

# NOMINATIONS COMMITTEE

## TERMS OF REFERENCE

1 January 2019

## NOMINATIONS COMMITTEE

*Reference to “the Committee” shall mean the Nominations Committee.*

*Reference to “the Board” shall mean the Board of Directors.*

*Reference to “Designated Senior Managers” shall mean the Executive Team, including the Company Secretary.*

*Reference to “The Code” shall mean the UK Corporate Governance Code published in July 2018.*

### 1. Purpose

The Committee has been established to ensure that the Board and its various committees possess the requisite skills and experience to enable the Company to achieve its strategic objectives. The Committee will also oversee and lead the Company’s succession planning process, ensuring that Designated Senior Managers and board level roles have detailed, written succession plans and will ensure that any search processes reflect Tullow’s commitment to diversity and good governance practices in the appointment of search firms and the transparency of the recruitment process. The Committee will be a key leader in the pursuit of improved diversity and inclusion at the most senior levels of Tullow, including the Board, and supporting the development of a diverse pipeline of talent. It shall make recommendations to the full Board as appropriate to ensure that these objectives are met.

### 2. Responsibilities

2.1. The core responsibilities of the Committee shall be as follows:

- 2.1.1. 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;
- 2.1.2. Formulate plans for orderly succession for both executive and non-executive directors and in particular for the key roles of Chair of the Board and Chief Executive;
- 2.1.3. Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- 2.1.4. Ensure orderly succession planning for other Designated Senior Managers is in place, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future; and
- 2.1.5. Keep under review both executive and non-executive leadership needs of the organisation, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.

2.2. The Committee shall make recommendations to the Board concerning:

- 2.2.1. suitable candidates for the role of senior independent director;
- 2.2.2. membership of the Audit and Remuneration Committees, and any other Board committees as appropriate, in consultation with the Chair of those committees;
- 2.2.3. 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;

- 2.2.4. the re-election by shareholders of directors under the annual re-election provisions 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 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);
- 2.2.5. 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
- 2.2.6. the appointment of any director to executive or other office.

## 3. Duties and Reporting

### Duties

3.1. In addition to the Committee's core responsibilities above, the Committee shall:

- 3.1.1. Keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- 3.1.2. Before any appointment is made by the Board, 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;
- 3.1.3. In identifying suitable candidates the Committee shall:
  - 3.1.3.1. use open advertising or the services of external advisers to facilitate the search;
  - 3.1.3.2. consider candidates from a wide range of backgrounds; and
  - 3.1.3.3. consider candidates on merit and against objective criteria and, within this context, promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths, with due regard for the benefits of diversity on the Board, taking care that appointees have enough time available to devote to the position;
- 3.1.4. For the appointment of Chair of the Board, the Committee should prepare a job specification, including the time commitment expected. A proposed Chair's other significant commitments should be disclosed to the Board before appointment and any changes to the Chair's commitments should be reported to the Board as they arise;
- 3.1.5. Prior to the appointment of a director, require the proposed appointee 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 of interest;

- 3.1.6. 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;
- 3.1.7. Review the results of the Board performance evaluation process that relate to the composition of the Board;
- 3.1.8. 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;
- 3.1.9. Work and liaise as necessary with all other board committees;
- 3.1.10. 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; and
- 3.1.11. 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.

### **Reporting**

3.2. With regard to reporting, the Committee shall:

- 3.2.1. Report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities;
- 3.2.2. Make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
- 3.2.3. Produce a report to be included in the Company's Annual Report in accordance with the Code 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.
  - 3.2.3.1. The report referred to in 3.2.3 above should include a statement of the Board's policy on diversity and inclusion, any measurable objectives and linkage to Company strategy that it has set for implementing the policy, how it has been implemented and progress on achieving the objectives.

3.3. The Committee Chair should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.

## **4. Composition, Rules of Order and Authority**

### **Composition**

4.1. The composition of the Committee shall be as follows:

- 4.1.1. The Committee shall comprise at least three directors, a majority which shall be independent non-executive directors.

- 4.1.2. Appointments to the Committee are made by the Board and shall be for a period of up to three years, which may be extended for further periods of up to three-years, provided the director still meets the criteria for membership of the Committee.
- 4.1.3. The Board shall appoint the Committee Chair who should be either the Chair of the Board or an independent non-executive director. In the absence of the Committee Chair and/or an 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 succession to Chair of the Board.
- 4.1.4. The Company Secretary or their nominee shall act as the Secretary of the Committee.

### **Rules of Order**

- 4.2. The Committee shall meet as frequently as considered necessary or appropriate by its members and shall conduct its business in accordance with any rules or procedures it may determine to establish from time to time, subject to the following:
  - 4.2.1. The Committee shall meet at least twice a year and otherwise as required. The frequency and timing of meetings will differ according to the needs of the Company. Meetings should be organised so that attendance is maximised (for example by timetabling them to coincide with Board meetings).
  - 4.2.2. The quorum necessary for the transaction of business shall be two, all of whom must be independent non-executive directors.
  - 4.2.3. Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair.
  - 4.2.4. 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.
  - 4.2.5. 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.
- 4.3. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
  - 4.3.1. 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.

### **Authority**

- 4.4. To help the Committee fulfil its obligations, it shall have full authority to:

- 4.4.1. Access sufficient resources to carry out its duties, including access to the Company Secretary for assistance as required;
- 4.4.2. 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; and
- 4.4.3. Obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

**Approved by the Board on 6 December 2018 to take effect 1 January 2019**