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# **Nominations Committee Charter**

Etherstack plc (UK Registered Company No 7951056)

Adopted by the board on 4 November 2019

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## 1 Purpose and authority

The Nominations Committee (**Committee**) is established to review and make recommendations to the Etherstack plc (UK Registered Company No 7951056) (**Company**) board (**Board**) on the following matters:

(a) **Board Composition and Performance**

- (i) the appropriate size, composition and diversity of the Board;
- (ii) the appropriate criteria (necessary and desirable skills and experience) for appointment of directors;
- (iii) recommendations for the appointment, re-election and removal of directors;
- (iv) the terms and conditions of appointment to and retirement from the Board;
- (v) induction and continuing education programs for non-executive directors;
- (vi) the evaluation of the Board's performance;
- (vii) the time non-executive directors are expected to devote to the Company's affairs and whether directors are meeting that requirement; and
- (viii) review of Board succession plans.

(b) **Authority**

The Committee is a committee of the Board established in accordance with the Company's constitution and the Board Charter and authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this charter and granted to it under any separate resolutions of the Board from time to time.

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## 2 Membership

- (a) The membership of the Committee is made up of members of the Board, a majority of whom are to be independent of management and the Company (as determined in accordance with the Company's Board Charter), consisting of at least 3 members, a majority of whom are independent and chaired by an independent director.
- (b) Members of the Committee will be appointed for an initial three year term with members generally being eligible for re-appointment for so long as they satisfy the criteria set out in (a) above. However, the appointment and removal of Committee members shall be the responsibility of the Board.
- (c) Members of the Committee may resign by giving reasonable notice in writing to the Chair.
- (d) If a Committee member ceases to be a director their appointment as a member of the Committee is automatically terminated with immediate effect.

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### 3 Meetings and Resources

- (a) The Chair will convene meetings of the Committee as necessary. The Chair must call a meeting of the Committee if so requested by any Committee member, or the company secretary.
- (b) Notice of every meeting of the Committee must be given to each member's advised address for service of notice (or such other pre-notified interim address where relevant) and the notice must include an agenda of the items to be discussed.
- (c) The quorum necessary for a meeting of the Committee shall be two members, of whom at least one must be an independent director.
- (d) In the absence of the Chair, the Committee members must elect one of their number as the Chair for that meeting.
- (e) The Committee will determine its own procedures.
- (f) Minutes of the Committee meetings must be signed by the Chair and entered into a minute book maintained for that purpose which will be open at all times for inspection by any director.
- (g) The Committee may request the human resources manager or Company Secretary to provide any information or carry out any task that may be necessary to enable the Committee properly to carry out its functions and meet its objectives.
- (h) The Committee may seek advice from external consultants to enable the Committee to properly carry out its functions and meet its objectives.
- (i) The Committee must obtain approval from the Chair before obtaining advice from external consultants.

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### 4 Composition

In searching for and selecting new directors for the Board, the Committee adopts certain criteria to make recommendations to the Board, including the candidate's background, experience, professional skills, personal qualities, gender, capability of the candidate to devote the necessary time and commitment to the role, potential conflicts of interest and independence and whether their skills and experience will complement the existing Board.

- (a) The Company will consider developing a board skills matrix to identify any 'gaps' in the skills and experience of the directors on the Board, and if thought appropriate, will implement such a matrix.
- (b) The Committee will take into consideration the Company's Diversity Policy in selecting new directors for the Board.
- (c) The Committee has assistance from professional intermediaries to identify and assess the suitability of Board candidates.
- (d) The Committee will undertake appropriate checks before appointing a person or putting forward to security holders, a candidate for election as a director

- (e) The names of candidates submitted for election as directors should be accompanied by the following information to enable shareholders to make an informed decision on their election:
  - (i) biographical details, including competencies and qualifications and information sufficient to enable an assessment of the independence of the candidate;
  - (ii) a statement by the Board as to whether it supports the nomination of the proposed candidate(s) and a summary of the reasons why;
  - (iii) details of relationships between:
    - (A) the candidate and the Company; and
    - (B) the candidate and directors of the Company;
  - (iv) directorships held
  - (v) term of office currently served by the director
  - (vi) if the board considers the director to be an independent director, a statement to that effect;
  - (vii) If the case of a candidate standing for the first time
    - (A) confirmation that the company has conducted appropriate checks into the candidates background and experience
    - (B) if those checks have revealed any information of concern, that information
    - (C) details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity as a whole rather than the interests of an individual security holder or other party
    - (D) if the board considers the candidate will, if elected, qualify as an independent director, a statement to that effect
  - (viii) particulars of other positions which involve significant time commitments;
  - (ix) the term of office currently served by any directors subject to re-election; and
  - (x) any other particulars required by law.

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## 5 Reporting

- (a) The Chair must report the findings and recommendations of the Committee to the Board at the next Board meeting following each meeting of the Committee.
- (b) The minutes of all Committee meetings will be circulated to members of the Board by the company secretary.
- (c) The Chair must submit an annual report to the Board summarising the Committee's significant results and findings within two months after each financial year end.

- (d) The Company's annual report must include details of the Committee's processes in searching for and selecting new directors.
  - (e) The Committee must approve:
    - (i) the details to be published in the Company's annual report or any other statutory report or document with respect to the activities and responsibilities of the Committee; and
    - (ii) the contents and any amendment to the Company's Diversity Policy.
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## **6 Review**

The Board will, at least once in each year, review the membership and charter of the Committee to determine their adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership responsibilities, functions and otherwise.