

OFFICE2OFFICE PLC
NOMINATION COMMITTEE
TERMS OF REFERENCE



Membership

Members of the Nomination Committee (the 'Committee') shall be appointed by the Board. There will be a minimum of two members, comprising the Chairman of the Board and at least one non-executive Director.

The members are currently: David Callear (Chairman)
Jim Cohen
Chris Batterham

The Chairman may co-opt other Directors to serve on the Committee if a regular member is unable to act for any reason or for a particular purpose, however there must remain a majority of independent Directors. Other Directors or external advisors may be requested to attend meetings by prior arrangement.

Proceedings

Either the Chairman or a non-executive Director may chair the Committee, except when dealing with succession matters concerning themselves. Members or other attendees must declare any personal interest in any matter under discussion.

The quorum will be two members, of whom at least one must be a non-executive Director. Meetings, which may be held by telephone, will be convened as and when required but not less than once a year. An agenda and any supporting papers will be forwarded in advance. The Company Secretary will act as Secretary to the Committee and minute the proceedings. These will be circulated promptly to the Committee and the Board.

Duties

Having due regard to the provisions of the UK Corporate Governance Code in all cases, the Committee is required to:

- review the size and composition of the Board, to ensure there is a relevant balance of skills and experience for the effective discharge of its responsibilities, an appropriate level of independence so that no individual or group of individuals can dominate the decision-making and that any changes to the Board or its Committees can be made without undue disruption;
- review, on an ongoing basis, the leadership needs of the Group, succession plans at Board level, in particular for the Chairman and the Chief Executive, and be aware of the succession requirements at senior management level. This is to ensure the continued ability of the Group to compete effectively in its market place and the Group's longer term success;
- identify and recommend to the Board, suitable candidates, whether for executive or non-executive roles, using an appropriate selection process based on merit against objective criteria and with due regard for the benefits of diversity. For the position of Chairman or Chief Executive, the former must be considered at a meeting of all Board Directors excluding the Chairman, and the latter considered at a meeting of all the non-executive Directors.
- review the time required from a non-executive Director. This will be used to assess whether the actual time spent is sufficient to fulfil their duties, with due regard to changing needs of the business;
- review the effectiveness of non-executive Directors on an annual basis, and the performance of all Directors who are offering themselves for re-election by shareholders in accordance with the Company's Articles and other regulatory provisions;
- undertake a rigorous review of a non-executive Director's performance and contribution to the Board where their proposed re-appointment extends their total term beyond six years; and
- make recommendations to the Board on:
 - a. any changes it considers necessary to the size or composition of the Board;

- b. the re-appointment of any non-executive Director at the conclusion of his/her specified term of office, referring to any performance reviews that have been undertaken;
- c. membership of the Audit and Remuneration Committees, in consultation with the chairmen of those committees;
- d. the continuation or not (as the case may be) in service of any Director who has reached the age of 70;
- e. 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
- f. suitable candidates for the role of senior independent non-executive Director.

Reporting responsibilities

The Committee will report formally to the Board on its proceedings after each meeting including whatever recommendations the Committee deems appropriate on any area within its remit.

The Committee will ensure that a statement is included in the annual report detailing the activities of the Committee and the process used for Board appointments.

The Committee's Chairman will attend each AGM of the Company to answer any question on the Committee's activities.

Procedure for Board appointments

The Committee has a formal, rigorous and transparent procedure for Board appointments. Further to a specification of the role being agreed, recommendations are sought either from existing Board members or an external search company. Careful consideration is given to ensure appointees are able to devote sufficient time to the role and that the balance of skills, experience and independence of the Board is maintained. The selection process is based on merit against objective criteria and with due regard for the benefits of diversity. When the Committee has identified a suitable candidate, a recommendation will be made to the Board, with the Board making the final decision.

Other matters

The Committee will, at least once a year, review its own performance, 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.

Authority

The Committee is authorised by the Board to seek any information it requires from any employee, consultant and other provider of services to the Company in order to perform its duties and to obtain, at the cost of the Company, such outside legal or other independent professional advice considered appropriate to discharge its responsibilities.