

## Nomination Committee – Terms of Reference

The Board of the Company (“the Board”) has for several years had a Nomination Committee (“the Committee”).

The purpose of the Committee is to lead the process for appointments to the Board, ensure plans are in place for orderly succession to both the Board and senior management<sup>1</sup> positions and oversee the development of a diverse pipeline for succession.

The Committee shall normally consist of the Chairman, Chief Executive Officer and the non-executive directors. A majority of members of the Committee shall be independent non-executive directors. The quorum for meetings of the Committee shall be two members. The Chairman of the Committee shall be the Chairman of the Company or an independent non-executive director, as appointed by the Board, but the Chairman of the Company shall not chair the Committee when it is dealing with the appointment of a successor to the Chairmanship of the Company. The Chairman of the Committee or, in his absence, an appointed deputy, should be available to answer questions at the Company’s Annual General Meeting. The Chairman of the Committee shall seek engagement with shareholders on significant matters relating to the Committee’s areas of responsibility. In particular, the Committee shall:-

- regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
- before making an appointment, evaluate the balance of skills, knowledge, experience and diversity on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
- be responsible for nominating, for the approval of the Board, appropriate individuals to fill Board vacancies as and when they arise having considered candidates with relevant experience from a wide range of backgrounds;
- before nominating an individual for appointment by the Board, obtain details of and review any interests the individual may have which conflict or may conflict with the interests of the Company, determine whether any such conflict or potential conflict should prevent the Committee from recommending such individual for appointment by the Board and, if not, to make recommendations to the Board as to whether such conflict or potential conflict should be authorised (including any terms and conditions on which such authorisation should be granted);
- review annually the time required from a non-executive director. Performance evaluation should be used to assess whether the non-executive director is giving sufficient commitment to the role;
- give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in the future;
- approve the appointment of any senior executive who is to report directly to the Chief Executive Officer and review annually a succession planning presentation in relation to the Company’s key management;
- make a statement in the Annual Report about its activities, including the process used for appointments and an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a Chairman or a non-executive director or, where an external search consultancy has been used, identify such consultancy including any connections with the Company or individual directors;
- make available its terms of reference; and
- ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings.

The Committee shall make recommendations:-

- as regards plans for succession for both executive, non-executive directors and senior management;

- as regards the re-appointment of any non-executive director at the conclusion of their specified term of office;
- concerning the re-election by shareholders of any director under the retirement by rotation provisions in the Company's articles of associations; and
- concerning any matters relating to the continuation in office of any director at any time.

<sup>1</sup> For the purpose of these Terms of Reference, "senior management" means the first layer of management below Board level, including the Company Secretary