



ARC INTERNATIONAL PLC

NOMINATION COMMITTEE

TERMS OF REFERENCE

Committee Members

Chairman – Richard Barfield
Geoff Bristow

- (a) The Committee shall consist of not less than two members, all of whom should be independent Non-Executive Directors (i.e. shall have no personal interest other than as shareholders in the Company, no conflicts of interest arising from cross-directorships with directors of the Company and no day-to-day involvement in running the Company).
- (b) The quorum for meetings of the Committee shall be two members.
- (c) Meetings of the Committee shall be held not less than once a year and otherwise as any member of the Committee may require.
- (d) Members of the Committee shall be named in the Annual Report and Accounts of the Company.
- (e) The Secretary of the Company shall act as secretary of the Nomination Committee. Minutes shall be taken of all meetings of the Nomination Committee, copies of which shall be circulated to all members of the Board.
- (f) Subject to the Articles of Association of the Company, the Nomination Committee shall determine its own procedures.
- (g) In particular, but without limiting the generality of paragraph (a), the Nomination Committee shall:

- (i) review regularly The Board structure, size and composition and make recommendations to The Board with regard to any adjustments that are deemed necessary;
 - (ii) be responsible for identifying and nominating candidates for the approval of The Board, to fill Board vacancies as and when they arise as well as put in place plans for succession, in particular, of the Chairman and Chief Executive Officer;
 - (iii) make recommendations to The Board for the continuation (or not) in the service of an executive director as an executive or non-executive director;
 - (iv) make recommendations to The Board for the continuation (or not) in the service of any director who has reached the age of 70;
 - (v) recommend directors who are retiring by rotation be put forward for re-election;
- (h) The Nomination Committee is authorised by the Board to investigate any activity within its terms of reference. It may seek any information it requires from any employee of the Company. All such employees will be directed to cooperate fully with any request made of them by the Nomination Committee within its terms of reference.
- (i) In addition to the members of the Nomination Committee, the Committee may invite the Chief Executive Officer, and other Board members as deemed appropriate. Only members of the Nomination Committee are entitled to vote at meetings of the Nomination Committee.
- (j) The Nomination Committee may obtain, at the Company's expense, outside legal or other independent professional advice and secure the attendance at its meetings of outsiders with relevant experience and expertise if it considers this necessary, but such persons shall not be members of the Nomination Committee.
- (k) In the event that any director of the Company or any of its subsidiaries shall indicate to the Nomination Committee that he requires, or has obtained, independent legal or other professional advice in relation to his duties as such director, the Nomination Committee may authorise the obtaining at the Company's expense of such advice by such director on such terms as the Nomination Committee may think fit.
- (l) The Nomination Committee shall inform the *Chief Executive Officer* of the Company and the Chairman of the Board of any expenses of the kind referred to in paragraphs (f) and (g) which it has incurred or approved as soon as it is appropriate in the particular circumstances for the Nomination Committee to do so.