

NOMINATIONS COMMITTEE TERMS OF REFERENCE

1. Establishment and duration

- 1.1 The Company's Nominations Committee ("the Committee") was established, with these Terms of Reference, by resolution of the Company's Board under Article 42 of the Company's Articles of Association on 16 March 2010.
- 1.2 The version date above if not that date, is the subsequent date of the latest amending Board resolution.
- 1.3 The provisions of Article 42 generally allowing a Nominet committee established by the Board to co-opt further members of the committee and to delegate any of its functions to the chief executive, or any director, shall not apply to the Nominations Committee.

2. Scope and remit

The Committee has the following primary functions;

- 2.1 promptly to identify and nominate, for the approval of the Board, candidates to fill vacancies as Appointed Directors of the Company as and when they arise, and to make appropriate arrangements for succession planning;
- 2.2 to review and nominate, for the approval of the Board, candidates to fill the positions of Executive Directors of the Company as and when such positions become subject to new appointment (including prospective reappointment), taking account of the capacity of the relevant candidates effectively to contribute to the Board;
- 2.3 generally, in performing its functions, to promote the public benefit objects and best interests of Nominet.

3. Membership

- 3.1 The Board shall appoint members of the Committee, which shall comprise at least three directors.
- 3.2 Appointments to the Committee shall be for a period of up to three years and may be renewed.
- 3.3 A person shall cease to be a member of the Committee:
 - i. at the end of his/her period of appointment (subject to reappointment);
 - ii. on ceasing to be a director;
 - iii. through a resolution of the Board terminating his/her appointment;
 - iv. on written notice of resignation from the appointment to the Company Secretary.
- 3.4 No director shall participate as a member of the Committee in relation to any nomination relating to a position for which he or she is a prospective candidate.
- 3.5 The Board may appoint the chair of the Committee. In the absence of such a Board appointment, or the appointed chair at a quorate meeting of the Committee, the Committee shall elect a chair from among its members.

4. Secretary

- 4.1 The Committee shall at each meeting appoint a Secretary to the meeting by vote, and the Company Secretary shall be made available for this purpose.

- 4.2 The Company Secretary (or his or her nominee) will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
- 4.3 The Board may appoint a Committee secretary, in particular for the purpose of maintaining proper minutes of the Committee. In the absence of such a Board appointment, or the appointed Committee secretary at a quorate meeting of the Committee, the Committee shall arrange for appropriate minutes to be kept by one of its members.

5. Quorum

- 5.1 The quorum for business of the Committee to be undertaken shall be **three** and will include at least one executive and one non-executive member.
- 5.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested or exercisable by the Committee.

6. Meetings

- 6.1 The Committee shall meet at least twice a year and otherwise as directed by the Board, or when otherwise summoned by the Committee chair in his or her discretion.
- 6.2 Each Committee member shall provide an e-mail address which shall be the principal communication address for written notices and communications relevant to the Committee.
- 6.3 All or any of the members of the Committee may participate in a meeting of the Committee by means of conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.
- 6.4 Decisions requiring to be made between meetings may be by email exchange provided a simple majority of the Committee supports the decision proposed.

7. Notice of meetings

- 7.1 Meetings shall generally be summoned by the Committee secretary at the request of the Committee Chair or the Board.
- 7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forward to each member of the Committee and any other person required to attend, no fewer than five working days before the date of the meeting, unless agreed otherwise with Committee Chair. Supporting papers, and remote access arrangements if required, shall be sent to Committee members and to other attendees at the same time.

8. Minutes of meetings

- 8.1 The Secretary shall produce Minutes of the Committee and shall include names of all those present and in attendance at Committee meetings, all decisions made and a reasonable record of key deliberations.
- 8.2 Draft minutes of a Committee meeting shall be circulated promptly to all Committee members with a reasonable period for comments to be made.
- 8.3 Once that period has elapsed the Committee Chair shall take responsibility for finalising and signing the minutes.

9. Annual General Meeting

- 9.1 The Chair of the Committee or, by agreement of the Committee, his or her nominee shall attend the Annual General Meeting prepared to respond to any member questions on the Committee's activities.

10. Duties

- 10.1 In fulfilling its primary functions of the Committee shall:

- i. evaluate the general capability and the balance of skills, knowledge, experience and diversity on the Board and seek to make nominations intended at least to maintain and as far as possible to improve the composition of the Board in such terms;
- ii. taking account of such evaluation, prepare a description of the role of and requisite and preferred capabilities for a particular appointment;
- iii. identify suitable candidates for a particular appointment using open advertisement and/or external independent advice as part of the process, unless special circumstances require otherwise;
- iv. assess candidates on merit and against objective criteria, taking care to ensure that they will have enough time available to devote to the relevant position;
- v. ensure any material personal dealing between a Committee member and a candidate for nomination is duly disclosed and appropriately managed in accordance with conflict of interest management procedures.
- vi. appoint the Elections sub-Committee.

- 10.2 To complement performance of its primary functions of the Committee shall regularly review and as it considers appropriate make recommendations to the Board in respect of:

- i. the structure, size, composition, capability, balance and effectiveness of the Board;
- ii. the composition, capability, balance and effectiveness of the Committee;
- iii. the succession planning of the Company in respect of the senior executives and lead the process for succession planning in respect of the Board;
- iv. the time required from a non-executive director and the time committed by non-executive directors;
- v. induction procedures for Board membership, including the provision of a formal letter of appointment and information on the relevant role and the Company's expectations of the director in terms of commitment and performance on the Board and related roles within the Company.

11. Reporting responsibilities

- 11.1 The Committee Chair shall take responsibility for determining how any such conflict of interest issue should be addressed and shall report this to the Chair of the Company (or his or her designated deputy for the purpose, if the conflict of interest issue concerns the Chair of the Company).
- 11.2 The Committee shall make such nominations/recommendations to the Board as it considers appropriate in accordance with its duties and responsibilities, in relation to prospective appointments, or the processes and procedures relating to appointments.

- 11.3 The Committee Chair shall, unless otherwise instructed, be prepared to report formally to each Board meeting and the Company's annual general meeting on the proceedings of the Committee.
- 11.4 The Committee shall approve a Nominations Committee statement for publication in each annual report of the Company, relating to its activities.
- 11.5 The Committee shall report the frequency of, and attendance by members at, Committee meetings in the annual reports.
- 11.6 It shall be a particular matter for due reporting if the Nominations Committee adopts any procedure for identifying appropriate Nominations for the position of Appointed Director through a process which does not involve open advertisement and/or external independent advice as part of the process.

12. Other Matters

The Nominations Committee shall:

- 12.1 Have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance, as required.
- 12.2 Arrange for a review of its own performance and, at least annually, review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

13. Authority

- 13.1 The Committee is authorised by the Board to obtain, in connection with its duties, and at the Company's expense, any outside legal or other independent professional advice it considers to be necessary
- 13.2 The Committee is authorised by the Board to obtain appropriate and timely training, both in the form of an induction programme for new Committee members and on an ongoing basis.

Approved by the Board in November 2015.