

Capita plc – Responsible Business Committee Terms of Reference

These Responsible Business Committee Terms of Reference are approved as at 9 December 2024

The Group Responsible Business Committee (the “RB Committee”) is a Committee of the Capita plc Board (“Board”).

Objectives and Purpose

The RB Committee will assist the Board in promoting the long-term sustainable success of the Company with regards to RB matters ensuring Capita is a responsible business in line with these principles.

1 Purpose

- 1.1 The principal purpose of the RB Committee is to consider and approve, on behalf of the Board, Capita plc’s (the “Company”) strategy relating to RB matters as proposed by the Executive Team.
- 1.2 The RB Committee will review and have oversight of the practices and initiatives of the Company relating to RB matters ensuring they remain effective and up-to-date. In fulfilling its remit, the RB Committee will be cognisant of the United Nation’s 17 sustainable development goals and society’s views on environmental, societal and governance.
- 1.3 In these terms of reference “RB matters” or “RB” refers to the following:
 - 1.3.1 **Environmental:** the Company’s impact, both directly and through its supply chain, on the natural environment and its response to the challenge of climate change including: greenhouse gas emissions, energy consumption, generation and use of renewable energy, biodiversity and habitat, impact on water resources and deforestation, pollution, efficient use of resources, the reduction and management of waste, and the environmental impact of the Company’s supply chain.
 - 1.3.2 **Social:** the Company’s interaction with employees, other stakeholders and the communities in which it operates and the role of the Company in society including; workplace policies (e.g. employee relations and engagement, diversity, non-discrimination and equality of treatment, safety, health and well-being), ethical/responsible sourcing and social aspects and labour standards of the supply chain (including child labour and modern slavery), and engagement with and contribution to the broader community through social projects and charitable donations.
 - 1.2.3 **Governance:** the ethical conduct of the Company’s business including its corporate governance framework, business ethics, policies and codes of conduct (e.g. related to donations, bribery and corruption), and the transparency of non-financial reporting.

Role of the RB Committee

2 Duties

- 2.1 The RB Committee shall carry out the duties detailed below for the Company, major subsidiary undertakings and the group as a whole unless required otherwise by regulation, as appropriate. In carrying out these duties, the members of the RB Committee must comply with their duty under section 172 of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, whilst having regard to the interests of employees, stakeholders and other matters as required by section 172.
- 2.2 On behalf of the Board, and with the support of the Executive Team, the RB Committee shall oversee the development of the Group's RB strategy, monitoring its performance in relation to RB matters.
- 2.3 Consider the adequacy of the Group's RB policies and processes by reviewing reports prepared by, and receiving presentation from management on:
 - 2.3.1 diversity and inclusion in the workplace;
 - 2.3.2 health and wellbeing within the workplace;
 - 2.3.3 workforce engagement and review of employee NPS;
 - 2.3.3 employment data for the Company, including but not limited to attrition;
 - 2.3.4 clinical governance and safeguarding;
 - 2.3.5 health and safety in respect of the Group's employees;
 - 2.3.6 the Company's impact on the environment and its progress against its net zero strategy; and
 - 2.3.7 review of Customer NPS;
- 2.4 Oversee and support stakeholder engagement on RB matters.
- 2.5 Oversee and monitor the Group's progress against its net zero emissions strategy.
- 2.6 On behalf of the Board review and approve the Company's gender and ethnicity pay gap reporting on an annual basis.
- 2.7 Receive, review and approve the Groupwide People Strategy on behalf of the Board, including approval of People strategic objectives.
- 2.8 On behalf of the Board review and approve the Company's Modern Slavery Statement on an annual basis.
- 2.9 Review, as appropriate, the requirement for external assurance of RB matters and, as may be deemed necessary, appoint external third-parties to carry out assurance of the effectiveness of RB related policies, process and initiatives and the accuracy of the reporting of RB matters.

- 2.10 The RB Committee shall endeavour to ensure that sufficient focus and resource is given to implementing, monitoring and managing the Company's RB policies and processes and that these remain effective.
- 2.11 The RB Committee shall, in consultation with executive management, and, if deemed appropriate, consider the appointment of third parties to advise on RB policies and practices and/or audit the Company's RB policies. In relation to any such programme the RB Committee shall, with executive management, evaluate potential third parties, agree the scope of the advisory/audit process and review the results of the exercise and agree the action(s) to be taken.

Membership

- 3.1 Members of the RB Committee shall be appointed by the Board, on the recommendation of the Nomination Committee, in consultation with the chair of the RB Committee. The RB Committee shall comprise at least 3 members.
- 3.2 All members of the RB Committee shall be independent and may include the Chairman of the Company, provided that they were independent upon appointment.
- 3.3 Only members of the RB Committee have the right to attend RB Committee meetings. However, other Board Directors and other individuals (including representatives of external advisers) may be invited to attend all or part of any meeting as and when appropriate in the opinion of the chair of the RB Committee or the majority of its members.
- 3.4 The Chief Executive Officer will be invited to attend every meeting of the RB Committee. In addition, the Chief Financial Officer, Chief General Counsel & Company Secretary, Chief People Officer and the Divisional CEOs of Capita Experience and Capita Public Service (as required), will be invited to attend meetings of the RB Committee on a regular basis.
- 3.5 Appointments to the RB Committee shall be for a period of up to 3 years (subject to the election and re-election provisions in the Company's constitution and in the UK Corporate Governance Code), which may be extended by no more than two further periods of up to 3 years each (subject to the other terms in this document). ¹

Chair and Quorum

- 4.1 The quorum necessary for the transaction of business shall be 2 members. A duly convened meeting of the RB 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 RB Committee.

- 4.2 The Board shall appoint the chair of the RB Committee. In the absence of the chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting. The Company chair will act as the first RB Committee chair.

Secretary

- 5.1 The Company Secretary or nominee shall act as the Secretary of the RB Committee. In conjunction with the Chairman the Company Secretary will prepare an Agenda for each meeting which shall be circulated in a timely manner in advance of the meeting to all members of the Committee and attendees, together with any supporting papers. The Company Secretary shall minute the proceedings and resolutions of all RB Committee meetings, including the names of those present and in attendance.

Agenda and Meetings

- 6.1 The RB Committee shall meet at least four times a year.
- 6.2 Meetings of the RB Committee shall be called by the Secretary of the RB Committee at the request of its chair.
- 6.3 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 RB Committee, any other person required to attend and all other non-executive directors, no later than 5 working days before the date of the meeting.
- 6.4 The Secretary shall ensure that each member of the RB Committee (and other attendees as appropriate) receives information and papers in a timely manner to enable proper consideration to be given to issues. Such information and papers can be sent in electronic form if the recipient has agreed to that method of communication.

Annual General Meeting

- 7.1 The chair of the RB Committee should attend the annual general meeting to answer shareholder questions as appropriate and the remaining RB Committee members should also attend.

RB Committee Support and Other Matters

- 8.1 The RB Committee shall:
- (a) have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
 - (b) conduct an annual review of its work, constitution and these terms of reference to ensure it is operating effectively and make recommendations to the Board for any changes it considers necessary;
 - (c) ensure that it is aware of developments in and give due regard to applicable laws, regulations, codes, RB standards and any other rules and guidance applicable to its Terms of Reference;
 - (d) organise appropriate training for any or all members of the RB Committee;

- (e) work and liaise with all other Board committees as may be necessary to fulfil the RB Committee's Terms of Reference; and
- (f) consider any other matter referred to it by the Board.

Reporting Requirements

- 9.1 The chair of the RB Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, including how it has discharged its responsibilities.
- 9.2 The RB Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The RB Committee shall if so required by the Board produce a report to be included in the Company's annual report and accounts, describing the Committee's work and how it has discharged its responsibilities.
- 9.4 The RB Committee shall review the responsible business information to be included in the Company's annual report prior to Board approval, and other mandatory or voluntary disclosures in line with recommended practice and regulatory requirements.

Authority

- 10.1 The RB Committee is authorised to:
 - (a) seek any information it requires from any employee of the Company in order to perform its duties;
 - (b) obtain, at the Company's expense, independent legal, or other professional advice on any matter it believes it necessary to do so.

9 December 2024