
**EBIQUITY PLC
NOMINATION COMMITTEE
TERMS OF REFERENCE**

**APPROVED BY THE BOARD ON
6 JUNE 2014**

EBIQUITY PLC (the "Company")

NOMINATION COMMITTEE - TERMS OF REFERENCE

1. Constitution

- 1.1 The nomination committee of the Company (the "**Nomination Committee**") has been established as a board committee in accordance with the Company's articles of association by resolution of the board of directors of the Company (the "**Board**").
- 1.2 The purposes for which the Nomination Committee is established are to ensure that:
 - 1.2.1 the Board and its committees have the appropriate balance of skills, experience, independence and knowledge of the Company to enable them to discharge their respective duties and responsibilities effectively with the balance and effectiveness of the Board being reviewed on a regular basis;
 - 1.2.2 there are formal, rigorous and transparent procedures in place for the appointment of new directors to the Board; and
 - 1.2.3 each member of the Board is able to allocate sufficient time to the Company to discharge their responsibilities effectively.

2. Duties and terms of reference

- 2.1 The Nomination Committee shall:
 - 2.1.1 regularly 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;
 - 2.1.2 give full consideration to succession planning for directors and other senior executives appointed to the Company's Executive Committee ("**Senior Executives**") in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board and by the Senior Executives in the future;
 - 2.1.3 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
 - 2.1.4 before appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Nomination Committee shall:
 - (a) use open advertising or the services of external advisers to facilitate the search;
 - (b) consider candidates from a wide range of backgrounds; and
 - (c) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position;
 - 2.1.5 for the appointment of a Chairman of the Board, the Nomination Committee should prepare a job specification, including the time commitment expected. A proposed Chairman's other significant commitments should be disclosed to the Board before appointment and

- any changes to the Chairman's commitments should be reported to the Board as they arise;
- 2.1.6 prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
 - 2.1.7 keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
 - 2.1.8 keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
 - 2.1.9 review the results of the Board performance evaluation process that relate to the composition of the Board;
 - 2.1.10 review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
 - 2.1.11 keep under review any authorisations granted by the Board in connection with a director's conflict of interest;
 - 2.1.12 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; and
 - 2.1.13 work and liaise as necessary with other Board committees.
- 2.2 The Nomination Committee shall also make recommendations to the Board concerning:
- 2.2.1 formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Company Chairman and Chief Executive Officer;
 - 2.2.2 whether a separate role of Senior Independent Director should be created and, if so, who suitable candidates for the role might be;
 - 2.2.3 membership of the Audit and Remuneration Committees, and any other Board committees as appropriate, in consultation with the Chairmen of those committees;
 - 2.2.4 the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
 - 2.2.5 the re-election by shareholders of any non-executive director having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);
 - 2.2.6 any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract; and
 - 2.2.7 the appointment of any director to executive or other office.

2.3 To consider such other matters as may be requested by the Board.

3. **Membership**

3.1 The members of the Nomination Committee shall be appointed by the Board. The majority of the members of the Nomination Committee should be independent non-executive directors. The Board shall appoint the Chairman of the Nomination Committee who should be either the Chairman of the Company or an independent non-executive director. The Chairman of the Company shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

3.2 Appointments to the Nomination Committee shall be for such period as the Board determines, or if the Board determines of an indefinite period, provided the member continues to meet the criteria for membership.

3.3 The Nomination Committee shall have at least two members.

3.4 A quorum shall be any two members of the Nomination Committee. All or any of the members of the Nomination Committee may participate in a meeting of the Nomination Committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A member of the Nomination Committee so participating shall be deemed to be present in person at the meeting and shall be entitled to fully participate and be counted in the quorum accordingly.

4. **Voting arrangements**

4.1 Each member of the Nomination Committee shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a meeting of the Nomination Committee.

4.2 If a matter that is considered by the Nomination Committee is one where a member of the Nomination Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.

4.3 Save where he has a personal interest, the Nomination Committee Chairman will have a casting vote.

5. **Attendance at meetings**

5.1 The Nomination Committee will meet at least two times a year. The Nomination Committee may meet at other times during the year as agreed between the members of the Nomination Committee or as otherwise requested.

5.2 Only members of the Nomination Committee have the right to attend Nomination Committee meetings but other directors and persons (such as the Global Head of HR) and external advisers may be invited to attend all or part of any meeting as and when appropriate.

5.3 The Company secretary or his or her nominee or such other person as appointed by the Nomination Committee shall be the secretary of the Nomination Committee (the "**Secretary**").

6. **Notice of meetings**

6.1 Meetings of the Nomination Committee shall be called by the Secretary at the request of the Chairman of the Nomination Committee.

6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of the matters to be discussed at the meeting shall be forwarded to each member and any other person required to attend and all other non-executive directors no later than two working days before the date of the meeting (although such notice period may be waived or shortened with the consent in writing

of all members of the Nomination Committee for the time being). Any supporting papers shall be sent to each member of the Nomination Committee and other attendees (as appropriate) at the same time.

7. Authority

The Nomination Committee is authorised by the Board to examine any activity within its terms of reference and is authorised to have unrestricted access to the Company's external advisers and to obtain, at the Company's expense, professional advice on any matter within its terms of reference. 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. The Nomination Committee is authorised to seek any information it requires from any employee or director, and all such employees or directors will be directed to co-operate with any request made by the Nomination Committee.

8. Reporting

8.1 The proceedings and resolutions of meetings of the Nomination Committee, including the names of those present and in attendance, shall be minuted by the Secretary. Draft minutes of each meeting will be circulated promptly to all members of the Nomination Committee. Once approved, the minutes of each meeting will be submitted to the Board as a formal record of the decisions of the Nomination Committee on behalf of the Board unless it would be inappropriate to do so.

8.2 The Nomination Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

8.3 The Nomination Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

8.4 The Nomination Committee shall if asked by the Board produce a report to be included in the Company's annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company. The report should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy and progress on achieving objectives.

9. General Matters

9.1 The Nomination Committee Chairman should make himself available at each Annual General Meeting of the Company to answer questions concerning the Nomination Committee's work.

9.2 The Nomination Committee shall arrange for periodic reviews of its own performance and, at least once a year, review its 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.

9.3 The Nomination Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company secretary for assistance as required.

9.4 The Nomination Committee shall give due consideration to all laws and regulations as appropriate.