



# HAMMERSON

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HAMMERSON PLC

## Division of Responsibilities

**BETWEEN CHAIR OF THE BOARD, CHIEF EXECUTIVE, SENIOR  
INDEPENDENT DIRECTOR AND THE DESIGNATED NED FOR  
COLLEAGUE ENGAGEMENT**



# HAMMERSON PLC

## Division of Responsibilities

### Between Chair of the Board, Chief Executive, Senior Independent Director and the Designated NED for Colleague Engagement

This document sets out the role and key responsibilities of the Chair, Chief Executive, Senior Independent Director and Designated NED for Colleague Engagement. It is periodically reviewed and approved by the Company’s Board of Directors.

Statement of Division of Responsibilities between the Chair of the Board and Chief Executive:

The roles of Chair and Chief Executive are distinct and separate, and there is a clear division of responsibility with the Chair leading the Board and the Chief Executive managing the Company’s business day-to-day.

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#### 1.Reporting Lines

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Chair	Chief Executive
1.1. The Chair of the Board (the “Chair”) reports to the Board.	1.1. The Chief Executive reports to the Chair (acting on behalf of the Board) and to the Board directly.
1.2. The Chair is not responsible for executive matters regarding the Group’s business. Other than the Chief Executive, no Executive reports to the Chair, other than through the Board. However, the Company Secretary has a reporting relationship to the Chair on Board matters.	1.2. The Chief Executive is responsible for all executive management matters affecting the Group. All members of executive management report, either directly or indirectly, to them.

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#### 2. Key Responsibilities

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Chair	Chief Executive
2.1. The Chair’s principal responsibility is the effective running of the Board and ensuring its effective direction of the Company. They chair for meetings of the Board and general meetings of the Company.	2.1. The Chief Executive’s principal responsibility is running the Group’s business.
2.2. The Chair is responsible for shaping the culture in the boardroom.	2.2. The Chief Executive has primary responsibility for setting an example and communicating expectations to the Company’s workforce in respect of the Company’s culture.
2.3. The Chair is responsible for ensuring that the Board as a whole plays a full and constructive part in the development, approval and ongoing testing of the Group’s strategy and	2.3. The Chief Executive ensures that operational policies and practices drive appropriate behaviour and permeate through all parts of the organisation.

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overall commercial objectives and of their implementation.	2.4. The Chief Executive is responsible for proposing and developing the Group's strategy and overall commercial objectives.
2.4. The Chair should ensure that the Board determines the nature and extent of the significant risks that the Company is willing to embrace in the implementation of its strategy.	2.5. The Chief Executive is responsible for maintaining an effective framework for internal controls and risk management and ensuring that the Group's Risk Management Framework is reviewed regularly by the Board.
2.5. The Chair is the guardian of the Board's decision making processes.	2.6. The Chief Executive is responsible, with the executive team, for implementing the decisions of the Board and its Committees.
2.6. The Chair is responsible for fostering working relationships between the Non-Executive Directors and the Executive team based on trust, mutual respect and open communication both in and out of the Boardroom. The Chair should demonstrate objective judgement throughout their tenure.	2.7. The Chief Executive is responsible for ensuring that the Board knows the views of senior management on business issues to foster high standards of discussion in the Boardroom and encourage constructive challenge from the Non-Executive Directors.

### 3. Other Responsibilities

Chair	Chief Executive
3.1. Running the Board and setting its agenda.	3.1. Providing input to the Board's agenda which should include input from other members of the executive team.
3.2. Ensuring that Board agendas take full account of the important issues facing the Group and the concerns of all Board members. There should be an emphasis on strategic, rather than routine, issues.	3.2. Ensuring that they maintain a dialogue with the Chair on the important and strategic issues facing the Group, and proposing items for Board agendas to the Chair which reflect these.
3.3. Ensuring that the Board receives accurate, timely and clear information on: <ul style="list-style-type: none"> <li>- the Group's performance</li> <li>- the issues, challenges and opportunities facing the Group</li> <li>- culture, stakeholders and accountability</li> <li>- matters reserved to it for decision.</li> </ul>	3.3. Ensuring that the Executive team gives appropriate priority to providing reports to the Board which contain accurate, timely and clear information.
3.4. Ensuring, with the advice of the Company Secretary where	3.4. Ensuring, in consultation with the Chair and the Company Secretary as appropriate, that they and the executive team comply with the Board's approved procedures, including the schedule of Matters Reserved to the Board for its decision



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- appropriate, compliance with the Board's approved procedures, including the schedule of Matters Reserved to the Board for its decision, the Board's Delegated Authorities, and each Committee's Terms of Reference.
- 3.5. Arranging informal meetings of the Directors, including meetings of the Non-Executive Directors at which the Executive Directors are not present, as required, to ensure that sufficient time and consideration is given to complex, contentious or sensitive issues.
- 3.6. Proposing to the Board, in consultation with the Chief Executive, Company Secretary and Committee Chairs as appropriate:
- a schedule of Matters Reserved to the Board for its decision and a schedule of the Board's Delegated Authorities
  - Terms of Reference for each Board Committee and
  - other Board policies and procedures.
- 3.7. Chairing the Nomination & Governance Committee, and, in that role, initiating change and succession planning in Board appointments to retain and build an effective Board, and to facilitate the appointment of effective and suitable members and Chairs of board Committees with appropriate skills and knowledge.
- 3.8. Proposing, in conjunction with the Nomination & Governance Committee, the membership of Board Committees and their Chairs.
- 3.9. Ensuring that there is effective communication by the Group with its shareholders, including by the Chief Executive, CFO and other executive management, and ensuring that members of the Board develop an understanding of the views of the
- and each Committee's Terms of Reference.
- 3.5. Ensuring that the Chair is alerted to forthcoming complex, contentious or sensitive issues affecting the Group and the Group's reputation of which they might or might not be aware.
- 3.6. Providing input to the Chair and Company Secretary on appropriate changes to the schedule of Matters Reserved to the Board and Committee Terms of Reference.
- 3.7. Providing information and advice on succession planning, to the Chair, the Nomination & Governance Committee, and other members of the Board, particularly in respect of Executive Directors.
- 3.8. If so requested by the Board, to attend the Nomination & Governance Committee.
- 3.9. Leading the communication programme with shareholders.
- 3.10. Providing input when requested on induction programmes for new directors and ensuring that appropriate management time is made available for the process.
- 3.11. Ensuring that the development needs of the Executive Directors and other senior management reporting to them are identified and met.
- 3.12. Ensuring that performance reviews are carried out at least once a year for each of the Executive Directors. Providing input to the wider board evaluation process.
- 3.13. Promoting, and conducting the affairs of the Group with the highest standards of integrity, probity and corporate governance.
- 3.14. Leading and embedding the desired corporate culture, particularly with
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major investors in the Group. The Chair should foster constructive relations with major shareholders and play a key role in representing the Company to its key stakeholders.

regard to health and safety, compliance and ESG.

3.10. Taking the lead in providing a properly constructed induction programme for new directors, facilitated by the Company Secretary and providing guidance to and mentoring new Directors.

3.11. Taking the lead in identifying and seeking to meet the development needs both of individual directors and of the Board as a whole, assisted by the Company Secretary.

3.12. Ensuring that the performance of the Board as a whole, its Committees, and individual directors is formally and rigorously evaluated at least once a year, with an externally facilitated review taking place at least every three years, and acting on the results.

3.13. Promoting the highest standards of integrity, probity and corporate governance throughout the Group and particularly at Board level.

3.14. Oversight and monitoring the implementation, including agreeing and testing, of the Company's environmental, social and governance (ESG) agenda developed by the CEO and executive team.

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#### 4. Status of this Statement

4.1. Any amendments to this statement are a Matter Reserved to the Board.



## **Role of the Senior Independent Director (SID)**

### **1. Stakeholders**

- Be available to shareholders if they have any issues or concerns which contact through the normal channels of Chair, Chief Executive or Chief Financial Officer have failed to resolve or for which such contact is inappropriate.
- Have appropriate contact with major shareholders and other relevant stakeholders as necessary to develop a balanced understanding of the issues and concerns of such shareholders and report these to the Board.

### **2. Chair**

- Provide a sounding board for the Chair to discuss confidential issues relating to governance, Board performance, the performance of individual Directors and concerns raised by Directors.
- Take responsibility for an orderly succession process for the role of Chair, chairing and working closely with the Nomination & Governance Committee when it is considering succession to the role of Chair of the Board.
- Assess and review (prior to formal consideration by the Board) any changes to the Chair's external appointments to ensure they do not compromise the fulfillment of their duties to the Company.
- Lead the Non-Executive Directors in an appraisal of the Chair's performance annually and on such other occasions as are deemed appropriate, taking into account the views of the Executive Directors.
- Conduct the appraisal of the Chair and report to the Board on the same.

### **3. The Non-Executive Directors and the Board**

- Act as a trusted intermediary for the Non-Executive Directors when required to help them challenge and contribute effectively.
- Be available for confidential discussions with the other Non-Executive Directors who may have concerns that they feel are not being properly considered by the Board.
- At least annually, lead a meeting with the Non-Executive Directors without the presence of the Chair or Executive Directors. The SID has the authority to call a meeting of the Non-Executive Directors, if, in their opinion, it is necessary.
- Take the initiative in discussion with the Chair or other Board members if it should seem that the Board is not functioning effectively.
- Chair meetings of the Board in the absence of the Chair.



## **Responsibilities of the Designated NED for Colleague Engagement**

### **Designated NED for Engagement with the Company workforce**

- Act as the Board's eyes and ears to understand colleague views on Company culture, and the degree to which behaviours and values in the business are aligned with culture and values agreed by the Board.
- Providing guidance and feedback, with insight gained from the Forum, on achieving effective internal communications.
- Provide independent advice and guidance to the Chief Executive, Chief People Officer and GEC on matters of employee engagement.
- Authorised to speak on behalf of the Board at Forum events.
- Assisting the Board to understand colleague views based on insight from the Forum and provide guidance to the Board on how their decisions may impact colleagues.

Approved by the Board on 7 December 2023