

## **Compass Group PLC (the *Company*)**

### **Corporate Responsibility Committee Terms of Reference** *(Formerly the Corporate Social Responsibility Committee)*

**Adopted by the Board on 18 September 2019**

#### **Constitution**

1. The Board of Directors of the Company (the ***Board***) resolved on 22 November 2006 to establish a committee of the Board which is now known as the Corporate Responsibility Committee.
2. The Board has resolved to amend the Terms of Reference of the Committee. These Terms of Reference replace in their entirety those adopted by the Board on 22 November 2006.

#### **Purpose**

3. The purpose of the Committee is to agree, monitor and oversee the delivery of the Company's corporate responsibility, people, health, safety and sustainability, compliance and ethics, and stakeholder engagement strategies. The Committee will consider the policies and practices of the Company and Group with a view to ensuring their alignment with the Company's culture, purpose and values.
4. In doing so, the Committee will assist the Board in discharging its duty to promote the success of the Company for the benefit of its members as a whole having regard to the interests of the company's employees; the need to foster ethical business relationships with suppliers, customers and others; the impact of the Company's operations on the community and the environment; and maintaining a strong culture of ethics and compliance throughout its business.

#### **Membership**

5. The Committee shall be appointed by the Board from time to time and shall comprise at least three members. The Committee members shall be the independent non-executive directors, the Chairman of the Board, Group Chief Executive, Group Chief Financial Officer [and the Group Chief People Officer], together with any other executive or non-executive directors of the Company as may be determined from time to time.
6. The quorum necessary for the transaction of business shall be two members, at least one of whom shall be an independent non-executive director. 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.
7. The Committee Chairman shall be appointed from time to time by the Board and shall be an independent non-executive director. In the absence of the Committee Chairman, and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

8. The Company Secretary or his/her nominee shall be the Secretary of the Committee (the *Committee Secretary*).

### **Attendance at meetings**

9. Meetings may be held by telephone and by any other means of communication.
10. Only members of the Committee have the right to attend Committee meetings. The Group Safety and Sustainability Director and the Group Head of Ethics and Compliance will be invited to attend each meeting. Other individuals may be invited to attend all or any part of any meeting as and when appropriate.
11. 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 Committee and to any other person required to attend, no later than three working 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.

### **Frequency of meetings**

12. The Committee shall meet at least three times per year and at any such times as the Committee Chairman shall require.

### **Minutes**

13. The Committee Secretary shall minute the proceedings and resolutions of all Committee meetings, including recording the names of those present and in attendance and any conflict of interest which shall be ascertained by the Committee Chairman at the beginning of each meeting.
14. The Committee Secretary shall promptly circulate the minutes of the meetings to all members of the Committee and to all other members of the Board, unless a conflict of interest exists.

### **Annual General Meeting**

15. The Committee Chairman (or any Committee member designated by the Chairman) shall attend the AGM, and be prepared to respond to any shareholder questions raised by shareholders relating to matters within the Committee's area of responsibility, as directed by the Chairman of the AGM.

### **Authority**

16. The Committee is authorised by the Board to investigate any activity within these Terms of Reference and to make whatever recommendations to the Board it deems appropriate in any area within its remit.
17. The Committee is authorised to seek any information it requires from any employee, contractor, consultant or other provider of services to the Company and call any such person to be questioned at a meeting of the Committee. Such persons are directed to co-operate with any request made by the Committee.

18. The Committee is authorised by the Board to obtain, at the Company's expense, internal or external legal or other independent advice on any matters within its terms of reference as the Committee considers appropriate.
19. The Committee is authorised to delegate any of its powers to one or more of its members or the Committee Secretary.

### **Duties**

20. The following duties are hereby delegated to the Committee:

### **People**

- (a) Review and, if appropriate, recommend for approval the Group's People strategy and policies, ensuring that such strategy and policies align with the Company's culture, purpose and values;
- (b) Review the implementation of the Group's People strategy, policies and procedures including those relating to employee engagement and development of talent;
- (c) Assess the effectiveness of the Group's People strategy and policies using suitable key performance indicators, ensuring that high performance is maintained and recommending remedial action where necessary;
- (d) Receive reports from, and review the activities and material projects of, the Group's People function;
- (e) Review reports concerning People arising out of the Company's Speak Up line as well as any trend or related risk analysis concerning such data; and
- (f) Review and recommend to the Board for approval the Company's annual modern slavery statement;

### **Social Purpose – Health, Safety and Sustainability**

- (g) Review and, if appropriate, recommend for approval the Group's Health and Safety and Sustainability strategies and policies, ensuring that such strategies and policies align with the Company's culture, purpose and values;
- (h) Review the implementation of the Group's Health and Safety and Sustainability strategies, policies and procedures including those relating to health, safety and environmental processes;
- (i) Assess the effectiveness of the Group's Health and Safety and Sustainability strategies and policies using suitable key performance indicators, ensuring that high performance is maintained and recommending remedial action where necessary;
- (j) Receive reports from, and review the activities and material projects of, the Group's Sustainability and Health and Safety function;
- (k) Review reports concerning Health and Safety and Sustainability arising out of the Company's Speak Up line as well as any trend or related risk analysis concerning such data;

## **Governance and Ethics**

- (l) Review and, if appropriate, recommend for approval the Group's strategy and policies with respect to governance, ethics and compliance, ensuring that such strategies and policies align with the Company's culture, purpose and values;
- (m) Oversee the implementation of the Group Ethics & Compliance Programme, including the Group's Code of Business Conduct and policies, procedures, systems and controls for the prevention of unethical business practices and misconduct, including anti-bribery and corruption, anti-competitive practices, human rights and modern slavery, breach of applicable sanctions and data privacy;
- (n) Receive reports from, and review the activities of, the Group's ethics and compliance function;
- (o) Receive reports from the Group Company Secretarial function on governance, legislative, regulatory and best practice developments and recommend any actions arising from the same to the Board;
- (p) Review reports on any material projects, investigations and audits relating to ethics and compliance;
- (q) Review reports concerning ethics and compliance arising out of the Company's Speak Up line as well as any trend or related risk analysis concerning such data;

## **Stakeholder Engagement**

- (r) Oversee and ensure the appropriate and effective engagement with the Group's stakeholders specifically regarding the Group's workforce, suppliers, clients, consumers, non-governmental environment, welfare and local community interest groups;
- (s) Review reports concerning stakeholder engagement arising out of the Company's Speak Up line as well as any trend or related risk analysis concerning such data;
- (t) Assess and monitor stakeholder engagement for alignment with the Company's culture, purpose and values;
- (u) Assess the effectiveness of the Group's engagement with its stakeholders;
- (v) Review reports on any material projects, investigations and audits relating to stakeholder engagement and recommend any actions for remediation;
- (w) Ensure the quality of the information received by the Board is sufficient to enable it to pay due regard to stakeholder concerns in its decision making recommending remedial action where necessary;
- (x) Receive reports from the workforce engagement designated non-executive director and the Chief People Officer, and recommend to the Board any actions identified as necessary by the Committee in response to matters raised in such reports;

## **Other**

- (y) Review and approve the content of the Corporate Responsibility Report and the Corporate Responsibility Committee's report which form part of the Annual Report and Accounts for recommendation to the Board;
- (z) Review and monitor disclosures and publications pertaining to matters within responsibility of the Committee in the Company's reports; and
- (aa) Consider any other topics, as determined by the Board, including a regular review of its own performance, constitution and, at least annually, its terms of

reference to ensure it is operating effectively, recommending any changes that it considers necessary to the Board for approval.

### **Training**

- 21.** The Committee members should receive training (including an induction programme for new members) and on an ongoing basis.

### **Resources**

- 22.** The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required.