



A I R P A R T N E R

AIR PARTNER PLC
(the 'Company')

Terms of reference for the Nomination Committee
(the 'Committee')

1. Membership

- 1.1. The Committee shall comprise at least three directors. A majority of the members of the Committee shall be independent non-executive directors, as determined by the Board (in accordance with the UK Corporate Governance Code ("**Code**").
- 1.2. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the chief executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 1.3. Appointments to the Committee are made by the Board and shall be for a period of up to three years extendable by no more than two additional three-year periods, provided the member still meets the criteria for membership.
- 1.4. The Board shall appoint the Committee chair who should be either the chair of the Board or, in the absence of the chair of the Board, the senior independent non-executive director. In the absence of the Committee chair and/or the senior independent director acting as appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The chair of the Board shall not chair the Committee when it is dealing with the matter of their successor.
- 1.5. The Committee chair shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.
- 1.6. The company secretary or his or her nominee, shall act as the secretary of the Committee and provide all necessary support to the Committee including the recording of Committee minutes and ensuring that the Committee receives information and papers in a timely manner to enable full and proper consideration of the relevant issues.

2. Meetings

- 2.1. The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 2.2. The Committee shall meet at least once a year and otherwise as required.



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2.3. The secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

3. Notice of meetings

3.1. Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chair.

3.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

4. Minutes of meetings

4.1. The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

4.2. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee chair it would be inappropriate to do so.

5. Annual general meeting

The Committee chair should attend the annual general meeting to answer any shareholder questions on the Committee's activities.

6. Duties

The Committee should carry out the duties below for the Company, major subsidiary undertakings and the group as a whole ("**Group**"), as appropriate:

6.1. Composition of the board and senior management

6.1.1. regularly review the structure, size and composition (including the skills, independence, knowledge, experience and diversity) of the Board and its committees, taking account of the Company's strategic priorities and the matters affecting the Company in 6.1.3, and make and make recommendations to the Board with regard to any changes;

6.1.2. keep under review the leadership needs of the organisation, relating both to the board and senior management, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;



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- 6.1.3. keep up to date and fully informed about the strategic and commercial issues and priorities and main trends and factors affecting the long-term success and future viability of the Company and the market in which it operates; and
- 6.1.4. prepare a policy on the promotion of diversity and inclusion on the board and in senior management.

6.2. Succession planning

- 6.2.1. give full consideration to succession planning for directors and other senior management in the course of its work, taking into account the challenges and opportunities facing the Company, the skills and expertise needed on the Board in the future, the length of service of the Board as a whole and the need for its membership to be regularly refreshed;
- 6.2.2. satisfy itself that plans are in place for orderly succession for appointments to the Board and senior management; and
- 6.2.3. oversee the development of a diverse pipeline for succession, having regard to diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

6.3. Appointments to the Board

- 6.3.1. be responsible for identifying and nominating for the approval of the Board, candidates from diverse backgrounds to fill Board vacancies as and when they arise;
- 6.3.2. consider proposals for the reappointment or promotion of directors and also any proposal for their dismissal, retirement, non-reappointment or any substantial change in their duties or responsibilities or the term of their appointment;
- 6.3.3. before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience, independence and diversity on the Board, and the future challenges affecting the Company, 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:
 - 6.3.3.1. use such methods as it deems appropriate, including open advertising or the services of external advisers to facilitate the search;
 - 6.3.3.2. consider candidates from diverse backgrounds; and
 - 6.3.3.3. consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, social and ethnic backgrounds, and cognitive and personal strengths, taking care that appointees have enough time available to devote to the position.



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- 6.3.4. for the appointment of a chair, the Committee should prepare a job specification, including the time commitment expected;
- 6.3.5. prior to the appointment of a director, the proposed appointee should be required to disclose other significant commitments to the Board indicating the time involved and inform the Board of any changes to commitments as they arise;
- 6.3.6. prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and report any future business interests that could result in a conflict of interest;
- 6.3.7. 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
- 6.3.8. keep under review the number of external appointments held by each director.

6.4. Board evaluation

- 6.4.1. Assist the chair of the board with the implementation of an annual evaluation process to assess the overall and individual performance and effectiveness of the board, its committees and individual directors, including consideration of balance of skills, experience, independence and knowledge of the Company, its diversity, how the board works together as a unit, and other factors relevant to the board's effectiveness;
- 6.4.2. review the results of the Board performance evaluation process that relate to the composition of the Board, its diversity and how effectively the members of the board work together to achieve objectives;
- 6.4.3. review the results of the performance evaluation of the Committee; and
- 6.4.4. review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties.

7. Board recommendations

The Committee shall also make recommendations to the Board, as appropriate, concerning:

- 7.1. formulating plans for succession for both executive and non-executive directors and in particular for the key roles of chair and chief executive
- 7.2. the chair of the board, having assessed every three years whether the present incumbent shall continue in post, taking into account the need for continuity versus freshness of approach
- 7.3. suitable candidates for the role of senior independent director



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- 7.4. membership of the audit and remuneration committees, and any other Board committees as appropriate, in consultation with the chair of those Committees
- 7.5. 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 and the Company's long-term sustainable success, in the light of the knowledge, skills and experience required and the length of service of the board as a whole and its membership being regularly refreshed
- 7.6. the re-election by shareholders of directors in accordance with Provision 18 of the 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 Company's long-term sustainable success and 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)
- 7.7. any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract
- 7.8. the appointment of any director to executive or other office

8. Reporting responsibilities

- 8.1. The Committee chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 8.2. The Committee shall:
 - 8.2.1. make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed
 - 8.2.2. produce a report to be included in the Company's annual report including any matters required by the Disclosure Guidance and Transparency Rules published by the Financial Conduct Authority and describing its work, including:
 - 8.2.2.1. its activities, the membership of the Committee, number of meetings and attendance over the course of the year;
 - 8.2.2.2. the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline;
 - 8.2.2.3. identifying in the annual report any external search consultancy that has been engaged, together with a statement about any other connection it has with the Company or individual directors;
 - 8.2.2.4. how the board evaluation has been conducted, the nature and extent of an external evaluator's contact with the board and

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- individual directors, the outcomes and actions taken, and its influence on board composition; and
- 8.2.2.5. identifying in the annual report any external evaluator together with a statement about any other connection it has with the Company or individual directors
 - 8.2.3. include in the report referred to in 8.2.2 a description of the board's policy on diversity and inclusion, its objectives and linkage to company strategy, how it has been implemented and progress on achieving the objectives; and the gender balance of those in the senior management and their direct reports;
 - 8.2.4. ensure, through the chair of the board, that the Company maintains contact and the Committee chair seeks engagement, as required, with the Company's major shareholders on significant matters related to the Committee's areas of responsibility; and
 - 8.2.5. make publicly available the Committee's terms of reference by placing them on the Company's website.

9. Other matters

The Committee shall:

- 9.1. have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required
- 9.2. be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members
- 9.3. give due consideration to laws and regulations, in particular, the directors' duties in the Companies Act 2006, the provisions of the Code and the requirements of the UK Listing Authority's Listing, Prospectus and Disclosure and Transparency Rules and any other applicable rules, as appropriate
- 9.4. arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval
- 9.5. work and liaise as necessary with all other Board Committees.

10. Authority

The Committee is authorised by the Board to:

- 10.1. Carry out all duties set out in these terms of reference, to have unrestricted access to the Company's documents and information and to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference as it considers necessary.
- 10.2. Seek any information it requires from any employee of the Group to perform its duties.



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10.3. Call any employee of the Group to be questioned at a Committee meeting as and when required.

Adopted at the board meeting of the Company on 27 January 2020.