

Terms of Reference of the Nomination Committee

1. **General Principles and Membership**

- i. The purpose of the procedure is to ensure that the Board consists of members with the range of skills and qualities to meet its principal responsibilities in a way which ensures that the interests of stakeholders are protected and promoted and the requirements of the AIM Rules for Companies are complied with.
- ii. Members of the Nomination Committee shall be appointed by the Board.
- iii. The Nomination Committee must comprise of a minimum of 2 members from amongst the non-executive Directors of the Company a majority of who are identified by the Board as independent.
- iv. The Board, through the Nomination Committee, considers the selection and re-appointment of Directors.
- v. This procedure is not exhaustive and may be varied depending on the circumstances of the Company at the particular time.
- vi. Membership of the Nomination Committee can be varied at any time by a majority resolution of the existing members of the Nomination Committee subject to paragraph 1.3.
- vii. Appointments to the Nomination Committee shall be for a period of up to three years, which may be extended for further three-year periods provided that the member still meets the criteria for membership of the Nomination Committee.

2. **Chairman**

- i. The Chairman shall be the chairman of the Nomination Committee.
- ii. The Chairman shall chair the meetings of the Nomination Committee, except when the Nomination Committee is dealing with the matter of succession to the Chairmanship.
- iii. In the absence of the chairman of the Nomination Committee, the remaining members present shall elect one of themselves to chair the meetings of the Nomination Committee.

3. **Secretary**

- i. Such person as the Board may determine from time to time shall be the secretary of the Nomination Committee.
- ii. The secretary of the Nomination Committee or his/her delegate shall attend meetings of the Nomination Committee to take minutes and will ensure that the members of the Nomination Committee receive information and papers in

- iii. a timely manner to enable full and proper consideration to be given to the issues.
- iv. In the absence of the secretary of the Nomination Committee, the members present at a meeting of the Nomination Committee shall elect another person to act as the secretary for the purposes of that meeting.

4. Quorum

- i. The quorum necessary for the transaction of business of the Nomination Committee shall be two members both of whom must be independent.
- ii. The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the Nomination Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Nomination Committee in which he/she and/or his/her associates have a material interest. A duly convened meeting of the Nomination Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Nomination Committee.

5. Frequency of meetings

- 6. The Nomination Committee shall meet at least once a year and at such other times as the Chairman or any other member of the Nomination Committee shall require.

7. Attendance at meetings

- i. Members of the Nomination Committee may attend meetings of the Nomination Committee either in person or through other telephonic and/or electronic means of communication.
- ii. Should any member of the Nomination Committee wish to attend a meeting through telephonic and/or electronic communications, prior arrangements shall be made with the secretary of the Nomination Committee.
- iii. Other than members of the Nomination Committee, other Directors and external advisers may be invited to attend all or part of any meeting as and when appropriate. However no Director shall be involved in any decision or present at any discussions as to his or her own appointment.

8. Notice of meetings

- i. Meetings of the Nomination Committee shall be convened by the secretary of the Nomination Committee at the request of any of its members.
- ii. Unless otherwise agreed, 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 Nomination Committee, and to any other person required to attend within a reasonable time prior to the date of the meeting. Supporting papers shall be sent to Nomination Committee members and to other attendees as appropriate, within a reasonable time prior to the date of the meeting.

- iii. Any member of the Nomination Committee shall be entitled, by notice to the secretary of the Nomination Committee, to include other matters relevant to the functions of the Nomination Committee in the agenda of a Nomination Committee meeting.

9. Voting

- i. Each member of the Nomination Committee shall have one vote which may be cast on matters considered at a meeting of the Nomination Committee. Votes can only be cast by members attending a meeting of the Nomination Committee.
- ii. Save where he has a personal interest, the chairman of the Nomination Committee will have a casting vote.

10. Minutes of meetings

- i. The secretary of the Nomination Committee (or his/her delegate) in attendance at the meetings of the Nomination Committee shall minute in sufficient detail the proceedings and resolutions of all such meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any member of the Nomination Committee and/or dissenting views expressed.
- ii. Draft and final versions of minutes of the Nomination meetings shall be sent to all Nomination Committee members for their comments and records respectively, in both cases within a reasonable time after the meeting. Once they are agreed, the secretary of the Nomination Committee shall circulate the minutes, and reports of the Nomination Committee, to all members of the Nomination Committee and to all members of the Board.
- iii. Minutes of the Nomination Committee meetings shall be kept by the secretary of the Nomination Committee and shall be available for inspection by any member of the Nomination Committee or Director at any reasonable time on reasonable notice.

11. Annual general meeting

- i. The chairman of the Nomination Committee shall attend the AGM of the Company and be prepared to respond to any Shareholder questions on the Nomination Committee's activities.
- ii. The Nomination Committee shall make a statement in the annual report detailing its activities including the process used for Board appointments, including an explanation of how the Company's remuneration practices align the interests of senior management with those of shareholders, a description of board performance evaluation procedures applied, the evolution of such procedures from the previous year, the result of the evaluation and action taken or planned as a result.

12. Duties

- i. In the capacity of the Nomination Committee, the Board shall be responsible for:
 - a. identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
 - b. before making an appointment, evaluating the balance of skills, knowledge, experience and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
 - c. reviewing annually the time required from a non-executive Director and assessing whether the non-executive Director is spending enough time to fulfil his/her duties;
 - d. considering candidates from a wide range of backgrounds;