

**Thales UK Pension Scheme**  
**Procedure for election of Member Nominated Trustee Directors**

***Vacancy Types***

There are six posts for Member Nominated Trustee Directors, three for Section 1, and three for Section 2.

Nominations for vacancies that arise will be sought from the community of deferred members employed by a Thales group company ("**in-service deferred members**") as well as pensioner members. There will be no vacancies in respect of deferred members who don't work for a Thales group company, and nominations will not be sought from these members.

There will be a maximum of four posts for in-service deferred members and a minimum of two (one post per section).

There will be a maximum of four posts for pensioner members and a minimum of two (one post per section).

If there are insufficient nominations received from either in-service deferred members or pensioner members, the maximum can be exceeded in order to fill vacancies.

***Constituencies***

There will be two constituencies:-

SECTION 1 – three Member Nominated Trustee Directors (at least one In-Service Deferred Member and one Pensioner Member).

SECTION 2 – three Member Nominated Trustee Directors (at least one In-Service Deferred Member and one Pensioner Member).

***Nomination & Selection Process***

***NOMINATION***

Nominations will need to be proposed by one eligible member and seconded by two further eligible members. An eligible member is a member who is at the time of the election either an in-service deferred member or a pensioner member.

The nomination must be approved by the nominee for it to be valid.

Vacancies will remain open until a nomination is received if there are insufficient nominations from the outset.

***SELECTION***

Selection will be by way of a ballot of eligible members, with each member having a single

vote. Section 1 members will only be able to vote for Section 1 candidates, and Section 2 members will only be able to vote for Section 2 candidates.

### ***Term of Office***

The Term of Office for a Member Nominated Trustee Director will be 4 years.

Any Member Nominated Trustee Director, who was originally selected as an active member and is still an active member on 30 September 2023 (i.e. immediately before the closure of the Scheme to future CARE accrual), shall continue as a Member Nominated Trustee Director for the remainder of their original term for so long as they are either an in-service deferred member or a pensioner member.

A Member Nominated Trustee Director who is an in-service deferred member on becoming a Member Nominated Trustee Director shall cease to be a Member Nominated Trustee Director if they leave Thales' employment without also, at the same time, becoming a pensioner.

A Member Nominated Trustee Director can leave of their own accord at any time by tendering their resignation to the Board.

In the event of a Member Nominated Trustee Director ceasing to act, the next highest scoring nominee within the relevant constituency (i.e. Section 1 or Section 2), who was not appointed from the original ballot, will be considered for appointment for the remainder of the term of office. If this is not possible then a new selection process will be undertaken.

There are other provisions in the articles of the Trust Companies which deal with appointment of Member Nominated Directors, such as incapacity.

### ***Record Keeping***

A full record shall be kept of each of the processes. A full record shall also be kept of who the nominees were, including their category of membership.

### ***Review of Arrangements***

The Trustee shall review the Member Nominated Trustee Director procedure periodically to determine whether it remains appropriate.

Such a review will take place, as a minimum, every 3 to 5 years. If there is a material change to the Scheme's circumstances and/or membership, the Trustees shall consider undertaking an earlier review.

***October 2023***