

Nominations Committee: Terms of Reference

1 Composition of Committee

NOMCO members will be appointed by the Board and will comprise three or more directors, the majority of whom shall be Independent Non-Executive Directors and the Chairman of the Company will chair the Committee.

The quorum for a meeting of the NOMCO will be two members at least one of whom will be an independent non-executive Director. The Company Secretary shall act as the Secretary of the Committee.

Directors, Charter International employees and external advisors may be invited to attend all or part of any meeting of NOMCO, as and when appropriate.

The Chairman of the Board shall not chair the Committee when matters relating to succession to the chairmanship are being discussed. No Director will be present at a meeting when his own re-appointment is discussed other than when the discussion relates purely to his annual re-election by shareholders.

2 Scope of Committee

In performing its role NOMCO will have regard to the provisions of the UK Corporate Governance Code and may, to the extent deemed necessary, seek advice from any directors or employees of the Company and of its subsidiaries and, at the Company's expense, obtain advice from external advisers.

NOMCO will keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates.

3 Authority delegated to the Committee

3.1 To regularly review the structure, size and composition of the Board (including the skills, knowledge and experience) and make recommendations to the Board with regard to any changes.

3.2 To give full consideration to succession planning for directors.

3.3 To 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.

3.4 To identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise.

3.5 To consider candidates from a wide range of backgrounds.

- 3.6 To consider candidates on merit, against objective criteria and with due regard for the benefits of diversity, including gender diversity.
- 3.7 To 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.
- 3.8 To review annually the time required from Non-Executive Directors, conducting a performance evaluation to assess whether the Non-Executive Directors are spending enough time to fulfil their duties.
- 3.9 To 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.
- 3.10 The Committee shall also make recommendations to the Board:
 - 3.10.1 on the membership of the Board committees, in consultation with the chairmen of those committees;
 - 3.10.2 as regards plans for succession for both Executives and Non- Executive Directors;
 - 3.10.3 as regards the appointment, or re-appointment of any Non-Executive Director(s) at the conclusion of their specified term of office;
 - 3.10.4 concerning the annual re-election by shareholders of any director;
 - 3.10.5 concerning any matters relating to the continuation in office of any director at any time; and
 - 3.10.6 concerning the appointment of any director to executive or other office other than to the positions of Chairman, the recommendation for which would be considered at a meeting of the full Board.

4 Reporting Responsibilities

The Committee shall make a statement in the annual report about its activities, the process used to make appointments and explain if neither an external search consultant nor open advertising has been used.

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

5 Annual General Meeting

The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.