

SAREUM HOLDINGS PLC NOMINATION COMMITTEE

TERMS OF REFERENCE

Approved by the Board on 17 May 2019

1. MEMBERSHIP

- 1.1. The Nomination Committee (“**The Committee**”) shall comprise at least two members, both of whom shall be independent non-executive directors (“**NEDs**”). Members of the Committee shall be appointed by the board, on the recommendation of the Nomination Committee and in consultation with the Chairman of the Committee.
- 1.2. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the chief executive, the head of human resources (if any) and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3. Appointments to the Committee are made by the board and shall be for a period of up to three years extendable by no more than two additional three-year periods, so long as members continue to be independent.
- 1.4. The Committee Chairman shall be appointed by the Board and must be either the Chairman of the Board or an independent NED. The Chairman of the Board shall not chair the Committee whilst it is dealing with the appointment of a successor to the chairmanship of the Board.

2. SECRETARY

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

3. QUORUM

The quorum necessary for the transaction of business shall be two.

4. MEETINGS

The Committee shall meet at least twice a year and otherwise as required

5. NOTICE OF MEETINGS

- 5.1. Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairman.
- 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, any other person required to attend and all other NEDs, 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. Committee meetings may be held by telephone by prior agreement of the Committee members.

6. MINUTES OF MEETINGS

- 6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the board unless in the opinion of the Committee Chairman it would be inappropriate to do so.

7. ANNUAL GENERAL MEETINGS

The Committee Chairman should attend the annual general meeting to answer any shareholder questions on the Committee's activities.

8. DUTIES

The Committee should carry out the duties detailed below for the parent company, major subsidiary undertakings and the group as a whole, as appropriate.

The Committee shall:

- 8.1. Review the structure, size and composition (including the skills, knowledge, independence, experience and diversity) of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary.
- 8.2. Evaluate the balance of skills, knowledge and experience on the Board before an appointment is made and based on such evaluation shall prepare a description of the role, capabilities and time commitment required for a particular appointment.
- 8.3. In identifying suitable candidates for any appointment, the committee shall use open advertising and/or external advisers to facilitate the search, will consider candidates from a wide range of backgrounds and must consider candidates on merit and against objective criteria, and with due regards to the benefits of diversity on the Board, including gender, and taking particular care to ensure that candidates have adequate time available to devote to the position.
- 8.4. The Committee shall also consider in respect of the Executive Directors:
 - 8.4.1. Proposals for their appointment, re-appointment or promotion (including the term of such appointment or re-appointment); and
 - 8.4.2. Any proposal for their dismissal or non-reappointment or any substantial change in their duties or responsibilities or the term of their appointment.
- 8.5. Consider proposals for the appointment, re-appointment (including the term of such appointment) or retirement of the Chairman of the Board and other NEDs.
- 8.6. Review the management's succession plan to ensure its adequacy, taking into account the challenges and opportunities facing the Company, and accordingly what skills will be needed on the Board in the future.
- 8.7. Review succession planning in the wider context of the Board as a whole.
- 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. Consider and, if appropriate, authorise situational conflicts of interest of directors or potential directors. The Committee shall review the authorisations that have been given from time to time, but at least annually. In addition, the Committee shall review any authorisation that has been given in light of any change in circumstances of which it becomes aware that may affect such authorisations.
- 8.10. Monitor the progress of any relevant corporate governance or regulatory developments that may impact the Committee and recommend any action or changes it considers necessary to the Board for approval.
- 8.11. Review at least annually its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 8.12. Review annually the time required from NEDs.

9. REPORTING RESPONSIBILITIES

- 9.1. The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2. The Committee shall recommend to the Board, after consultation with the respective Committee Chairmen, appointments to Board Committees as necessary.
- 9.3. The Committee's report on its activities to be included in the Company's Annual Report shall detail the process used to make appointments.

10. OTHER MATTERS

The Committee shall:

- 10.1. Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.
- 10.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members.
- 10.3. Give due consideration to laws, regulations and any published guidelines or recommendations regarding the nomination of directors of listed/non listed companies and formation and operation of share schemes including but not limited to the provisions of the QCA Code (or any other governance Code which the Board should subsequently adopt), the requirements of the AiM Rules for Companies and Disclosure and Transparency Rules (as applicable to AiM companies) and any other applicable rules, as appropriate.

11. AUTHORITY

The Committee is authorised by the board to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference.