

# **Countryside Properties PLC**

(the “Company”)

## **Terms of Reference: Nomination Committee**

As approved by the Board of Directors of the Company on 25 October 2016.

References to the “**Committee**” shall mean the Nomination Committee.

References to the “**Board**” shall mean the board of directors of the Company.

References to the “**Committee Chairman**” shall mean the chairman of the Committee.

References to the “**Committee Secretary**” shall mean the secretary of the Committee.

References to the “**Group**” shall mean the Company together with its subsidiary undertakings.

References to the “**Code**” shall mean the UK Corporate Governance Code, as amended.

The Nomination Committee is established as a committee of the Board. The Nomination Committee is vested with the authority, powers and duties set out in these Terms of Reference.

### **1. MEMBERSHIP**

1.1 Members of the Committee and the Chairman shall be appointed by the Board and shall comprise at least three members, the majority of whom shall be independent non-executive directors. The Board must from time to time review the composition of the Committee to ensure that its membership rotates amongst the Company’s non-executive directors.

1.2 The Chairman of the Committee, who should be the Chairman of the Board or an independent non-executive director, shall be appointed by the Board. In the absence of the Chairman of the Committee, the remaining members present shall elect one of their number to chair the meeting. The Chairman of the Board should not chair the Committee when it is dealing with the appointment of a successor to the Chairmanship of the Board.

1.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals, such as the Head of Human Resources, and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

1.4 Appointments to the Committee shall be for a period of up to three years, which may be extended for two additional periods of up to three years, provided that the director still meets the criteria for membership of the Committee.

1.5 In the absence of the Committee Chairman, the remaining members present shall elect one of themselves to chair the meeting.

### **2. SECRETARY**

2.1 The Company Secretary or his or her nominee shall act as the Secretary of the Committee.

### **3. QUORUM**

3.1 The quorum necessary for the transaction of business shall be two members, both of whom must be independent non-executive directors. 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 in or exercisable by the Committee.

#### **4. MEETINGS**

4.1 The Committee shall meet at least twice a year and at such other times as the Chairman of the Committee shall require to carry out the duties of the Committee.

#### **5. NOTICE OF MEETINGS**

5.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of any of its members, if he or she considers it necessary.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working 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.

#### **6. MINUTES OF MEETING**

6.1 The Secretary shall minute the proceedings and resolutions of the Committee, including recording the names of those present and in attendance.

6.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

6.3 Minutes of Committee meetings shall be circulated within ten working days to all members of the Committee and, once agreed, to all members of the Board, unless a conflict of interest exists.

#### **7. ANNUAL GENERAL MEETING**

7.1 The Chairman of the Committee shall attend the Annual General Meeting of the Company to answer any shareholder questions on the Committee's activities.

#### **8. DUTIES**

The Committee shall:

8.1 regularly review the structure, size and composition (including skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;

8.2 give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;

8.3 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;

8.4 keep updated and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;

8.5 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies, as and when arise. This identification process shall include an evaluation of the balance of skills, knowledge, experience and diversity on the Board, from which a description of the role and responsibilities required for the particular appointment shall be prepared;

- 8.6 In identifying suitable candidates, the Committee shall:
- 8.6.1 use open advertising or the services of external advisers to facilitate the search;
  - 8.6.2 consider candidates from a wide range of backgrounds;
  - 8.6.3 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 candidates have sufficient time to devote to the particular appointment;
- 8.7 for the appointment of a Chairman, the Committee should prepare a job description, 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;
- 8.8 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;
- 8.9 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;
- 8.10 review the results of the Board performance evaluation process that relate to the composition of the Board;
- 8.11 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;
- 8.12 work and liaise, as necessary, with all other Board Committees;

The Committee shall also make recommendations to the Board, concerning:

- 8.13 formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman and Chief Executive Officer;
- 8.14 suitable candidates for the role of senior independent director;
- 8.15 membership of the Audit and Remuneration Committees, and any other Board Committees as appropriate, in consultation with the Chairman of those Committees;
- 8.16 the re-appointment of any non-executive director at the conclusion of their specified term of office having due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required;
- 8.17 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, their service contract and the SHA;
- 8.18 the appointment of any director to executive or other office.

## 9. REPORTING RESPONSIBILITIES

- 9.1 The Committee Chairman shall report formally to the Board on its proceedings, as appropriate, on all matters within its duties and responsibilities.

- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 When required, the Committee shall 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.
- 9.4 The report referred to in 9.3 above 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 the objectives.
- 9.5 The Committee shall make a statement in the Company's annual report about the effectiveness of the directors and annually review the effectiveness of all members of the Board and the Company Secretary.

## 10. **OTHER MATTERS**

- 10.1 The Committee shall have access to sufficient resources in order to carry out its duties including access to the company secretariat for assistance as required.
- 10.2 The Committee shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 10.3 The Committee shall arrange for periodic reviews of its own performance and at least annually review its constitution and these Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 10.4 The Committee shall give due consideration on an ongoing basis to relevant laws and regulations including the general duties of directors set out in the Companies Act 2006.

## 11. **AUTHORITY**

The Committee is authorised by the Board, at the Company's expense, to:

- 11.1 seek and obtain outside legal or other independent professional advice on any matters within its terms of reference;
- 11.2 secure the attendance of other persons at its meetings, as and when considered necessary and appropriate;
- 11.3 obtain the advice and assistance of any of the Company's executives provided their role in providing such advice and assistance is clearly separated from their role within the business.