

Terms of Reference

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Terms of Reference - Nomination Committee

Constitution

1. The Board has resolved to establish a Committee of the Board to be known as the Nomination Committee.

Membership and Quorum

2. The members of the Committee shall be the Chairman, the Chief Executive and at least three independent non-executive Directors appointed by the Board.

3. A quorum shall be two members including the Chairman (except when his successor is being considered) and the Chief Executive (except when his successor is being considered).

4. The Chairman of the Board shall be the Chairman of the Committee, but the Chairman shall not chair the Committee when it is dealing with the appointment of his successor.

Attendance at Meetings

5. The Company Secretary shall be the Secretary of the Committee.

Frequency of Meetings

6. Meetings shall be held as and when required but at least once a year.

Duties

7. The duties of the Committee shall be to:

7.1 Review at least once a year the size and composition of the Board and its Committees to ensure that non-executive directors comprise not less than one third of the Board and that the majority of non-executive directors are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement;

7.2 Identify vacancies on the Board (either to replace a departing Director or appoint an additional Director), develop candidate specifications and then seek to identify suitable individuals with an appropriate blend of skills and experience and make recommendations to the Board;

7.3 Make recommendations to the Board concerning appointment periods (including extensions) for non-executive Directors including a requirement that all directors submit themselves for re-election at least every three years;

7.4 Obtain such information as it considers appropriate from either within or outside the Company;

7.5 Consult those Directors who are not members of the Committee, as appropriate;

7.6 Obtain outside legal or other independent professional advice, secure attendance of outsiders with relevant experience and expertise and engage consultants if considered necessary;

7.7 Give full consideration to succession planning ensuring that the processes and plans are in place for both Board and senior appointments;

7.8 Review annually the time required to fulfil the role of the Chairman, Senior Independent Director and non-executive director and undertake an annual performance evaluation to ensure that all members of the Board have devoted sufficient time to their duties;

7.9 Ensure on appointment that a candidate has sufficient time to undertake the role and review other significant commitments;

7.10 Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment detailing the role and time commitments and proposing an induction plan produced in conjunction with the Chairman;



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7.11 Make recommendations as to appropriate training which any Director should receive (i) on appointment to the Board if such appointment is the first occasion on which the Director has been appointed to the board of a listed company and (ii) thereafter as necessary;

7.12 At least once a year review any training provided to Directors.

7.13 To consider any notification by a director of a perceived conflict of interest which may arise if such notification is made before a scheduled board meeting and the matter is urgent.

The Chairman of the Nomination Committee shall attend the Company's Annual General Meeting to answer questions.

Authority

The Committee is authorised by the Board, at the Company's cost to engage independent search consultants and advisors with relevant experience and expertise if it considers this necessary.

Reporting Procedures

8.1 Agendas and papers for meetings will normally be circulated by the Secretary at the direction of the Chairman of the Committee at least five days before the meeting. All non-executive Directors whether or not members of the Committee will receive copies of the agenda and papers for a meeting.

8.2 The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.

8.3 The Committee shall report on its responsibilities and activities; the process used for appointments, explaining if external advice or open advertising has not been used; the membership of the Committee, number of Committee meetings and attendance over the course of the year.

8.4 The terms of reference of the Committee, explaining its role and the authority delegated to it by the Board, and the terms and conditions of non-executive directors shall be made available.

Approved by the Board of Directors of De La Rue plc on 25 September 2008