

NAHL GROUP PLC

Nomination Committee Terms of Reference

Membership

1. The committee and its Chair shall be appointed by the board and consist of all the company's independent non-executive directors, one of whom shall be its Chair. A quorum shall be two members. A senior independent director shall chair the committee when it is dealing with the matter of succession of the Chair.
2. The Chair will review annually the committee's constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board.

Attendance at meetings

3. The CEO, the human resources director and other individuals shall attend meetings if invited by the committee.

Frequency of meetings

4. Meetings shall be held at least annually and other times as the Chair may require.

Notice of meetings

5. The agenda and relevant papers shall be sent to committee members, and to other attendees as appropriate, on a timely basis.

Authority

6. The committee is authorised to:
 - 6.1 seek any information it requires from any employee of the company in order to perform its duties; and
 - 6.2 obtain outside legal or other professional advice in connection with its duties. Such advisors may attend meetings as necessary.Matters for decision by the committee shall be decided by a majority decision of the members.

Responsibilities

7. The responsibilities of the committee shall be to:
 - 7.1 be responsible for identifying and nominating, for the approval of the board, candidates to fill board vacancies as and when they arise, based on merit and objective criteria, and considering candidates from a wide range of backgrounds which bear relevance to the company's business requirements. In particular to:
 - (i) give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the company, and what skills and expertise are needed on the board in the future;
 - (ii) keep under review the structure, size and composition (including the skills, knowledge, experience and diversity) of the board and make recommendations to the board with regard to any changes;
 - (iii) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
 - (iv) before appointment is made by the board, 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; and

(v) review on appointment and annually thereafter the time required from non-executive directors and the performance of the non-executive directors to assess whether they are spending enough time to fulfil their duties;

7.2 so far as is practicable, arrange for all directors to have the opportunity to meet potential external appointees before their appointment is formally proposed at a board meeting and ensure that any possible conflict of interest issues in respect of external candidates are fully addressed; and

(c) ensure that on appointment to the board, 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.

8. The committee shall also make recommendations to the board concerning:

8.1 membership of the audit and remuneration committees, in consultation with the chairmen of those committees;

8.2 the re-appointment of any non-executive director at the conclusion of their specified term of office;

8.3 the re-election by shareholders of any director under the 'retirement by rotation' provisions in the company's articles of association;

8.4 any matters relating to the continuation in office of any director at any time; and

8.5 the appointment of any director to executive or other office other than to the positions of Chair and CEO, the recommendation for which would be considered at a meeting of the full board, and

8.6 any other matter that the board deems appropriate.

Reporting Procedures

9. Minutes of meetings of the committee shall be circulated to all members of the board and the Chair will report formally to the board after each committee meeting, except where the committee determines it to be inappropriate to do so for reasons of confidentiality.

10. The Chair of the committee shall attend the AGM and answer relevant questions on the committee's activities and responsibilities.

September 2018