INDEPENDENT NON-EXECUTIVE DIRECTOR (NED) LETTER OF APPOINTMENT

[DATE LETTER WILL BE SENT]

[NON-EXECUTIVE DIRECTOR'S NAME]

[NON-EXECUTIVE DIRECTOR'S ADDRESS]

Dear [NON-EXECUTIVE DIRECTOR'S NAME],

Appointment as Independent Non-Executive Director

On behalf of [COMPANY'S LEGAL NAME] (the "**Company**"), I am writing to confirm your appointment as a Non-Executive Director of the Company (the "**Appointment**") on the terms set out below.

1. **Appointment and Term**

1.1. With effect from [NON-EXECUTIVE DIRECTOR'S START DATE] you will be appointed as a Non-Executive Director of the board of directors of the Company (the "**Board**").

1.2. The Appointment is subject to the Company's Articles of Association (the "**Articles**") (a copy of which will be made available to you on request) and any necessary resolutions of shareholders.

1.3. Subject to paragraph 1.4, the Appointment will be for an initial period of [NUMBER OF YEARS THE NON-EXECUTIVE DIRECTOR WILL BE APPOINTED] years unless you cease to be a director for any reason during that period. The final day of this [NUMBER OF YEARS THE NON-EXECUTIVE DIRECTOR WILL BE APPOINTED] year period shall be known as the "**Termination Date**".

1.4. Unless the Appointment is renewed on or prior to the Termination Date, you undertake to resign as a Director of the Company, as a member of any committee of the Board and as a director of any Group Company immediately after the Termination Date. If you fail to do so, you irrevocably appoint the Company Secretary to be your attorney to sign any documents and do anything to give effect to your resignation from office.

1.5. Continuation of your Appointment is conditional on satisfactory performance and re-election at each of the Company's AGMs when you are put forward for election or re-election.

1.6. As a Non-Executive Director, you should note that you do not have authority to commit the Company in any way without the express authorisation of the Board.

2. Independence

2.1. You are considered to be an independent Non-Executive Director and will be identified as such in the annual report and other documentation. If circumstances change, and you believe that your independence may be in doubt, you should discuss this with the Chair as soon as practicable.

[ADD OR DELETE THE BELOW CLAUSE AS APPROPRIATE FOR NON-EXECUTIVE DIRECTOR’S INDUCTION:]

3. [Induction

3.1. As soon as reasonably practicable after the commencement of the Appointment, the Company will ensure you receive a comprehensive, formal and tailored induction. The Company will also arrange for you to visit the Company's operations and to talk with managerial and non-managerial members of the workforce and the Company's auditors. The Company will also arrange for you to meet representatives of the Company's major shareholders and key customers in the first twelve months of the appointment.]

4. Time Commitment

4.1. The Company anticipates a time commitment of [NON-EXECUTIVE DIRECTOR’S WORKING DAYS PER MONTH] days per month, but you are aware that the nature of the role makes it impossible to be specific about the time commitment required. It is possible that additional commitment may be required in certain circumstances (for example, if the company were to undergo a period of particularly increased activity, such as an acquisition or takeover, or as a result of a major difficulty with one or more of its operations).

4.2. The Board expects you to commit sufficient time to allow you to meet your obligations to the Company. This will include attendance at scheduled and emergency Board meetings, meetings of any committee to which you are appointed, the Company's AGM, any annual board away days, and at least one site visit per year. In addition, you will be expected to devote appropriate preparation time ahead of each meeting. Personal attendance will be required at Board meetings and Board committee meetings unless agreed otherwise in advance with the Chair.

4.3. By accepting the Appointment, you confirm that:

(a) you are able to allocate sufficient time to meet the expectations of your role; and

(b) you have disclosed all significant other commitments to the Chair with an indication of time involved.

5. **Duties**

5.1. As Independent Non-Executive Director you have the same general legal responsibilities to the Company as any other Director.

5.2. The Board as a whole is collectively responsible for promoting the long-term sustainable success of the Company by directing and supervising the Company's affairs. The Board:

(a) establishes the Company's purpose, values and strategy and satisfies itself that these and its culture are aligned;

(b) establishes a framework of prudent and effective controls which enable risk to be assessed and managed;

(c) ensures that the necessary resources are in place for the Company to meet its objectives and measure its performance against them;

(d) ensures effective engagement with the Company's shareholders and stakeholders, and encourages participation from these parties, in order that the Company might meet its responsibilities to them; and

(e) ensures that workforce policies and practices are consistent with the Company's values and support its long-term sustainable success.

5.3. The role of the Non-executive Director (whether independent or non-independent) has the following key elements:

(a) **Strategy**: Non-Executive Directors should provide constructive challenge, strategic guidance and offer specialist advice where relevant;

(b) **Performance**: Non-Executive Directors should scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives and monitor the reporting of performance;

(c) **Risk**: Non-Executive Directors should satisfy themselves that financial information is accurate, and that financial controls and systems of risk management are robust and defensible; and

(d) **People**: Non-Executive Directors are responsible for determining appropriate levels of remuneration of Executive Directors and have a prime role in appointing and removing, senior management and in succession planning. The Non-Executive Directors should meet without the Chair present at least annually to appraise the Chair's performance.

5.4. All directors must act with integrity, lead by example and promote the Company's desired culture. They must 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. In doing so, as a director, you must have regard (among other matters) to:

(a) the likely consequences of any decision in the long term;

(b) the interests of the Company's employees;

(c) the need to foster the Company's business relationships with suppliers, customers and others;

(d) the impact of the Company's operations on the community and the environment;

(e) the desirability of the Company maintaining a reputation for high standards of business conduct; and

(f) the need to act fairly as between the members of the Company.

5.5. In your role as Non-Executive Director, you shall:

(a) at all times comply with the Articles and constitution of the Company;

(b) abide by your statutory, fiduciary and common-law duties as a director of the Company;

(c) diligently perform your duties and use your best endeavours to promote, protect, develop and extend the business of the Company; and

(d) promptly report to the Chair or Company Secretary any matters of concern that come to your attention, or of which you are aware, in particular any acts of misconduct, dishonesty, breach of any of the Company or Group policies or codes of conduct or breach of any relevant regulatory rules committed, contemplated or discussed by you or by any member of staff, contractor or other third party.

5.6. In order for there to be a thorough consideration of the issues prior to, and informed debate and challenge at, Board meetings, it is essential that you have access to high quality information. You are entitled to request, and should insist on receiving, all relevant information about the Company's affairs as is reasonably necessary in order to enable you to discharge your duties. You should seek clarification or amplification from management where you consider that the information provided is inadequate or lacks clarity.

6. **Fees**

6.1. You will be paid a fee of GBP [FEE PER YEAR] per annum, which will be subject to an annual review by the Board. The fee will be paid under deduction of PAYE.

6.2. The fee will be paid monthly in arrears subject to such deductions for income tax and social security contributions as the Company may be required by law to deduct.

6.3. Non-Executive Directors are not entitled to participate in the Company's bonus or share option schemes.

7. **Expenses**

7.1. The Company will reimburse out-of-pocket expenses reasonably and properly incurred by you as a Non-Executive Director. Expenses should be claimed monthly from the Company Secretary and expense claims should be supported by appropriate receipts. Please refer to the Company's policy on expenses from time to time.

8. **Other Directorships and Business Interests**

8.1. The Company acknowledges that you have business interests other than this Appointment and that you have disclosed to the Chair any significant commitments that you have already have and have declared any conflicts that are apparent at present.

8.2. In the event that you become aware of any conflicts of interest that may arise, you must disclose these as soon as they become apparent to the Board together with any information or knowledge acquired or gained by you in any manner whatsoever whilst you continue in office which may be of value or which may be to the detriment of the Company or any Group Company.

8.3. During the Appointment you will not without obtaining the written consent of the Board accept any other (or further) directorships of publicity quoted companies or companies in competition with the Company or any major external appointments.

9. **Codes of Conduct**

9.1. During the Appointment you must comply with any relevant provisions of any relevant regulations that may apply to the Company including, if applicable, any regulations that may be issued by the UK Financial Conduct Authority acting in its capacity as the UK Listing Authority, the Market Abuse Regulation, and with any code of conduct relating to securities transactions by directors and specified employees issued by the Company from time to time.

10. **Advice and Assistance**

10.1. The Company Secretary is available at all times to provide advice and assistance to directors on all governance matters. If any matters arise which cause you concern, please raise them with either the Company Secretary or with the Chair.

10.2. If, in order to discharge your duties as a Non-Executive Director, you should require professional advice on the affairs of the Company, you may consult the Company's usual professional advisers. The Company will reimburse the cost of expenditure incurred in accordance with the Board's agreed procedure under which directors may obtain such independent advice, as amended from time to time. This does not apply to advice on your personal position.

10.3. Arrangements to consult the Company's advisers must be made through the Company secretary, or, in cases of confidentiality, through the Chair. The Company Secretary is instructed to restrict directors' access to the Company's advisers only so far as necessary for the good management of resources and to avoid duplication of effort and cost, and not to refuse requests for advice without reference to the Chair.

10.4. If for any overriding reason of confidentiality or conflict of interest you need such advice from a professional adviser other than the Company's usual advisers and you cannot raise the matter with the Company Secretary or any other Executive Director of the Company you may consult an independent adviser at your own expense, and provided you have acted reasonably, you may reclaim the cost as expenses in accordance with paragraph 7.1.

11. **Annual Review**

11.1. The performance of individual directors, the Board and its committees is evaluated annually. If, in the interim, there are any matters which cause you concern about your role you should discuss them with the Chair as soon as is appropriate.

[ADD OR DELETE THE BELOW CLAUSE AS APPROPRIATE FOR DIRECTORS AND OFFICERS INSURANCE:]

12. **[Insurance and Indemnity Arrangements**

12.1. The Company has directors' and officers' liability insurance for your benefit and it is intended to maintain such cover for the full term of the Appointment. You will be provided with details of this insurance.]

13. **Confidential Information and Price Sensitive Information**

13.1. You will not at any time (whether during the course of the Appointment or at any time after its termination) make use for your own benefit or for that of any party other than the Company of information which is divulged to you as a director and which is described by the Company or the party divulging it as being of a confidential nature and/or which by reason of its nature or the circumstances or manner in which it comes to your knowledge is apparently of such a nature, or disclose such information to any other person, firm or company, other than with the authority of the Company or in compliance with any law or regulation, provided always that information shall not be or shall cease to be confidential if and to the extent that it comes to be in the public domain other than as a result of your own act or default.

13.2. Your attention is drawn to the requirements under both legislation and regulation as to the disclosure of price-sensitive information. Consequently, you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Chair or Company Secretary.

14. **Termination**

14.1. Notwithstanding any other provision in this letter, the Appointment may be terminated at any time:

(a) by you giving notice in writing to the Board or the Board giving notice in writing to you; or

(b) by the Company in accordance with its Articles of the Companies Act 2006.

14.2. This letter does not confer any right to hold office for any period, nor give you any right to compensation if you cease to be a Director for any reason.

14.3. On termination of the Appointment you will deliver up to the Company all books, documents, papers, information and other property belonging to the Company or any Group Company or relating to the business of the Company or any Group Company which are in your possession, custody or power by virtue of your position as a Non-Executive Director of the Company, and you will not retain copies (other than where the Company permits this in writing).

15. **Data Protection**

15.1. Your attention is drawn to the Company's Data Privacy Notice, which is to be provided in writing, which sets out how your personal data will be used and shared by the Company and other Group Companies. The Data Privacy Notice does not form part of this letter agreement and may be updated from time to time. Any such updates will be notified to you in writing.

16. **Miscellaneous**

16.1. This Agreement may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment or telecopy shall be an effective mode of delivery.

16.2. You must inform the Company promptly of any change in your address or telephone (including mobile telephone) contact details.

16.3. The construction, interpretation, and performance of the terms of this letter will be governed by the laws of England and Wales to the exclusive jurisdiction of whose courts the parties agree to submit.

16.4. This appointment letter constitutes neither a contract for services nor a service contract.

16.5. For the purposes of this letter, "**Group Company**" shall mean any subsidiary of the Company from time to time and if a new holding company for the Company is put in place pursuant to a group reorganisation than references to Group Company shall read as including the new holding company and any subsidiary of that new holding company (other than the Company), and holding company and subsidiary shall be defined in section 1159 Companies Act 2006.

Please confirm your agreement to the above by executing as a deed and returning to me the enclosed duplicate of this letter.

We very much look forward to working with you.

Yours sincerely,

[COMPANY DIRECTOR NAME SIGNING ON BEHALF OF COMPANY]

For and on behalf of [COMPANY'S LEGAL NAME]

....

I have read, understood, and agree to the above terms of my Appointment as a Non-Executive Director of [COMPANY'S LEGAL NAME] (subject to the Board resolving to appoint me).

SIGNED as a DEED and DELIVERED by [NON-EXECUTIVE DIRECTOR'S NAME]

....

in the presence of:

Witness' signature: ....

Witness' Name (in capitals): ....

Witness' Address: ....

Date: ....