

## **Terms of Reference of the Nomination Committee**

### **Constitution**

1. The Board hereby resolves to establish a Committee of the Board to be known as the Nomination Committee.

### **Membership**

2. The Committee shall be appointed by the Board and shall consist of a majority of independent Non-Executive Directors including the Chairman of the Board, the Chief Executive and the lead Non Executive Director.
3. The Chairman remains a committee member but relinquishes his Chairmanship of the committee when it comes to appointing his successor.

### **Attendance at Meetings**

4. External recruitment consultants shall attend meetings at the invitation of the Committee.
5. Other Board members shall attend by invitation of the members of the Committee.
6. The Chief Executive/Company Secretary shall be secretary of the Committee.

### **Frequency of Meetings**

7. Meetings shall be held as appropriate but at least once a year.

### **Authority**

8. The Committee is authorised by the Board to
  - (i) investigate any activity within its terms of reference
  - (ii) seek any information that it requires from any employee of the Company and all employees are directed to co-operate with any request made by the Committee
  - (iii) obtain outside legal or independent professional advice and such advisors may attend meetings as necessary

### **Duties**

9. The Committee which includes the Chief Executive is responsible for setting out the process for each Board appointment:
  - (i) To review recommendations for Executive Directors presented by the Operations Executive and for nominating candidates for the approval of the Board;
  - (ii) to be responsible for identifying and nominating for the approval of the Board, candidates to fill vacancies for Non Executive Directors as and when they arise;

- (iii) before making an appointment, to evaluate the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
- (iv) to review annually the time required from a Non-Executive Director. Performance evaluation should be used to assess whether the Non-Executive Director is spending enough time to fulfil their duties;
- (v) 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 needed on the Board in the future;
- (vi) regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
- (vii) to keep under review the leadership needs of the organisation, both Executive and Non-Executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- (viii) to make a statement in the annual report about its activities; the process used for appointments; the membership of the Committee, number of Committee meetings and attendance of members over the course of the year;
- (ix) to make publicly available its terms of reference explaining clearly its role and the authority delegated to it by the Board; and
- (x) to 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 should make recommendations to the Board;

- (i) as regards plans for succession for both Executive and Non-Executive Directors;
- (ii) as regards the re-appointment of any Non-Executive Director at the conclusion of their specified term of office;
- (iii) concerning the re-election by shareholders of any Director under the retirement by rotation provisions in the Company's articles of association;
- (iv) concerning any matters relating to the continuation in office of any Director at any time; and
- (v) 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.

### **Reporting Procedures**

10. The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.
11. The Committee members shall conduct an annual review of their work.