

CT Automotive Group plc

Terms of Reference

for the ESG Committee

CT Automotive Group plc (the “Company”)

Terms of reference for the ESG Committee

1. Constitution and Purpose

- 1.1. The committee has been established by a resolution of the board of directors of the Company (the “**Board**”) and is to be known as the ESG Committee (the “**Committee**”).
- 1.2. The purpose of the Committee is to assist the Board in promoting the long-term sustainable success of the Company with regard to ESG matters.

2. Membership

- 2.1. The Committee shall have at least three members, the majority of whom shall be non-executive directors.
- 2.2. The members of the Committee shall be appointed by the Board from amongst the directors of the Company in consultation with the Chair of the Committee. Appointments shall be for a period of up to three years which may be extended for up to two additional three-year periods provided the director still meets the criteria for membership of the Committee.
- 2.3. The members of the Committee shall have the appropriate knowledge, skills and expertise to understand ESG-related strategy, targets and implementation, and shall undertake appropriate development of their skills as necessary.
- 2.4. The Chair of the Committee shall be appointed by the Board. In the absence of the Committee Chair, the remaining members present shall elect one of themselves to chair the meeting.
- 2.5. Each member of the Committee shall disclose to the Committee:
 - 2.5.1. any personal, financial or other interest in any matter to be decided or discussed by the Committee; and/or
 - 2.5.2. any potential conflict of interest arising from a cross-directorship or otherwise; and
 - 2.5.3. any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the Board) shall resign from the Committee or absent himself from all or part of the meeting of the Committee in question.
- 2.6. Only members of the Committee have the right to attend Committee meetings. However, other individuals, including the CEO, CFO, other ESG representatives and other stakeholders may be invited to attend for all or part of any meeting, as and when appropriate.
- 2.7. The Company Secretary shall act as secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to matters under discussion. The Committee shall have access to the services of the Company Secretary on all Committee matters, including assisting the Chair in planning the Committee’s work, drawing up meeting agendas, preparation of minutes and provision of any necessary support to enable the Committee to effectively discharge its responsibilities.

3. Meetings

- 3.1. **Quorum:** A quorum necessary for the transaction of business shall be two members present in person or by electronic communication. 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.
- 3.2. **Attendance:** Members of the Committee may attend meetings of the Committee either in person, by telephone or through other means of electronic communication, provided all participating Committee members can hear each other.
- 3.3. **Voting:** Subject as provided in paragraph 2.5 (conflicts of interest) above, each member of the Committee shall have one vote. In the event of an equality of votes, the Chair of the Committee shall have a second or casting vote (again subject as provided in paragraph 2.5 above).
- 3.4. **Frequency of Meetings:** The Committee shall meet at least twice times a year and at such other times as the Chair of the Committee shall require.
- 3.5. **Notice:** Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any member of the Committee.
- 3.6. **Length of Notice:** 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 and any other person required to attend 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.
- 3.7. **Minutes:** The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. Draft minutes of Committee meetings shall be circulated to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless, exceptionally, it would be inappropriate to do so.
- 3.8. **Conflicts of interest:** The Secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

4. Annual General Meeting

The Chair of the Committee shall attend the annual general meeting of the Company and be available to respond to any shareholder questions on the Committee's activities and responsibilities. In addition, the Chair of the Committee should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

5. Authority

The Committee is authorised by the Board to:

- 5.1. investigate and undertake any activity within its terms of reference;
- 5.2. seek any information it requires from any director, employee or professional adviser of the Company and all directors, employees and professional advisers are directed to co-operate with any request made by the Committee;
- 5.3. obtain at the Company's expense, outside legal or other professional advice and to secure the attendance of those persons with relevant experience and expertise if it considers this necessary; and
- 5.4. establish and oversee any sub-committees or working groups which may be relevant to support the Committee's work.

6. Duties

The duties of the Committee are to:

Strategy and framework

- 6.1. Oversee the development of the Company's ESG strategy and monitor its performance in relation to ESG matters, ensuring this strategy is effective, aligned with prevailing regulations and good practice, and integrated with the Company's business plan, values and objectives, in order to support the Company's long-term sustainable success;
- 6.2. Review the effectiveness of the governance and processes and the teams in place to ensure the outcomes of the ESG strategy are delivered;

Goals and Metrics

- 6.3. Advise on, and recommend for approval of the Board, appropriate ESG strategic goals, short-term and long-term targets, and key ESG KPIs;
- 6.4. Monitor annual and long-term progress against previously set ESG objectives including compliance with public commitments on ESG issues;

Reporting

- 6.5. Review, prior to approval by the Board, the ESG matters to be presented in the Company's Annual Report (or Annual Sustainability Report);
- 6.6. Monitor the content, integrity and completeness of external statements and disclosures about ESG activity, targets and progress;
- 6.7. Compile a report of its activities to be included in the Company's Annual Report, including identification of any external advisers;
- 6.8. Evaluate the extent and effectiveness of external reporting on ESG performance;
- 6.9. Review the requirement for external assurance of ESG related matters and, as necessary, appoint external parties to provide assurance on relevant reporting;
- 6.10. Review and approve the qualifications, independence, engagement, compensation and performance of the external party chosen to provide assurance on such reporting;

Social issues

- 6.11. Oversee the Company's interactions with, and responsibilities towards, its stakeholders in relation to ESG-issues;
- 6.12. Oversee the development of the Company's Corporate Social Responsibility ("CSR") policy and oversee the Company's CSR programme ensuring it is effective, and aligned to the Company's values, and benefits the environment and communities in which the Company operates;
- 6.13. Monitor the safety and wellbeing of the Company's workforce with particular focus on reviewing Health and Safety across the Group;
- 6.14. Review the adequacy of the Group's supply chain controls in relation to modern slavery and human rights risk;

Governance

- 6.15. Oversee the establishment and ongoing effectiveness of the Company's non-financial and ESG-related policies and procedures. Review any serious incidents which breach the Company's non-financial and ESG-related policies and procedures;
- 6.16. Identify material non-financial and ESG-related risks and ensure that these are appropriately captured in the Company's risk management framework. Advise the board

on the Company's appetite and tolerance with respect to non-financial and ESG-related risks;

- 6.17. Oversee the establishment of appropriate training and development programmes to ensure that the Group's policies and procedures are appropriately implemented;

Horizon scanning

- 6.18. Identify current and emerging ESG-related issues, standards, good practice, and regulatory or legislative developments at the sectoral, national and international level. The Committee shall evaluate which issues and developments are likely to impact the Company's strategy, operations and reputation and determine the Company's response to identified issues;

- 6.19. Work and liaise as necessary with other board committees, ensuring interaction between committees and with the Board is reviewed regularly;

Resourcing

- 6.20. Make recommendations to the Board in relation to the required resourcing and funding of matters within the remit of the Committee, and on behalf of the Board, oversee the deployment and control of any resources and funds.

7. General

- 7.1. The Committee shall, at least once a year, review its own performance, 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.
- 7.2. The Committee shall make available its terms of reference for inspection on the Company's website.
- 7.3. The Committee shall periodically report to the Board on the nature and content of its discussion, recommendations and action to be taken.
- 7.4. Committee members shall 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.
- 7.5. The Committee shall give due consideration to all relevant laws and regulations, the provisions of the QCA Corporate Governance Code and published guidance, the requirements of the AIM Rules for Companies and the Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate.

Adopted by the Board 9 December 2024.