



Terms of Reference:

Nomination Committee

Adopted December 2019

## **1. Purpose**

- 1.1 The Board of Directors of John Menzies plc has established a committee known as the Nomination Committee.
- 1.1 The primary purpose of the Committee is to lead the process for appointments and ensure that plans are in place for orderly succession to the Board so as to maintain an appropriate balance of skills, experience and knowledge. The Committee shall ensure progressive refreshing of the Board and oversee the development of a diverse pipeline for succession.

## **2. Membership**

- 2.1 Members of the Committee shall be appointed by the Board in consultation with the Chair of the Committee. Unless otherwise determined by the Board, the Committee shall consist of a minimum of three (3) members, a majority of whom shall be independent Non-Executive Directors.
- 2.2 The Chair of the Committee shall be appointed by the Board and shall be either the Chair of the Board or an independent Non-Executive Director. In the absence of the Chair of the Committee, the members present at any Committee meeting shall elect one of their number to chair the meeting. The Chair of the Board shall not chair the Committee when it is dealing with the appointment of a successor to the Chair of the Board.
- 2.3 Appointments to the Committee shall be for an initial period of three (3) years, following which membership may be extended for a further three (3) year term. In the absence of exceptional circumstances, Committee appointments shall be for a maximum of three (3) year terms.

## **3 Secretary**

- 3.1 The Group Company Secretary (or such other person as is nominated by them from time to time) shall act as Secretary to the Committee. The Secretary shall ensure that, in advance of any Committee meeting, the Committee members receive such information and papers to allow them to ably discharge their duties and enable full and proper consideration of the issues tabled.
- 3.2 The Secretary shall make available a suitable induction process for new members of the Committee as well as ongoing training where appropriate and agreed with the Committee.

## **4 Meetings and Attendance**

- 4.1 The Committee shall meet at once per year, or as otherwise required or determined by the Board.
- 4.2 The quorum necessary for the transaction of Committee business shall be two (2) members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the duties and responsibilities exercisable by the Committee.
- 4.3 Meetings of the Committee shall be called by the Secretary at the request of any of its members and/or the Board.
- 4.4 Unless otherwise agreed by the members of the Committee, notice of a Committee meeting shall be forwarded to each Committee member no later than five (5) working days before the date of a meeting, such notice confirming the venue (if appropriate), date and time of the meeting, together with an agenda of the items to be discussed. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.
- 4.5 Only members of the Committee have the right to attend Committee meetings, although other individuals may be invited to attend all or part of any Committee meeting as and when deemed appropriate.

## **5. Minutes of Meetings**

- 5.1 The Secretary shall minute the proceedings and decisions of all Committee meetings, including recording the names of those present and in attendance.
- 5.2 The Secretary shall circulate the minutes of Committee meetings promptly to all members of the Committee and, once agreed, to all members of the Board.

## **6. Duties and Responsibilities**

- 6.1. The Committee shall carry out the duties and discharge the responsibilities below for both the Company and, as appropriate, the Group as a whole.
- 6.2. The Committee shall be responsible for:
  - 6.2.1. identifying and making recommendations to the Board in respect of the appointment of the Chair, Executive Directors (including the Chief Executive Officer, Chief Operational Officer, Chief Financial Officer and Director of Corporate Affairs (as appropriate)) and Non-Executive Directors; and
  - 6.2.2. ensuring that plans are in place for the orderly succession of these positions from a diverse pipeline of talent based on merit and objective criteria.
- 6.3. The Committee's other duties shall be to:
  - 6.3.1. review annually both:
    - (i) the structure, size and composition (including the skills, knowledge and experience) of the Board and its Committees and make recommendations to the Board with regard to any changes; and
    - (ii) 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;
  - 6.3.2. evaluate, before making a recommendation, the balance of skills, knowledge and experience on the Board and its Committees and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
  - 6.3.3. review annually the time commitment expected of Non-Executive Directors and the number of external directorships held, with individual performance evaluation being used to assess whether each Non-Executive Director continues to contribute effectively;
  - 6.3.4. undertake an annual evaluation process to assess the overall and individual performance and effectiveness of the Board and its Committees (including consideration of balance of skills, experience, independence and knowledge of the Company, its diversity, how the Board works together as a unit, and other factors relevant to the Board's effectiveness) and review and address the results of such evaluations; and
  - 6.3.5. where necessary, liaise with the Chair of the Remuneration Committee in relation to the service contract and remuneration package to be offered to any proposed Executive Director prior to any offer being made.

## **7. Reporting Responsibilities**

- 7.1. Following each Committee meeting, the Chair of the Committee shall provide a formal update to the Board on its proceedings and all matters falling within the scope of its duties and responsibilities.
- 7.2. The Committee shall make whatever recommendations to the Board it deems appropriate in respect of any area within its remit where action or improvement is needed.
- 7.3. A formal report on the Committee's activities and how the Committee has discharged its duties and responsibilities shall be included in the Company's Annual Report and Accounts. This shall include:
  - 7.3.1. the process used for new appointments, its approach to succession planning and how both support developing a diverse pipeline;
  - 7.3.2. whether external search consultants were engaged to assist in the identification of candidates, together with a statement about any connection that such consultants have with the Company or individual directors;

7.3.3 how Board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual directors, the outcomes and actions taken and how it has or will influence Board composition; and

7.3.4 the Company's policy on diversity and inclusion, its objectives and linkage to strategy, how it has been implemented and progress on achieving its objectives.

7.4 The Chair of the Committee shall be required to attend the Company's annual general meeting to answer any shareholder questions on the Committee's activities.

## **8. Other Matters**

The Committee shall:

8.1 have access to sufficient resources in order to ably perform its duties and discharge its responsibilities, including access to the Group Company Secretary for assistance as required;

8.2 oversee any investigation of activities that falls within the scope of its Terms of Reference;

8.3 at least annually, review 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; and

8.4 the Committee's Terms of Reference shall be made available on the Company's website.

## **9 Authority**

The Committee shall be authorised to:

9.1 seek any information it requires from any Group employee in order to ably perform its duties and discharge its responsibilities;

9.2 obtain, at the Company's expense, outside legal or other professional advice on any matter that falls within the scope of its Terms of Reference; and

9.3 call any Group employee to attend any Committee meeting as and when required.