

## NOMINATIONS COMMITTEE

### TERMS OF REFERENCE

(Approved by the Board on 12<sup>th</sup> December 2003  
to take effect from 1<sup>st</sup> January 2004.

Updated on 1<sup>st</sup> February 2004, 8<sup>th</sup> December 2006, 10<sup>th</sup> July 2008, 4<sup>th</sup> December 2008 and 20<sup>th</sup> May 2009)

#### Role

The Committee reviews the structure, size and composition of the Board, the appointment of members to Board Committees and the appointment of Corporate Officers and also makes recommendations to the Board as appropriate. The Committee shall review management's Succession Plan to ensure its adequacy. The Committee is also responsible for considering and authorising conflicts of interest.

#### Membership

Chairman	Sir Christopher Gent
Members	Lawrence Culp Sir Crispin Davis Sir Deryck Maughan Sir Robert Wilson
In attendance	Chief Executive Officer
Secretary	Company Secretary

#### Constitution

1. The Board has established a Committee of the Board known as the Nominations Committee (the "Committee").

#### Membership

2. The Committee must comprise a minimum of three Non-Executive Directors a majority of whom should be Independent Non-Executive Directors as determined by the Board, (in accordance with the principles of the Combined Code on Corporate Governance). The members shall be appointed by the Board, in consultation with the Committee Chairman.
3. The Chairman of the Committee shall be appointed by the Board and must be either the Chairman of the Board or an independent Non-Executive Director.
4. The Committee Chairman shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.
5. The Chairman and members of the Committee shall be identified in the Committee's Report to shareholders in the Annual Report.

### Quorum

6. The quorum shall be two members, both of whom must be independent Non-Executive Directors.
7. In the absence of the Committee Chairman or an appointed deputy, the remaining members present shall elect one of the members to chair the meeting who must be an independent Non-Executive Director.

### Attendance at Meetings

8. The Chief Executive Officer may attend by invitation.

### Committee Secretary

9. The Company Secretary shall be the Secretary to the Committee.

### Frequency of Meetings

10. The Committee shall meet at least once a year to consider Succession Planning, with other meetings held as required.

### Annual General Meeting

11. The Chairman of the Committee shall attend the Company's Annual General Meeting and be prepared to respond to shareholder questions on the Committee's activities.

### Authority

12. The Committee is authorised to undertake such work as is necessary to make recommendations for approval by the Board.
13. 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.

### Duties

#### ***Nominations & Dismissals***

- 14(a) The Committee shall review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary;
- 14(b) The Committee shall evaluate the balance of skills knowledge and experience on the Board before an appointment is made and based on such evaluation shall prepare a description of the role and capabilities required for a particular appointment.
- 14(c) The Committee shall also consider in respect of the Executive Directors and Corporate Officers:
  - (i) proposals for their appointment, re-appointment or promotion (including the term of such appointment or re-appointment); and

- (ii) any proposal for their dismissal or non-reappointment or any substantial change in their duties or responsibilities or the term of their appointment.
- 14(d) The Committee shall consider proposals for the appointment, re-appointment (including the term of such appointment) or retirement of the Chairman, Deputy Chairman, Senior Independent Non-Executive Director and other Non-Executive Directors.

### ***Succession Planning***

15. The Committee shall review the management's Succession Plan to ensure its adequacy.

### ***Board Committee membership***

16. The Committee shall recommend to the Board, after consultation with the respective Committee Chairman, appointments to Board Committees as necessary.

### **Approval and Review of Situational Conflicts of Interest**

17. The Committee shall consider and, if appropriate, authorise situational conflicts of interest of directors or potential directors. The Committee shall review the authorisations that have been given from time to time, but at least annually. In addition, the Committee shall review any authorisation that has been given in light of any change in circumstances of which it becomes aware that may affect such authorisations.

### **Performance Appraisal & Review**

18. The Committee shall review at least annually 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.

### **Reporting Procedure**

19. The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

### **Publication of Terms of Reference**

20. These Terms of Reference shall be made available on the Company's website.

## Notes

Updated to reflect:

- the appointment of Dr Ronaldo Schmitz and the retirement of Mr McArthur with effect from 17<sup>th</sup> May 2004;
- the retirement of Sir Christopher Hogg with effect from 31<sup>st</sup> December 2004;
- the appointment of Sir Christopher Gent as Chairman of the Committee with effect from 1<sup>st</sup> January 2005;
- amendments to the Combined Code 2006;
- permit the Committee to authorise situational conflicts of interest with effect from 10<sup>th</sup> July 2008; and
- the appointment of Lawrence Culp and Sir Robert Wilson with effect from 28<sup>th</sup> March 2008
- the appointment of Sir Crispin Davis and Sir Deryck Maughan to the Nominations Committee with effect from 20<sup>th</sup> May 2009.