

A. Membership

1. The Committee will be appointed by the Board and will comprise of a Chairman and four (4) other members.
2. Three (3) members of The Committee will be independent non-executive directors; the fourth (4th) will be the Chief Executive.
3. The Committee Chairman will be the Chairman of The Board. In the absence of the Committee Chairman the remaining members present will elect one of their number, who must be an independent director, to chair the meeting.

B. Secretary

4. The Company Secretary or their nominee will act as the Secretary of The Committee.

C. Quorum

5. The quorum necessary for the transaction of business will be 3 of whom at least 2 must be independent non-executive directors. A duly convened meeting of The Committee at which a quorum is present will be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by The Committee.

D. Frequency of Meetings

6. The Committee will meet not less than once a year, normally on the day of the September full Board Meeting and at such other times as the Chairman of The Committee will require.

E. Notice of Meetings

7. Meetings of The Committee will be summoned by the Secretary of The Committee at the request of the Chairman of The Committee.
8. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, will be forwarded to each member of The Committee no fewer than 3 working days prior to the date of the meeting.

F. Minutes of Meetings

9. The Secretary will minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
10. Minutes of Committee meetings will be circulated to all members of The Committee and to the Chairman of The Board and made available on request to other members of The Board.

G. Annual General Meeting

11. The Chairman of The Committee will attend the Annual General Meeting prepared to respond to any shareholder questions on The Committee's activities.

H. Duties

12. The Committee will:

- 12.1 regularly review the structure, size and composition of The Board and make recommendations to The Board with regard to any adjustments that are deemed necessary;
- 12.2 arrange for the preparation and approve a description of the role and capabilities required for a particular appointment;
- 12.3 be responsible for identifying and nominating for the approval of The Board, candidates to fill board vacancies as and when they arise;
- 12.4 satisfy itself with regard to succession planning, that the processes and plans are in place with regard to both Board and senior appointments;
- 12.5 assess and articulate the time needed to fulfil the role of Chairman, senior independent director and non executive director, and undertake an annual performance evaluation to ensure that the all members of the Board have devoted sufficient time to their duties;
- 12.6 ensure on appointment that a candidate has sufficient time to undertake the role and review his commitments, ensuring that if he is an executive of another company this will be his sole non-executive appointment;
- 12.7 ensure that the Secretary on behalf of the Board has formally written to any appointees, detailing the role and time commitments and proposing an induction plan produced in conjunction with the Chairman.

13. It will also make recommendations to The Board:

- 13.1 with regard to the Chairman, having assessed every three years or every year when the Chairman is not classified as independent, whether the present incumbent will continue in post, taking into account the needs of continuity versus freshness of approach;
- 13.2 as regards the re-appointment of any non-executive director at the conclusion of his or her specified term of office; especially when they have concluded their second term;
- 13.3 for the continuation (or not) in service of any director who has reached the age of 70;
- 13.4 concerning the re-election by shareholders of any director under the 'retirement by rotation' provisions in the company's articles of association;
- 13.5 concerning any matters relating to the continuation in office as a director of any director at any time;
- 13.6 concerning the appointment of any director to executive or other office other than to the positions of Chairman and Chief Executive. The recommendation for those two appointments would be considered at a meeting of:
- 13.7 all the non-executive directors regarding the position of Chief Executive;
- 13.8 all the directors regarding the position of Chairman;
- 13.9 detailing items that should be published in the company's Annual Report relating to the activities of The Committee; and

13.10 with regard to the membership and chairmanship of the Audit Committee.

I. Authority

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

15. 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.