



## **TERMS OF REFERENCE FOR THE ESG COMMITTEE**

**Adopted by the Board of Topps Tiles Plc on 17 July 2024**

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### Purpose

1.1 The board of directors of the Company (the “Board”) has established an ESG Committee (the “Committee”) whose duties and responsibilities are discharged with respect to the Company and, where indicated, the Topps plc group of companies (together, the “Group”).

1.2 The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference.

1.3 The Committee may sub-delegate any or all of its powers and authority as it thinks fit, including, without limitation, the establishment of sub-committees which are to report back to the Committee.

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### Constitution of the Committee

2.1 Membership –Members of the Committee shall be appointed by the Board and be comprised of the non-executive directors and the Chief Executive Officer. The Chief Financial Officer is invited to attend each meeting. Other individuals including members of the Executive Team, employees, external advisers and other stakeholders may be invited to attend for all or part of a meeting where appropriate and the Committee may seek any information including reports that it requires from any employee of the Company in order to carry out its responsibilities.

2.2 Appointment term - The membership of the Committee will be reviewed by the Board on a periodic basis and at least annually, as part of the annual performance evaluation.

2.3 Chair – A non-executive director appointed by the Board shall act as Chair of the Committee (the “Committee Chair”). In the Committee Chair’s temporary absence, one of the other Committee members, either nominated by the Committee Chair or elected by the Committee, will act as Committee Chair.

2.4 Quorum - The quorum for a meeting of the Committee is two members, one of whom must be the Committee Chair and an independent non-executive director, present in person or by telephone or video conference.

A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in, or exercisable by, the Committee.

2.5 Voting - Only members of the Committee have the right to attend and vote at Committee meetings, with, if required, the Chair having a casting vote.

2.6 Secretary – The Company Secretary of the Company (the “Secretary”), or their nominee, shall act as secretary to the Committee and shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues and matters laid before it.

2.7 Frequency of meetings – The Committee shall meet (including by telephone or video conference) at least twice a year and otherwise as the Committee Chair shall determine or as may be requested by any member of the Committee.

2.8 Notice of meetings – 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.

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, but Committee papers may be forwarded at shorter notice with the approval of the Committee Chair.

2.9 Minutes of meetings – The Secretary shall minute the proceedings and resolutions of all Committee meetings and once agreed circulate to all members of the Committee and to other members of the Board who are not Committee members. The Committee shall report to the Board after each meeting on its proceedings and actions to be taken.

A resolution in writing and signed by all Committee members will be as effective as a resolution passed at a Committee meeting. Any written resolution shall be tabled at the next meeting of the Committee.

2.10 Resources - The Committee shall have access to sufficient resources to carry out its duties, including access to the Company Secretary for advice and assistance as required and may obtain outside professional advice on any matters within its remit at the Company's expense.

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Responsibilities

The Committee shall carry out the following duties on behalf of the Company:

3.1 Oversee, review and recommend for approval by the board, the Company's ESG Strategy, ensuring that it is effective, aligned with prevailing regulations and good practice and integrated with the Company's business plan, values and objectives.

3.2 Oversee the implementation of the ESG Strategy through various operational initiatives developed in response and ensure that appropriate resource and governance processes are in place to enable timely delivery of the ESG Strategy.

3.3 Review and recommend for approval by the board appropriate strategic ESG goals and monitor at least annually progress against key objectives and medium and short terms targets in furtherance of these objectives.

3.4 Keep up to date with current and emerging ESG related issues and best practice and regulatory or legislative developments including participation in external benchmarking indices.

3.5 Monitor and/or establish appropriate ESG related policies, codes of conduct and procedures for incident reporting including an annual review of adequacy and effectiveness.

3.6 Oversee the Company's interactions with, and responsibilities towards, its stakeholders in relation to ESG related issues including, but not limited to, its employees, customers, suppliers and the communities in which it operates and support the Board in monitoring the culture of the Company, the safety and well-being of its employees and the adequacy of its supply chain contracts in relation to modern slavery and human rights risk.

3.7 Liaise with other Board committees as necessary to ensure that ESG matters are appropriately covered such as:

- The Remuneration Committee relating to appropriate ESG related performance targets
- The Audit and Risk Committee to ensure that the Company maintains appropriate internal and external assurance relating to ESG related matters.
- The Audit and Risk Committee in terms of identifying the Company's appetite and tolerance for ESG related risks, ensuring that these are appropriately captured in the Company's risk register and risk management framework.
- The Nominations Committee in its succession planning and the development of a diverse pipeline of Board candidates.

3.8 Undertake an annual review of its organisation and effectiveness including a review of its terms of reference.