

# **The Gym Group plc (the "Company" or "Group")**

## **Sustainability Committee (the "Committee")**

### **Terms of Reference**

#### **1. Constitution and Role**

- 1.1 The Committee's Terms of Reference were adopted by a resolution of the Board of Directors of the Company (the "**Board**") on 29 September 2021.
- 1.2 These Terms of Reference set out the authorities and responsibilities delegated to the Committee by the Board.
- 1.3 The principal role of the Committee is to assist the Board in articulating and developing its sustainability strategy and providing oversight of sustainability initiatives across the Group, in line with the purpose, values and strategy of the Company as established by the Board. This includes monitoring of the content and completeness of the Company's external statements, disclosures and other reporting on Environmental, Social and Governance ("**ESG**") matters.
- 1.4 Schedule 1 sets out the reports to be received by the Committee and their frequency.

#### **2. Membership**

- 2.1 The Committee shall comprise of the following members:
  - Non-Executive Director ("**Committee Chair**")
  - Chief Executive Officer
  - Chair of the Board
  - Chair of the Audit and Risk Committee
  - Founder Director
  - Chief Development and Sustainability Officer
- 2.2 Members of the Committee shall be appointed by the Board.
- 2.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 2.4 The Board shall appoint the Committee Chair. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board.

#### **3. Secretary**

- 3.1 The company secretary or his or her nominee shall act as the secretary of the Committee.

#### **4. Quorum and attendance**

- 4.1 The quorum necessary for the transaction of business shall be three members, one of which is a Board member or their delegate. 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.
- 4.2 A person communicating by electronic means shall be deemed to be personally present at a meeting of the Committee while that person is able to communicate interactively and simultaneously with all other parties attending the meeting (including others attending by electronic means).

#### **5. Frequency of meetings**

- 5.1 The Committee shall meet quarterly and otherwise as required.

#### **6. Notice of meetings**

- 6.1 Meetings of the committee shall be called by the secretary of the committee at the request of the committee chair.
- 6.2 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, any other person required to attend and all other non-executive directors, no later than two 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.

#### **7. Minutes of meetings**

- 7.1 The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 7.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless it would be inappropriate to do so.

#### **8. Annual General Meeting**

- 8.1 The Committee Chair should attend the annual general meeting to answer any member questions on the Committee's activities.

#### **9. Duties and responsibilities**

- 9.1 The Committee shall:

- 9.1.1 in relation to Health & Safety:

- review approaches to implementing latest guidance, legislative changes and recommendations into the Group's health and safety policies and procedures;
- approve appropriate targets for the Group's health & safety measures, as proposed by the Health & Safety Steering Committee ("H&S Steerco"), to support the Board's strategy and objectives;
- consider independent research and review on health & safety

matters in light of any potential impact on the Board's strategy and objectives;

- consider future partnerships with external professional and academic bodies in relation to health, safety and wellbeing advice; and
- such other matters as escalated by Executive Committee, the H&S Steerco, or from other persons as appropriate.

9.1.2 in accordance with the Group's strategy set by the Board:

- keep under review the Group's sustainability policies and practices by reviewing performance against agreed targets from data supplied from within the Group in relation to sustainability;
- review and recommend for approval the external statements and disclosures made by the Company in relation to sustainability and ESG matters, including the relevant sections of the Company's Annual Report and Accounts. This shall include keeping under review the extent and effectiveness of the Company's external reporting of sustainability performance and its participation in external benchmarking indices.; and
- advise the Board on political and social developments in sustainability including legislative issues.

9.1.3 in relation to employee wellbeing:

- receive updates on initiatives which raise awareness of mental and physical wellbeing; and
- review the Group's Wellbeing Strategy.

9.1.4 in relation to social value:

- review and agree key metrics for member visitation/participation in exercise targets which contribute to driving the social value the Company generates;
- review and support the Board and management in their strategies to increase member visitation in line with the parameters that drive social value;
- review recommendations to increase member visitation; and
- set short and medium term targets for member visitation/participation in exercise.

9.1.5 in relation to diversity and inclusion:

- recommend to the Board ways to nurture a diverse and inclusive culture, both for members and employees. This commitment is fundamental to achieving the Company's purpose of 'Breaking Down Barriers to Fitness for All'.
- support the development, and monitoring the progress, of appropriate strategies and action plans that enable the Board to provide inclusive and accessible services and create a diverse and inclusive workplace.
- harness insights and ideas across the Group to incorporate into policies and working practices.
- monitor progress against equality objectives, action plans and any associated targets, advise and recommend as appropriate and produce relevant reports to fulfil statutory duties.

9.1.6 In relation to responsibility to the environment:

- review progress against aims to continue to reduce carbon emissions and the Group's environmental impact

- to review with, and support, the Board in the management of environmental targets in line with the guidance, legislation and the Group's strategy
- review recommendations to tackle climate change and reduce carbon emissions; and
- set long term targets to reduce carbon emissions in line with the 2015 Paris Agreement and the UK Government's Net Zero Strategy.

## **10. Reporting Responsibilities**

10.1 The Committee chair may request the Company Secretary to include on the agenda of a routine meeting of the Board any matter the Committee deems needs to be discussed by the Board.

10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

10.3 The Committee shall make a statement in the Company's Annual Report and Accounts about its activities.

## **11. Other matters**

The Committee shall:

11.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.

11.2 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.

11.3 arrange for periodic reviews of its own performance and, at least annually, review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

## **12. Authority**

The Committee is authorised:

12.1 to seek any information it requires from any employee of the company in order to perform its duties; and

12.2 to call any employee to be questioned at a meeting of the Committee as and when required.

### Schedule 1

<b>Subject of the reporting</b>	<b>Frequency</b>
Health and Safety	Twice per calendar year
People including Diversity & Inclusion	Twice per calendar year
Environment and climate action	Twice per calendar year
Sustainability Strategy including social impact	Twice per calendar year
External Reporting	Once per calendar year, or as required