



NOMINATIONS COMMITTEE

TERMS OF REFERENCE

Nautilus Marine Services PLC (the “Company”)

Terms of reference for the Nominations Committee of the Company

1. Constitution

The committee has been established by a resolution of the Board of Directors of the Company (the “**Board**”) and is to be known as the Nominations Committee (the “**Committee**”). These terms of reference constitute the terms of reference of the Committee of the Company and were adopted by the Company at a meeting of the Board of the Company held on 10 September 2018.

2. Duties and Terms of Reference

2.1 The duties of the Committee are as follows:

- (a) to be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise save that the appointments as Chairman of the Board or Managing Director should be matters for the whole Board;
- (b) before making an appointment, evaluate the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
- (c) to obtain details of and review any interests a candidate for a vacancy may have which conflict or may conflict with the interests of the Company and its subsidiaries (the “**Group**”). The Committee shall consider whether, despite any such conflict, there are nevertheless grounds for recommending the candidate for appointment and for the Board to authorise the relevant conflict;
- (d) give full consideration to succession planning for both executive and non-executive directors and other senior management in the course of its work, taking into account the challenges and opportunities facing the Group and what skills and expertise are therefore needed on the Board in the future;
- (e) regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
- (f) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
- (g) include in the Groups’s annual report and accounts, as required by the prevailing regulations, details about its activities; the process used for appointments and explain if external advice or open advertising has not been used; the membership of the Committee; number of Committee meetings and attendance over the course of the year;
- (h) make available its terms of reference for inspection at the registered office of the Company which explain clearly the Committee’s role and the authority delegated to it by the Board;

- (i) 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;
- (j) at least biennially review the time requirements for non-executive directors, 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;
- (k) keep up to date and fully informed about strategic issues and commercial changes affecting the Group and the market in which it operates;
- (l) review and monitor compliance with the Group's values and culture, compliance program and codes of conduct;
- (m) provide oversight over compliance with corporate policies, legal rules and governing regulations;
- (n) evaluate the impact of new policies, procedures and regulations on the Group's business operations and public image;
- (o) consider such other matters as may be requested by the Board; and
- (p) the Committee shall make recommendations to the Board:
 - (i) as regards plans for succession for both executive and non-executive directors;
 - (ii) as regards 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;
 - (iii) relating to the membership of the Audit and Remuneration Committees, in consultation with the chairmen of those committees;
 - (iv) concerning the re-election by shareholders of any director under the 'retirement by rotation' provisions in the Company's articles of association 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;
 - (v) concerning 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 Group subject to the provisions of the law and their service contract; and
 - (vi) concerning the terms and conditions on which authorisation of any conflicts of interest should be given by the Board upon appointment of any director.

2.2 The Committee must:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required; and
- (b) have access to appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

3. Membership

- 3.1 The members of the Committee shall be appointed by the Board from amongst the directors of the Company in consultation with the Chairman of the Committee and shall consist of not less than two members. The members of the Committee shall consist of a majority of independent non-executive directors of the Company.
- 3.2 The Chairman of the Committee shall be appointed by the Board. The Company's Chairman may not chair the Committee when it is dealing with the matter of succession to the chairmanship.
- 3.3 At the date of adoption of these terms of reference, it has been agreed that the members of the Committee will be:
- (a) David Quint;
 - (b) Alan Henderson; and
 - (c) Zac Phillips.
- 3.4 At the date of adoption of these terms of reference, it has been agreed that the Chairman of the Committee will be David Quint.
- 3.5 The Secretary of the Company may act as secretary of the Committee or the Committee may at each meeting appoint one of their number to be the secretary of the Committee.
- 3.6 Each member of the Committee shall disclose to the Committee:
- (a) any personal, financial or other interest in any matter to be decided or discussed by the Committee; and/or
 - (b) any potential conflict of interest arising from a cross-directorship or otherwise; and
- 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 required by the Board) shall resign from the Committee or absent himself from all or part of the meeting of the Committee in question.
- 3.7 Care should be taken to minimise the risk of any conflict of interest that might be seen to give rise to an unacceptable influence. Appointments to the Committee shall be for a period of up to three years, which may be extended for further periods at the discretion of the Board, provided the director still meets the criteria for membership of the Committee.
- 3.8 Membership of the Committee shall be noted in the annual report of the Group.

4. Attendance at Meetings

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as executive directors and members of the Group's management, and any other member of the Board and external advisers, may be invited to attend for all or part of any meeting, as and when appropriate but such persons shall have no right of attendance.

5. Proceedings at Meetings

- 5.1 The quorum for a meeting of the Committee shall be two members of the Committee. 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.
- 5.2 Meetings may be held by telephone.
- 5.3 Subject as provided in paragraph 3.6 above, each member of the Committee shall have one vote. In the event of an equality of votes, the Chairman of the Committee shall have a second or casting vote (again subject as provided in paragraph 3.6 above).
- 5.4 In the absence of the Chairman of the Committee or any appointed deputy, the remaining members present shall elect one of their number to chair the meeting.

6. Frequency of Meetings

Meetings shall be held at least once a year and at such other times as the Chairman of the Committee shall require.

7. Notice of Meetings

- 7.1 Meetings of the Committee shall be called by the Chairman of the Committee.
- 7.2 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 and all other non-executive directors no later than five working days (which notice may be waived by any director) before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate at the same time.
- 7.3 Meetings of the Committee may be conducted when the members are physically present or in the form of either a video or audio conference.
- 7.4 Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

8. Minutes of Meetings

- 8.1 The Secretary of the Company shall circulate the minutes of meetings of the Committee to all members of the Board, including the names of those present and in attendance.
- 8.2 The Secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interests and minute them accordingly.

9. Annual General Meeting

The Chairman of the Committee shall attend the annual general meeting to answer shareholder questions of the Committee's activities.

10. Authority

- 10.1 The Committee is authorised by the Board to investigate and undertake any activity within its terms of reference. It is authorised to seek any information it properly requires from any director,

employee or professional adviser and all directors, employees and professional advisers are and must be directed to co-operate with any request made by the Committee.

- 10.2 The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The cost of obtaining such advice or services shall be borne by the Company within such limits as may be authorised by the Board from time to time.

11. Reporting

- 11.1 The Chairman of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

12. General Matters

- 12.1 The recommendations of the Committee minutes must be approved by the Board before they can be implemented.
- 12.2 Any of the terms set out in this document may be varied by a majority resolution of the Board.
- 12.3 The Committee shall make available to shareholders these terms of reference.