

PSION PLC

NOMINATION COMMITTEE – TERMS OF REFERENCE

1. **Constitution**

These terms of reference for the Committee of the Board known as the Nomination Committee (“the Committee”) were approved at the Psion PLC Board Meeting held on 28 August 2003.

2. **Membership**

- 2.1 The Committee shall be appointed by the Board and shall comprise of a Chairman and at least 2 other members.
- 2.2 A majority of members of the Committee shall be independent non-executive directors.
- 2.3 The Board shall appoint the Committee Chairman. In the absence of the Committee Chairman, the remaining members present shall elect one of their number to chair the meeting.
- 2.4 If a regular member is unable to act due to absence, illness or any other cause, the Chairman of the Committee may appoint another director of the company to serve as an alternate member having due regard to maintaining the required balance of executive and independent non-executive members.

3. **Secretary**

- 3.1 The Company Secretary or their nominee shall act as the Secretary of the Committee.

4. **Quorum**

- 4.1 The quorum necessary for the transaction of business shall be 2, of whom at least 1 must be a non-executive director. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5. **Frequency of Meetings**

- 5.1 The Committee shall meet not less than once a year and at such other times as the Chairman of the Committee shall require.

6. **Notice of Meetings**

- 6.1 Meetings of The Committee shall be summoned by the Secretary of the Committee at the request of the Chairman of the Committee.

- 6.2 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 no fewer than 5 working days prior to the date of the meeting.

7. **Minutes of Meetings**

- 7.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 7.2 Minutes of Committee meetings shall be circulated to all members of the Committee and to the Chairman of the Board and made available on request to other members of the Board.

8. **Annual General Meeting**

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

9. **Duties**

- 9.1 The Committee shall:
 - 9.1.1 Regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any adjustments that are deemed necessary.
 - 9.1.2 Prepare a description of the role and capabilities required for a particular appointment.
 - 9.1.3 Be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise.
 - 9.1.4 [Satisfy itself with regard to succession planning, that appropriate processes and plans are in place with regard to both Board and senior appointments].
 - 9.1.5 Assess and articulate the time needed to fulfil the role of Chairman, 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 their duties.
 - 9.1.6 Ensure on appointment that a candidate has sufficient time to undertake the role.
 - 9.1.7 Ensure that the Secretary on behalf of the Board has formally written to any appointees, detailing the role and time commitments and proposing an induction plan produced in conjunction with the Chairman.

- 9.2 It shall also make recommendations to the Board:
- 9.2.1 As regards the re-appointment of any non-executive director at the conclusion of his or her specified term of office; especially when they have concluded their second term.
 - 9.2.2 For the continuation (or not) in service of any director who has reached the age of [70].
 - 9.2.3 Concerning the re-election by shareholders of any director under the 'retirement by rotation' provisions in the company's articles of association.
 - 9.2.4 Concerning any matters relating to the continuation in office as a director of any director at any time.
 - 9.2.5 Concerning the appointment of any director to executive or other office other than to the positions of Chairman and Chief Executive, the recommendation for which would be considered at a meeting of:
 - 9.2.5.1 All the non-executive directors regarding the position of Chief Executive.
 - 9.2.5.2 All the directors regarding the position of Chairman.
 - 9.2.6 Detailing items that should be published in the company's Annual Report relating to the activities of the Committee.
 - 9.2.7 With regard to the membership and chairmanship of the Audit and Remuneration Committees.

10. **Authority**

- 10.1 The Committee is authorised to seek any information it requires from any employee of the company in order to perform its duties.
- 10.2 The Committee is authorised to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference.