

Nominations and Governance Committee Report



"Throughout 2024, the Committee focused on strengthening governance practices to support the Group's long-term success and sustainability."

Stuart Sinclair
Chair

Committee members

Stuart Sinclair, Chair, and Chair of the Board

Deborah Davis, Independent non-executive director

Richard Holmes, Independent non-executive director

Aileen Wallace, Independent non-executive director

Katrina Cliffe, Senior independent non-executive director

The table below shows the number of meetings held and the directors' attendance during 2024.

Committee member	Scheduled meetings ¹	No. of meetings attended	% of meetings attended
Stuart Sinclair	4	4	100%
Deborah Davis	4	4	100%
Richard Holmes	4	4	100%
Aileen Wallace	4	4	100%
Katrina Cliffe ²	2	2	100%

Notes

1. The scheduled meetings that each individual was entitled to, and had the opportunity to, attend.
2. Katrina joined as member of the Committee with effect from 3 May 2024 (previously was an attendee only).

Dear shareholder,

I am pleased to present this report for the year ended 31 December 2024, highlighting the Committee's role in supporting an effective Board and ensuring robust governance across the Group.

Key responsibilities of the Committee

Details on the Committee's key responsibilities can be found below and in our Terms of Reference at www.ipfin.co.uk.

The Committee:

- reviews the composition of the Board and leads the process on proposed appointments to the Board;
- ensures that the Board consists of directors with the appropriate balance of skills, experience, diversity, independence and knowledge to enable it to discharge its duties and responsibilities effectively, and reviews arrangements for succession and development of senior leaders in the Group;
- oversees the Group's governance arrangements to ensure they are consistent with relevant corporate governance standards and best practice; and
- oversees, on behalf of the Board, a range of topics relating to good governance.

Committee composition and changes

I chair the Committee and was regarded as independent on appointment. I will not chair the Committee when it is dealing with matters of succession to the Chair of the Board. The Committee comprises four other independent non-executive directors, Deborah Davis, Richard Holmes, Aileen Wallace and Katrina Cliffe (who joined the Committee with effect from 3 May 2024).

Key areas of focus during the year

During 2024, the Committee continued to broaden its areas of focus to ensure that the Group remained well governed.

First, the Committee focused on ensuring that succession arrangements will enable the Board to continue to lead the Group effectively, especially in light of the Group's Next Gen strategy. Overseen by the Chair, the Committee reviewed the assessment of the Board's skills, knowledge and tenure in terms of the Company's strategy, originally undertaken in 2023. The skills matrix on page 82 sets out the attributes we consider to be key for the long-term success of the business, as well as how these attributes link to our strategy. The Committee also reviewed in detail the skills and potential of the wider senior leadership team as part of the broader talent management process led by the human resources function.

The second area of focus was on ensuring that the Board continues to operate with a high degree of effectiveness. This is a broad area of responsibility and, in 2024, meant the Committee reviewed detailed topics including the 2024 Board training programme and membership of the Board Committees. The Committee has also had the opportunity to review external developments in corporate governance to assess whether such developments required changes in the Group's Board governance arrangements. Furthermore, the Committee reviewed the structure, size and ways of working of the Board and oversaw the Group's compliance with the Corporate Governance Code 2018 (the code), with a particular focus on making the changes required to implement the new version of the Corporate Governance Code 2024 published by the Financial Reporting Council on 22 January 2024. Additionally, the Committee oversaw the implementation of the recommendations from the internal Board evaluation review that took place in 2023 and I am pleased to confirm that all recommendations were implemented in 2024.

The Committee also continued its oversight of key policies dealing with matters relevant to our Responsible Business Framework such as board diversity, political donations, access to independent advice and conflicts of interest.

Finally, the Committee continued to review the external appointments of the current directors. This work considered the time commitments arising from current roles to ensure directors are not "overboarded" and that they meet required standards concerning independence, as well as determining whether new appointments would affect a director's ability to discharge their duties as a director of the Company effectively.

Committee effectiveness review

An internal effectiveness review of the Board and its Committees was undertaken in 2024. This consisted of a questionnaire completed by the Committee and its regular attendees, and an analysis of compliance with the Committee's Terms of Reference. Overall, the Committee concluded that it had operated effectively and complied with the Committee's Terms of Reference throughout the year.

Feedback from this process was discussed by the Committee and it was agreed that the Committee would continue to focus on succession planning across the senior leadership cohort. This will be accomplished through building on the current practice of twice annual performance reviews and potential discussions which the Committee holds with the Chief HR Officer and the Chief Executive Officer.

Annual re-election of directors

As in previous years, Board members will stand for re-election by shareholders at the 2025 AGM on 1 May 2025. All non-executive directors are considered independent in accordance with the requirements detailed in the Code, and they continue to make effective contributions, constructively challenge management and devote sufficient time to their role. Accordingly, all directors are proposed for re-election, with the exception of Deborah Davis who will be retiring with effect from the conclusion of the AGM. Further details are contained in the Notice of Meeting circulated to shareholders.

Recruitment and succession planning

The Committee recognises the importance of the Board anticipating and preparing for the future, and ensuring that the skills, experience, knowledge and perspectives of the directors and members of the senior leadership team reflect the changing demands of the business. When considering succession plans, the Committee and the Board are cognisant of the need to ensure inclusion of a diverse range of individuals, and the Board's diversity objectives, as set out in the Board Diversity Policy on page 91, reflect how the Board ensures that diversity is considered when recruiting new directors to the Board and in the context of succession planning. The Committee's approach to succession includes anticipating departures and allowing sufficient time for orderly succession, ensuring appointments are made on merit against objective criteria and taking into account the Company's strategic priorities, and the main trends and factors affecting the long-term success and future viability of the Company. Succession plans are in place for the Chief Executive Officer, Chief Financial Officer, Chair and non-executive directors for contingency, medium-term and long-term horizons.

On behalf of the Board, the Committee also leads on oversight of executive talent and succession planning. As part of the broader talent management process, the Committee receives an annual and mid-year update from the Chief HR Officer on talent and succession planning, considering the skills and potential of those in the central management team.

During 2024, the Board also approved the Board skills matrix, which sets out the skills of each member and allows the Committee to identify skill gaps which will be reviewed as part of the succession planning process. The Board skills matrix can be found on page 82.

Board diversity and policy

Diversity is built into the Group's policies as appropriate, and, as a business operating in different countries, collaboration between our international operations is a central dynamic of our culture. Diversity and inclusion is about treating people fairly, equitably and without bias, creating conditions that encourage and promote respect, dignity and belonging. This is embedded in our culture and values.

The Board Diversity Policy formalises its approach to this topic and can be accessed in the policies section of our website. The purpose of the policy is to set out the Group's approach to diversity of the Board and its Committees. The policy aims to drive balance and alignment with our purpose, strategy and values, through measurable objectives which reflect the actions the Board will take when considering membership of the Board and its Committees. The Committee reviews the policy, including objectives and progress, at least annually.

In setting the principles and objectives of the policy, the Committee and Board acknowledge the external expectations of stakeholders and the opportunities to drive change through succession planning. The Parker Review, Hampton-Alexander Review and the requirements of Listing Rule 9.8.6(9)R are supported fully by the Board.

The percentage of female representation for the senior leadership team was 14.3%.

Annual statement on Board diversity targets

On behalf of the Board, the Committee is pleased to confirm that as at 31 December 2024, all three of the targets set out in Listing Rule 9.8.6(9)R, and also included in the Board Diversity Policy objectives, have been met. Further detail on how these targets have been achieved can be found below.

As required by Listing Rule 9.8.6(10)R, detailed numerical information on the gender and ethnicity representation on the Board and our executive management as at 31 December 2024 is set out on page 92. There have been no changes between 31 December 2024 and the date of this report.

Data concerning gender and ethnicity representation was collected in 2023 directly from all the individual Board and senior leadership team members through a Diversity and Inclusion Monitoring Form (the "Form"). The Form asked the individuals to disclose their gender and ethnicity using the options included on the Form, which aligned with the detail

in the left-hand column of the tables on page 92 and therefore included the option to not specify an answer. The data was collected on an anonymous basis by the Company Secretariat and the information was reviewed and updated in 2024, and will be annually going forward.

Progress in 2024

- Reviewed Board composition and succession planning.
- Reviewed the governance framework.
- Reviewed key policies relating to the Responsible Business Framework.
- Reviewed and updated the Committee's Terms of Reference.
- Oversaw the implementation of the recommendations from the internal Board effectiveness review.

Key priorities for 2025

- Focus on succession planning.
- Keep under review the governance framework and make recommendations for improvement where appropriate.

Board Diversity Policy objectives	Implementation	Progress against objectives
Consider candidates for appointment as non-executive directors from a wider pool including those with little or no listed company board experience. Ensure non-executive director 'long lists' include 50% female candidates.	The Board and the Committee recognise the importance and benefits of greater diversity, including gender, age, nationality, ethnic origin, socio-economic background, educational and professional background, sexual orientation and disability. On instruction of an executive search firm, the specification will ensure that candidates with no listed company board experience are fully considered.	The Board actively seeks diverse candidates. Over the past three years, the Board has appointed two female Board members, Katrina Cliffe and Aileen Wallace. The Board will continue to consider candidates from a wide pool when completing future recruitment.
Engage only with executive search firms which have signed up to the Standard Voluntary Code of Conduct on both gender and ethnic diversity and best practice.	The Board will continue to engage executive search firms that have signed up to the Standard Voluntary Code of Conduct.	When recruiting Katrina Cliffe, the Board engaged with Ridgeway Partners. At the time of engagement, Ridgeway Partners was a signatory of the Standard Voluntary Code of Conduct.
Maintain a continuous level of at least 40% female directors on the Board.	The Board will continue to ensure that recruitment and succession planning for the Board takes consideration of these objectives, while also ensuring that any succession plans and appointments are made based on merit and objective criteria.	As set out in the annual statement on board diversity targets above, 43% of individuals on the Board are women.
A female director is appointed to at least one of the senior Board positions (Chair, Chief Executive Officer, senior independent director, Chief Financial Officer).		In December 2023, Katrina Cliffe was appointed senior independent director for the Board.
At least one director from an ethnic minority background is appointed to the Board.		As set out in the annual statement on board diversity targets above, one member of the Board is from an ethnic minority background.

Gender representation as at 31 December 2024

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management ¹	Percentage of executive management ¹
Men	4	57.1%	3	12	85.7%
Women	3	42.9%	1	2	14.3%
Not specified/prefer not to say	0	0%	0	0	0%

Ethnic representation as at 31 December 2024

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management ¹	Percentage of executive management ¹
White British or other White (including minority-white groups)	6	85.7%	4	14	100%
Mixed/Multiple ethnic groups	0	0%	0	0	0%
Asian/Asian British	1	14.3%	0	0	0%
Black/African/Caribbean/Black British	0	0%	0	0	0%
Other ethnic group, including Arab	0	0%	0	0	0%
Not specified/prefer not to say	0	0%	0	0	0%

1. Per the definition within the Listing Rules, executive management at IPF is the senior leadership team, which includes the Company Secretary. The Chief Executive Officer and Chief Financial Officer have not been included in the executive management data as they are included in the data for the Board.

Independence and external commitments

The Committee reviews requests for external appointments carefully, taking into account the directors' other commitments and their role on the Board. An executive director will be permitted to hold one non-executive directorship (and to retain the fees from that appointment) provided that the Board considers this will not affect their executive responsibilities adversely. The executive directors currently do not hold any external directorships. A non-executive director should not hold more than four other material non-executive directorships. If they hold an executive role in a FTSE 350 company, they should not hold more than two other material non-executive directorships.

In line with the Code, non-executive directors are required to seek Board approval prior to taking on any additional appointments. In 2024, the Committee recommended to the Board the approval of Deborah Davis's appointment as a non-executive director of YouGov plc and Sirius Real Estate plc, and noted Aileen Wallace's appointment as Senior independent Director of Tandem Bank Limited. The Committee also approved Aileen's appointment as Chair of the Risk Committee of Tandem Bank and Stuart Sinclair's appointment as non-executive director and Chair of Vida Bank Limited (subject to regulatory approval), and Deborah's subsequent appointment as Chair of YouGov plc. In making these decisions, the Committee was assured that Deborah, Aileen and Stuart would continue to be able to devote the appropriate time to their roles as non-executive directors and Chairs (as applicable) of the Company and the new roles

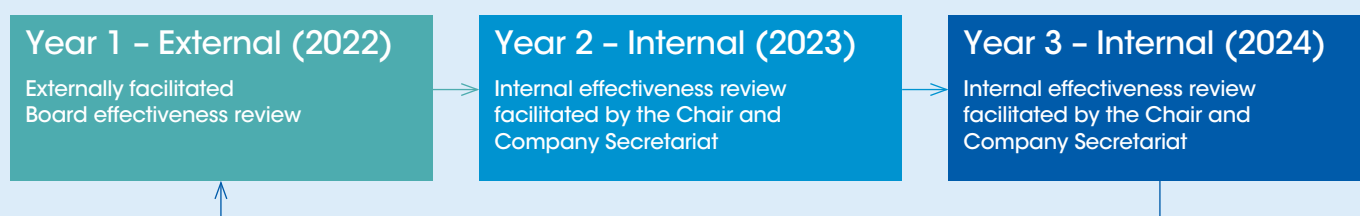
would not give rise to any conflicts of interests. The external commitments of the other non-executive directors were also reviewed and the Board is satisfied that these do not conflict with their required commitment to the Company.

The independent non-executive directors are appointed for a period of three years initially, subject to annual re-election by shareholders at the AGM. This period may be extended, following recommendation by the Nominations and Governance Committee, for two further three-year periods. The Board will not normally extend the aggregate period of service of any independent non-executive director beyond nine years. Their letters of appointment may be inspected at our registered office and copies are available from the Company Secretary.

Each of the non-executive directors has been formally determined by the Board to be independent for the purposes of the Code and the Chair was considered to be independent on appointment. Katrina Cliffe was appointed as the senior independent director on 1 December 2023. She is available to shareholders should they have concerns which contact through the normal channels of Chair and Chief Executive Officer has failed to address or for which such contact is inappropriate. The senior independent director reviews the performance of the Chair on an annual basis and consults with other Board members as part of the review. They also consider the relationship between the Chair and the Chief Executive Officer.

Board effectiveness review

The Board undertakes a formal and rigorous evaluation of the performance of the Board, its Committees, the Chair and individual directors on an annual basis. This process follows a three-year cycle, with the 2022 Board effectiveness review facilitated externally and the next externally facilitated effectiveness review due to be undertaken in 2025.



Stage 1

September 2024

Proposals for the 2024 Board and Committee effectiveness review processes were reviewed and approved by the Committee, following consultation with the Chairs of the Board and its Committees.

Stage 2

October 2024

Each director completed a questionnaire for the Board and the Committees of which they were a member. Regular attendees of each Board Committee were also invited to complete the questionnaire.

Stage 3

October 2024

The Chair and the non-executive directors met without the executive directors being present and provided feedback on their performance throughout the year for the Chair to feed into their performance reviews.

Stage 4

December 2024

The Committees reviewed the results from the committee effectiveness questionnaire and the Terms of Reference analysis. All Committees confirmed that they continue to operate effectively.

Stage 5

December 2024
/ January 2025

The Chair completed performance reviews for all the non-executive directors. It was confirmed that all non-executive directors continue to be effective in their roles.

Following discussion and feedback from the other non-executive directors, the senior independent director, Katrina Cliffe, completed the Chair's performance review. It was confirmed that the Chair continues to be effective in his role.

Stage 6

February 2025

The Board reviewed the results from the Board effectiveness review, along with the Matters Reserved analysis, and the confirmation from the Committees that they continue to operate effectively. They also received confirmation from the Chair and the senior independent director that all directors continue to be effective in their roles.

The conclusion of the Board effectiveness review was positive, and confirmed that the Board as a whole continues to operate effectively. The composition of the Board was considered to be effective and it continued to provide successful leadership to the Group, comprising the appropriate balance of experience, skills, knowledge and diversity of background to implement the Group's strategy. The Board places significant reliance on its Committees by delegating a broad range of responsibilities and issues to them, and receives verbal updates from the Chairs of each of the Committees of the Board. Following discussions, it was agreed that the performance of the Board, its Committees, the Chair and each of the directors continues to be effective.

Stuart Sinclair
Chair of the Committee

26 February 2025