

SAFESTORE HOLDINGS PLC

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TERMS OF REFERENCE  
OF THE NOMINATION COMMITTEE

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**SAFESTORE HOLDINGS PLC**  
**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE**  
**(as approved by the Board of Directors**  
**of Safestore Holdings plc (the "Company") on 11 December 2009)**

**1. Membership**

- 1.1 The Nomination Committee comprises not fewer than three directors of the Company to be selected by the Board. A majority of the members of the Nomination Committee should be non-executive directors who are independent in character and judgement and free from any relationships or circumstances which are likely to affect, or could appear to affect, the Committee member's judgement. The Board must from time to time review the composition of the Nomination Committee to ensure that membership of the Nomination Committee rotates amongst the Company's non-executive directors.
- 1.2 If any member of the Nomination Committee is unable to act for any reason, the chairman of the Nomination Committee may appoint any other non-executive director of the Company to act as his alternate.
- 1.3 Only members of the Committee are entitled to attend Committee meetings. However, others may be invited to attend for all or part of any meeting, as and when appropriate.
- 1.4 The chairman of the Nomination Committee, who should be the chairman of the Board or an independent non-executive director, shall be appointed by the Board. In the absence of the chairman of the Nomination Committee, the Senior Non-Executive Director is to chair the meeting. The Chairman of the board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship of the Board.

**2. Secretary**

- 2.1 The Company Secretary is the secretary of the Nomination Committee.

### **3. Quorum**

- 3.1 The quorum necessary for meetings of the Nomination Committee is two of its members 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.

### **4. Frequency of Meetings**

- 4.1 Meetings of the Nomination Committee are to be held not less than twice a year. Any of the Committee members may request a meeting of the Nomination Committee if he or she considers it necessary, to be arranged by the secretary.

### **5. Notice of Meetings**

- 5.1 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 and any other person invited to attend, no fewer than five working days prior to 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 must send the minutes of meetings of the Nomination Committee to all members of the Nomination 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**

- 7.1 The Chairman of the Committee should attend the Company's annual general meeting to be available to answer shareholders' questions on the activities of the Nomination Committee.

### **8. Duties**

#### **8.1 The Committee shall:**

- 8.1.1 review regularly the structure, size and composition (with particular regard to the balance of executive and non-executive directors, including independent non-executives) and to make recommendations to the board with regard to any changes that the Nomination Committee considers necessary;
- 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 the skills and experience needed within the Company and on the Board;
- 8.1.3 be responsible for identifying and nominating candidates, for the approval of the Board, to fill board vacancies as and when they arise. In identifying suitable candidates, the Nomination Committee shall consider candidates on merit and against objective criteria, taking care that candidates have sufficient time to undertake the particular role;

- 8.1.4 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;
- 8.1.5 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;
- 8.1.6 keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates;
- 8.1.7 review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
- 8.1.8 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; and
- 8.1.9 ensure, in conjunction with the chairman of the Board, that new directors receive a full, formal and tailored induction;

**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;
- 8.2.2 suitable candidates for the role of senior independent director;
- 8.2.3 membership of the Audit and Remuneration Committees, in consultation with the Chairmen of those committees;
- 8.2.4 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;
- 8.2.5 the continuation, or not, in service of any executive director as an executive or non-executive director;
- 8.2.6 the proposed re-election of any director who will have been in office for three years under the 'retirement by rotation' provisions in the company's articles of association;
- 8.2.7 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
- 8.2.8 the appointment of any director to executive or other office, the recommendation for which would be considered at a meeting of the full Board.

**9. Reporting Responsibilities**

- 9.1 The Nomination 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 make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall make a statement in the annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used.

## **10. Other**

- 10.1 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 Nomination Committee is authorised by the Board to obtain the advice and assistance of any of the Company's executives provided their role in providing such advice and assistance is clearly separated from their role within the business.
- 11.2 The Nomination Committee is authorised by the Board to secure attendance of any person with relevant experience and expertise at committee meetings if it considers this appropriate.
- 11.2 The Nomination Committee is authorised by the Board to obtain, at the Company's expense, such legal or other independent professional advice as it deems necessary to fulfil its responsibilities.

The Nomination Committee should make available these terms of reference, explaining its role and the authorities delegated to it by the Board.