

**Hurricane Energy Plc (the “Company”)**

## Nomination Committee Terms of Reference

Terms of Reference for the Nomination Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company constituted pursuant to Article 92 in the Company's Articles of Association by a Resolution of the Board passed on 20 January 2011, and as reviewed/amended and adopted by the Board on 15 January 2018 and on 25 March 2019.

### **1. Membership**

- 1.1. The Committee shall comprise of at least 3 directors. A majority of the members of the Committee should be independent non-executive directors. All appointments to the Committee shall be made by the Board.
- 1.2. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, other Board members, Senior Executives and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
- 1.3. Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods provided that the majority of the Committee members remain independent.
- 1.4. The Board shall appoint the Committee Chairman who should be an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

### **2. Secretary**

- 2.1. The Company Secretary, or his/her nominee, or a person appointed by the Committee Chairman, shall act as the Secretary of the Committee.

### **3. Quorum and voting**

- 3.1. The quorum necessary for the transaction of business shall be 2 both of whom must be independent non-executive directors. 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.
- 3.2. In the event of an equality of votes the Committee Chairman shall have a second or casting vote.

### **4. Meetings**

- 4.1. The Committee shall meet at least twice a year and at such other times as the Chairman of the Committee shall require. Meetings may be held by telephone.

### **5. Notice of meetings**

- 5.1. Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chairman of the Committee.

5.2. 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, any other person required to attend, no later than 5 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.

## **6. Minutes of meetings**

6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

6.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chairman of the Board and, once agreed, to all other members of the Board, unless a conflict of interest exists.

## **7. Annual General Meeting**

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

## **8. Duties**

8.1. The Committee shall carry out the following duties for the Company, major subsidiary undertakings and the Group as a whole, as appropriate:-

8.1.1. regularly review the structure, size and composition (including the length of service, skills, knowledge, experience and diversity of gender, social and ethnic backgrounds, cognitive and personal strengths) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;

8.1.2. 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 what skills and expertise are therefore needed on the Board in the future;

8.1.3. oversee a diverse pipeline of talent both to the board and senior management positions;

8.1.4. be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;

8.1.5. 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. In identifying suitable candidates the Committee:-

8.1.5.1. may use open advertising or the services of external advisers to facilitate the search;

8.1.5.2. shall consider candidates from a wide range of backgrounds; and

8.1.5.3. shall consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;

8.1.6. keep under review the leadership needs of the Company and the Group, both executive and non-executive, with a view to ensuring the continued ability of the Company and the Group to compete effectively in the marketplace;

- 8.1.7. keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
  - 8.1.8. ensure there is a formal and rigorous annual evaluation process in place to review the performance of the board, its committees, the chair and individual directors. review the results of the annual board performance evaluation process that relate to the composition of the Board and time required from non-executive directors to perform their role, assessing whether the non-executive directors are spending enough time to fulfil their duties; and
  - 8.1.9. 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.
- 8.2. The Committee shall also make recommendations to the Board concerning:-
- 8.2.1. formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman and Chief Executive and suitable candidates for the role of senior independent director;
  - 8.2.2. membership of the Audit/Risk and Remuneration Committees, in consultation with the chairmen of those committees;
  - 8.2.3. 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;
  - 8.2.4. the re-election by shareholders of directors under the annual re-election provisions of the UK Corporate Governance 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,(particularly in relation to directors being re-elected for a term beyond six years).;
  - 8.2.5. 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
  - 8.2.6. the appointment of any director to executive or other office.

## **9. Reporting responsibilities**

- 9.1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2. The Committee shall:-
  - 9.2.1. make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
  - 9.2.2. make a statement in the Annual Report about its activities, the process used for appointments and explain if external advice or open advertising has not been used.
  - 9.2.3. consider what if any statements are to be included in the report referred to in 9.2.2 regarding the Board's policy on diversity, gender, its measurable objectives that it



has set in implementing any such policy and its progress on achieving such objectives.

**10. Other**

The Committee shall, 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.

**11. Authority**

11.1. The Committee is authorised to seek any information it requires from any employee of the company in order to perform its duties.

11.2 The Committee is authorised to obtain, at the company's expense independent legal or other professional advice on any matters within its terms of reference.



Hurricane