

## **Abcam plc**

### **NOMINATION COMMITTEE**

#### **TERMS OF REFERENCE**

##### **1. PURPOSE**

- 1.1 The Company is not listed on the main market and consequently is not required to have regard to the UK Corporate Governance Code. However the Board is committed to maintaining high standards of corporate governance and the Directors intend, so far as is practicable given the Company's size and constitution of the Board, to comply with the provisions of the UK Corporate Governance Code.
- 1.2 The purpose of the Committee is to provide to establish a formal, rigorous and transparent procedure for the appointment of new directors to the Board, on the basis set out in 1.1 above, as required by section B.2 of the UK Corporate Governance Code.

##### **2. CONSTITUTION AND MEMBERSHIP**

- 2.1 The Nomination Committee has been established as a committee of the Board by resolution of the Board.
- 2.2 The members of the Committee shall be appointed by the Board. The Committee shall comprise at least three members, the majority of whom shall be independent non-executive directors.
- 2.3 The chairman of the Committee shall be appointed by the Board and should either be the Chairman of the Company or an independent non-executive director. In the absence of the chairman of the Committee and/or an appointed deputy, the members present shall elect one of their number present to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The chairman of the Company should not chair the Committee when it is dealing with the appointment of a successor to the chairmanship.
- 2.4 Appointments to the Committee shall be for a period of up to three years, which may be extended by no more than two additional three-year periods, provided the director still meets the criteria for membership of the Committee.
- 2.5 The Company Secretary shall act as the Secretary of the Committee. Where the Secretary is also an executive director, the Committee may nominate one of its members to act as secretary for any meeting which the Committee wishes to hold without executive directors being present. The Secretary of the Committee

will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

- 2.6 The Committee may request other individuals such as the Chairman of the Company (if not already on the Committee), Chief Executive Officer, the head of Human Resources, any relevant senior management and external advisers to attend for all or part of meetings of the Committee, either regularly or by invitation, but such invitees have, (save in the case of the Chairman of the Company as appointed to the Committee in accordance with paragraph 2.2 above) no right of attendance.

### 3. **MEETINGS**

- 3.1 The Committee will meet at least once each year, and at such other times as the chairman of the Committee shall think fit.
- 3.2 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of any member.
- 3.3 Unless otherwise agreed by all members of the Committee, notice of meetings, confirming the venue, time and date together with an agenda and all relevant papers, should normally be circulated to each member of the Committee, to any other person required to attend, and to all other directors, at least five working days prior to the date of the meeting.
- 3.4 The quorum for meetings of the Committee shall be two members, of whom at least one must be a non-executive director.
- 3.5 Each member of the Committee shall have one vote which may be cast on matters considered at the meeting. Decisions of the Committee will be made by majority vote.
- 3.6 If a matter that is considered by the Committee is one where a member of the Committee, either directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.
- 3.7 In the event of an equality of votes the chairman of the Committee will save where he has a personal interest, have a second or casting vote.

### 4. **REPORTING**

- 4.1 The Committee chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 4.2 The Secretary shall minute the proceedings and resolutions of all meetings of the Committee. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board

unless in the opinion of the Committee chairman it would be inappropriate to do so (for example a conflict of interest exists).

- 4.3 The Committee shall make whatever recommendations to the Board that it deems appropriate in the context of the scope of its responsibilities.
- 4.4 The Committee shall prepare a report each year about its activities, the process used to make appointments and to explain if external advice or open advertising has been used to be included in the Company's annual report and accounts.
- 4.5 The report referred to in 4.4 should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving objectives.
- 4.6 The chairman of the Committee should be present at the Company's annual general meeting to respond to questions on matters within the responsibility of the Committee.

## 5. **DUTIES OF THE COMMITTEE**

The Committee should carry out the duties detailed below for the Company, major subsidiary undertakings and the group as a whole, as appropriate.

- 5.1 The duties of the Committee are:
  - 5.1.1 to 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 adjustments that are deemed necessary and to give full consideration to succession planning for its directors and other senior executives.
  - 5.1.2 to keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the ability of the Company to compete effectively in the marketplace.
  - 5.1.3 to prepare a description of the role and capabilities required for a particular appointment, having evaluated the balance of skills, knowledge, experience and diversity on the Board.
  - 5.1.4 to identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise. In identifying suitable candidates the Committee shall:
    - 5.1.4.1 determine whether any individuals known to the Board would be suitable for the role. If no candidates can be identified through this process, or if the Committee

believes that the process would be improved by the involvement of other candidates, then an independent external search consultancy will be approached;

- 5.1.4.2 consider candidates from a wide range of backgrounds;
- 5.1.4.3 consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position.
- 5.1.5 to satisfy itself with regard to succession planning, that the processes and plans are in place with regard to both Board and senior appointments.
- 5.1.6 to review annually the time needed to fulfil the roles of Chairman of the Company, senior independent director and non-executive director, and undertake an annual performance evaluation to ensure that all members of the Board have devoted sufficient time to fulfil their duties.
- 5.1.7 to keep up to date with and be fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates.
- 5.1.8 to ensure on appointment that a candidate has sufficient time to undertake the role, and review his commitments and conflicts and potential conflicts of interest.
- 5.1.9 to ensure that the Secretary on behalf of the Board has formally written to appointees, detailing the role and time commitments, requesting information regarding conflicts and potential conflicts of interest and proposing an induction plan produced in conjunction with the chairman, and, for non-executive directors, detailing committee service and involvement outside board meetings.
- 5.1.10 to give due consideration to laws and regulations, including the provisions of the UK Corporate Governance Code, the requirements of the AIM Rules for Companies and any other applicable rules as appropriate.
- 5.1.11 to review at least once a year the Committee's own performance, constitution and terms of reference, and make recommendations to the Board as necessary to ensure that it is operating at maximum effectiveness.

5.1.12 to consider any information received from the directors regarding that director's conflicts or potential conflicts of interest with the Company and make recommendations to the Board in respect thereof as referred to in paragraph 5.2.4 below.

5.2 The Committee shall make recommendations to the Board:

5.2.1 with regard to succession plans for both executive and non-executive directors.

5.2.2 with regard to suitable candidates for the role of senior independent director.

5.2.3 as regards the re-appointment of any non-executive director at the conclusion of his or her specified term of office, particularly when they have concluded their second three year term.

5.2.4 with regard to the consideration and approval of the conflicts and potential conflicts of interests of directors pursuant to section 175(4)(b) of the Companies Act 2006 including, without limitation, any suggested restrictions, limitations or qualifications on such authorisations.

5.2.5 concerning the re-election by shareholders of any director under the "retirement by rotation" provisions in the Articles of Association of the Company.

5.2.6 concerning any matters relating to the continuation in office as a director of any director at any time.

5.2.7 concerning the appointment of any director to executive or other office.

5.2.8 with regard to the membership and chairmanship of the Audit and Remuneration Committees.

## 6. **OTHER MATTERS**

6.1 The Committee shall have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.

6.2 The Committee shall 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.

6.3 The Committee shall work with and liaise as necessary with all other Board committees.

7. **AUTHORITY**

7.1 The Committee is authorised by the Board to investigate any activity or state of affairs within its terms of reference.

7.2 The Committee is authorised to seek any information it requires from any employees or officers of the Company, in order to perform its duties. In seeking any advice or assistance from any of the Company's executives, the Committee is to ensure that such role is clearly separated from the executive's role within the business.

7.3 The Committee is authorised to obtain, at the Company's expense, expert advice from the Company's auditors, professional advisers or otherwise, and to take independent professional advice and to require the attendance of outsiders with relevant experience and expertise if it considers it necessary.

7.4 The Committee is authorised to select, set the terms of reference and appoint appointment consultants, at the Company's expense.

These terms of reference were adopted in place of the previous terms of reference by resolution of the Board passed on 5 September 2014.