

Compass Group PLC (the *Company*)

Nomination Committee Terms of Reference

Adopted by the Board on 19 November 2010

Constitution

1. The Board of Directors of the Company (the ***Board***) resolved on 7 December 2000 to establish a committee of the Board to be known as the Nomination Committee (the ***Committee***).
2. The Board has resolved to amend the Terms of Reference of the Committee. These Terms of Reference replace in their entirety those adopted by the Board on 7 December 2000 and 8 June 2004.
3. The Company shall ensure that these Terms of Reference are made generally available by means of publication on the Company's website and by making them available from the Company on request.

Membership

4. The Committee shall be appointed by the Board from time to time and shall comprise at least three members, the majority of whom shall be independent non-executive directors of the Company. The Chairman of the Board shall be a member of the Committee.
5. The quorum necessary for the transaction of business shall be three members, of which a majority must be independent non-executive directors. 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.
6. The Committee Chairman shall be the Chairman of the Board or an independent non-executive director as may from time to time be appointed by the Board. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting. The Chairman of the Board shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.
7. The Committee shall appoint the Company Secretary or his/her nominee to be Secretary of the Committee.

Attendance at meetings

8. Meetings may be held by telephone and by any other means of communication.
9. Only members of the Committee have the right to attend Committee meetings. Other individuals, however, such as the Chief Executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

10. Unless otherwise agreed, notice of each meeting confirming venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and any other person required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

Frequency of meetings

11. Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Committee Chairman.

12. The Committee shall meet at such times as the Committee Chairman shall require.

Minutes

13. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including recording the names of those present and in attendance.

14. The Secretary shall promptly circulate the Minutes to all members of the Committee and to all other members of the Board, unless a conflict of interest exists.

Authority

15. The Committee is authorised by the Board to investigate any activity within these Terms of Reference and to make whatever recommendations to the Board it deems appropriate in any area within its remit. It is authorised to seek any information it requires from any employee of the Company and of the Group in order to perform its duties and all employees are directed to co-operate with any request made by the Committee.

16. The Committee is authorised by the Board to obtain, at the Company's expense, internal or external legal or other independent professional advice on any matters within its Terms of Reference, as the Committee considers appropriate.

Duties

17. The Committee shall establish and carry out a formal selection process of candidates and make recommendations to the Board on all new Board appointments (having due regard to the provisions of the articles of association of the Company regarding the appointment of directors).

18. All recommendations of the Committee in respect of the appointment of directors shall be referred to the Board and shall only take effect when approved by resolution of the Board in accordance with the articles of association of the Company.

19. In nominating people to be non-executive directors the Committee shall take into account paragraph B.1.2. of the UK Corporate Governance Code (set out in the Listing Rules of the UK Listing Authority) which provides that at least half of the Board, excluding the Chairman, shall be non-executive directors determined by the Board to be independent.

20. As part of its duties, the Committee shall:
- (a) before an appointment is made by the Board, evaluate the balance of skills, knowledge, independence 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 shall:
 - i) use open advertising or the services of external advisers to facilitate the search;
 - ii) consider candidates from different genders and a wide range of backgrounds;
 - iii) consider candidates on merit and against objective criteria ensuring that appointees have enough time to devote to the position, in light of other significant commitments;
 - (b) for the appointment of a chairman, include an assessment of the time commitment expected, recognising the need for availability in the event of crises;
 - (c) 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, albeit that succession is a matter for the Board;
 - (d) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
 - (e) review annually the time required from the Chairman, the Senior Independent Director and non-executive directors. Performance evaluation should be used to assess whether they are spending enough time to fulfil their duties; and
 - (f) 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, and that they also receive an induction plan;
 - (g) in consultation with the Chairman of the Board make recommendations as to the appropriate training which any director should receive (i) on appointment to the Board, if such appointment is the first occasion on which the director has been appointed to the board of a listed company, and (ii) thereafter as necessary; and
 - (h) at least once a year, review with the Chairman any training provided to directors.
21. The Committee shall also make recommendations to the Board concerning:
- (a) suitable candidates for the role of Senior Independent Director;

- (b) membership of the Audit and Remuneration Committees, in consultation with the Chairmen of those committees;
- (c) the re-appointment of any non-executive director at the conclusion of their specified term of office and the annual re-election of such directors by shareholders at the Company's Annual General Meeting (the *AGM*), having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills, experience and diversity (including gender) required;
- (d) 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
- (e) the appointment of any director to an 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.

Reporting

22. The Committee Chairman shall attend the AGM prepared to respond to any shareholder questions on the Committee's activities.

23. The Committee Chairman shall report formally to the Board on the proceedings of the Committee after each meeting on all matters within its duties and responsibilities.

24. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

25. 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. The members of the Committee shall be identified in the Annual Report as well as the frequency of, and individual attendance by members at, Committee Meetings.

Other Matters

26. The Committee shall regularly review its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

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