



## **NOMINATION COMMITTEE – TERMS OF REFERENCE**

1. The Nomination Committee (the 'Committee') is a committee of the Board and, as such, is appointed by and reports to the Board.

2. The Committee shall comprise at least three directors. A majority of members of the Committee shall be independent non-executive directors. The Board shall appoint a Committee Chairman who should either be the Chairman of the Board or an independent non-executive director. No member of the Committee will be present when the office of their own particular position is under consideration.

3. A quorum shall be two members; meetings may be held in person or by telephone.

4. The Committee shall meet as necessary but at least once during the year to recommend the election or re-election of Directors at the Annual General Meeting

5. The Secretary of the Nomination Committee shall be the Company Secretary.

6. The Committee shall:

- evaluate the structure, size and composition of the Board as a whole, taking into account the balance of skills knowledge and experience of the individual members and, in the light of this evaluation, the Committee shall make recommendations to the Board concerning;
- plans for succession for both executive and non-executive directors and in particular the key roles of Chairman and Chief Executive
- suitable candidates for the role of senior independent director
- membership of the Audit and Remuneration Committees, in consultation with the Chairman of those committees. Where a non-

executive director is being considered for re-appointment at the conclusion of their specified term of office, the Committee will evaluate the individual's performance and ability to continue to make a constructive contribution and to accordingly make a recommendation to the Board.

- prepare a description of the role and capabilities required for a particular appointment, both Executive and Non-executive. In the case of the appointment of a Chairman, the expected time commitment is to be determined and in evaluating candidates, the Committee should consider the need for availability in the event of a crisis.

7. The Committee may use outside search consultants and/or open advertisements at the Company's expense as well as consider nominees put forward by any Director. Candidates should be considered on merit against objective criteria with due regard to the diversity of the Board, taking care that appointees have enough time available to devote to the position.

8. The Nomination Committee shall have regard to paragraph A.3.2 of the Combined Code which stipulates that a majority of the Non-executive Directors should be independent.

9. Following interview and evaluation, the selected candidate should be proposed to the Board for approval.

10. At the discretion of the Committee Chairman the secretary of the Committee will distribute minutes of the Committee meetings to the Board.

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

12. The Committee shall produce a report to be included in the Company's Annual Report about its activities, the process used to make appointments and explain why, if external advice or open advertising has not been used.

13. The Committee Chairman should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

