performance on its long-term ESG commitments and targets;
e. Provide oversight of the key policies and programmes required to implement the ESG Strategy;

f. Review the effectiveness of risk management and internal control policies where relevant to ESG matters;
g. Oversee and support stakeholder engagement and external communications pertaining to ESG matters;
h. Review, prior to approval by the Board, the ESG matters to be presented in the Company's annual report and any other external publication relating to the company's ESG policy and strategy and monitor the integrity of these reports;
i. Oversee and monitor the Group's progress against its net zero, decarbonisation strategy;
j. Make proposals to the Remuneration Committee regarding appropriate ESG-related performance objectives for Executive Directors. Provide an assessment as to the outcomes of the ESG-related performance objectives as at the end of the reporting period; and
k. Review Internal and External Audit reports on ESG matters and assess the management response to any findings. Monitor the role and effectiveness of the Internal Audit function in regard to ESG matters.

7. REPORTING

a. The Committee chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.
b. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is desirable or necessary.
c. The Committee shall compile a report on its activities to be included in the Company's annual report. The report should describe the work of the Committee and shall include any statutory reporting such as the TCFD report and all other information requirements set out in legislation from time to time.

8. OTHER MATTERRS

The Committee shall:

a. have access to sufficient resources in order to carry out its duties, including access to the Company Secretary and General Counsel for assistance as required;
b. 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;
c. give due consideration to relevant laws and regulations, the provisions of the UK Corporate Governance Code and published guidance, the requirements of the Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate;
d. arrange for periodic evaluation 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 for approval; and

e. review these terms of reference periodically and consider whether to recommend any changes to the Board.

Version	Author	Purpose/Change	Date
1	Karen Mills – Deputy Co Sec	Inaugural approval by the Board	2024
2	Karen Mills – Deputy Co Sec	Annual Review – approved by the Board	22.07.25
3	Karen Mills – Deputy Co Sec	Annual Review – approved by the Board	21.07.26