

Nominations

Committee report



Jorge Cosmen, Nominations Committee Chair

Activity highlights

- Kept Board and Committee composition under review, led the process to appoint two new Non-Executive Directors in line with previously developed Board succession planning and considered and recommended changes to the Committee's membership following those appointments
- Reviewed updated senior management succession plans following changes to the senior management teams and reviewed proposals for the enhancement of talent identification and development programmes across the Group
- Reviewed the diversity of the Group's senior leadership teams, approved the Group's ethnicity target for the senior leadership team, and reviewed the diversity and inclusion initiatives taken across the Group

For information on the primary role and key responsibilities of the Nominations Committee, please visit the Committees page of the Company's website: <https://www.mobicogroup.com/about-us/corporate-governance/committees/>

Membership, meetings and attendance

Committee member	Appointed	Meetings attended/held
Jorge Cosmen (Chair)	01/12/2005	3/3
Helen Weir	31/01/2023	3/3
Karen Geary ¹	01/10/2019	3/3
Matthew Crummack ^{1, 2, 3}	28/01/2020	2/2
Carolyn Flowers ¹	30/11/2021	3/3
Mike McKeon ^{1, 2}	01/08/2023	1/1

¹ Independent Non-Executive Director

² Matthew Crummack and Mike McKeon attended all Committee meetings held in the year while they were a Committee member

³ Matthew Crummack resigned on 31/07/2023

Other attendees: Group General Counsel and Company Secretary, Group Chief Executive Officer and Group HR & Communications Director

Board and Committee composition during the year under review

Throughout 2023, the Committee kept the composition of the Board and its Committees under review and led the process to appoint two new Non-Executive Directors in line with the Board's previously developed succession plans.

We welcomed Nigel Pocklington as a Non-Executive Director on 1 August 2023 following a rigorous recruitment process undertaken with the assistance of independent consultancy Egon Zehnder. Nigel is the current Chief Executive Officer of Good Energy Group PLC, the renewable energy services company, and is also Senior Independent Director and Remuneration Committee Chair at Kin and Carta PLC, the global digital transformation consultancy. He was previously Chief Commercial Officer at Moneysupermarket.com Group PLC and before that held a number of roles with Expedia, the online travel company. Nigel has a strong track record in the travel sector, as well as in transport electrification, green energy and sustainability matters. His valuable strategic and commercial mindset and previous experience will add to the Board's capabilities in relation to transformation and the digitisation.

Mike McKeon, the current Chair of the Audit Committee, is due to reach 9 years of service in July 2024 and has agreed to remain as Chair of the Audit Committee until the AGM in June 2024 to ensure a smooth and orderly transition of responsibilities to the new Chair of the Audit Committee. Having reviewed and interviewed a strong field of candidates in a process undertaken with the assistance of independent consultancy Russell Reynolds, the Board welcomed Enrique Dupuy de Lome Chávarri as a Non-Executive Director on 1 November 2023, with the intention that Enrique take over as Chair of the Audit Committee when Mike steps down. Enrique has a wealth of international experience in finance and accounting with a strong track record in the travel sector. He is currently a Non-Executive Director and Audit Committee Chair at Wizz Air Holdings PLC, the UK listed airline group. Prior to this, he was the Group Chief Financial Officer at International Consolidated Airlines Group SA (IAG) and the Spanish airline Iberia Líneas Aereas de España, S.A. ("Iberia"). Enrique has also previously held a number of Non-Executive roles at Amadeus IT Group, S.A, British Airways PLC and Iberia.

Matthew Crummack, who was the Senior Independent Director, stood down from the Board on 31 July 2023 having been a Director for over 8 years. On behalf of the Board, I would like to extend my sincere thanks to Matthew for his valued service to the Company. Karen Geary, a current Non-Executive Director and Chair of the Remuneration Committee, was appointed as the Senior Independent Director with effect from 1 August 2023.

Following these changes, the Board is currently comprised of ten Directors who, as described in their biographies on <https://www.mobicogroup.com/about-us/our-leadership-team/> and as shown by the table on page 99, have, between them, a wide range of highly relevant knowledge, skills, and experience. This table is used by the Committee when considering Board succession planning.

The Committee kept the membership of all the Board's Committees under review during the year to ensure that each Director's knowledge, skill and experience was being put to best use and that Non-Executive Directors were maintaining an appropriate share of Committee responsibilities, particularly given the Board changes during 2023. The outcome of this review was that:

- Helen Weir joined the Sustainability, Nominations and Remuneration Committee with effect from 31 January 2023;
- Nigel Pocklington joined the Remuneration and Sustainability Committees with effect from 1 August 2023;
- Mike McKeon joined the Nominations Committee with effect from 1 August 2023; and
- Enrique Dupuy de Lome Chávarri joined the Audit Committee with effect from 1 November 2023.

The Audit Committees is composed of four independent Non-Executive Directors who, between them, have both the requisite disciplinary experience and wider relevant experience. The Remuneration and Nominations Committees each remain composed of a majority of independent Non-Executive Directors who, between them, have a good balance of relevant skills and experience.

Name and role of Director	Passenger transport industry experience ¹	Closely adjacent industry experience	UK listed company experience ¹	Operational/management experience	International business experience ¹	Finance/accounting experience ¹	People/remuneration experience ¹	IT/Digital experience ¹	ESG experience ¹
Helen Weir Chair			●	●	●	●		●	
Jorge Cosmen Deputy Chair and Nominations Committee Chair	●			●	●				
Ignacio Garat Group Chief Executive Officer		●		●	●		●	●	
James Stamp Group Chief Financial Officer	●			●	●	●			
Karen Geary Senior Independent Non-Executive Director and Remuneration Committee Chair	●		●	●	●		●		●
Mike McKeon Non-Executive Director and Audit Committee Chair			●	●	●	●			
Ana de Pro Gonzalo Non-Executive Director		●		●	●	●		●	
Carolyn Flowers Non-Executive Director and Sustainability Committee Chair	●			●	●				
Nigel Pocklington Non-Executive Director	●		●	●	●		●	●	●
Enrique Dupuy de Lome Chávarri Non-Executive Director	●		●	●	●	●			

¹ For all Directors, excluding via their directorships with the Company

Board, Committee and Director effectiveness

To assess the effectiveness of the Board, its Committees and of individual Directors for the year in question, an internal evaluation was conducted using online questionnaires. The Company Secretary, in consultation with the Chair of the Board and Chairs of the Committees, analysed the results of the evaluation by reference to the scores given and the specific observations made, commendations given or improvements suggested, following which such results were presented to and discussed by the Board and its Committees.

The overall outcome of the evaluation was positive, demonstrating that the Board and each of its Committees continue to function effectively, with Board members in agreement that (i) debate was open, honest and robust, and (ii) the Board focussed on the key matters and dedicated sufficient time to those matters.

Focus areas for further improvement during 2024 will include: 1. the continuation of strategic 'deep-dives' in addition to the focussed strategy session; 2. continuing review of efforts to ensure appropriate stakeholder engagement; and 3. assessing and improving the process for Board papers being made available to the Directors. Progress against these objectives will be reviewed through the year.

Nominations Committee report continued

The progress made during 2023 against the areas identified for focus following the 2022 evaluation is as follows:

Area of focus identified in the 2022 evaluation	Progress during 2023
Focus on Board succession and composition as some Directors approach their 9-year tenure	On the recommendation of the Nominations Committee, the Board appointed two new independent Non-Executive Directors. Further details can be found above.
Focus on building a 12-month rolling agenda to ensure there are appropriate opportunities to 'deep-dive' into strategic topics	A 12 month rolling agenda was introduced during 2023 and has been tabled at each Board meeting since its introduction to help ensure the Board focus on key issues. In addition to a Board meeting dedicated to Group Strategy, there have been a number of 'deep-dives' into strategic topics during 2023, including on deleverage options, digital strategy and safety.
Focus on ensuring there is broader Board stakeholder engagement	The programme during 2023 provided a broad range of stakeholder engagement, with the workforce, customers, ZEV suppliers and debt and equity investors – see pages 93 to 97 of the Corporate Governance Report for the details.

Senior management succession planning

During 2023, the Committee undertook its annual review of senior management succession planning, undertaking a comprehensive assessment of the health of succession planning across the Group to assess how much progress had been made since the previous reviews in 2021 and 2022.

The Committee was pleased to see continued progress during 2023 noting that there are now succession plans and talented individuals in the pipeline for the majority of the roles. A particular highlight was the improvement of the gender succession pipeline which at the time of the review was 36% female (versus 31% in the 2022 review and 19% in the 2021 review). The Committee was also pleased to observe: (i) the senior management changes in North America and the UK to help the Group take advantage of opportunities; (ii) the creation of the new Global Talent Taskforce and Global EDI Taskforce; and (iii) the roll out of the SLT Leadership Academy. The review also highlighted what work remained to be done and where the focus areas should be for 2024 to ensure that progress continues, for example, in continuing with the roll out of the JDI tool to identify talent and implementing the leadership development programme to develop successors. See the Sustainability section of the Strategic Report for more information.

Group commitment to diversity and inclusion

The Group is committed to ensuring diversity in all its forms among its colleagues as these can:

- improve decision-making at all levels of business by ensuring that diverse perspectives are brought to bear in those decisions;
- attract, retain and promote the best talent by developing a culture of inclusion where all individuals are respected and supported to reach their full potential; and
- better serve our customers, other stakeholders and the communities in which we work by ensuring the diversity of our workforce is representative of the diversity of our stakeholders.

The Group remains committed to enhancing diversity at all levels of its organisation, from the Board and senior management team to those working in front-line roles. This commitment helps support the delivery of our Evolve strategy by contributing directly to our desired outcome to be the employer of choice and also contributes indirectly to other desired outcomes, such as to be the safest and most reliable operator and have the most satisfied customers.

The Board's diversity policy is set out in the box below and the Committee believes this remains the right policy by specifically promoting gender and ethnic diversity as well as diversity of thought whilst ensuring all Board members have the right experience and skills. Committee members are drawn from the Board, and therefore these policy considerations have already been taken into account when considering Committee membership.

The Board's policy on diversity and inclusion is:

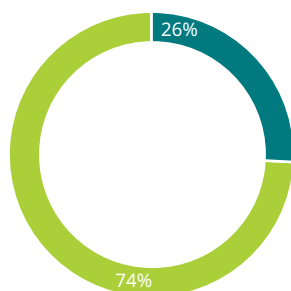
- to achieve and then maintain at least 40% female representation on the Board;
- to achieve and then maintain ethnic minority representation on the Board;
- to ensure that its membership reflects the diversity of the geographies and customers that the Group serves and takes into account wider diversity characteristics; and
- to respect the differences of its members and value and encourage the diversity of thought that such differences can bring, in each case and always within the context of Board members having, between them, the experience and skills required to support the development, oversight and delivery of the Company's strategy.

The Committee is pleased to report that at 31 December 2023 the Board continued to meet all three of the diversity targets introduced by the Listing Rules during 2022. At that date, at least 40% of the Board's directors were women, at least 1 ethnic minority director served on the Board, and two women served in senior Board roles, namely Helen Weir as Chair and Karen Geary as Senior Independent Director. Between that date and the date of this report, there have been no changes.

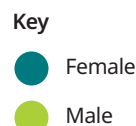
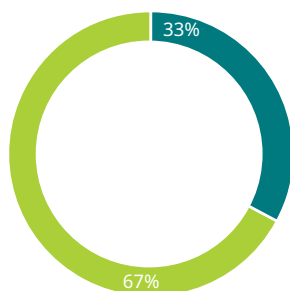
The table on the next page sets out the numerical data on diversity as at 31 December 2023 in the standardised table format as required by the Listing Rules. We engaged with the individual members of the Board and the Group Executive Committee ('GEC') to verify their diversity data.

Diversity is a key consideration in senior management succession planning and, as noted before, diversity within the current senior management team and the talent pipeline is considered as part of the Committee's annual review.

Gender of the SLT as at 31 December 2023



Gender of the entire workforce as at 31 December 2023



Numerical Diversity Data as at 31 December 2023

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of executive management	Percentage of executive management
Men	6	60%	2	7	70%
Women	4	40%	2	3	30%
Other categories	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of executive management	Percentage of executive management
White British or other White (including minority—White groups)	9	90%	4	10	100%
Mixed/Multiple Ethnic Groups	-	-	-	-	-
Asian/Asian British	-	-	-	-	-
Black/African/ Caribbean/Black British	1	10%	-	-	-
Other ethnic group, including Arab	-	-	-	-	-
Not specified/ prefer not to say	-	-	-	-	-

The gender diversity of the GEC is shown in the numerical data table above. The gender diversity of the Group's Senior Leadership Team ("SLT") is 26% women and 33% women for all colleagues within the Group as at 31 December 2023, as shown by the pie charts above. As such, gender diversity remains strong from the senior management level across the entire workforce as a whole.

For the first time this year, the Group has collated ethnic diversity data for the SLT, obtaining responses from 150 colleagues out of a total SLT population of 158 colleagues. The results were that 6% of the SLT population identified as an ethnic minority. Following on from this, and in line with recommendations made by the Parker Review in 2023, the Committee agreed that the Company will adopt the following targets: by 31 December 2027, at least 15% of the individuals on the Company's: (i) SLT, and (ii) GEC and Board combined, will identify as an ethnic minority.

For more on the Group's diversity initiatives, please see the Sustainability section of the Strategic Report on page 61.

Proposed re-election and election of Directors

Having regard to the outcome of the internal evaluation described in this report, and in particular, its finding that Board members have, between them, highly relevant knowledge and experience, a broad range of skills and a collective deep understanding of passenger transport, the Committee is satisfied that the Board and its Committees function effectively and that each Director contributes well to the Company.

The Committee has also considered the independence of each individual Director and the overall independent balance of the Board and its Committees. The Board, on the Committee's advice, is satisfied that there is an appropriate balance of independence

on the Board and all its Committees, and that each Director who is identified as being independent on page 82 is so independent.

The Committee further considered each individual Director's commitment to the Company, their external commitments and any actual and potential conflicts of interest in line with the Company's policies, as referred to on pages 86 and 87. The Board, on the Committee's advice, is also satisfied that each Director has dedicated, and is able to dedicate, sufficient time and attention to their duties to the Company.

Accordingly, the Board, on the Committee's advice, is recommending that shareholders re-elect, or elect, all the current Directors of the Company at the 2024 AGM, save for Mike McKeon who will stand down from the Board from the conclusion of the 2024 AGM.

Jorge Cosmen
Nominations Committee Chair

21 April 2024