

## **THE GO-AHEAD GROUP PLC**

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

**Adopted by Resolution of the Board dated 1 April 2004  
Updated by Resolutions of the Board dated 25 March 2008 and 24 March 2009**

#### **1. Constitution**

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

#### **2. Membership**

- 2.1 The Committee shall comprise of the Non-Executive Directors and the Group Chief Executive. This will be reviewed for individual appointments.
- 2.2 The Board shall appoint the Chairman of the Committee, who will normally be the Chairman of the Board, and determine the period for which he/she shall hold office.
- 2.3 The Company Secretary shall act as the Secretary of the Committee.

#### **3. Meetings and Related Matters**

- 3.1 The Committee shall meet formally at least once a year close to the year end and at such other times as required to carry out its duties.
- 3.2 A meeting of the Committee may be called by any member of the Committee or by the Company Secretary.
- 3.3 The quorum necessary for the transaction of business by the Committee shall be two.
- 3.4 Other individuals may be invited to attend at all or part of any meeting as appropriate.
- 3.5 No member of the Committee shall participate in the discussion of his/her own position.
- 3.6 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an Agenda of items to be discussed and appropriate disclosures, shall be forwarded to each member of the Committee or any person invited to attend, approximately one week before the date of the meeting.
- 3.7 The Company Secretary shall minute the proceedings and resolutions of all meetings, in addition to ascertaining the existence of any conflicts of interest.
- 3.8 Minutes of all meetings of the Committee, once agreed, will be circulated to all members of the Committee and Board, unless a conflict of interest exists.

#### **4. Authority**

- 4.1 The Committee is authorised by the Board to seek any information it requires from any employee of the Company in order to perform its duties.
- 4.2 The Committee is authorised to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

#### **5. Duties**

- 5.1 The Committee shall :-
  - 5.1.1 Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise. In identifying suitable candidates the Committee shall have regard to the Combined Code and best practice in corporate governance from time to time.
  - 5.1.2 Before any appointment is made by the Board, 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 use open advertising or the services of external advisors to facilitate the search, consider candidates from a wide range of backgrounds, consider candidates on merit and against objective criteria.
  - 5.1.3 Give full consideration and formulate plans for succession for both Executive and Non-Executive 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.
  - 5.1.4 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.
  - 5.1.5 Review annually the time required from Non-Executive Directors and use performance evaluation to assess whether the Non-Executive Directors are spending enough time to fulfil their duties.
  - 5.1.6 Review annually the structure, size and composition required of the Board.
  - 5.1.7 Review annually its own performance, constitution and terms of reference and recommend any changes it considers necessary to the Board for approval.
  - 5.1.8 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.

5.1.9 To undertake such other matters as may be delegated to it by the Board from time to time.

The Committee shall also make recommendations to the Board concerning:-

5.1.10 Suitable candidates for the role of Senior Independent Director.

5.1.11 Membership of the Audit and Remuneration committees, in consultation with the Chairmen of those committees.

5.1.12 The re-election by shareholders of any Director under 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.

5.1.13 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.

5.1.14 The appointment of any Director to Executive or other office.

## **6. Reporting Responsibilities**

6.1 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

6.2 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

6.3 The Committee shall make a statement to shareholders in the annual report concerning its activities, the process used to make appointments and explain if external advice or open advertising has not been used.

6.4 The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to shareholder questions on the Committee's activities.