

Nomination Committee Terms of Reference

Adopted by the Board of Capita plc on 27 November 2018

1. Sub-committee of the Board

The Nomination Committee ("the Committee") has been established by the Board under the Company's Articles of Association.

2. Membership

The Committee shall comprise at least three directors and shall be appointed by the Board.

The majority of members of the Committee shall be independent non-executive directors.

The Board shall appoint the Committee Chairman who shall be the Chairman or an independent non-executive director. In the absence of the Committee Chairman, or an appointed deputy, the remaining members present shall elect one of the non-executive members present to chair the meeting.

The Chairman shall not chair the Committee when it is dealing with the appointment of a successor to the Chairmanship.

The Committee Chairman and members shall be listed each year in the Annual Report.

3. Secretary

The Company Secretary or nominee shall act as the Secretary of the Committee. In conjunction with the Chairman the Company Secretary will prepare an Agenda for each meeting which shall be circulated in a timely manner in advance of the meeting to all members of the Committee and attendees, together with any supporting papers. The Company Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

4. Meetings and Attendance

The Committee will meet at least twice each year and at such other times as it sees fit.

The quorum for meetings will be two members both of whom must be non-executive directors

Only members of the Committee have the right to attend Committee meetings. However, other individuals, such as the Chief Executive, HR director and external advisers may be invited to attend as and when appropriate.

5. Authority

The members of the Committee are authorised by the board to carry out any investigation relevant to its terms of reference.

The Committee is authorised to obtain advice from independent search consultants and any other outside legal or professional adviser on matters within its terms of reference.

The Committee has authority to carry out ad hoc reviews as requested by the Group Board.

6. Duties/Responsibilities

The Committee shall at all times comply with the Listing Rules issued by the Financial Conduct Authority and the recommendations of the UK Corporate Governance Code.

The specific responsibilities of the Committee are:

- for identifying and nominating for the approval of the Group Board, candidates to Group Board vacancies as and when they arise;

- before any appointment is made by the Group Board, evaluate the balance of skills, knowledge, experience and diversity on the Group 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 advisers to facilitate the search; and
 - consider candidates on merit and against objective criteria and with due regard to the benefits of diversity on the Group Board;
- to review annually the time required from a non-executive director;
- for new appointments the Committee should prepare a job specification, including the time commitment expected. A proposed appointee's other significant time commitments and potentially conflicting business interests should be disclosed to the Group Board before appointment and any changes to those commitments and interests should be reported to the Group Board as they arise;
- to review the performance of directors due to be reappointed at the forthcoming AGM, including whether the non-executive directors are spending enough time to fulfil their duties;
- to consider candidates from a wide range of backgrounds and look beyond the 'usual suspects';
- 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 Group and the skills and expertise needed on the Group Board in the future. The Committee should ensure plans are in place for orderly succession to both the Board and senior management positions and oversee the development of a diverse pipeline for succession;
- to regularly review the structure, size and experience of the Group Board and make recommendations to the Group Board with regard to any changes;
- to 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 market place;
- to review all declarations of interest under the Conflicts Authorisation Note and report any findings to the Board on an annual basis;
- to review the results of the Group Board performance evaluation process that relate to the composition of the Group Board;
- to make a statement in the annual report about its activities; the process used for appointments, the approach to succession planning and how both support developing a diverse pipeline; how the board evaluation has been conducted; the membership of the Committee, number of Committee meetings and attendance over the course of the year; a statement of the Group Board's policy on diversity, its objectives and linkage to company strategy, how it has been implemented and progress on achieving the objectives; and gender balance in senior management and their direct reports.
- to make available its Terms of Reference explaining clearly its role and the authority delegated to it by the Group Board;
- to consider any other matters as referred to the Committee by the Board;
- 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 the commitment, Committee service and involvement outside Group Board meetings; and
- to attend the Company's AGM; and
- to arrange for periodic reviews of its own performance and, at least annually, review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Group Board for approval.

7. Recommendations to the Board

The Committee will make recommendations to the Group Board:

- with regard to plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman and Chief Executive Officer;
- with regard to the re-appointment of any non-executive director at the conclusion of their specified term of office;
- concerning suitable candidates for the role of senior independent director;
- concerning the re-election by shareholders of any director;
- concerning any matters relating to the continuation in office of any director at any time;
- concerning the appointment of any director to executive or other office; and
- on any other area it deems appropriate within its remit.

8. Reporting Procedures

The Secretary of the Committee will circulate the minutes of meetings of the Committee to all members of the Group Board, except where a conflict exists.

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