

LEGAL & GENERAL GROUP PLC

Nomination Committee – Terms of Reference

1. Constitution of the Committee

1.1. The Board of Directors resolved to appoint a Nomination Committee (the “Committee”), which is a committee of the Board. The Board will annually review the terms of reference listed below.

2. Membership

- 2.1. Members of the Committee comprise all Non-Executive Directors appointed to the Board.
- 2.2. Appointments to the Committee will be for a period of three years, which may be extended for two further three year periods, provided the director remains independent.
- 2.3. The Committee will comprise a minimum the Group Chairman in addition to three independent Non-Executive Directors of the Company. Independence is determined by relevant legislation and corporate governance.
- 2.4. The Group Chairman shall be the Chair of the Committee unless the Committee is considering matters relating to the Group Chairman.

3. Duties and Authority

3.1. The responsibilities of the Committee shall be to:

- 3.1.1. Regularly review the structure, size and composition (including the skills, knowledge, background and experience) required of the Board compared to its current position, and make recommendations to the Board with regard to any changes. The Committee will review the results of the Board evaluation process that relate to the composition of the Board in discharging its responsibilities.
- 3.1.2. Set and regularly review the criteria for identifying and nominating candidates based on the description of the role and capabilities required for individual appointments.
- 3.1.3. 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 by the Board in the future.
- 3.1.4. Be responsible for identifying and nominating for approval of the Board, candidates to fill Board vacancies as and when they arise. In identifying suitable candidates the Committee shall
 - 3.1.4.1. use the services of external advisers to facilitate the search
 - 3.1.4.2. consider candidates from a wide range of backgrounds
 - 3.1.4.3. consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the board, including gender, taking care that appointees have enough time available to devote to the position.
- 3.1.5. Before appointment is made to the Board, evaluate the balance of skills, knowledge and experience on the Board and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment.
- 3.1.6. Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to safeguarding the continued ability of the Company to compete effectively in the market place.
- 3.1.7. Keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
- 3.1.8. Review the time commitment required from non-executive directors and assess the non-executive directors’ other significant commitments to ensure that they continue to be able to fulfil their duties to the Company.
- 3.1.9. 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.

- 3.2. The Committee shall also make recommendations to the Board concerning:
- 3.2.1. Formulating plans for succession for both Executive and Non-Executive Directors and, in particular, the key roles of the Chairman, Vice-Chairman and Chief Executive.
 - 3.2.2. Suitable candidates for the role of Senior Independent Director.
 - 3.2.3. Membership of the Risk, Audit and Remuneration Committees, in consultation with the Chairmen of those Committees.
 - 3.2.4. The re-appointment of any Non-Executive Director at the conclusion of their specified term of office, having given due consideration to their performance and ability to continue to contribute to the Board in light of the knowledge, skills and experience required.
 - 3.2.5. The re-election by shareholders of any Director having due regard to their performance and ability to continue to the Board in the light of the knowledge, skills and experience required.
 - 3.2.6. Any matters relating to the contribution 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.
 - 3.2.7. The appointment of any Director to executive or other office other than to the positions of Chairman, Vice-Chairman and Chief Executive, the recommendation for which would be considered at a meeting of the full Board.
- 3.3. The Committee is authorised to seek any information it requires from any employee of the Company in order to perform its duties.
- 3.4. The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its reference.

4. Meetings and Quorum

- 4.1. Only members of the Committee have the right to attend Committee meetings. However, the following may attend by invitation:
- Group Chief Executive
 - Executive Directors (as appropriate)
 - Group Human Resources Director
 - Group General Counsel
- 4.2. The Company Secretary, or his nominee, shall act as Secretary of the Committee.
- 4.3. Any three Members which includes either the Chairman or Senior Independent Director and has a majority of independent Non-Executive Directors shall constitute a quorum.
- 4.4. 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.
- 4.5. The Committee normally meets at least twice per year, and at other times as the Chairman of the Committee deems appropriate.
- 4.6. The Secretary of the Committee shall minute the proceedings and resolutions of meetings of the Committee including recording the names of those present and in attendance.
- 4.7. Minutes of the meeting will be circulated to all members of the Committee.

5. Reporting responsibilities

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

6. Other matters

- 6.1. The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure its maximum effectiveness and recommend any changes it considers necessary to the Board for approval.