

Nomination Committee

Nomination Committee - Terms of Reference

(As Adopted on 28 November 2003)

Constitution

The Board of Serco Group plc has reviewed and confirmed the establishment of a Committee of the Board to be known as the Nomination Committee.

Membership

The membership of the Committee shall be at least two Non-Executive Directors together with the Chairman of the Company.

The Chairman of the Committee shall be appointed by the Board.

The quorum of the Committee shall be two of whom at least one must be a Non-Executive Director.

The Secretary of the Company or their nominee shall be the Secretary of the Committee.

Authority

The Committee is authorised by the Board to seek appropriate professional advice inside and outside the company as and when it considers necessary to fulfil its duties.

Frequency of meetings

Meetings should be held as required, but a minimum of once per year.

Duties

The Committee should:

- Be responsible for identifying and nominating, for the approval of the Board, candidates to fill board vacancies as and when they arise;
- 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.
- Make recommendations to the Board concerning the appointment of any Director or the Company Secretary to the Board;
- Give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Company and the necessary skills and expertise required on the Board;

- Regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
- Make recommendations to the Board regarding re-appointment of any Non-Executive Director at the conclusion of their term of appointment;
- Make recommendation to the Board regarding the re-election by Shareholders of any Director under the retirement provisions in the company's articles of association;
- Make a statement in the annual report about its activities; the process used for appointments; the membership of the Committee, number of Committee meetings held and attendance over the course of the year;
- Make available its terms of reference explaining clearly its role and the authority delegated to it by the Board; and
- 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.

Minutes

The Chairman of the Committee shall report on the business of that Committee at the next Board meeting.