

APPOINTMENT PROCEDURE FOR PLC DIRECTORS

Composition of the PLC Board

The PLC Board should consist of not less than six and no more than thirty (30) Directors, unless otherwise determined by ordinary resolution.

The UK Corporate Governance Code provides that there should be an appropriate combination of Executive and Non-Executive (and, in particular, Independent Non-Executive) Directors, such that no one individual or small group of individuals dominates the PLC Board's decision-making. At least half the PLC Board, excluding the chair, should be Non-Executive Directors whom the PLC Board considers to be independent.

Appointment and eligibility

Directors are appointed by:

- (i) the annual general meeting of PLC;
- (ii) from time to time in accordance with any other powers that the Directors possess under the Articles of Association; or
- (iii) otherwise, at a general meeting of PLC as required by law.

All Directors, Executive and Non-Executive, retire at the annual general meeting of PLC each year and, if nominated, offer themselves for re-election, in accordance with the Articles of Association. Directors are nominated for re-election on the recommendation of the Nomination and Corporate Governance Committee.

Persons are only eligible to be elected as Directors of PLC if:

- (i) they are recommended by the Board; or
- (ii) a resolution to appoint that person as a Director has been requisitioned by shareholders.

How do shareholders requisition a resolution to appoint a Director?

Shareholders who together hold shares representing at least 5% of the total voting rights of PLC, may require the Directors to call a general meeting. Such shareholders, or 100 shareholders who hold on average £100 each in nominal value of PLC capital, can require PLC to propose a resolution at any general meeting of PLC or the annual general meeting.
