

SCIENCE GROUP PLC
THE NOMINATION COMMITTEE

Terms of reference

(Adopted by the board on 28 April 2009. Updated 1 January 2016 and ratified by the Board 25 February 2016. Updated 27 September 2018 and ratified by the Board 17 October 2018)

1. The Nomination Committee

The Nomination Committee:

- a) is a sub-committee of the board and shall make recommendations to the board which retains the right of final decision;
- b) is composed of the non-executive directors with a quorum of two;
- c) has the primary responsibility of leading the process for board appointments and make recommendations to the board in that regard; and
- d) will meet sufficiently frequently and for long enough to perform its duties effectively.

2. Membership

- a) There should be a minimum of three members including a minimum of two non-executive directors.
- b) The majority of members, apart from directors' fees and shareholding, should be independent of management and free from any involvement which might significantly interfere with their ability to judge matters independently.
- c) The Company Secretary shall be the committee secretary and proper minutes shall be kept of its proceedings which shall be circulated to all directors of the company.

3. Meetings

- 3.1. Nomination Committee meetings shall be held not less than once a year.
- 3.2. The chairman or an independent non-executive director shall be appointed as chairman of the Nomination Committee, but the chairman shall not chair the Nomination Committee when it is dealing with the appointment of a successor to the chairmanship.

4. Authorisation

The Nomination Committee is authorised to obtain outside independent professional advice relevant to its duties.

5. Duties

5.1. The Nomination Committee shall:

- a) be responsible for identifying and nominating for the approval of the board, candidates to fill board vacancies as and when they arise;

- b) 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;
- c) 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 fulfil their duties;
- d) consider candidates from a diverse range of backgrounds;
- e) give full consideration to succession planning 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 in the future;
- f) 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;
- g) 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;
- h) make a statement in the annual report about its activities; the process used for appointments and explain in external advice or open advertising has not been used; the membership of the Nomination Committee, number of Nomination Committee meetings and attendance over the course of the year;
- i) make available its terms of reference explaining clearly its role and the authority delegated to it by the board; and
- j) ensure that on their 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.

5.2. The Nomination Committee shall make recommendations to the board:

- a) as regards plans for succession for both executive and non-executive directors and senior executives;
- b) as regards the re-appointment of any non-executive director at the conclusion of their specified term of office;
- c) concerning the re-election by shareholders of any director under the retirement by rotation provisions in the company's articles of association;
- d) concerning any matters relating to the continuation in office of any director at any time; and
- e) concerning the appointment of any director to executive or other office other than to the positions of chairman and chief executive, the recommendation for which would be considered at a meeting of the board.

5.3. The Nomination Committee shall also consider such other topics as are defined by the board from time to time.