

SRATEGIC EQUITY CAPITAL TRUST PLC

Nomination Committee – Terms of Reference and Responsibilities

1. Membership and Attendance

- 1.1 The Nomination Committee shall be appointed by the Board and shall comprise of a Chairman and at least 1 other director.
- 1.2 The majority of members of the Nomination Committee shall be independent non-executive directors.
- 1.3 The Board shall appoint the Nomination Committee Chairman who shall be an independent non-executive director. In the absence of the Nomination Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number present to chair the meeting.
- 1.4 The Chairman should not chair the meeting when it is dealing with the appointment of a successor to the chairmanship.

2. Company Secretary

- 2.1 The Company Secretary or their nominee shall act as the Secretary of the Nomination Committee.

3. Quorum

- 3.1 The quorum necessary for the transaction of business shall be 2. A duly convened meeting of the Nomination 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 Nomination Committee.

4. Notice of Meetings

- 4.1 Meetings of the Nomination Committee shall be convened by the Secretary of the Nomination Committee at the request of any member.
- 4.2 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 Nomination Committee, any other person required to attend and all other members of the Board, no fewer than 5 working days prior to the date of the meeting.

5. Minutes of Meetings

- 5.1 The Secretary shall minute the proceedings and resolutions of all meetings of the Nomination Committee, including recording the names of those present and in attendance.
- 5.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 5.3 Minutes of Nomination Committee meetings shall be circulated promptly to all members of the Nomination Committee and to the Chairman and all other members of the Board.

6. Duties

The Nomination Committee shall:

- 6.1 regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and make any changes as necessary;
- 6.2 give full consideration to succession planning of Directors, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- 6.3 formulate plans for succession of Directors and, in particular, for the key roles of Chairman of the Board and Chairman of the Audit Committee;
- 6.4 identify suitable candidates for the role of Senior Independent Director, if one is to be appointed;
- 6.5 determine membership of the Audit Committee, in consultation with the Chairman of the Audit Committee and subject to the approval of the Board;
- 6.6 be responsible for identifying and nominating candidates to fill Board vacancies as and when they arise;
- 6.7 before an appointment is made, 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. In identifying suitable candidates the Committee shall:
 - 6.7.1 use the services of external advisers to facilitate the search if considered necessary and appropriate;
 - 6.7.2 consider candidates from a wide range of backgrounds; and
 - 6.7.3 consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
- 6.8 keep under review the leadership needs of the Company, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;
- 6.9 keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- 6.10 review annually the time required from Directors. Performance evaluation should be used to assess whether the Directors are spending enough time to fulfil their duties; and
- 6.11 ensure that, on appointment to the Board, 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.
- 6.12 consider the re-appointment of any Director at the conclusion of his or her specified term of office, having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
- 6.13 approve the continuation in service of any Director who has reached the age of 70;
- 6.14 consider any recommendation to shareholders concerning the re-election of any Director under the 'retirement by rotation' provision in the Company's Articles of Association, having due regard to his or her

performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;

- 6.15 consider any matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of a Director subject to the provisions of the law and their service contract, if any; and
- 6.16 consider and approve the appointment of any director or officer other than to the position of Chairman or Chief Executive, which would be considered at a meeting of the full Board.

7. Responsibilities

- 7.1 The Nomination Committee shall make a statement in the Annual Report about its activities, the process used to make appointments and, when appropriate, explain if external advice or open advertising has not been used.
- 7.2 The Chairman of the Nomination Committee should be prepared to respond to any questions which may be raised by shareholders at the AGM on matters concerning the Nomination Committee's functions.

8. Frequency of Meetings

- 8.1 The Committee will meet once a year. At its meeting it will consider whether or not Directors retiring by rotation or reaching a pre-determined age limit should be put forward for re-appointment at the Annual General Meeting and will review the statement in the Company's Annual Report and Accounts concerning the Nomination Committee function.

9. Other

- 9.1 At least once a year the Committee shall review its performance, duties and responsibilities to ensure that it is operating at maximum effectiveness and make any changes it considers necessary.