

PLASMON PLC NOMINATION COMMITTEE TERMS OF REFERENCE

(updated 19 May 2005)

1. Constitution

The Nominations Committee (“the Committee”) reports directly to the main Board and all of its recommendations to the Committee are referred back to the Board.

2. Purpose

To assist the Board by making recommendations with regard to the appointment and reappointment of Directors to the Board (“the Appointments”).

3. Membership

3.1 The Committee shall comprise of a Chairman and at least two other members each of whom shall be appointed by the Board.

3.2 A majority of members of the Committee shall be independent Non-Executive Directors.

3.3 The Board shall appoint the Chairman of the Committee who should be the Chairman or a Non-Executive Director. In the absence of the Chairman of the Committee, the remaining members present shall elect one of their number to chair the meeting.

3.4 The Company Secretary or his nominee shall be the Secretary of the Committee. Alternatively the Committee may at each meeting appoint one of their number to be the Secretary of the Committee.

3.5 The Chairman and members of the Committee shall be identified in the Company’s Annual Report and Accounts.

4. Attendance at Meetings

4.1 Two Members of the Committee must attend each meeting of whom at least one must be an Independent Non-Executive Director.

4.2 Notice of the meeting of the Committee, confirming the venue, day, date and time and enclosing an agenda of the items to be discussed shall, unless otherwise agreed by all concerned, be forwarded to each member of the Committee not fewer than five working days prior to the meeting with supporting papers.

4.3 The Secretary of the Committee shall minute the proceedings and resolutions of all meetings as well as keep appropriate records.

4.4 The Chairman of the Committee is to be available to answer questions at the Annual General Meeting.

5. Frequency of Meetings

5.1 Meetings shall be held not less than once a year and when the Committee deems it appropriate.

5.2 Meetings shall be called by the Chairman of the Committee normally but any member of the Committee or the Company Secretary may request a meeting if they consider that one is necessary.

6. Authority

- 6.1 The Committee is authorised by the Board to investigate any matter within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any requests made by the Committee.
- 6.2 The Committee is authorised by the Board to obtain outside professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers it necessary. It is envisaged that in obtaining outside advice the Committee will act in conjunction with the Chief Executive of the Company.

7. Duties

- The duties of the Committee shall be to:
- 7.1 establish and carry out a formal selection process of candidates for appointment to the Board including communicating with the Chairman and the Chief Executive Officer;
- 7.2 prepare a description of the role and capabilities required for a particular appointment;
- 7.3 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- 7.4 satisfy itself with regard to succession planning, that the processes and plans are in place with regard to both Board and senior appointments;
- 7.5 assess and articulate the time needed to fulfil the role of Chairman, Senior Independent Director and Non-Executive Director, and undertake an annual performance evaluation to ensure that the members of the Board have devoted sufficient time to their duties;
- 7.6 ensure on appointment that a candidate has sufficient time to undertake the role and review his commitments, ensuring that if he is an executive of another company this will be his sole non-executive appointment;
- 7.7 ensure that the Company Secretary on behalf of the Board has formally written to any appointees, detailing the role and time commitments and proposing an induction plan produced in conjunction with the Chairman.
- 7.8 consider and make recommendations to the Board with regard to:
- 7.8.1 its structure, size, composition and balance as well as making plans for succession, in particular of the Chairman and the Chief Executive Officer;
 - 7.8.2 the appointment of Executive Directors and their duties and the continuation (or not) in service of an Executive Director;
 - 7.8.3 the appointment and reappointment of Non-Executive Directors who must be persons who are independent and have been recommended on merit and the continuation (or not) in service of a Non-Executive Director;
 - 7.8.4 suitable candidates for the role of Senior Independent Director;
 - 7.8.5 the reappointment of any Non-Executive Director at the conclusion of his term of office; especially when they have concluded their second term;
 - 7.8.6 the continuation (or not) in service of any Director who has reached the age of 65;
 - 7.8.7 whether Directors who are retiring by rotation should be put forward for re-election;
 - 7.8.8 any matters relating to the continuation in office of any Director at any time;
 - 7.8.9 the seeking of advice from outside advisors in relation to the Appointments;
 - 7.8.10 the membership and chairmanship of the Audit and Remuneration Committee; and
 - 7.8.11 The Combined Code.

8. Reporting Procedures

Copies of the minutes of the meetings shall be circulated to all members of the Committee and to the Chairman of the Board; and Director may, upon request to the Secretary of the Committee, provided that there is no conflict of interests, obtain copies of the Committee's agenda and minutes.