

MICRO FOCUS INTERNATIONAL PLC
TERMS OF REFERENCE OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)
COMMITTEE

References to "the Committee" shall mean the Environmental, Social and Governance (ESG) Committee.

References to "the Board" shall mean the Board of Directors.

References to "the Company" shall mean Micro Focus International plc

References to "the Group" shall mean the Company, its subsidiaries and its subsidiary undertakings.

1 Membership

- 1.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chair of the Committee. The Committee shall be made up of at least three members, the majority of whom should be independent non-executive directors.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, the Committee may invite a director, employee, and relevant internal and external specialists to advise on specific issues.
- 1.3 Non-executive appointments to the Committee shall be for a period of up to three years, which may be extended for two further periods of up to three years, provided the director remains independent.
- 1.4 The Board shall appoint the Committee Chair who shall be an independent non-executive director. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting. Appointment as the Committee Chair shall be for a period of up to three years, which may be extended for two further periods of up to three years.

2 Secretary

The company secretary or their nominee shall act as the Secretary of the Committee.

3 Quorum

- 3.1 The quorum necessary for the transaction of business shall be no less than three members, to include at least two non-executive members and one management member. 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 Members of the Committee may attend in person or participate by other means which allows those participating to hear and to speak to each other, including teleconference or video conference and quorum in that event shall be any two Committee members so linked.

4 Frequency of Meetings

The Committee shall meet at least two times a year and at such other times as the Chair of the Committee shall require.

5 Notice of Meetings

- 5.1 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any member of the Committee.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date of the meeting, 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 and all other non-executive directors, no later than five working days before the date of the meeting. The agenda shall be circulated together with relevant supporting papers to Committee members and to other attendees as appropriate.
- 5.3 The Committee Chair shall ensure sufficient time is allowed to enable the Committee to undertake as full a discussion as may be required and ensure a sufficient interval is allowed between Committee meetings and main Board meetings to allow any work arising from the Committee meeting to be carried out and reported to the Board as appropriate.

6 Minutes of Meetings

- 6.1 The Secretary (or other nominated person) shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2 The Secretary (or other nominated person) shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.3 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board, unless the Committee Chair considers that a conflict of interest exists or, exceptionally, it would otherwise be inappropriate to do so in the opinion of the Chair of the Committee.

7 Engagement with shareholders

The Chair of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities or achievements.

8 Role and Duties

The role of the Committee is to provide guidance on behalf of and to the board in relation to the Group's ESG strategy, activities and disclosures, in the context of the Group's overall strategy and purpose. Day-to-day responsibility for and management of ESG risk and compliance matters will, however, remain with the boards and management of each Group Company, subsidiary entity and undertaking.

The duties of the Committee shall include:

- 8.1 to support the Group in developing an effective ESG strategy;
- 8.2 to receive reports and updates on the implementation by subsidiary entities and undertakings of the ESG strategy across the Group and to regularly review the ESG strategy to ensure that it remains effective and up-to-date;
- 8.3 to support the Group in maintaining appropriate Group-level policies and receive reports and updates on the implementation by subsidiary entities and undertakings of tailored and appropriate company-level policies to effectively support the Group's ESG strategy;
- 8.4 to consider and review high-priority or emerging ESG risks and consider the appropriateness of ESG strategy in managing those risks;
- 8.5 to ensure that suitable ESG targets are in place by benchmarking the Group's ESG strategy and framework and comparing against industry standards, competitors and expectations of regulators;
- 8.6 to review the Group's progress in measuring and reporting on agreed ESG key performance indicators and complying with mandatory reporting obligations;
- 8.7 have oversight of how ESG strategy is communicated both internally and externally, including the Annual Report;
- 8.8 periodically monitor and review (at least annually) key Company ESG policies and practices for compliance with the relevant legislation and guidelines; and
- 8.9 review and consider any other topics, issues or risks appropriate to the overall remit of the Committee as delegated by the Board to the Committee from time to time.

9 Reporting Responsibilities

- 9.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall make these terms of reference available on the Company's website.

10 Other Matters

The Committee shall:

- 10.1 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.
- 10.2 have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
- 10.3 be provided with appropriate and timely ESG training, both in the form of an induction programme for new members and on an ongoing basis for all members; and
- 10.4 work and liaise as necessary with all other Board committees.

11 Authority

The Committee is authorised to:

- 11.1 seek any information it requires from any employee/director of the Group in order to perform its duties; and
- 11.2 obtain, at the company's expense, external legal or other professional advice on any matter within its terms of reference where required.