

## **STV Group plc**

### **Environmental, Social and Governance (ESG) Committee Terms of Reference**

**Adopted by the Board on 15 June 2023**

#### **1. PURPOSE & SCOPE:**

The purpose of the ESG Committee is to assist the Board in ensuring the Group delivers a positive social impact to support long-term shareholder and stakeholder value. ESG refers to, but is not limited to, the following areas of the Group's activities:

**Environmental:** the Group's impact on the natural environment and its response to climate change, including greenhouse gas emissions, energy consumption, use of renewable energy, pollution, efficient use of resources, the reduction and management of waste, and the environmental impact of the Group's supply chain, all of which is addressed through the Group's sustainability strategy, STV Zero.

**Social:** the Group's interactions with colleagues, audiences, customers, suppliers, other stakeholders and the communities in which it operates and the role of the Group in society, such as workplace policies, including the Group's Diversity & Inclusion Strategy, ethical/responsible sourcing, social aspects of the supply chain (including modern slavery considerations), and engagement with and contribution to the broader communities in which the Group operates.

**Governance:** the ethical conduct of the Group's business, including its corporate governance framework, business ethics (including modern slavery and anti-bribery considerations), policies and codes of conduct, and the transparency of non-financial reporting.

#### **2. COMPOSITION**

##### **2.1 Membership:**

2.1.1 Members of the Committee shall be appointed by the Board.

2.1.2 The Committee shall be made up of at least two members, and all must be independent non-executive directors. In addition, the Chairman of the Board may also serve as a member, provided they were independent upon appointment, but cannot Chair the Committee.

2.1.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for no more than two further three-year periods, provided the director still meets the criteria for membership of the Committee.

##### **2.2 Committee Chair:**

The Board shall appoint the Committee Chair who shall be an independent non-executive director. In the absence of the Committee Chair and/or an appointed deputy, the remaining members

present shall elect one of themselves to chair the meeting, provided they would qualify under these terms of reference to be appointed to the position.

### **2.3 Secretary:**

The Company Secretary or their nominee shall act as the Secretary of the Committee. The Secretary of the Committee is responsible for timely circulation of the Committee papers.

## **3. DUTIES AND RESPONSIBILITIES**

- 3.1** Overseeing the development of and making recommendations to the Board regarding ESG matters relating to the Group.
- 3.2** Overseeing the execution of ESG matters and monitoring and challenging the related objectives, targets and key performance indicators.
- 3.3** Monitoring and reviewing current and emerging ESG trends, issues, relevant international reporting standards and legislative requirements, and identifying how those are likely to impact on the strategy, operations and reputation of the Company.
- 3.4** Overseeing the establishment of ESG related policies and codes of practice and their effective implementation, and monitoring and reviewing their ongoing relevance, effectiveness, and further development.
- 3.5** Assessing and monitoring culture to ensure alignment with the Company's values and strategy.
- 3.6** Overseeing and supporting stakeholder engagement on ESG matters.
- 3.7** Together with the Audit & Risk Committee, overseeing the effectiveness of risk management and internal controls where relevant relating to ESG matters as well as the identification of opportunities related to ESG matters.
- 3.8** Reviewing regularly the requirement for external assurance of ESG matters, e.g. by asking STV's auditors to carry out assurance of elements of STV's ESG work.
- 3.9** Liaising with the Remuneration Committee to ensure ESG related performance objectives for executive directors and management are appropriate and supporting the process to assess performance relative to these targets.
- 3.10** Delegating any of its responsibilities to such subcommittees as the Committee may deem appropriate in its sole discretion.
- 3.11** Reporting to the Board on how its duties have been discharged, as agreed with the Board, and working and liaising as necessary with other Board committees.

## **4. MEETING ARRANGEMENTS**

### **4.1 Attendance:**

- 4.1.1 Only members of the Committee have the right to attend meetings.
- 4.1.2 Other individuals such as the Chief Executive, Chief Financial Officer and the Group HR Director and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
- 4.1.3 Any other member of the Board may attend all or part of a meeting with the prior approval of the Committee Chair.

### **4.2 Meetings:**

- 4.2.1 The quorum necessary for the transaction of business shall be two. 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.
- 4.2.2 the Committee shall meet at least three times a year and at such other times as the Chair of the Committee shall require.
- 4.2.3 Meetings may be held by telephone and by video-conference.
- 4.2.4 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chair of the Committee or any of its members.
- 4.2.5 Committee papers shall be forwarded to each member in sufficient time to enable full and proper consideration to be given to issues and for the Board to follow up on any recommendations as necessary.
- 4.2.6 The Secretary will minute the proceedings of each meeting, which shall be circulated promptly to all members of the Committee and, the Chair of the Committee will provide regular updates on Committee activity at scheduled Board meetings.
- 4.2.7 Conflicts of interest must be declared by Committee members at the beginning of meetings and the Secretary shall record any such declaration in the minutes.

### **4.3 Resolutions and approvals:**

- 4.3.1 Each Committee member shall have one vote, which may be cast on matters considered at the meeting. Committee resolutions shall be passed by the majority of votes cast. In the event of equality of votes, the Committee Chair shall have the casting vote (except where he/she is not permitted to vote). Any member of the Committee who remains opposed to a proposal after a vote can ask for his or her dissent to be noted in the minutes.

4.3.2 Approvals may be taken in written form (including email), or via telephone or video conference.

4.3.3 Approvals by email must be included in the minutes of the next meeting of the Committee.

#### **4.4 Annual General Meeting:**

The Committee Chair shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's area of responsibility.

### **5. REPORTING REQUIREMENTS**

#### **5.1 To the Board:**

5.1.1 The Committee Chair shall report to the Board on its proceedings after each Committee meeting on all matters within its duties and responsibilities.

5.1.2 The Committee shall make whatever recommendations to the Board deemed appropriate on any area within its remit where action or improvement is needed.

#### **5.2 Public reporting, engagement, and approvals:**

The Committee shall:

5.2.1 On behalf of the Board, oversee ESG content and data to be reported in the Company's Annual Report and other public reporting.

5.2.2 Oversee the Company's reporting to ESG Rating Agencies.

5.2.3 Ensure it gives due consideration to all relevant laws, regulations and codes of practice and any published guidelines (including those published by relevant institutional investors and representative bodies) in relation to ESG reporting requirements.

### **6. OTHER MATTERS:**

#### **6.1 Evaluation:**

The Committee shall, at least once a year, review its own performance, 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.

## **6.2 Training and information:**

The Committee shall 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 from suitably qualified internal and external advisers.

## **6.3 Investigation:**

The Committee shall oversee any investigation of activities which are within its terms of reference.

## **6.4 Projects:**

The Committee may undertake other projects relating to its remit as appropriate or at request of the Board.

## **6.5 Access:**

The Committee shall have access to sufficient resources to carry out its duties, including access to the company secretariat for assistance as required.

## **7. AUTHORITY**

The Committee is authorised by the Board to:

- 7.1** seek any information it requires from any employee of the Company in order to perform its duties; and shall have unrestricted access to the Company's documents and information.
- 7.2** obtain, at the Company's expense, any outside legal or other professional advice on any matters within its terms of reference.
- 7.3** call any employee to attend a meeting of the Committee as and when required.

ENDS