



Terms of reference of the Nomination Committee



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1 MEMBERSHIP

- 1.1 The board of directors of BSD Crown Ltd. ("**BSD Crown** " or the "**Company**") (the "**Board**") has resolved to establish a committee of the Board to be known as the Nomination Committee.
- 1.2 Membership of the Nomination Committee shall consist of at least three members. The members of the Nomination Committee shall be appointed by the Board. Subject to the normal periodic re-election of directors, a member of the Nomination Committee shall serve a term of three years which may be extended by no more than two additional three-year periods.
- 1.3 All members of the Nomination Committee shall be directors, the majority of whom shall be independent non-executive directors and all external directors shall be members of the Nomination Committee.

2 QUORUM

A quorum shall be the majority of the members of the Nomination Committee, for as long as the majority of members present are independent and include at least one external director. Notice of meetings of the Nomination Committee shall be given to all members and invitees within a reasonable time prior to the date of a meeting. All reasonable efforts shall be made to arrange such meetings so that all members and invitees are able to attend. No member of the Nomination Committee shall attend or form part of the quorum in relation to any appointment in which he/she has a personal interest.

3 CHAIRMAN

- 3.1 The Board shall appoint the chairman of the Board or an independent non-executive director to be the chairman of the Nomination Committee. If the chairman of the Board is appointed chairman of the Nomination Committee, he/she should not chair the Nomination Committee when it is dealing with the appointment of a successor to his/her chairmanship. If the chairman is not present at a meeting of the Nomination Committee, then the remaining members present shall elect one of their number to chair the meeting.
- 3.2 The chairman of the Nomination Committee shall report to the Board to enable it to report to the Company's shareholders on nomination matters as specified in the UK Listing Authority's Listing Rules and the UK Corporate Governance Code.

4 ATTENDANCE

- 4.1 No one other than the chairman of the Nomination Committee and its members shall be entitled to be present at a meeting of the Nomination Committee. Attendance at meetings of the Nomination Committee by non-members, the chairman of the Board (if not a member), the chief



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executive and other members of the Board shall be at the discretion of the chairman of the Nomination Committee.

- 4.2 The Company secretary shall be the secretary of the Nomination Committee and shall attend all of its meetings and shall prepare and circulate to members and all other non-executive directors (and invitees as appropriate) all information and papers in a timely manner to enable them to give full and proper consideration to the issues. The Company secretary shall prepare minutes of the Nomination Committee meetings and shall circulate them to all members of the Nomination Committee and to the chairman and other members of the Board, unless a conflict of interest exists.

5 FREQUENCY OF MEETINGS

The Nomination Committee shall meet at times as determined by the chairman, acting in consultation with the Company secretary. Any member of the Nomination Committee may request a meeting if he/she considers that one is necessary or expedient.

6 AUTHORITY

- 6.1 The Nomination Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee or director of the Company or any consultant or other provider of services to the Company. All employees, directors, consultants and other providers of services are directed to co-operate with requests for information made by the Nomination Committee including requests to attend meetings of the Nomination Committee.
- 6.2 The Nomination Committee is authorised by the Board to obtain such outside legal or other independent professional advice at the cost of the Company as it considers appropriate in relation to matters within its terms of reference and to secure the attendance at its meetings of outsiders with relevant experience and expertise if it considers this necessary or expedient.

7 RESPONSIBILITIES

- 7.1 The Nomination Committee shall:
- 7.1.1 lead the selection process of candidates and propose to the Board any new Board appointments, whether of executive or non-executive directors, ensuring that such process is formal, rigorous and transparent and considering any need for progressive refreshing of the Board's membership;
 - 7.1.2 in nominating directors, give due regard to the contents of the UK Corporate Governance Code as well as the UK Listing Authority's Listing Rules and associated guidance;
 - 7.1.3 be responsible for identifying and nominating for the approval of the Board candidates



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to fill Board vacancies as and when they arise, such identification to be based on merit against objective criteria, with due regard for the benefits of diversity on the Board, including in respect of gender. The Nomination Committee should consider using open advertising or the services of external advisers to facilitate its search, as appropriate;

- 7.1.4 before making an appointment, 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, The Nomination Committee should also require any proposed appointee to disclose any conflicts of interest in respect of the business of the Company;
- 7.1.5 for the appointment of a chairman of the Board, prepare a job specification, including an assessment of the time commitment expected and recognising the need for availability in the event of crises;
- 7.1.6 review annually and articulate the time needed to fulfil the role of chairman of the Board, senior independent director and non-executive director. Performance evaluations should be undertaken in order to assess whether each non-executive director is spending enough time and has sufficiently updated skills and knowledge so as to fulfil his/her duties;
- 7.1.7 consider candidates from a wide range of backgrounds. In identifying suitable candidates, the Nomination Committee should use open advertising or the services of external advisers to facilitate the search and consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
- 7.1.8 give full consideration to succession planning for the executive management in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed in the future;
- 7.1.9 regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
- 7.1.10 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;
- 7.1.11 keep itself up-to-date and fully informed about strategic issues and commercial changes affecting the Company and the group and the market in which they operate;
- 7.1.12 make available its terms of reference explaining clearly its role and the authority delegated to it by the Board;



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7.1.13 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 of Board meetings and are provided with an appropriate induction to their role; and

7.1.14 consider any other matter specifically referred to the Nomination Committee by the Board.

7.2 The Nomination Committee shall make recommendations to the Board concerning:

7.2.1 suitable candidates for the role of senior independent director;

7.2.2 plans for succession for executive management, executive and nonexecutive directors and, in particular, the chief executive;

7.2.3 the re-appointment of any non-executive director at the conclusion of his/her specified term of office having regard to his/her performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required;

7.2.4 proposals to shareholders for the re-election by of any director under the retirement by rotation provisions in the Company's articles of association having regard to his/her performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required;

7.2.5 membership of the Company's Audit Committee, Remuneration Committee and Financial Statements Committee, in consultation with the chairmen of those committees;

7.2.6 any matters relating to the continuation in office of any director at any time. The Nomination Committee shall, in particular, make recommendations to the Board concerning matters relating to the suspension or termination of service of an executive director as an employee of the Company in accordance with the terms of his/her service contract and/or relevant law; and

7.2.7 the appointment of any director to any executive or other office other than to the positions of chairman of the Board or chief executive, the recommendation in respect of which should be considered at a meeting of the Board.

8 REPORTING PROCEDURES

8.1 The Nomination Committee shall report to the Board after each meeting on all matters within its terms of reference. The Nomination Committee shall identify any matters in respect of which it considers that action or improvement is needed, making recommendations as to the steps to be taken.



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- 8.2 A summary of the Nomination Committee's duties and work shall be included each year in the Company's annual report, including the process used for appointments and an explanation if either external advice or open advertising has not been used, the membership of the committee, the number of committee meetings held and attendance over the course of the year.
- 8.3 The Nomination Committee shall conduct an annual review of its constitution, its performance and effectiveness, its work and these terms of reference and make recommendations to the Board.