

# Chamberlin plc

(the "Company")

## Nominations Committee

### Terms of Reference

Approved by the Board of Directors of the Company (the "Board") on 12<sup>th</sup> July 2012.

#### **1 Introduction**

These terms of reference have been approved by the board to confirm the role and responsibilities of the nominations committee of the company (the "Nominations Committee").

#### **2 Membership**

- 2.1 The Nominations Committee shall comprise of a minimum of three members to be selected by the Board.
- 2.2 A majority of the members of the Nominations Committee shall be independent non-executive directors.
- 2.3 The chairman of the Nominations Committee, who should be the chairman of the Board or an independent non-executive director, shall be appointed by the Board. In the absence of the chairman of the Nominations Committee, the remaining members present shall elect one of their number to chair the meeting. The chairman of the Board should not chair the Nominations Committee when it is dealing with the appointment of a successor to the chairmanship of the Board.
- 2.4 No one other than a Nominations Committee member is entitled to attend meetings of the Nominations Committee but others may attend by invitation.
- 2.5 Appointments to the Nominations Committee shall be for a period of up to three years, which may be extended for up to two further three-year periods, provided that the majority of the members of the Nominations Committee remain independent.

#### **3 Secretary**

- 3.1 The Chief Executive or his or her nominee shall act as the secretary of the Nominations Committee.

#### **4 Quorum**

- 4.1 The quorum for meetings of the Nominations Committee is two members each of whom must be independent non-executive directors. A duly convened meeting of the Nominations Committee at which a quorum is present shall be empowered to fulfil all authorities, powers and duties of the Nominations Committee.

#### **5 Frequency of Meetings**

- 5.1 The Nominations Committee shall meet at least once a year.

## **6 Notice of Meetings**

- 6.1 Meetings of the Nominations Committee shall be convened by the secretary or any member of the Nominations Committee.
- 6.2 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 Nominations Committee and any other person invited to attend not less than five working days prior to the date of the meeting, provided that such notice period may be waived or shortened with the consent in writing of all the members of the Nominations Committee for the time being. Supporting papers shall be sent to members of the Nominations Committee, and to other attendees as appropriate, at the same time as the notice.

## **7 Minutes of Meetings**

- 7.1 Minutes shall be prepared in relation to each Nomination Committee meeting.
- 7.2 The minutes shall be circulated promptly to all members of the Nomination Committee.
- 7.3 Unless a conflict of interest exists, all other members of the Board may request copies and minutes of meetings of the Nominations Committee from the secretary of the Nominations Committee.

## **8 Annual General Meeting**

The chairman of the Nominations Committee shall attend the Annual General Meeting of the Company and be available to respond to any questions from shareholders concerning the Nominations Committee's activities and responsibilities.

## **9 Duties**

- 9.1 The Nominations Committee shall:
- (a) regularly review the structure, size and composition (including the skills, experience and knowledge) of the Board (with particular regard to the balance of executive and non-executive directors, including independent non-executives) and to make recommendations to the Board with regard to any adjustments that the Nominations Committee considers necessary;
  - (b) put in place plans for the orderly succession of appointments to the Board and to senior management, taking into account the challenges and opportunities facing the company and the skills and experience needed within the Company and on the Board;
  - (c) identify and nominate candidates, for the approval of the Board, to fill Board vacancies as and when they arise. In identifying suitable candidates, the Nominations Committee shall consider candidates on merit and against objective criteria, taking care that candidates have sufficient time to devote to the particular appointment and ensuring that the candidate does not have any unmanageable conflicting interests;
  - (d) 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 Nominations Committee shall:
    - (i) use open advertising or the services of external advisers to facilitate the search where appropriate;
    - (ii) consider candidates from a wide range of backgrounds with due regard for the benefits of diversity on the board including gender; and

- (iii) consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
  - (e) ensure that, on appointment, 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;
  - (f) regularly review the time needed to fulfil the role of chairman, senior independent director and non-executive director of the Company and undertake an annual performance evaluation to ensure that all the members of the Board have devoted sufficient time to their duties;
  - (g) make recommendations to the Board concerning the appointment of any director to executive or other office, the recommendation for which would be considered at a meeting of the full Board;
  - (h) keep under review the leadership needs of the organisation with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.
- 9.2 The Nominations Committee shall also make recommendations to the Board concerning:
- (a) plans for succession for both executive and non-executive directors and in particular for the key roles of chairman and Chief Executive Officer;
  - (b) suitable candidates for the role of senior independent director;
  - (c) membership of the audit and remuneration committees, in consultation with the chairmen of those committees;
  - (d) 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.
  - (e) the continuation, or not, in service of an executive director as an executive or non-executive director;

### 9.3 **Terms of Reference**

The Nominations Committee make available on the Company's website its terms of reference explaining clearly its role and the authority delegated to it by the Board.

## 10 **Reporting Responsibilities**

- 10.1 The chairman of the Nominations Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2 The Nominations Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3 The Nominations Committee shall make a statement in the Company's annual report regarding any changes to the Board.

## 11 **Other Matters**

The Nominations 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.

## 12 **Authority**

- 12.1 The Nominations Committee is authorised by the Board to:
  - (a) seek any information it requires from any employee of the Company in order to perform its duties;

- (b) obtain such legal or other independent professional advice as it deems necessary to fulfil its responsibilities;
- (c) secure the attendance of other persons at its meetings if it considers this necessary;
- (d) obtain the advice and assistance of any of the Company's executives provided their role in providing such advice and assistance is clearly separated from their role within the business; and
- (e) secure attendance of any person with relevant experience and expertise at committee meetings if it considers this appropriate.