

Irish Continental Group plc Nomination Committee

Terms of Reference

(adopted by Board resolution dated 14 December 2016)

1) Membership

- a) The committee shall comprise of at least three members, each of whom shall be appointed by the board. The majority of members of the nomination committee should be independent non-executive directors.
- b) Only members of the committee have the right to attend committee meetings. However, other individuals such as the managing director and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- c) Appointments to the committee are made by the Board and shall be for a period of up to three years, which may be extended for two further three-year periods provided that the majority of the committee members remain independent.
- d) 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 their number to chair the meeting. The chairman of the board shall not chair the committee when it is dealing with the matter of succession to the chairmanship.

2) Secretary

The company secretary or their nominee shall act as the secretary of the committee.

3) Quorum

The quorum necessary for the transaction of business shall be two, both of whom must be independent non-executive directors. 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.

4) Meetings

The committee shall meet not less than once a year and at such times as the chairman of the committee shall require.

5) Notice of Meetings

- a) Meetings of the committee shall be summoned by the secretary of the committee at the request of the committee chairman.
- b) 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, any other person required to attend and all non-executive directors, no fewer than three working days prior to the date of the meeting. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.

6) Minutes of Meetings

- a) The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.
- b) Once approved by the Committee, minutes should be circulated to the Chairman of the Board.

7) Annual General Meeting

The chairman of the committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the committee's activities.

8) Duties

The committee should carry out the duties detailed below for the parent company, major subsidiary undertakings and the group as a whole, as appropriate.

- a) regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) required of the board compared to its current position and make recommendations to the board with regard to any changes;
- b) 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 what skills and expertise are therefore needed on the board in the future;
- c) be responsible for identifying and nominating for the approval of the board, candidates to fill board vacancies as and when they arise;
- d) before any appointment is made to 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:
 - i. at its discretion use open advertising or the services of external advisers to facilitate the search;

- ii. consider candidates from a wide range of backgrounds; and
- iii. consider candidates on merit and against objective criteria, and with due regard for the benefits of diversity on the board, taking care that appointees have enough time available to devote to the position;
- e) 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;
- f) keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates;
- g) review annually the time required from non-executive directors making reference to the annual performance evaluation to assess whether the non-executive directors are spending enough time to fulfill their duties;
- h) keep under review the number of external directorships held by any director and any possible conflicts of interest;
- i) approve any appointment of an executive Directors to serve on a board outside the Group
- j) review the results of the Board performance evaluation process that relate to the composition of the Board
- k) 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.
- l) assess the independence of the non-executive directors on an annual basis.

The Committee shall also make recommendations to the board concerning:

- m) Formulating plans for succession for both executive and non-executive directors and in particular for the key roles of chairman and managing director;
- n) suitable candidates for the role of senior independent director;
- o) membership of the Audit and Remuneration Committees, in consultation with the chairmen of those committees;
- p) 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 the knowledge, skills and experience required;

- q) the re-election by shareholders of any director under the ‘retirement by rotation’ provisions in the company’s articles of association or under the provisions of the UK Corporate Governance Code 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;
- r) 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
- s) the appointment of any director to executive or other office other than to the positions of chairman and managing director, the recommendation for which would be considered at a meeting of the full board.

9) Reporting Responsibilities

- a) The committee chairman shall report formally to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- b) The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- c) The committee shall make a statement in the annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used.

10) Other

The Committee shall give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code, the requirements of the Irish Stock Exchange Listing Rules, the UK Listing Authority’s Listing Rules, The EU Prospectus, Transparency and Market Abuse Regulations as applied in the Republic of Ireland as well as guidelines published by investor associations of reputable standing and any other applicable rules, as appropriate.

11) Authority

- a) 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.
- b) 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.

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