

The Nomination Committee

1.1. Membership

- i) The Committee shall comprise at least two members. The majority of members should be independent Non-executive Directors. The Committee's chairman shall be the Chairman of the Board (except when it meets to discuss the Chairman's succession or performance where the Senior Independent Director or an independent Non-executive Director shall Chair the meeting) or an independent Non-executive Director and shall be appointed by the Board.

1.2. Quorum

- i) The quorum for any meeting of the Committee shall be two members.

1.3. Meetings

- i) The Committee shall meet at least once a year.
- ii) Meetings shall be held at all such times as the Chairman and Committee require.
- i) Any member of the Committee or the Secretary may convene a meeting at any time.
- ii) Meetings may be held by telephone, by video or other method as appropriate.
- iii) A formal agenda shall be set for all meetings and minutes shall be retained.

1.4. Terms of Reference

1.4.1. Constitution and Authority

- i) The Committee has been established by the Board of Directors of the Company ("Board") under the Company's Articles of Association and in accordance with the UK Corporate Governance code ("Corporate Governance Code").
- ii) The Committee is authorised to investigate and undertake any activity within these terms of reference. It is authorised to seek any information it properly requires in order to perform its duties from any employee of the Company or any subsidiary undertaking of the Company ("Group"). All such employees are directed to co-operate with any such request made by the Committee.
- iii) If the Committee considers it necessary so to do, it is authorised to obtain appropriate external professional advice including without limitation, legal advice and the advice of independent remuneration consultants to assist it in the performance of its duties, to secure the services of outsiders with relevant experience and expertise. The cost of obtaining such advice or services shall be borne by the Company.
- iv) Each member of the Committee shall disclose to the Committee:
 - (a) Any personal, financial or other interest in any matter to be decided by the Committee; or
 - (b) Any potential conflict of interest arising from a cross-directorship or otherwise; and,

- (c) Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the Board) shall resign from the Committee.
- v) Care should be taken to minimise any conflict of interest that might be seen to give rise to an unacceptable influence.

1.4.2. Composition and Meetings

- i) If a member is unable to act for any reason, the chairman of the Committee may appoint another Director as an additional member.
- ii) Subject to 1.4.2 (i) above, members of the Committee shall be appointed for a period of up to three years, which may be extended for two further three year periods, provided that the members continue to be independent.
- iii) The Committee shall meet at least once a year and at such other times as the Chairman of the Committee shall require. Any member of the Committee or the secretary may at any time convene a meeting of the Committee. The quorum for any meeting of the Committee shall be two members both of whom must be independent Non-executive Directors or Chairman of the Board. Meetings may be held by telephone.
- iv) Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, the Director of Human Resources and external advisers may be invited to attend for all or a part of any Committee meeting, as and when the Committee shall decide is appropriate.
- v) The Chairman of the Committee shall be appointed by the Board and should be the Chairman of the Board or an independent Non-executive Director. The Chairman of the Board should not chair the Committee when it is dealing with the appointment of a successor to the chairmanship. In the event of an equality of votes, the Chairman of the Committee shall have a second or casting vote.
- vi) The Company Secretary or their nominee shall be secretary of the Committee. In the absence of the Chairman or any appointed deputy, the remaining members present shall elect one of their number to chair the meeting.

1.4.3. Duties

The Committee shall:

- i) consider the structure, size and composition of the Board and its Committees, taking into account, amongst other things, the results of the Board effectiveness review process, the total number of directors, the balance of executive and non-executive directors and the balance of independent Non-executive Directors, the need to ensure appropriate collective knowledge and experience, the length of service of directors and diversity factors (including the skills mix, regional and industry experience and gender).
- ii) Be responsible for identifying and nominating candidates to fill Board vacancies as and when they arise.

- iii) Before making an appointment, evaluate the balance of skills, knowledge and experience on the Board and, in light of this evaluation, prepare a description of the role and the capabilities required for a particular appointment.
- iv) In identifying suitable candidates, the Committee shall:
 - (a) Use open advertising or the services of external advisors to facilitate the search;
 - (b) Consider candidates from a wide range of backgrounds; and,
 - (c) Consider candidates on merit and against objective criteria, taking care that appointees have sufficient time available to devote to the position.
- v) Give full consideration to succession planning for Directors and other Senior Management in the course of its work, taking into account the challenges and opportunities facing the Group and what skills and expertise are therefore needed on the Board in the future.
- vi) Ensure an annual review of effectiveness of the Board, Committees and Board members, including time commitment and that all members of the Board are devoting sufficient time to fulfil their duties and that the review occurs every year with an external review at least every 3 years.
- vii) Ensure on appointment that a candidate has sufficient time to undertake the role and periodically review his or her commitments.
- viii) Have regard in the performance of the Committee's duties to any published guidelines or recommendations regarding the appointment of Directors to listed Companies which the Committee considered relevant or appropriate.
- ix) Make available its terms of reference clearly explaining its role and the authority delegated to it by the Board.
- x) Prepare a job specification for the appointment of a Chairman of the Board including an assessment of the time commitment expected and recognising the need for his or her availability in the event of a crisis.
- xi) Keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates.
- xii) Ensure that on appointment the Board has formally written to all Non-executive Directors detailing the role and the time commitments, Committee service; and involvement outside board meetings and proposing an induction plan produced in conjunction with the Chairman.
- xiii) Keep under review the Group's leadership needs, both Executive and Non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the market place.
- xiv) It shall make recommendations to the Board:
 - (a) As regards the reappointment of any Non-executive Director at the conclusion of his or her specified term of office, especially when the person has concluded a second term,

having given due regard to their performance and ability to continue to the Board in light of the knowledge, skills and experience required;

- (a) Concerning suitable candidates for the role of senior independent Director;
 - (b) Concerning the re-election by shareholders of any Director dealing with retirement by rotation under the provisions in Article 91.2 of the Company's Articles of Association, having given due regard to their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required;
 - (c) Concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Group subject to the provisions of the law and their service contract;
 - (d) Formulating plans for succession for both Executive and Non-executive Directors and in particular for the key roles of Chairman and Chief Executive;
 - (e) Concerning the appointment of any Director to executive or other office other than to the positions of Chairman and Chief Executive, the recommendation for which would be considered at a meeting of the Board; and,
 - (f) With regard to the membership and chairmanship of the Audit and Remuneration Committee in consultation with the Chairmen of those Committees
- xv) All recommendations of the Committee, in respect of the appointment of Directors, shall be referred to the Board and shall only take effect when approved by resolution of the Board at a meeting which is properly convened and constituted and otherwise made in accordance with the Company's Articles of Association.
- xvi) In nominating people to be Non-executive Directors, the Committee shall take into account the Corporate Governance Code.
- xvii) The Committee may consider nominees put forward by any member of the Board.
- xviii) Ensuring that nominees to the position of Chairman of the Board and Non-executive Director have disclosed their other significant commitments before appointment.

1.4.4. Reporting Responsibilities

- i) The Committee shall make a statement in the Annual Report about its activities; the processes used for appointments, and explain if external advice or open advertising has not been used.

1.4.5. Performance Review

- i) At least once a year, the Committee shall 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.

1.4.6. Annual General Meeting

- i) The Chairman of the Committee shall attend each Annual General Meeting of the Company and be available to answer shareholders' questions on the activities of the Committee.

1.4.7. Notice of Meetings

- i) The Secretary of the Committee shall circulate a notice of any meeting of the Committee, confirming the venue, time and date of the meeting and enclosing the agenda of business to be covered at the meeting before each meeting of the Committee, to all members of the Committee. Supporting papers shall be sent to members of the Committee and to other attendees as appropriate at the same time.

1.4.8. Minutes

- i) The Secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- ii) The Secretary shall circulate the minutes of Committee meetings to all members of the Committee and the Chairman of the Board and, if requested to do so by the Committee shall make them available to other members of the Board unless in the opinion of the Committee Chairman it would be inappropriate to do so.