

D NOMINATION COMMITTEE – TERMS OF REFERENCE

1. The Board has resolved to establish a Committee of the Board to be known as the Nomination Committee and reserves the authority to appoint or remove the Committee Chairman or any of its members.
2. Its membership consists of the Chairman of the Board plus at least two other directors, one of whom would normally be the Chief Executive Officer. The Chairman of the Committee shall be appointed by the Board and may be the Chairman of the Board. A majority of the Committee shall be independent non-executive directors. The Chairman of the Board may not chair the Committee when dealing with the appointment of his successor. A quorum for meetings of the Committee shall be two members, both of whom must be independent non-executive directors.
3. The Company Secretary or the Committee's nominee shall act as secretary to the Committee. Meetings of the Committee are likely to be of an informal on-going nature and on occasions may not be minuted. The chairman of the Committee will report progress to the Board at least once per year or at such other times as may be required. Minutes of meetings will be circulated to the Board, provided no conflict of interest arises. A meeting may be called by any member of the Committee or by the Secretary.
4. Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods provided that the majority of the Committee members remain independent.
5. The role of the Committee is to:
 - (a) review the Board structure, size and composition and make any recommendations to the Board with regard to any changes deemed necessary;
 - (b) 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 what skills and expertise are therefore needed on the Board in the future;
 - (c) review the performance of, and recommend if appropriate, directors who are retiring by rotation to be put forward for re-election at the Company's annual general meeting;
 - (d) evaluate the balance of skills, knowledge and experience of the Board and, in the light of this evaluation, prepare a description of the role and capabilities required prior to identifying and recommending individuals for nomination as members of the Board and its committees;
 - (e) develop and recommend to the Board appropriate corporate governance principles for adoption by the Company;

- (f) provide, via the Company Secretary, an annual performance evaluation of the members of the Board and consider any succession issues relating to the Board or any of its duly authorised sub-committees;
 - (g) approve the acceptance of an external non-executive appointment by a full-time executive director. Executive directors will not normally be expected to take on more than one non-executive directorship in a FTSE 100 company. In addition, the Chairman will not be expected to take on the chairmanship of more than one FTSE 100 company;
 - (h) approve the description of the work of the Committee contained in the Company's annual report and accounts;
 - (i) review 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.
 - (j) recommend to the Board, the re-appointment of any non-executive directors 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.
 - (k) recommend to the Board suitable candidates for the role of Senior Independent Director.
5. The Committee's nomination process shall include:
- (a) seeking to include the suggestions of any director when establishing a list of possible independent non-executive directors.
 - (b) suggestions for executive director appointments will normally originate from the Chief Executive Officer.
 - (c) on the occasion of any vacancy, the preparation of a short list of candidates whose qualifications, knowledge and experience may provide the required balance of skills to the Board.
 - (d) to interview the selected candidates and to recommend candidates for consideration by the Board.
 - (e) before seeking Board approval for any appointment, the Chairman of the Committee should ensure that all directors have had an opportunity to meet the candidate(s). Letters of appointment shall include, where appropriate, a job specification, an assessment of the time commitment expected, an outline of the duties and responsibilities, expected term of office and remuneration. The Committee has authority to represent (but not commit) the Board in negotiations with prospective Board members. The Chairman of the Board will normally issue letters of appointment.
6. The Committee is authorised by the Board to select, retain, terminate and approve the fees and other terms of engagement of external independent professional advisors with relevant experience and expertise it considers necessary, including the employment of search consultants.