

# **ELECTRIC & GENERAL INVESTMENT TRUST PLC**

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## **NOMINATION COMMITTEE: TERMS OF REFERENCE**

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**Approved on 12 February 2009**

### **Membership**

- The Committee shall be appointed by the Board and shall comprise of a Chairman and at least two other members and shall comprise a majority of independent non-executive Directors.
- The Chairman for the time being shall be Mr Lindsay Bury or such other director as the Board of directors shall elect from their number from time to time. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number present to chair the meeting.
- The Company Secretary or their nominee shall act as the Secretary of The Committee.
- Appointments to the committee shall be for a period of up to three years, which may be extended, provided the director remains independent.

### **Meetings**

- The Committee shall meet not less than once a year and at such other times as the Chairman of The Committee shall require.
- Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chairman of the Committee.
- 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 Committee no fewer than three working days prior to the date of the meeting.
- Business shall not be transacted at any meeting of the Committee unless a quorum is present. The quorum for meetings shall be two members of the Committee, at least one of whom must be a non-executive Director.
- The Secretary or its nominee shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance, including details of any conflicts of interest.
- Minutes of Committee meetings shall be tabled at Board meetings for information purposes.
- The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

### **Authority**

The Committee is authorised to:

- seek any information it requires from the Company's third party service providers in order to perform its duties; and
- obtain, at the company's expense, legal or other professional advice on any matters within its terms of reference.

### **Mandate and reporting responsibilities**

The Committee shall:

- at least annually review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- prepare a description of the role and capabilities required for a particular appointment;
- be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
- satisfy itself with regard to succession planning, that the processes and plans are in place with regard to the Board;
- 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;
- assess and articulate the time needed to fulfil the role of Chairman, senior independent director (if appropriate) and non executive director, and undertake an annual performance evaluation to ensure that the all members of the Board have devoted sufficient time to their duties;
- ensure on appointment that a candidate has sufficient time to undertake the role and review his commitments; and
- ensure that the Secretary on behalf of the Board has formally written to any appointees, detailing the role and time commitments and proposing an induction plan produced in conjunction with the Chairman.

It shall also make recommendations to the Board:

- with regard to the Chairman having assessed every three years whether the present incumbent shall continue in post, taking into account the needs of continuity versus freshness of approach;
- as regards the re-appointment of any non-executive director at the conclusion of his or her specified term of office, especially when they have concluded their second term;
- concerning the re-election by shareholders of any director under the 'retirement by rotation' provisions in the Company's articles of association or under the UK Listing Authority's Listing Rules;

- concerning any matters relating to the continuation in office as a director of any director at any time;
- detailing items that should be published in the company's Annual Report relating to the activities of the Committee; and
- with regard to the membership and chairmanship of the Audit Committee and Remuneration and Management Engagement Committee.

#### **Other**

- The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- The Committee shall, at least once a year, 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.

#### **Membership (as at 12 February 2009)**

- Lindsay Bury - Chairman
- Gerry Aherne
- John Pocock
- Jonathan Ruffer