



Terms of Reference

1. Membership

- 1.1 The Committee shall consist of at least three members, the majority of whom should be independent Non Executive Directors.
- 1.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.
- 1.3 The Committee shall be appointed by the Board which will review membership and attendance annually in consultation with the Committee Chairman to ensure that the majority of the Committee members remain independent.
- 1.4 The Board shall appoint the Committee Chairman who should be either the Chairman of the Board or an independent non-executive director. In the absence of the Committee Chairman the remaining members present shall elect one of their number to chair the meeting. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

2. Secretary

The Company Secretary or his nominee shall act as secretary of the Committee.

3. Quorum

A quorum shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the powers and discretions vested in or exercisable by the Committee.

4. Meetings

- 4.1 The Committee shall meet at least once a year and at such other times as the Committee shall require.
- 4.2 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of any member thereof.
- 4.3 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, any other person required to attend and all other non-executive directors, no later than 5 days before the date of the meeting.

5. Minutes of Meetings

- 5.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.



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- 5.2 Minutes of the Committee meetings shall be circulated to all members of the Committee and the Chairman of the Board and, once agreed, to all other members of the Board, unless in the opinion of the Committee Chairman it would be inappropriate to do so.

6. Annual General Meeting

The Chairman of the Committee shall attend the Annual General Meeting and shall be available to answer questions, through the Chairman of the Board, on the Nominations Committee's activities and responsibilities.

7. Duties & Responsibilities

The Committee is charged by the Board:

- 7.1 to regularly review the structure, size and composition (including the skills, knowledge, diversity and experience required) of the Board compared to its current position and make recommendations to the Board with regard to any changes;
- 7.2 to give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- 7.3 to be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies for non-executive positions as and when they arise;
- 7.4 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. In identifying suitable candidates the Committee shall:
- 7.5 employ open advertising or the services of external advisers to facilitate the search;
- 7.5.1 consider candidates from a wide range of backgrounds; and
- 7.5.2 consider candidates on merit and against objective criteria, and with due regard for the benefits of diversity on the board, including gender, taking care that appointees have enough time available to devote to the position;
- 7.6 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;
- 7.7 to keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- 7.8 to review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfill their duties; and



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- 7.9 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.
- 7.10 The Committee shall also make recommendations to the Board concerning:
- 7.10.1 plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman and Chief Executive;
 - 7.10.2 suitable candidates for the role of senior independent director;
 - 7.10.3 membership of the Audit & Risk and Remuneration Committees, in consultation with the chairmen of those committees;
 - 7.10.4 the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
 - 7.10.5 The re-election by shareholders of any director under the 'retirement by rotation' provisions in the Company's articles of association having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
 - 7.10.6 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 Company subject to the provisions of the law and their service contract; and
 - 7.10.7 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 full Board.
- 7.11 The Committee Chairman shall report formally to the Board on the Committee's proceedings after each meeting on all matters within its duties and responsibilities.
- 7.12 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 7.13 The Committee shall make a statement in the annual report about its activities, the process used to make appointments and why, if external advice or open advertising has not been used, this is the case.
- 7.14 The Committee shall, at least once a year, 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.

8 Authority

- 8.1 The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.



8.2 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.

Title:	Nominations Committee Terms of Reference		
Author/ Responsibility:	Company Secretary	Date:	September 2016
Version:	2016/1	Ref:	

References to the ICSA Guidance on Terms of Reference for the Nomination Committee have been made in this document.