



GENEL ENERGY PLC (the *Company*)

NOMINATION COMMITTEE - TERMS OF REFERENCE adopted by the Board on 4 December 2019

1. BACKGROUND

The board of directors of the Company (the *Board*) has resolved to establish a nomination committee (the *Committee*). These terms of reference replace any previous terms of reference for any nomination committee of the Board.

2. DUTIES OF THE COMMITTEE

2.1 The duties of the Committee shall be:

- (a) to identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise as well as to put in place plans for succession for directors and senior executives, in particular with respect to the Chairman of the Board and the Chief Executive Officer;
- (b) to review regularly the Board structure, size and composition (including skills, knowledge, experience and diversity) and make recommendations to the Board about any adjustments;
- (c) to 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;
- (d) to 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;
- (e) to recommend to the Board whether to reappoint a director at the end of their term of office having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, experience and skills required;
- (f) to make recommendations to the Board concerning the re-election by shareholders of directors under the annual re-election provisions of the UK Corporate Governance Code (which require all directors of the Company to stand for re-election each year), 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);
- (g) to make recommendations to the Board concerning the appointment of any director to executive or other office;

- (h) to make recommendations to the Board concerning 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 law and their service contract;
- (i) to keep under review the leadership needs of the Company and its subsidiaries (collectively, the **Group**), both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- (j) to keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- (k) to make recommendations to the Board about suitable candidates for the role of senior independent director, designated independent non-executive director and membership of the audit and remuneration committees, and any other committees as appropriate, of the Board in consultation with the chairman of the relevant committee;
- (l) to 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;
- (m) to be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- (n) to make recommendations to the Board concerning formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman of the Board and Chief Executive Officer;
- (o) before appointment is made by the Board, to evaluate the balance of skills, knowledge, experience and diversity on the Board in light of the Company's strategic priorities, main trends and factors affecting the long-term success and future viability of the Company. Following the evaluation to prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall:
 - (i) 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, including gender, taking care that appointees have enough time available to devote to the position;
- (p) in relation to the appointment of a Chairman of the Board, to prepare a job specification, including the time commitment expected, and to ensure that the other significant commitments of a proposed Chairman of the Board are disclosed to the Board before appointment and any changes to such commitments are reported to the Board as they arise;

- (q) prior to the appointment of a director, to require the proposed appointee to disclose any other business interests that may result in a conflict of interest and to report any future business interests that could result in a conflict of interest;
 - (r) to review the results of the Board performance evaluation process that relate to the composition of the Board;
 - (s) to review and consider the activity undertaken to ensure talent management below the senior executives; and
- 2.2 These terms of reference shall be without prejudice to, and are subject to, the provisions of the relationship agreement entered into between the Company, Genel Energy Holding B.V. and Focus Investments Limited on 7 September 2011.

3. PROCEDURES

3.1 So the Committee can perform its role, it will have the following procedures:

Non-executive directors

- (a) when it is decided by the Board that a new appointment of a non-executive director is to be made, a short-list will be circulated by the chairman of the Committee (the *Committee Chairman*) to members of the Committee and the Chief Executive Officer (and other directors, if felt appropriate), for comment and the addition of any further potential non-executive directors. The Committee may also engage a reputable firm of search consultants to recommend candidates. These consultants would normally also be engaged to assist in filling a specific vacancy;
- (b) following input from Committee members and/or engaged consultants, a revised short-list will then be considered by the Committee;
- (c) short-listed candidates selected by the Committee will be interviewed in the first instance by the Committee Chairman and one other Committee member and the Chief Executive Officer. If the Committee Chairman wishes to take the selection process further, the potential candidate(s) will be invited to meet the Committee;
- (d) the Committee will decide whether to recommend an individual for appointment to the Board; and
- (e) the Board will decide whether to make the appointment, as recommended by the Committee.

Executive directors

- (f) when it is decided by the Board that a new appointment of an executive director is to be made, the Chairman of the Board and the Chief Executive Officer will submit to the Committee a short-list of one or more candidates to be an executive director. The Chairman of the Board and Chief Executive Officer and/or the Committee may engage a search consultant to assist in the selection of external candidates for a specific appointment;
- (g) some or all of the Committee's members will meet the candidate(s) selected for interview; and

- (h) the Committee's assessments will be reviewed by the Chairman of the Board and Chief Executive Officer following which a candidate will be submitted to the Board for appointment.
- (i) the Board will decide whether to make the appointment, as recommended by the Committee.

4. COMPOSITION

- 4.1 The Committee shall have a minimum of two members, who shall be appointed by the Board. A majority of members of the Committee shall be independent non-executive directors.
- 4.2 The Board shall appoint one member of the Committee to act as the chairman of the Committee (the *Committee Chairman*). The Chairman of the Board shall not chair the Committee when it is dealing with the appointment of a successor to the chairmanship of the Board. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of the members to chair the meeting. No Committee Chairman, deputy or person elected under this paragraph 3.2 shall have a casting vote.
- 4.3 Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend all or part of meetings as and when appropriate and necessary, and members of the Board will be encouraged to do so.
- 4.4 Appointments to the Committee shall be for a period of up to three years, extendable for two further periods of up to three years, provided that the relevant director still meets the criteria for membership of the Committee.

5. QUORUM

- 5.1 The quorum necessary for the transaction of business shall be two members.
- 5.2 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.

6. MEETING ADMINISTRATION

- 6.1 The Committee shall meet at least twice a year and at such other times as the Committee Chairman shall require.
- 6.2 Meetings of the Committee shall be called by the secretary of the Committee (the *Committee Secretary*) at the request of the Committee Chairman.
- 6.3 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 other non-executive directors, no later than five working days before the date of the meeting unless otherwise agreed. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.

7. COMMITTEE SECRETARY

- 7.1 The Company Secretary or such person as the Company Secretary nominates shall act as the Committee Secretary.
- 7.2 The Committee Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.3 The Committee Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 7.4 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed minutes should promptly be circulated to all members of the Board, unless a conflict of interest has been identified.

8. COMMITTEE EFFECTIVENESS

- 8.1 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. This can be satisfied by participation in any wider Board evaluation process.

9. REPORTING RESPONSIBILITIES

- 9.1 The Committee Chairman shall report to the Board on its proceedings after each meeting of the Committee to elaborate on any issues arising, or with regard to any other matters within its duties and responsibilities.
- 9.2 The Committee shall make such recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is needed or desirable.
- 9.3 The Committee shall make a statement in the Company's Annual Report about its activities on all matters that the Committee Chair deems appropriate.
- 9.4 The Committee Chairman shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

10. OTHER MATTERS

The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;
- (b) 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;
- (c) give due consideration to laws and regulations, the requirements of the UK Corporate Governance Code, the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules, and any other applicable rules as appropriate;
- (d) oversee any investigation of activities which are within its terms of reference; and

- (e) have regard to the prevailing market conditions in carrying out its role.

11. AUTHORITY

The Committee is authorised by the Board to:

- (a) undertake any activity within its terms of reference;
- (b) seek any information that it requires from any Group employee or external provider of services to the Group in order to perform its duties;
- (c) call any employee and/or other representative of a service provider to be questioned at a meeting as and when required;
- (d) obtain at the Company's expense, outside legal or other professional advice in pursuance of its duties (and persons providing such professional advice shall be permitted to attend meetings of the Committee, but shall not be members of it); and
- (e) delegate any of its powers to one or more of its members.