



Bellway p.l.c.
Nomination Committee
Terms of Reference

Constitution

1. The Board has established a committee of the Board known as the Nomination Committee (the "Committee"), being a permanent committee of the Board.

Membership

2. Members of the Committee are appointed by the Board. The Committee shall consist of at least three members, the majority of whom should be independent non-executive directors.
3. The Committee Chairman shall be appointed by the Board. He/she should be either the Chairman of the Board or an independent non-executive director. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

Secretary

4. The Group General Counsel and Company Secretary shall act as the Secretary of the Committee.

Quorum

5. The quorum necessary for the transaction of business shall be two members.

Meetings

6. The Committee shall meet at least twice a year and at such other times as the Committee shall require.
7. Any non executive director, irrespective of whether they are a Committee member or not, has the right to attend a meeting of the Committee. However, other individuals may be invited to attend for all or part of any meeting, as and when appropriate.

Voting

8. Decisions of the Committee will be made by a majority vote. In the event of an equality of votes, the Committee Chairman shall have a second or casting vote.

Responsibilities

9. The Committee shall:
 - (a) regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
 - (b) 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 expertise needed in the future;
 - (c) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
 - (d) before making a nomination, 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. In identifying suitable candidates the Committee will:
 - i. consider candidates from a wide range of backgrounds;
 - ii. consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
 - iii. have due regard for the benefits of diversity on the Board, including gender; and
 - iv. consider using open advertising or the services of external advisers to facilitate the search for a Chairman or a non-executive director;
 - (e) keep under review the leadership needs of the organisation, both executive and non-executive, to ensure the continued ability of the organisation to compete effectively in the marketplace;
 - (f) 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;
 - (g) 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;

- (h) review the results of the board performance evaluation process that relate to the composition of the Board; and
 - (i) work and liaise as necessary with all the other board committees.
10. The Committee shall also make recommendations to the Board concerning:
- (a) plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman and Chief Executive (but see (e) below);
 - (b) suitable candidates for the role of senior independent director;
 - (c) membership of the audit and remuneration committees, and any other board committees as appropriate, in consultation with the chairman of those committees;
 - (d) 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; no director may take part in any discussion, or vote, in respect of their own reappointment;
 - (e) the re-election by shareholders of directors under the annual re-election provisions of The UK Corporate Governance Code or the 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 non-executive directors being re-elected for a term beyond six years); no director may take part in any discussion, or vote, in respect of their own reappointment;
 - (f) 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; no director may take part in any discussion, or vote, in respect of their own reappointment; and
 - (g) the appointment of any director to executive or other office other than to the positions of Chairman and Chief Executive, the recommendation for which would be considered at a meeting of the full Board; no director may take part in any discussion, or vote, in respect of their own reappointment.

Reporting Responsibilities

11. The Committee Chairman shall report to the Board on the main items of business addressed at each Committee meeting.
12. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where it considers action or improvement is needed.
13. The Committee shall make a statement in the annual report about its activities, the process used to make Board appointments and explain if neither an external search consultancy nor open advertising has been used in the appointment of the Chairman or a non-executive director.
14. The Committee Chairman shall attend the AGM and shall answer questions, through the Chairman of the Board, on the Committee's activities and responsibilities.

Other

15. The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

Authority

16. The Committee is authorised by the Board to:
 - (a) seek any information it requires from any employee of the Company in order to perform its duties; and
 - (b) obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference, and such advisers may attend meetings as necessary.