

Nomination Committee report



Steven McTiernan
Chairman of the Nomination Committee

MEMBERSHIP AND MEETINGS

The Nomination Committee consists of the Non-Executive Chairman, Mr. S. McTiernan, and Non-Executive Directors Ms. E. Headon, Mr. G. Martin and Mr. G. Smith.

		Independent	Date of appointment to Committee	Meetings attended
Mr. S. McTiernan	Chairman	Yes ¹	12/03/13	
Ms. E. Headon	Member	Yes	21/04/11	
Mr. G. Martin	Member	Yes	25/05/17	
Mr. G. Smith	Member	Yes	12/03/13	

Meetings attended

1. On appointment as Chairman of the Company.

Diversity policy

Diversity at Board level has been a focus for the Nomination Committee and the Board for a number of years and is a key factor when considering Board renewal. When making Board appointments, the Committee looks at international business expertise particularly in the area of titanium minerals mining, professional and education background and diversity of nationality and gender. During the ongoing process of Board renewal, each, or a combination, of these factors can take priority.

During the year, the Board and Committee recognised the need for enhanced independent specialist mining industry skills and experience among the Non-Executive Directors given the significant Mine development programme underway. In response to this need, Mr. Clever Fonseca was appointed as a Non-Executive Director in July 2018. Mr. C. Fonseca has worked in the titanium industry for over 35 years and has extensive knowledge and board-level management experience of mineral sands mining. Mr. C. Fonseca has experience of working in the titanium pigment and feedstock industries. He has a BSc in Mining Engineering from Universidade Federal De Pernambuco, and an MBA from Fundacao Getulio Vargas, both in Brazil. His full biography is set out on page 58. Mr. C. Fonseca brings diversity of nationality and industry experience to the Board.

The Board is targeting to have female Directors represent at least 25% of the Board by the end of 2020 and to further increase this figure to 33% as soon as practicable thereafter. While no specific targets have been set with regard to age, the ages of the Directors currently range from 44 to 67, which the Committee believes is appropriate.

Summary of role of the Nomination Committee

The main responsibilities of the Committee include:

- regularly reviewing the structure, size and composition (including the skills, knowledge, independence, diversity and experience) of the Board and making recommendations to the Board with regard to changes considered advisable;
- before making an appointment, evaluating the balance of skills, knowledge and experience on the Board and, in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
- identifying and nominating for the approval of the Board candidates to fill Board vacancies as and when they arise;
- keeping under review the leadership needs of the organisation, both Executive and Non-Executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- giving full consideration to succession planning 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; and
- reviewing periodically the time required from a Non-Executive Director. Performance evaluation is used to assess whether the Non-Executive Director is spending enough time to fulfil his or her duties.

The standard terms of contract for Non-Executive Directors are available on request from the Company Secretary, at the Company's registered office during normal business hours, and at the AGM (for 15 minutes prior to the meeting and during the meeting).

Meetings

The Committee met four times during the year ended 31 December 2018. Details of the Directors' and Secretary's attendance at Nomination Committee meetings are set out on page 62.

The Committee considered the appointment of Mr. C. Fonseca as a Non-Executive Director. An external recruitment consultant, the Effective Board LLP (which has no connection with the Company), was engaged to assist the Nomination Committee with a recruitment process, the result of which was the co-option of Mr. C. Fonseca to the Board in July 2018.

The Committee also considered senior management and head office staff career development planning and performance. As a result of this process a new appraisal and incentive scheme was developed during the year.

Steven McTiernan

Chairman of the Nomination Committee
29 March 2019