

NOMINATION COMMITTEE – TERMS OF REFERENCE

1. Membership

- 1.1 The Committee shall be appointed by the Board and shall comprise of a Chairman, the Chief Executive and at least two other members.
- 1.2 A majority of members of the Committee shall be independent non-executive directors.
- 1.3 The Board shall appoint the Committee Chairman. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting.
- 1.4 If a regular member is unable to act due to absence, illness or any other cause, the Chairman of the Committee may appoint another director of the Company to serve as an alternate member having due regard to maintaining the required balance of executive and independent non-executive members.
- 1.5 Care should be taken to minimise the risk of any conflict of interest which might be seen to give rise to an unacceptable influence. (It is recommended that, where possible, the Chairman and members of the Committee should be rotated on a regular basis taking into account the benefits of continuity versus freshness of approach.)

2. Secretary

- 2.1 The Company Secretary or his/her nominee shall act as the Secretary of the Committee.

3. Quorum

- 3.1 The quorum necessary for the transaction of business shall be three of whom at least two must be non-executive directors. 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. Frequency of Meetings

- 4.1 The Committee shall meet not less than twice a year and at such other times as the Chairman of the Committee shall require.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chairman of the Committee.
- 5.2 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 no fewer than three working days prior to the date of the meeting.

6. Minutes of Meetings

- 6.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2 Minutes of Committee meetings shall be circulated to all members of the Committee and to the Chairman of the Board and made available on request to other members of the Board.

7. Annual General Meeting

- 7.1 The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

8. Duties

- 8.1 The Committee shall:
 - 8.1.1 regularly review the size and composition of the Board, evaluate the balance of skills, knowledge, experience on (and diversity of) the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary;
 - 8.1.2 prepare a description of the role and capabilities required on the Board as a whole and for a particular appointment;
 - 8.1.3 be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise ensuring that the procedures followed are formal, rigorous and transparent;
 - 8.1.4 satisfy itself with regard to succession planning, that the processes and plans are in place with regard to both Board and senior appointments;
 - 8.1.5 assess and articulate the time needed to fulfil the roles of Chairman, senior independent director and non executive director;
 - 8.1.6 ensure on appointment that a candidate has sufficient time to undertake the role and review his commitments;
 - 8.1.7 ensure that the Secretary on behalf of the Board has formally written to any appointees, proposing an induction plan produced in conjunction with the Chairman;
 - 8.1.8 determine and make recommendations to the Board on whether executive directors may accept appointments to executive or other office or as non-executive directors of third party companies;
- 8.2 The Committee shall also make recommendations to the Board:
 - 8.2.1 concerning formulating plans for succession for both executive and non-executive directors and in particular for the key roles of chairman and chief executive;

- 8.2.2 not less than every three years whether the present Chairman shall continue in post, taking into account the needs of continuity versus freshness of approach;
- 8.2.3 as regards the re-appointment of any non-executive director at the conclusion of his or her specified term of office, especially when he/she has served for a period of six years;
- 8.2.4 concerning the re-election by shareholders of any director under the annual re-election provisions of the UK Corporate Governance Code or having due regard to their performance and ability to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years).
- 8.2.5 concerning any matters relating to the continuation in office as a director of any director at any time; and
- 8.2.6 detailing items that should be published in the Company's Annual Report relating to the activities of the Committee.

9. Authority

- 9.1 The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.
- 9.2 The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.