

**Terms of reference for the Nomination Committee
(Adopted by the board on 23 July 2009)**

1 Constitution

- 1.1 The board hereby resolves to establish a committee of the board, to be known as the Nomination Committee ('the committee').

2 Membership

- 2.1 The committee shall be appointed by the board. A majority of members of the committee shall be independent non-executive directors of the company. The committee shall consist of not less than three members. Two members shall comprise a quorum at any meeting of the committee of which at least half shall be independent non-executive directors.
- 2.2 The chairman of the committee shall be appointed by the board. The chairman of the committee shall be either the Chairman of the Company or an independent non-executive director but the Chairman of the Company should not chair the nomination committee when it is dealing with the appointment of his or her successor.

3 Attendance at meetings

- 3.1 Only members of the committee have the right to attend committee meetings. However, other individuals (including without limitation the Global HR Director and external advisers) may be invited to attend for all or part of any meeting, as and when appropriate.
- 3.2 The company secretary (or his or her nominee) shall act as the secretary of the committee.

4 Frequency of meetings

- 4.1 Meetings shall be held not less than twice each year.
- 4.2 Additional meetings shall be held as required and any member of the committee or the company secretary may request a meeting if he or she considers that one is necessary.
- 4.3 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 committee, any other person required to attend and all other non-executive directors, no later than four days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

5 Minutes of meetings

- 5.1 The secretary shall minute the proceedings and resolutions of all meetings of the committee, including recording the names of those present and in attendance.

5.2 Minutes of committee meetings shall be circulated promptly to all members of the committee and to all other members of the board, unless a conflict of interest exists.

6 Authority

6.1 The committee is authorised by the board to:

- Employ the services of any external recruitment consultant or other professional adviser as it thinks fit and may invite any of such persons to attend such meetings of the committee, as it considers appropriate. The budget for fees payable by the committee to external advisers is to be agreed with the board at the beginning of each financial year;
- to seek any information it requires from any employee of the Company; and
- Obtain external legal or other independent professional advice and request advisers to attend meetings as necessary.

7 Responsibilities

7.1 The responsibilities of the committee are as follows:

- To identify and nominate, for the approval of the board, candidates to fill board vacancies as and when they arise in which respect a sub-committee (comprising the chairman of the committee, the senior independent director and the Chief Executive) may from time to time conduct or make any initial searches, review and recommendations to the committee in respect of potential candidates;
- Before making a nomination, 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;
- Review annually the time required from a non-executive director. Performance evaluation should be used to assess whether the non-executive director is spending enough time to fulfill his or her duties;
- Consider candidates from a wide range of backgrounds;
- Give full consideration to succession planning in the course of its work, taking account of the challenges and opportunities facing the company and what skills and expertise are therefore needed in the future;
- Regularly review the structure, size and composition (including the skills, knowledge and experience) of the board and make recommendations to the board with regards to any changes;
- 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;
- 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;

- Make available its terms of reference explaining clearly the responsibilities delegated to the committee by the board. These shall be reviewed and, where necessary, updated annually; and
- To consider other topics and issues as defined by the board.

7.2 The committee should make recommendations to the board:

- As regards plans for succession for both executive and non-executive directors;
- As regards the re-appointment of any non-executive director at the conclusion of their specified term of office;
- Concerning the re-election by shareholders of any director under the retirement by rotation provisions in the company's articles of association;
- Concerning any matters relating to the continuation in office of any director at any time; and
- Concerning the appointment of any director to executive office or other office.

8 Reporting Procedures

8.1 The committee reports to the board and the committee chairman shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities. The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.

8.2 The committee's responsibilities and activities during the year shall be disclosed in the annual report and accounts and it shall disclose the process used for any appointments, explain if external advice has been used and disclose the membership of the committee, the number of committee meetings and attendance by members over the course of the year.

8.3 The chairman of the committee, or in his or her absence another member of the committee, shall attend the annual general meeting prepared to respond to any shareholder questions on the committee's responsibilities and activities.

9 Self-assessment and appraisal

9.1 The committee shall conduct an annual review of its work and terms of reference and an annual assessment of its own effectiveness and make recommendations to the board.