

Nomination Committee

Terms of Reference

Reference to “the Committee” shall mean the Nomination Committee.

Reference to “the Company” shall mean Gresham Technologies plc and, where applicable, its subsidiaries

Reference to “the Board” shall mean the Board of Directors.

1. Constitution

- 1.1. The Committee shall be constituted as a sub-committee of the Board. A duly convened meeting of the 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 Committee.
- 1.2. Members of the Committee, including the Committee Chairman, shall be appointed and removed by the Board as a whole. The Committee shall be made up of at least two independent non-executive directors, including the Chairman. If at any time there are not two independent non-executive directors on the Board, the Committee shall include as many independent non-executive directors as are on the Board.
- 1.3. The Board shall appoint the Committee Chairman who should be either the chairman of the Board or an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.
- 1.4. The quorum necessary for the transaction of business at a meeting of the Committee shall be two.

2. Duties

- 2.1. The Committee should carry out the duties below for the Company, major subsidiary undertakings and the group as a whole, as appropriate.
- 2.2. The Committee shall:
 - 2.2.1. regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
 - 2.2.2. give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;

- 2.2.3. keep under 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;
- 2.2.4. keep up to date and fully informed about strategic issues and commercial changes or challenges affecting the Company and the market in which it operates;
- 2.2.5. be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- 2.2.6. before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity 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:
 - 2.2.6.1. use open advertising or the services of external advisers to facilitate the search, unless the Committee Chairman considers it is appropriate not to do so and the other member(s) of the Committee agree;
 - 2.2.6.2. consider candidates from a wide range of backgrounds; and
 - 2.2.6.3. consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position;
- 2.2.7. for the appointment of a chairman, the Committee should prepare a job specification, including the time commitment expected. A proposed chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the chairman's commitments should be reported to the Board as they arise;
- 2.2.8. 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;
- 2.2.9. 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;
- 2.2.10. review the results of the Board performance evaluation process that relate to the composition of the Board;
- 2.2.11. review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties; and
- 2.2.12. work and liaise as necessary with all other Board committees.

- 2.3. The Committee shall also make recommendations to the Board concerning:
- 2.3.1. formulating plans for succession for both executive and non-executive directors and, in particular, for the key roles of chairman and chief executive;
 - 2.3.2. suitable candidates for the role of senior independent director;
 - 2.3.3. membership of the audit and remuneration committees, and any other Board committees as appropriate, in consultation with the chairman of those committees;
 - 2.3.4. the re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required;
 - 2.3.5. the re-election by shareholders of directors under the annual re-election provisions of the Code or the retirement by rotation provisions in the Company's articles of association, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);
 - 2.3.6. any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract; and
 - 2.3.7. the appointment of any director to executive or other office.

3. Reporting Obligations

- 3.1. The Committee Chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 3.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 3.3. The Committee shall produce a report to be included in the Company's annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company.
- 3.4. The report referred to in 3.3 above should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

4. Other Matters

- 4.1. The Committee shall:

- 4.1.1. have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;
- 4.1.2. be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 4.1.3. give due consideration to laws and regulations, the provisions of the Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules, as appropriate; and
- 4.1.4. arrange for periodic reviews of its own performance and, at least annually, review its 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.

5. Meetings and Procedure

- 5.1. The Committee shall meet at least annually and at such other times as the Committee Chairman or the Board shall require. Meetings may be held in person, or, provided all members are able to hear and speak to each other throughout the meeting, by telephone or video conference.
- 5.2. Committee meetings shall be called on no less than 5 working days' notice, or at shorter notice if all the members of the Committee agree. Any Committee papers that are to be discussed at a meeting shall be circulated to the Committee members as far in advance of the meeting as reasonably practicable. Committee meetings may be called by any member of the Committee or by the Board.
- 5.3. Only Committee members are entitled to attend Committee meetings. However, the Committee is authorised to invite non-members, including without limit any executive directors, and external advisers, to attend for all or part of any meeting where the Committee Chairman considers it necessary or appropriate to do so.
- 5.4. The Committee shall cause minutes to be drawn up recording any decisions taken in Committee meetings, any other material matters discussed. The minutes shall also record the members present. Committee minutes shall be filed with the Company Secretary who shall act as secretary for the Committee.
- 5.5. Committee members shall attend each annual general meeting of the Company prepared to respond to any shareholder questions on the Committee's activities.
- 5.6. The Board shall review these terms of reference at least annually and, in consultation with the Committee, shall approve such changes as it considers necessary.
- 5.7. 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.

These terms of reference were last reviewed and approved by the Board on 1 March 2017.