



**AEA TECHNOLOGY plc**  
**NOMINATION COMMITTEE**  
**TERMS OF REFERENCE**

**Membership**

- 1 The Committee shall be appointed by the Board and shall comprise the Chairman of the Board, all independent non-executive directors, and any others so long as independent non-executive directors constitute a majority. The Chairman of the Committee shall either be the Chairman of the Board or the Senior Independent Director.
- 2 Members will not be involved with any decision or appointment in which they have a potential interest. Members who have already announced that they will be standing down from the board in the next year will not be involved with the appointment of new members except at the Committee's discretion. If the Chairman is the chairman of the board, the Senior Independent Non-executive will chair the Committee in dealing with the appointment of his successor.
- 3 Members shall serve for a period of up to three years, which may be renewed for up to two additional three year periods and additional one year periods thereafter so long as they remain an independent non-executive director.
- 4 The quorum shall be two. In the absence of the Committee Chairman, the other members present shall choose one of them to chair the meeting.
- 5 The Company Secretary shall be secretary of the Committee.

**Meetings**

- 6 The Committee will schedule at least one meeting a year and shall agree further meetings at its discretion. The Committee Chairman also has the power to call a meeting if he considers one necessary. Only members of the Committee have the right to attend its meetings but other individuals may be invited to attend all or part of the meeting as and when appropriate.

**Duties**

- 7 The Committee shall:
  - be responsible for identifying and nominating for the approval of the board, candidates as directors of the board;
  - before making an appointment, 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 the appointment;
  - review annually the time required from the non-executive directors;
  - consider candidates from a wide range of backgrounds;
  - consider succession planning to the board, taking into account the company's strategy and the challenges and opportunities it faces, and therefore the skills and expertise needed on the board in the future;



- regularly review the structure, size and composition (including the skills, knowledge and experience) of the board and make recommendations to the board with regard to any changes;
  - ensure that a statement is made in the Annual Report about its activities; the process/es used to fill particular appointments and with an explanation if applicable of why external advice or open advertising was not used; the membership of the committee; number of committee meetings; and attendance of members over the course of the year;
  - make available its terms of reference;
  - 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; and
  - review annually the register of situational conflicts authorised by the Board to confirm such authorisations remain appropriate and review any arising situational conflicts notified by Board members.
- 8 The Committee shall make recommendations to the board regarding:
- plans for succession for both executive and non-executive directors;
  - the re-appointment of any non-executive director at the conclusion of their specified term of office;
  - any matters relating to the continuation in office of any director at any time;
  - the appointment of any director to executive or other office; and
  - its reviews of situational conflicts of interest.
- 9 Once per year the Committee shall review its own performance, constitution and terms of reference, making any recommendations considered necessary to the Board for approval.
- 10 The Committee Chairman shall attend the AGM and respond to any questions raised by shareholders within the Committee's area of responsibility.

#### **Annual Review**

- 11 Once per year the Committee shall review its own performance, constitution and terms of reference, making any recommendations considered necessary to the Board for approval.

#### **Authority**

- 12 The Committee is authorised to seek any information it requires from any employee of the Company in order to discharge its duties.
- 13 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.

**Approved by the Board on 30 April 2009**