

REGIONAL REIT LIMITED
(the "Company")

NOMINATION COMMITTEE

Terms of Reference
as approved on 19 May 2021

1 DEFINITIONS

- 1.1 Reference to the "**Committee**" shall mean the Nomination Committee.
- 1.2 Reference to the "**Board**" shall mean the board of directors of the Company.

2 MEMBERSHIP

- 2.1 The Committee shall comprise at least three members. Members of the Committee shall be appointed by the Board in consultation with the Chairman of the Committee.
- 2.2 A majority of members of the Committee shall be independent non-executive Directors.
- 2.3 The Board shall appoint the Committee Chairman who shall be an independent non-executive director. The Chairman of the Board may serve as the Committee Chairman but shall not Chair the Committee when it is dealing with the appointment of their successor as Chairman of the Board.
- 2.4 In the absence of the Chairman and/or an appointed deputy, the remaining members of the Committee present shall elect one of themselves to Chair the meeting.
- 2.5 Only members of the Committee have the right to attend Committee meetings. However, other individuals (if not members of the Committee) such as other directors of the Company, representatives of the Asset Manager, Investment Manager or other external advisers may be invited to attend all or part of any meeting, as and when appropriate and necessary.

3 SECRETARY

- 3.1 The Company Secretary, or their nominee shall act as the Secretary.

4 QUORUM

- 4.1 The quorum necessary for the transaction of business shall be two Committee members. 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. Other directors may attend the meetings by invitation but, if they are non-independent, they may not vote.

- 4.2 The members of the Committee shall, at the beginning of each meeting, declare the existence of any conflicts of interest arising and the secretary of the committee shall minute them accordingly.
- 4.3 The members of the Committee may meet for the despatch of business, adjourn and otherwise regulate meetings as they deem fit. Without prejudice to the foregoing, all or any of the members of the Committee may participate in a meeting of the Committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A member of the Committee so participating shall be deemed to be present in person at the meeting and shall be entitled to fully participate and be counted in the quorum accordingly.

5 FREQUENCY OF MEETINGS

- 5.1 The Committee shall meet at least once a year and otherwise as determined by the Chairman.
- 5.2 A sufficient interval should be allowed between Committee meetings and main Board meetings to allow any work arising from the Committee meeting to be carried out and reported to the Board as appropriate.

6 NOTICE OF MEETINGS

- 6.1 Meetings of the Committee shall be convened by the Secretary at the request of any of its members.
- 6.2 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, any other person required to attend and all other members of the Board, no later than five 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.

7 MINUTES

- 7.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.2 Draft minutes of Committee meetings shall be circulated promptly to the Committee Chairman and, thereafter, to all members of the Committee. Once approved, minutes should be circulated to all members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chairman.

8 ANNUAL GENERAL MEETING

- 8.1 The Committee Chairman shall attend the Annual General Meeting to answer shareholder questions on the Committee's activities and matters within the scope of the Committee's responsibilities.

9 DUTIES

- 9.1 The Committee should carry out the duties below for the Company, major subsidiary undertakings and the Group as a whole, as appropriate.
- 9.2 Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity, including gender and ethnicity) required of the Board compared to its current position and make any changes as necessary;
- 9.3 give full consideration to succession planning of Directors, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future;
- 9.4 formulate plans for succession of Directors and, in particular, for the key roles of Chairman of the Board and Chairman of the Audit Committee;
- 9.5 identify suitable candidates for the role of Senior Independent Director;
- 9.6 determine membership of the Audit Committee, in consultation with the Chairman of the Audit Committee and subject to the approval of the Board;
- 9.7 be responsible for identifying and nominating candidates to fill Board vacancies as and when they arise;
- 9.8 before an appointment is made, evaluate the balance of skills, knowledge and experience on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall:
 - (i) use the services of external advisers to facilitate the search if considered necessary and appropriate;
 - (ii) consider candidates from a wide range of backgrounds; and
 - (iii) consider candidates on merit and against objective criteria, having due regard to the benefits of diversity on the Board and taking care that appointees have enough time available to devote to the position;
- 9.9 keep under review the leadership needs of the Company, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
- 9.10 keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- 9.11 review annually the time required from Directors. Performance evaluation should be used to assess whether the Directors are spending enough time to fulfil their duties; and
- 9.12 ensure that, on appointment to the Board, Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service

and involvement outside Board meetings.

- 9.13 consider the re-appointment of any Director at the conclusion of his or her specified term of office, having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
- 9.14 consider any recommendation to shareholders concerning the annual re-election of Directors under the AIC Code of Corporate Governance (the "Code"), having due regard to their performance and ability, and why their contribution is important to the Company's long-term sustainable success in light of the knowledge, skills and experience required and the need for progressive refreshing of the Board taking into account the length of service of individual Directors, the Chairman of the Board and the Board as a whole;
- 9.15 consider any matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of a Director subject to the provisions of the law and their service contract, if any;
- 9.16 consider and approve the appointment of any director or officer other than to the position of Chairman of the Board, which would be considered at a meeting of the full Board;
- 9.17 consider and recommend to the Board a policy on the tenure of the Chairman of the Board;
- 9.18 review the results of the Board performance evaluation process that relate to the composition of the Board and succession planning; and
- 9.19 receive and consider updates from the Asset Manager and Investment Manager on their own succession planning activities.

10 REPORTING RESPONSIBILITIES

- 10.1 The Chairman shall report formally to the Board on the Committee's proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.
- 10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for Board discussion.
- 10.3 The Committee shall compile a report on its activities, including its membership and frequency of and attendance at its meetings, to be included in the Company's annual report. The report should include an explanation of
 - (i) the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline;
 - (ii) how Board evaluation has been conducted, the nature and extent of any external evaluator's contact with the Board and individual directors, the outcomes and actions taken, and how it has influenced or will influence Board composition;

(iii) the policy on diversity and inclusion, its objectives and linkage to Company strategy, how it has been implemented and progress on achieving the objectives; and

(iv) the gender balance of the Board.

10.4 If an external search consultancy has been engaged, it should be identified in the annual report alongside a statement about any other connection it has with the Company or individual Directors.

11 OTHER MATTERS

The Committee shall:

11.1 have access to sufficient resources in order to carry out its duties, including access to the Secretary for assistance as required;

11.2 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;

11.3 give due consideration to relevant laws and regulations, the provisions of the UK Corporate Governance Code, the AIC Code of Corporate Governance and the requirements of the FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate; and

11.4 arrange for periodic reviews of its own performance in collaboration with the Board and, at least annually, review its 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.

12 AUTHORITY

The Committee is authorised to:

12.1 seek any information it requires from the Asset Manager, Investment Manager, Secretary and Administrator of the Company in order to perform its duties;

12.2 obtain, at the Company's expense, independent legal or other professional advice on any matter within its terms of reference;

12.3 request that representatives of the Asset Manager, Investment Manager, Secretary and Administrator be available to answer questions at meetings of the Nomination Committee; and

12.4 have the right to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.