

## FIBERWEB PLC NOMINATION COMMITTEE TERMS OF REFERENCE

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### 1. **Membership**

- 1.1 Members of the Nomination Committee shall be appointed by the Board. The Committee shall comprise of at least three members, a majority of whom shall be independent non-executive directors.
- 1.2 The quorum shall be two members.
- 1.3 The Chairman of the Committee shall be appointed by the Board. In his absence the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Committee shall be either the Chairman of the Board or an independent non-executive director. The Chairman of the Board shall not act as Chairman of the Committee when it is dealing with the matter of succession to the chairmanship.
- 1.4 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Head of Human Resources and external advisers may be invited to attend all or part of any meeting as and when appropriate and necessary.

### 2. **Meetings**

- 2.1 The Nomination Committee shall meet as often as may be necessary to discharge its duties.
- 2.2 The Chairman of the Committee shall call a meeting at the request of any member of the Board.
- 2.3 It is the responsibility of the Chairman of the Committee to decide what data he or she considers necessary for the purpose of any discussion, to obtain such data for the Committee and to see that it is circulated to the Committee.
- 2.4 The Company Secretary or his/her nominee shall be Secretary of the Committee.
- 2.5 Minutes of Nomination Committee meetings shall be circulated to the Chairman of the Committee and, once agreed, to all Board members, unless inappropriate to do so.
- 2.6 The Chairman of the Committee (or his duly appointed deputy) should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

### 3. **Authority**

- 3.1 The Nomination Committee is authorised to pursue any activity within its terms of reference.

- 3.2 The Nomination Committee is authorised, at the Company's expense, to obtain market data, commission surveys and seek independent legal or other professional advice as may be required to assist it in carrying out its duties. The Committee is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Nomination Committee.

#### **4. Duties**

- 4.1 It is the principal duty of the Nomination Committee to lead the process for board appointments and make recommendations to the Board regarding the appointment of executive and non-executive directors.
- 4.2 Unless attended to by the Board, the Committee shall regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes.
- 4.3 The Committee shall give consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future. The Committee is responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.
- 4.4 Before any appointment is made by the Board, the Committee shall evaluate the balance of skills, knowledge, experience and diversity on the Board and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the Committee shall consider using open advertising or the services of external advisers to facilitate the search and it shall consider candidates from a wide range of backgrounds, on merit and against objective criteria and with due regard to the benefits of diversity, including gender, on the Board, taking care that appointees have enough time available to devote to the position.
- 4.5 The Committee shall, for the appointment of the Chairman, prepare a job specification, including the time commitment expected. A proposed chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the Chairman's commitments should be reported to the Board as they arise.
- 4.6 The Committee shall, as part of the process for nominating candidates for appointment, obtain details of and review any interests the candidate may have which conflict or may conflict with the interests of the Company. The Committee shall consider whether, despite any such conflict, there are nevertheless grounds for recommending the candidate for appointment and for the Board to authorise the relevant conflict. The Committee shall as part of any proposal to the Board for appointment of the relevant candidate explain these grounds and make recommendations as to the terms and conditions on which any authorisation of the conflict should be given by the Board.
- 4.7 The Committee shall in addition in relation to conflicts of interest and potential conflicts of interests of directors:

- 4.7.1 In respect of each director, review any interests the director may have which conflict or may conflict with the interests of the Company.
- 4.7.2 Consider whether any such conflict should be authorised and, if so, authorise such conflict upon such terms and conditions as the Committee considers appropriate. In the case of any such conflict which the Committee considers to be material, the Committee shall make recommendations to the Board as to whether such conflict should be authorised and, if so, as to the terms and conditions on which any such authorisation should be given by the Board.
- 4.7.3 Review on an annual or more regular basis if appropriate, any authorisation given by the Board or Committee in order to determine whether the authorisation given should stand on the terms and conditions on which it has been given or whether additional terms and conditions should be imposed or whether the authorisation should be revoked (subject to giving the relevant director notice of the proposed revocation).
- 4.7.4 In the case of any review of actual or potential conflicts of interest of, and authorisations given by the Board or the Committee to, members of the Committee, the affected director shall not participate in the review or in discussions or decisions of the Committee which relate to that director (and shall not be counted in the quorum of the meeting for the purpose of any such review, discussions or decisions).
- 4.8 The Committee shall review the results of the Board performance evaluation process that relate to the composition of the Board.
- 4.9 The Committee shall also make recommendations to the Board concerning:
  - 4.9.1 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;
  - 4.9.2 the re-election by shareholders of any director under the annual re-election provisions of the UK Corporate Governance Code 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).
- 5. **Reporting Responsibilities**
  - 5.1 The Chairman of the Committee shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
  - 5.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

5.3 The Committee shall produce a report to be included in the Company's Annual Report and Accounts about its activities and the process used to make appointments and it shall explain if external advice or open advertising has not been used.

6. **Other Matters**

The Committee shall:

6.1 give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable Rules, as appropriate;

6.2 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 Board for approval.

Notes:

- Only those directors (the "Independent Directors") who do not have an interest in the situation of conflict being considered should be able to vote and count in the quorum in connection with the authorisation.
- When considering whether to give an authorisation, the Independent Directors should themselves comply with their own duties to the Company (for example, the duty to act in a way they consider, in good faith, will be most likely to promote the success of the Company).
- The Independent Directors should consider whether to exclude any of the non-Independent Directors from the meeting altogether whilst the conflict is under consideration.