

Nomination & Governance Committee – Terms of Reference

The following are the terms of reference of the Nomination & Governance Committee (the “Committee”) of Ceres Power Holdings Plc (“Ceres”). References to Directors are to Directors of Ceres. References to employees are to Ceres and any of its subsidiaries or associated entities (defined as any entity over which Ceres Board can exert significant influence). References to the Board are to the Board of Directors of Ceres Power Holdings Plc.

References to ‘independent’ are determined by reference to paragraph B.1.1 of the UK Corporate Governance Code, June 2010 (the ‘Code’).

Purpose

The purpose of the Committee is to assist the Board in identifying individuals to become Directors under the criteria approved by the Board, nominate Directors to serve on and to chair Board Committees and to ensure that an appropriate Corporate Governance structure is in place.

1. Membership

- 1.1 The Committee is a committee of the Board of Ceres and will comprise at least two Non-Executive Directors of Ceres, who are independent of management and free of any business or other relationship which could interfere with the exercise of their independent judgement. The quorum of the Committee is any two Committee members.
- 1.2 The members of the Committee and the Chairman of the Committee shall be appointed from time to time by a resolution of the Board, from amongst the Non-Executive Directors, and may be removed by the Board at its discretion.
- 1.3 The Secretary to the Committee is appointed by the Chairman of the Committee.

2. Proceedings of the Committee

- 2.1 The Committee shall have the discretion to decide who, other than its members, shall attend its meetings.

3. Frequency of Meetings

- 3.1 The Committee meets no less than two times a year. Any Committee member or the Secretary may call additional meetings as necessary.

4. Authority

- 4.1 The Committee is authorised by the Board to undertake any activity within its terms of reference.
- 4.2 The Committee is authorised by the Board to seek appropriate professional advice and resource inside and outside Ceres as and when it considers this necessary.
- 4.3 In carrying out its duties under these terms of reference, the Committee will have due regard to any legal requirements, provisions and recommendations in the Code and the AIM Rules and associated guidance.
- 4.4 It is the responsibility of the Chairman of the Committee to develop detailed terms of reference for the Committee and to agree these with the Board and to ensure the effectiveness and efficiency of the Committee.

5. Principal Duties

Nominations

The Committee shall:

- 5.1 regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board and make recommendations to the Board with regard to any changes;
- 5.2 give full consideration to succession planning for Directors taking into account the challenges and opportunities facing Ceres;
- 5.3 be responsible for identifying and nominating for approval of the Board, candidates to fill Board vacancies as and when they arise;
- 5.4 prepare a description of the role and capabilities required of a particular appointment;
- 5.5 keep under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of Ceres to compete effectively in the marketplace;
- 5.6 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 fulfill their duties;
- 5.7 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;
- 5.8 make recommendations to the Board concerning:
 - suitable candidates for the role of Senior Non-Executive Director

- membership of the Audit, Remuneration and Technical and Operational Risk Committees
- the re-appointment of any Non-Executive Director at the conclusion of their specified term of office having due regard to their performance and ability and in the light of the requirements of the business
- the re-election by shareholders of any Director under the 'retirement by rotation' provisions in the Ceres' Articles of Association
- any matters relating to the continuation in office as a Director of any Director at any time

Corporate Governance

The Committee shall:

- 5.9 review the relationships of members of the Board with Ceres or its management and assist the Board with its determination of the independence of its members;
- 5.10 to monitor trends and best practice in Corporate Governance, periodically review Ceres Corporate Governance policies and procedures and where appropriate recommend changes to the Board;

6. Reporting

- 6.1 Minutes of meetings of the Committee will be circulated to all members of the Committee and to nominated recipients with papers for the subsequent meeting.
- 6.2 The Committee shall annually review its terms of reference and its own effectiveness and recommend any changes to the Board.
- 6.3 The Committee shall conduct and present to the Board an annual performance evaluation of the Committee.
- 6.4 The Chairman of the Committee shall attend the AGM and shall answer questions, through the Chairman of the Board, on the Committee's activities and their responsibilities.