

## Compass Group PLC (the *Company*)

### Role of the Chairman

#### **UK Corporate Governance Code – Division of Responsibilities, Principle F**

The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.

In this document ‘Company’ means the Company and its subsidiary undertakings. This document sets out the responsibilities of the Chairman and was approved by the Board on 18 September 2019. The Company shall ensure that this document is generally made available on the Company’s website and from the Company on demand.

The Board of Directors of the Company (the ***Board***) believes that there should be a clear division of responsibilities between the Chairman of the Board (the ***Chairman***), who has responsibility for running the Board, and the Group Chief Executive (the ***CEO***), who has responsibility for running the Company’s business.

The Chairman is pivotal in creating the conditions for overall Board and individual director effectiveness, setting clear expectations concerning the style and tone of Board discussions, ensuring the Board has effective decision-making processes and applies sufficient challenge to major proposals. The Chairman ensures that all directors are aware of their responsibilities and that meetings are held with the non-executive directors without the executives present in order to facilitate a full and frank airing of views.

#### **Key aspects of the Chairman’s role:**

1. The Chairman:
  - (a) leads the Board and is responsible for its overall effectiveness in directing the Company;
  - (b) shapes the culture in the boardroom, in particular by promoting openness and debate;
  - (c) sets a Board agenda primarily focused on strategy, performance, value creation, risk management, culture, stakeholders and accountability, ensuring that issues relevant to these areas are reserved for Board decision; and
  - (d) demonstrates objective judgement throughout his/her tenure and promotes a culture of openness and debate.

#### **The Chairman’s responsibilities**

2. The Chairman’s role includes, but is not limited to:

- (a) establishing policies and processes to enable the proper functioning of the Board and in particular to ensure that there is a timely flow of accurate, high-quality and clear information, with the assistance of the Company Secretary;
- (b) encouraging all board members to engage in Board and committee meetings by drawing on their skills, experience and knowledge;
- (c) fostering relationships based on trust, mutual respect and open communication – both inside and outside the boardroom – between non-executive directors and the executive team;
- (d) developing a productive working relationship with the CEO, providing support and advice, whilst respecting executive responsibility;
- (e) leading, with the CEO, the Company's relationships with its stakeholders including governments, authorities and regulators;
- (f) providing guidance and mentoring to new directors as appropriate;
- (g) reviewing periodically, with the assistance of the Company Secretary, whether the Board and the Company's governance processes are fit for purpose, and consider any improvements or initiatives that could strengthen the governance of the Company;
- (h) leading the annual Board evaluation, with support from the Senior Independent Director as appropriate, and acting on the results of the evaluation by recognising the strengths and addressing any weaknesses of the Board, such evaluation to be externally facilitated at least once every three years;
- (i) chairing the nomination committee (but the Chairman shall not act in relation to the appointment of his/her successor);
- (j) arranging for all directors to attend the Company's annual general meeting and for the chairs of the audit, remuneration, nomination and corporate responsibility committees to be available to answer questions on matters within the relevant committee's area of responsibility; and
- (k) seeking regular engagement with major shareholders in order to understand their views on governance and performance against strategy, in addition to formal general meetings and ensuring the Board as a whole has a clear understanding of and listens to such views.

3. The Chairman ensures that:

- (a) adequate time is available for discussion of all agenda items, in particular strategic issues, and that debate is not truncated;
- (b) the Board determines the nature, and extent, of the significant risks the Company is willing to embrace in the implementation of its strategy;
- (c) all directors are aware of and able to discharge their statutory duties;

- (d) the Board as a whole has a clear understanding of and listens to the views of shareholders, the workforce, customers and other key stakeholders and will have regard to these views when taking decisions;
- (e) all directors receive a full, formal and tailored induction on joining the Board;
- (f) all directors continually update their skills, knowledge and familiarity with the Company to fulfil their role both on the Board and its committees; and
- (g) meetings are held between the Chairman and the non-executive directors without the executive directors being present, in order to facilitate constructive Board relations and the effective contribution of all non-executive directors.