

**STANDARD CHARTERED PLC**  
**(the “Company”)**  
**GOVERNANCE AND NOMINATION COMMITTEE**

**TERMS OF REFERENCE**

- APPOINTED BY:** The Board of Standard Chartered PLC (the “Board”)
- MEMBERS:** The Governance and Nomination Committee (the “Committee”) shall be appointed by the Board and comprise at least four members, one of whom should be the Chairman of the Board. A majority of the members of the Committee shall be independent Non-Executive Directors.
- CHAIR:** The Committee Chair shall be the Chairman of the Board or an independent Non-Executive Director. The Chairman should not Chair the Committee when it is dealing with the appointment of a successor to the Chairmanship.
- ATTENDANCE:** Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Group Chief Executive, Group Head, Human Resources and other relevant or expert persons may be invited to attend all or part of any meeting by invitation from the Committee Chair.
- SECRETARY:** The Group Company Secretary or his/her nominee.
- QUORUM:** Any two members (one of whom must be the Committee Chair or his/her nominee).
- MEETINGS:** The Committee shall meet at least twice a year and on such other occasions the Committee Chair deems necessary.
- PURPOSE:** The Committee shall be responsible for keeping the composition of the Board and its Committees under review and shall lead the process for Board appointments and make recommendations to the Board. In addition, the Committee shall ensure plans are in place for orderly succession to both the Board and senior management positions and oversee the development of a diverse pipeline for succession. The Committee shall also be responsible for the consideration of material changes to corporate governance regulation and legislation affecting the Company and oversee Standard Chartered PLC and its subsidiaries’ (the “Group”) approach to subsidiary corporate governance.

**AUTHORITY:** The Committee is concerned with the business of Standard Chartered PLC and is authorised by the Board to:

- seek any information that it requires in connection with its purpose and responsibilities from any member or any employee of the Group;
- seek appropriate independent professional advice on any matters within its Terms of Reference, at the Company's expense as and when it considers it necessary.

**RESPONSIBILITIES:**

**1. BOARD COMPOSITION, SUCCESSION PLANNING AND DIVERSITY**

The responsibilities of the Committee are to:

- (a) regularly review and at least annually evaluate the structure, size and composition of the Board and its Committees (including the balance of skills, knowledge, experience and the promotion of diversity of gender, social and ethnic backgrounds, cognitive and personal strengths) as part of its succession planning, taking into account the Group's strategy and challenges. Make recommendations to the Board with regard to any adjustments that are deemed necessary and prepare a description of the role and capabilities required for a particular appointment, including assessment of the time commitment required;
- (b) lead the process for appointments, identify and recommend suitable candidates based on merit and objective criteria (giving consideration to the promotion of diversity of gender, social and ethnic backgrounds, cognitive and personal strengths) for the approval of the Board, to fill Board vacancies as and when they arise;
- (c) review and recommend to the Board any changes to the Board Diversity Policy and regularly review progress against any measurable objectives that the Board has set in respect to Board diversity;
- (d) keep under review the leadership needs of the Company and at least annually, consider proposals for the succession of senior management within the Group, to ensure the continued ability to compete effectively in the marketplace;
- (e) make recommendations to the Board for the appointment or removal of the Group Chairman, Group Chief Executive, Senior Independent Director, Deputy Chairman or any other director and the related terms (except for where the consideration of such terms fall within the remit of the Board Remuneration Committee) for approval by the Board;

- (f) make recommendations to the Board on the membership of the Board Committees following consultation with the relevant Committee Chair;

## **2. EXTERNAL BOARD AND COMMITTEE ADVISORS**

make recommendations to the Board for the approval of the appointment, renewal of appointment and early termination of external Board and Committee advisors.

## **3. INDEPENDENCE OF DIRECTORS**

- (a) assess the independence of each independent Non-Executive director;
- (b) make recommendations to the Board on:
  - (i) the appointment or re-appointment of any independent Non-Executive director at the conclusion of the specified term of office;
  - (ii) the annual re-election of directors by shareholders, setting out the reasons why their contribution continues to be important to the Company's long-term sustainable success;
- (c) in relation to directors' actual or potential conflicts of interest:
  - (i) consider and if appropriate authorise directors' conflicts of interest;
  - (ii) agree any terms to be imposed in relation to the authorisation of a director's conflict of interest;
  - (iii) report any conflict decisions to the Board and conduct an annual review of the directors' conflicts of interest.

## **4. CORPORATE GOVERNANCE**

- (a) review the Group's approach to subsidiary corporate governance;
- (b) consider material trends, initiatives and proposals in relation to corporate governance of the Group and consider the impact and recommend any changes to the Group's overall corporate governance arrangements for approval by the Board;

## **5. OPERATION OF THE COMMITTEE**

- (a) oversee the process by which the Board, its Committees and individual directors assess their effectiveness (including the use of an external facilitator at least every three years for the Board, and if deemed appropriate its Committees) and make any recommendations to the Board;

- (b) undertake an annual review of the effectiveness of the Committee;
- (c) annually review the Committee's Terms of Reference and propose any changes that it considers necessary to the Board for approval;
- (d) consider the disclosures in the Annual Report regarding how the Committee has discharged its responsibilities under its terms of reference.