



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 and necessary.
- 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 and/or an appointed deputy, the remaining members present shall elect one of themselves 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

The quorum necessary for the transaction of the business shall be two members.

4. Frequency of Meetings

The committee shall meet at least once a year and otherwise as required.

5. Notice of Meetings

- 5.1 Meetings of the committee shall be called by the secretary of the committee at the request of any member thereof.
- 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, any other person required to attend and all other non-executive directors, no later than 5 days before 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.



- 6.1 Minutes of the committee meetings shall be circulated to all members of the committee and the chairman of the Board. Once approved, minutes should be circulated to all other members of the board unless in the opinion of the committee chairman it would be inappropriate to do so.

7. Annual General Meeting

The committee chairman should attend the annual general meeting to answer any shareholder questions on the committee's activities.

8. Duties

The committee shall:

- 8.1 regularly review the structure, size and composition (including the skills, knowledge, diversity and experience) of the board and make recommendations to the board with regard to any changes
- 8.2 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
- 8.3 be responsible for identifying and nominating for the approval of the board, candidates to fill board vacancies as and when they arise
- 8.4 before any appointment is made by the board, evaluate the balance of skills, knowledge, diversity 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:
- 8.4.1 use open advertising or the services of external advisers to facilitate the search
 - 8.4.2 consider candidates from a wide range of backgrounds
 - 8.4.3 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
- 8.5 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
- 8.6 keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates
- 8.7 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 fulfil their duties



- 8.8 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
- 8.9 a proposed chairman's other significant commitments should be disclosed to the board before appointment and any changes to the chairman's commitments should be reported to the board as they arise
- 8.10 prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest
- 8.11 work and liaise as necessary with all other board committees.

The committee shall also make recommendations to the board concerning:

- 8.12 plans for succession for both executive and non-executive directors and in particular for the key roles of chairman and chief executive
- 8.13 suitable candidates for the role of senior independent director
- 8.14 membership of the audit & risk and remuneration committees, and any other board committees as appropriate, in consultation with the chairman of those committees
- 8.15 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
- 8.16 the re-election by shareholders of directors under the annual re-election provisions of the Code or 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 and the need for progressive refreshment of the board (particularly in relation to directors being re-elected for a term beyond six years)
- 8.17 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
- 8.18 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.

9. Reporting responsibilities

- 9.1 The committee chairman shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.



- 9.3 The committee shall produce a report to be included in the company's annual report about its activities, the process used to make appointments and explain, if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the company
- 9.4 The report referred to in 9.3 above should include a statement of the board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy and progress on achieving the objectives.

10. Other matters

The committee shall:

- 10.1 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
- 10.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members

11. Authority

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:	Nomination Committee Terms of Reference		
Author/ Responsibility:	Company Secretary	Date:	September 2018
Version:	2018/1	Ref:	

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