

SENSYNE HEALTH PLC

(the Company)

TERMS OF REFERENCE FOR THE NOMINATION COMMITTEE

(approved at a meeting of the board of directors of the Company held on 19 July 2018 and amended at a meeting of the board of directors held on 3rd July 2020)

1. CONSTITUTION

The Nomination Committee (the **Committee**) was constituted as a committee of the board of directors of the Company (the **Board**) at a full meeting of the Board held on 19 July 2018 in accordance with the articles of association of the Company.

2. MEMBERSHIP

- 2.1 The Committee shall be appointed by the Board in accordance with the Company's articles of association.
- 2.2 The Committee shall comprise a minimum of three directors, the majority of whom shall be independent non-executive directors.
- 2.3 The chair of the Committee (the **Committee Chair**) shall be appointed by the Board from among the members of the Committee and shall be either the chair of the Board (the **Chair**) or an independent non-executive director but the Chair must not chair the Committee when it is dealing with the appointment of a successor to the chairmanship of the Board. In the absence of the Committee Chair (and/or an appointed alternate member), the members present at any meeting of the Committee shall elect one of their number who would qualify under these terms of reference to be appointed to that position by the Board to chair the meeting.
- 2.4 The Committee Chair and Committee members shall be listed each year in the annual report of the Company. Each member shall hold office as a Committee member 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.
- 2.5 If any member of the Committee is unable to act for any reason, the Committee Chair may appoint any other non-executive director of the Company agreed by the other members of the Committee, to act as that member's alternate.
- 2.6 The company secretary, or his or her nominee, shall be the secretary of the Committee (the **Secretary**) and shall ensure that where members have concerns on any matters raised or any proposed action, those concerns are recorded in the Committee minutes.
- 2.7 Each member of the Committee shall disclose to the Committee:
 - (a) any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee; or
 - (b) any potential conflict of interest arising from a cross-directorship.
- 2.8 Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so requested by the Board) shall resign from the Committee.

3. QUORUM

The quorum for meetings of the Committee shall be two members present throughout the meeting. 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.

4. MEETINGS

4.1 The Committee shall meet as required with a minimum of two meetings per financial year of the Company and at such other times as the Committee Chair shall require.

4.2 No one other than the members of the Committee is entitled to be present at a meeting of the Committee. The members of the Committee shall, however, have the discretion to decide who else shall be invited to attend for all or part of any meeting, as and when appropriate and necessary.

4.3 Meetings of the Committee shall be called by the Secretary at the request of the Committee Chair.

4.4 Unless otherwise agreed, notice of each meeting of the Committee confirming the venue, date and time together with an agenda of items to be discussed and supporting papers where appropriate shall be forwarded to each member of the Committee and to each other person invited to attend no later than five working days prior to the date of the meeting. All reasonable efforts shall be made to give notice of meetings of the Committee to all members of it and to arrange such meetings so that members are able to attend them.

4.5 Members of the Committee may participate and be included in any quorum in any Committee meetings by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other. Such meetings shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the Committee Chair is.

4.6 In the event of an equality of votes, the Committee Chair shall have a casting vote and attendees may be asked to leave to allow discussions of matters relating to them.

4.7 The Secretary shall prepare minutes of any meeting of the Committee, including the names of those present and in attendance, and, after approval and signature by the Committee Chair, shall circulate the minutes to all members of the Committee and, once agreed, to all other members of the Board, unless it would be inappropriate to do so. The Secretary shall also ascertain at the beginning of each meeting of the Committee the existence of any conflicts of interest and minute them accordingly.

4.8 The Committee Chair shall be available to answer questions about the Committee's activities at the annual general meeting of the Company. All members of the Committee shall also attend the annual general meeting.

5. AUTHORITY

5.1 The Board authorises the Committee to:

- (a) investigate any activity within the scope of its duties;
- (b) seek any information it requires from any employee of the Company or group company in order to perform its duties;

- (c) employ the services of such advisers as it deems necessary to fulfil its responsibilities, including employing search consultants at the Company's expense; and
- (d) obtain outside legal or other independent professional advice on any matter within its terms of reference and to secure attendance of outsiders with relevant experience and expertise, if it reasonably considers this necessary, at the Company's expense.

6. DUTIES

6.1 The Committee shall make available these terms of reference, explaining the role of the Committee and the authority delegated to it by the Board by including the information on the Company's website.

6.2 Board composition

The Committee shall:

- (a) regularly review the structure, size and composition of the Board to ensure it has an appropriate balance of skills, experience, independence, knowledge and diversity, and make recommendations to the Board with regard to any changes;
- (b) keep the leadership needs, at board level, of the Company under review (both executive and non-executive) with a view to ensuring the continued ability of the Company to compete effectively in the market;
- (c) assist with the annual evaluation process to assess the overall and individual performance and effectiveness of the Board and its committees, including consideration of the balance of skills, experience, independence and knowledge of the Company on the Board, its diversity, including gender, age, educational and professional background, how the Board works together as a unit, and other factors relevant to its effectiveness;
- (d) review the results of the Board's annual performance evaluation that relate to the composition of the Board; and
- (e) keep under review the Company's policy on diversity, including gender, age, educational and professional background and any measurable objectives that it has set in implementing the policy, and progress on achieving the objectives.

6.3 Board appointments and commitments

The Committee shall:

- (a) be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise. Prior to the 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;
- (b) before any appointment is made by the Board, evaluate the balance of skills, experience, independence, knowledge and diversity on the Board, including the balance of non-executive directors to executive directors and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and assess the time commitment expected;

- (c) in identifying suitable candidates the Committee shall:
 - (i) use open advertising or the services of external advisers to facilitate the search;
 - (ii) consider candidates from a wide range of backgrounds; and
 - (iii) consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, age, educational and professional background, taking care that appointees have enough time available to devote to the position;
- (d) prepare a job specification for the appointment of the Chair, including an assessment of the time commitment expected, recognising the need for availability in the event of crises. 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;
- (e) arrange for non-executive directors to receive a formal letter of appointment to the Board, on their appointment, setting out the expected time commitment, Committee service expected of them and their involvement outside Board meetings; and
- (f) review annually the time required from a non-executive director and assess whether he contributes effectively and demonstrates commitment to the role (performance evaluation should be used to assess whether the non-executive director is spending enough time to fulfil his duties).

6.4 **Succession planning**

The Committee shall:

- (a) give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future; and
- (b) make recommendations to the Board with regard to plans for succession for both executive and non-executive directors and, in particular, for the key roles of Chair and Chief Executive Officer.

6.5 **Other matters**

The Committee shall make recommendations to the Board with regard to:

- (a) the appointment of the company secretary, as and when a vacancy arises;
- (c) the appointment of the senior independent non-executive director;
- (d) membership of the Audit and Risk Committee, the Remuneration Committee, and any other Board committees as appropriate, in consultation with the chairmen of those committees;
- (e) the re-election by shareholders of directors under the annual re-election provisions of the UK Corporate Governance Code having given due regard to his or her 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 having served for at least six years); and

- (f) the appointment of any director to an executive or other office of the Company (other than to the positions of Chair and Chief Executive Officer, the recommendation for which would be considered at a meeting of the Board); and
- (g) the Board's policy for the selection and appointment of senior management.

7. REPORTING RESPONSIBILITIES

- 7.1 The Committee Chair 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 which will form part of, or be annexed to, the Company's annual report which describes the roles and responsibilities of the Committee and actions taken by the Committee to discharge those responsibilities, including the process it has used in relation to Board appointments. The report should also include a description of the policy on diversity, including gender, any measurable objectives set for implementing the policy, and progress on achieving the objectives together with any relevant further information on the policy on diversity with regard to aspects such as age, gender and educational and professional background, the objectives of the policy, how it has been implemented and results during the reporting period. The report should also give an explanation if neither an external search consultancy nor open advertising has been used in the appointment of the Committee Chair or a non-executive director. The report should identify any external search consultancy used and include a statement as to whether it has any other connection with the Company. The report should also list the names of all members of the committee, the number of Committee meetings and attendance by each member.

8. PERFORMANCE, RESOURCES AND TRAINING

- 8.1 The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required.
- 8.2 The Committee shall 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 The Committee shall give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code, the requirements of the AIM Rules for Companies of the London Stock Exchange, the Financial Conduct Authority's Disclosure Guidance and Transparency Rules sourcebook (insofar as it is applicable to AIM companies), and any other applicable rules and guidance, as appropriate.
- 8.4 The Committee shall arrange for periodic reviews of its own performance and, at least annually, 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.