

Constitution

1. The board has established a committee known as the Nomination Committee. The purpose of this committee is to lead the process of board appointments, including non-executive directors, managing director and finance director, and/or recommendations and to review or monitor the constitution and balance of skill of the members of the board.

Membership

2. The members of the nomination committee shall be appointed by the board in accordance with the Company's articles of association and comprise a minimum of two directors, the majority of whom shall be independent non-executive directors.
3. The chairman of the nomination committee shall be either the chairman of the board or an independent non-executive director appointed by the board, but the chairman of the board should not chair the nomination committee when it is dealing with the appointment of a successor to the chairmanship. In the absence of the chairman of the nomination committee (and/or an appointed alternate member), the members present at any meeting of the committee shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the board.
4. The chairman and members of the nomination committee shall be listed each year in the annual report.
5. Each member of the nomination committee shall hold office as a committee member for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent non-executive directors.
6. If any member of the nomination committee is unable to act for any reason, the chairman of the nomination committee may appoint any other non-executive director of the Company agreed by the other members of the nomination committee, to act as that member's alternate.
7. The company secretary or their nominee shall be the secretary of the nomination committee.
8. Each member of the nomination committee shall disclose to the nomination committee:
 - (a) any personal financial interest (other than as a shareholder) in any matter to be decided by the nomination committee; or
 - (a) any potential conflict of interest arising from a cross-directorship.

Any such member shall abstain from voting on resolutions of the nomination committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so requested by the board) shall resign from the nomination committee.

Meetings

9. Meetings shall be held as required with a minimum of one meeting per financial year of the Company and at such other times as any member of the committee shall require.

10. No one other than the chairman and members of the nomination committee are entitled to be present at a meeting of the nomination committee. The chairman and members shall, however, have the discretion to decide who else shall be invited to attend.
11. The quorum for meetings of the nomination committee shall be two members, both of whom should be independent non-executive directors, present throughout the meeting in person or by telephone or videoconference.
12. Meetings of the committee shall be called by the secretary of the committee at the request of a member of the committee. Unless otherwise agreed, notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting papers where appropriate shall be forwarded to each member of the nomination committee no fewer than four working days prior to the date of the meeting where practicable.
13. In the event of equality of votes, the chairman of the nomination committee shall have a casting vote.
14. The secretary of the committee shall prepare minutes of any meeting of the nomination committee and, after approval and signature by the chairman of the nomination committee, shall circulate them to all members of the board and any invited attendees, if applicable.
15. The chairman of the nomination committee shall be available to answer questions about the committee's activities at the annual general meeting of the Company. All members of the nomination committee shall also attend the annual general meeting.

Authority, duties and responsibilities

16. The nomination committee shall:
 - (a) lead the process for board appointments, make recommendations to the board and be responsible for identifying and nominating for the approval of the board, candidates to fill board vacancies when they arise;
 - (b) 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;
 - (c) review annually the time required from a non-executive director and assess whether he or she contributes effectively and demonstrates commitment to the role (including the commitment of time for board and committee meetings and other duties);
 - (d) consider candidates on merit and against objective criteria, taking care that appointees have enough time to devote to the position; consider candidates from a wide range of backgrounds (looking beyond the "usual suspects"), and using open advertising and search consultants where necessary to identify candidates;
 - (e) consider candidates' outside interests to identify conflicts and make recommendations as to whether such conflict should be authorised;

- (f) be responsible for making plans for succession for appointment to the board and to senior management so as to maintain an appropriate balance of skills and experience within the Company and on the board, particularly given the challenges and opportunities facing the Company and its future requirements;
 - (g) regularly review the structure, size and composition of the board (including skills, knowledge and experience) and make recommendations to the board with regard to any changes;
 - (h) keep the leadership needs of the Company under review (both executive and non-executive) with a view to ensuring the continued ability of the Company to compete effectively in the market;
 - (i) prepare a job specification for the appointment of a chairman, including an assessment of the time commitment expected, recognising the need for availability in the event of crises;
 - (j) keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates;
 - (k) arrange for non-executive directors to receive a formal letter of appointment to the board, on their appointment, setting out the expected time commitment, committee service expected of them and their involvement outside board meetings;
 - (l) prepare a statement for inclusion in the annual report which describes the work of the committee, the committee's role, responsibility and accountability, in accordance with the QCA Corporate Governance Code 2013; and
 - (m) make these terms of reference available on the Company's website.
17. The nomination committee shall make recommendations to the board with regard to:
- (a) plans for succession for executive and non-executive directors;
 - (b) the re-appointment of any non-executive director at the conclusion of his 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;
 - (c) whether a director who is due to retire under the Company's articles of association should be put forward for re-election at the Company's Annual General Meeting 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;
 - (d) the appointment or removal of any director;
 - (e) the requirement, or not, for a senior independent director and, if the committee considers that a senior independent director is required, suitable candidates for the role of senior independent director; and
 - (f) membership of all board committees, in consultation with the chairmen of those committees.

18. The committee shall review its own performance one every two years, and shall review its own constitution and terms of reference annually, to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.
19. The committee shall have the power to: (i) seek any information it requires from any employee of the Company in order to perform its duties; and (ii) employ the services of such advisers as it deems necessary to fulfil its responsibilities including employing search consultants at the Company's expense.