

Terms of Reference
Finance Wales Group ("the Group") - Nominations Committee

Constitution

1. The Board of Directors of Finance Wales plc ("the board") hereby resolve to establish a Committee of the Board to be known as the Finance Wales Group Nominations Committee.

Membership and attendance

2. The Committee shall comprise all the Directors of Finance Wales plc.
3. A majority of the members of the Committee shall be independent non-executive directors. Only members of the committee have the right to attend committee meetings, however other individuals may be invited to attend for all or part of any meeting as and when appropriate.
4. The Chairman of the Committee should be either the Chairman of the Board or in his absence an independent non-executive director. When considering the appointment of the Chairman of the Board the Senior Independent Director will chair the Committee.
5. The Committee may form sub committees as required from time to time to manage specific nominations and where appropriate members may be co-opted to sit on interview panels.
6. The Company Secretary or their nominee shall act as the Secretary to the Committee.

Frequency of meetings and quorum

7. The Committee shall meet at such times as the Chairman of the Committee shall require. Where possible, meetings should be time-tabled to coincide with Board meetings so that attendance is maximised.
8. A meeting of the Committee may be called by any member of the Committee or by the Company Secretary or on the instruction of the Board.
9. The Committee shall have a quorum of three.
10. Notice of each meeting of the Committee, confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee not less than 5 days prior to the date of the meeting.
11. The meetings and proceedings of the Committee shall be regulated in accordance with the provisions of the Articles of Association of the Company.
12. The Chairman of the Committee shall attend the AGM to respond to any questions on the Committee's activities.

13. The Committee is an advisory body with no powers other than those expressly referred to below.

Duties

14. The Committee shall:

- Meet at least once a year to review the structure, size and composition of the Board and make recommendations to the Board;
- Establish the criteria for identifying and nominating candidates for the approval of the Board, to fill Board vacancies when they arise as well as put in place plans for succession, in particular of the CEO and Executive Management Team;
- Establish the process of recruitment for the posts of Executive, Non-Executive Directors, Chairman and the CEO in accordance with the Management Arrangement agreed from time to time between the Company and the Welsh Ministers acting through the Welsh Government;
- Make recommendations to the Board on the re-appointment of the Chairman and Non-Executive Directors whose term of appointment is due to come to an end;
- Make recommendations to the Board for the continuation (or not) in service of any director who has reached the age of 70;
- Assist the Chairman of the Board as required with board annual performance reviews; and
- Periodically review the adequacy of its Terms of Reference and recommend any changes to the Board.

15. The Committee shall have the power to employ the services of such advisors as it deems necessary to fulfil its responsibilities. Procurement of such advice should be channelled through the Company Secretary.