

**PREMIER FOODS PLC**  
(the “Company” or the “Group”)

**NOMINATION COMMITTEE - TERMS OF REFERENCE**  
(as approved by the Board on 19 December 2013)

**Definitions:**

“Committee”	the Nomination Committee
“Company”	Premier Foods plc
“the Code”	the UK Corporate Governance Code
“Chairman”	Chairman of the Nomination Committee
“Company Chairman”	Chairman of the Board

**1. CONSTITUTION**

- 1.1 The Committee shall be a committee of the board of directors of the Company appointed by the Board in consultation with the Chairman. The Board shall appoint the Chairman.

**2. MEMBERSHIP**

- 2.1 The Committee shall comprise of a chairman and at least two other members.
- 2.2 A majority of members of the Committee shall be independent non-executive directors.
- 2.3 The chairman of the Nomination Committee shall be the Company Chairman or an independent non-executive director.
- 2.4 Members of the Committee may serve for a period of up to three years. This may be extended for two additional periods of three years, provided the director still meets the criteria for membership of the Committee. Any membership of the Committee beyond nine years will be annually reviewed by the Committee with regard to member independence and may require explanation in the annual report.
- 2.5 The company secretary or a nominee shall act as the secretary of the Committee and will ensure that the Committee receive information and papers in a timely manner to enable full and proper consideration to be given to the issues.

**3. QUORUM**

- 3.1 The quorum necessary for the transaction of business by the Committee shall be two, both of whom must be independent non-executive directors. In the absence of the Chairman, and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting, provided that person is an independent non-executive director. The Company Chairman shall not chair the Committee when it is dealing with the matter of succession to the Company chairmanship.

**4. MEETINGS**

- 4.1 The Committee shall meet as appropriate but not less than twice a year.

- 4.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals, such as the Chief Executive Officer, the Group HR director and external advisers may be invited to attend as and when appropriate.
- 4.3 A meeting of the Committee may be called by the secretary at the request of any member of the Committee.
- 4.4 Meetings of the Committee shall be called by five working days' written notice unless all members of the Committee agree to shorter notice. Notice will be given to all members and attendees, and will confirm the venue, time and date of the proposed meeting and provide the agenda and supporting papers.
- 4.5 Members may participate in a meeting by means of a conference telephone, video conferencing facility or other similar communicating equipment.
- 4.6 The secretary shall minute the proceedings and resolutions of all meetings, including the names of those present and in attendance, as well as keeping appropriate records. Minutes of the 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 Chairman it would be inappropriate to do so.
- 4.7 The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

## **5. ANNUAL GENERAL MEETING**

- 5.1 The Chairman shall attend the Annual General Meeting and be prepared to respond to any shareholder questions on the Committee's activities.

## **6. TERMS OF REFERENCE**

In carrying out their responsibilities Committee members must act in accordance with the statement of Directors' Duties set out in sections 171-177 of the Companies Act 2006.

- 6.1 The duties of the Committee shall be to lead the process for Board appointments and, in particular:
  - 6.1.1 to identify and nominate for the approval of the Board, candidates to fill Board vacancies as and when they arise;
  - 6.1.2 to ensure that there is a formal, rigorous and transparent procedure for appointment of new directors to the Board and, in particular:
    - to consider candidates from a wide range of backgrounds;
    - to use open advertising or the services of external advisers to facilitate the search; and

- to consider candidates on merit against objective criteria 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;
- 6.1.3 before making an appointment, to evaluate the balance of skills, knowledge, experience and diversity on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
  - 6.1.4 prior to 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 be required to report any future business interests that could result in a conflict;
  - 6.1.5 ensure an annual performance evaluation of the Board is conducted and that this performance evaluation is externally facilitated at least once every three years. The Company Chairman shall conduct his own assessment of each of the directors' performance and the Committee led by the Senior Independent Director shall review the performance of the Company Chairman;
  - 6.1.6 to review annually the time required from a non-executive director. Performance evaluation will be used to assess whether the non-executive director is spending enough time to fulfil their duties;
  - 6.1.7 to give full consideration to succession planning for directors and senior management in the course of its work, taking into account the challenges and opportunities facing the Company and what skills and expertise are therefore needed on the Board in the future;
  - 6.1.8 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 changes;
  - 6.1.9 to keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
  - 6.1.10 for the appointment of a Company Chairman, the Committee should prepare a job specification, including the time commitment expected, recognising the need for availability in the event of crises. A proposed Company Chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the Company Chairman's commitments should be reported to the Board as they arise;
  - 6.1.11 to keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
  - 6.1.12 to review the results of the Board performance evaluation process that relate to the composition of the Board;

- 6.1.13 to 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. Significant commitments of non-executive directors should be disclosed to the Board prior to appointment; and
- 6.1.14 annually review the Group's Talent Management programme.
- 6.2 The Committee will, where appropriate, make recommendations to the Board:
  - 6.2.1 as regards planning for succession for both executive and non-executive directors in particular the key roles of Company Chairman and Chief Executive Officer;
  - 6.2.2 as regards 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 knowledge, skills and experience required;
  - 6.2.3 as regards suitable candidates for the role of Senior Independent Director;
  - 6.2.4 concerning the re-election by shareholders of any director under the provisions of the Code, 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);
  - 6.2.5 concerning membership of the Audit and Remuneration Committees, and any other board committees as appropriate, in consultation with the chairmen of those committees;
  - 6.2.6 concerning 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; and

## **7. REPORTING RESPONSIBILITIES**

- 7.1 The Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 7.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 7.3 The Committee shall produce a report to be included in the Company's annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company.
- 7.4 The report referred to in 7.3 above 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 the objectives.

## **8. OTHER MATTERS**

The Committee shall:

- 8.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- 8.2 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;
- 8.3 give due consideration to laws and regulations, 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;
- 8.4 periodically review its own performance and constitution, at least once a year 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;
- 8.5 work and liaise as necessary with all other Board committees; and
- 8.6 make its terms of reference available publicly.

## **9. AUTHORITY**

The Committee is empowered in the articles of association of the Company to discharge its functions on behalf of the Board. The Committee shall:

- 9.1. have the right to seek and to be provided with any necessary information to fulfil its duties;

- 9.2 have the right to obtain outside legal help and any professional advice, at the Company's expense, which might be necessary for the fulfilment of its duties;
- 9.3 have the power to call any member of staff to be questioned at a meeting of the Committee as and when required; and
- 9.4 have the power to invite anyone with relevant experience to attend meetings of the Committee if necessary.

## **10. DECISIONS OF THE COMMITTEE**

- 10.1 Any decisions of the Committee shall be taken on a simple majority basis. The Chairman shall have a casting vote in the event of equality of voting.