

**TERMS OF REFERENCE OF THE NOMINATION COMMITTEE OF THE BOARD OF DIRECTORS  
OF CRODA INTERNATIONAL Plc  
("the Committee")**

**A. Membership**

1. The Committee will consist of at least three members, each appointed by the Board of Directors (the "**Board**").
2. The majority of the members of the Committee will be non-executive directors who are independent in character and judgement and free from any business or other relationship or circumstance that are likely to affect, or could appear to affect, the exercise of their independent judgement.
3. The Board shall appoint the Chair of the Committee, who shall be either the Chair of the Board or an independent non-executive director and determine the period for which he shall hold office. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chair.
4. The Company Secretary or their nominee shall act as the Secretary of the Committee.

**B. Meetings**

1. The Committee shall meet formally at least twice a year.
2. A meeting of the Committee may be called by the Chair of the Committee or by the Secretary.
3. The quorum for any meeting shall be two, both of whom must be independent non-executive directors.
4. The Committee may invite any person to attend and speak at the meeting at the request of the Chair of the Committee.
5. In the absence of the Chair of the Committee, the remaining members present shall elect one of their number to chair the meeting.

**C. Responsibilities**

The responsibilities of the Committee shall be to:

1. review regularly the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
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 what skills and expertise are therefore needed on the Board in the future;
3. where a Board vacancy is identified, evaluate the balance of skills, knowledge, experience and diversity on the Board and, in the light of that evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Committee shall:
  - 3.1 use open advertising or the services of external advisers to facilitate the search;
  - 3.2 consider candidates from a wide range of backgrounds; and

- 3.3 consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, social and ethnic backgrounds and taking care that appointees have enough time to devote to the position;
4. identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when they arise;
5. for the appointment of a Chair, prepare a job specification, including the time commitment expected. A proposed Chair's other significant commitments should be disclosed to the Board before appointment and any changes to the Chair's commitments should be reported to the Board as they arise;
6. prior to the appointment of a director, require the proposed appointee to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
7. 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. review annually the time required from a non-executive director. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties;
9. 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;
10. make recommendations to the Board regarding:
  - 10.1 plans for succession for both executive and non-executive directors and, in particular, for the key roles of Chair and Group Chief Executive;
  - 10.2 suitable candidates for the role of senior independent director;
  - 10.3 the reappointment of any non-executive director at the conclusion of their or 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;
  - 10.4 the re-election by shareholders of directors under the annual re-election provisions of the UK Corporate Governance Code or the retirement by rotation provisions in the Company's articles of association, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);
  - 10.5 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
  - 10.6 the appointment of any director other than to the positions of Chair of the Company and Group Chief Executive, the recommendations for which shall be considered at a meeting of the full Board.
11. ensure that the Chair of the Committee, or, in their unavoidable absence, an appointed deputy, attends the Company's Annual General Meeting to answer shareholders' questions, through the Chair of the Board, about the Committee's area of responsibility.

In carrying out their responsibilities, Committee members must act in accordance with the statement of directors' duties set out in sections 171 – 177 of the Companies Act 2006.

**D. Authority**

1. The Committee is authorised by the Board:
  - 1.1 to seek any information it requires from any employee of the Company in order to perform its duties;
  - 1.2 when necessary for the fulfilment of its duties, to obtain any outside legal or other professional advice and to secure the attendance of external advisors at its meetings, at the Company's expense; and
  - 1.3 to commission any reports or surveys which it deems necessary to fulfil its obligations.

**E. Reporting Procedures**

1. The Secretary shall circulate the minutes of meetings of the Committee to all members of the Board.
2. The Committee members shall conduct an annual review of their performance, constitution and these terms of reference and make recommendations to the Board regarding any changes.
3. The Committee shall produce a report to be included in the Company's annual report about its activities, the process used to make appointments and an explanation if external advice or open advertising has not been used.

Reviewed and approved by the Board on 9 December 2020