



## **INTERNAL REGULATIONS OF THE NOMINATION COMMITTEE OF THE NAVIGATOR COMPANY, S.A.**

### **CHAPTER I INTRODUCTION**

#### **Article 1 (Object and Scope)**

These regulations set out the rules concerning the composition, functions and operation of the Nomination Committee of The Navigator Company, S.A. ("Navigator Company" or "Company").

#### **Article 2 (Composition and Appointment)**

1. The nomination Committee comprises three members, the majority of which shall be non-executive directors, one of which shall act as Chairman; members shall be appointed by the Board of Directors, for a four year mandate, in accordance with the term in office of the other corporate bodies.
2. In the event of his absence or impediment, the Chairman shall be replaced by the member of the Board of Directors designated by himself for this purpose.
3. In the event of a vacancy in the Nomination Committee, the Board of Directors shall appoint a new member.
4. The Board of Directors may, at any time, approve a change in the composition of the Nomination Committee.
5. The members of the Nomination Committee may resign from such office, and continue to hold the position of board member of the Company.

#### **Article 3 (Powers)**

1. The overview and support to the appointment of members of senior management of the Company and the Navigator Group is attributed to the Nomination Committee.
2. In addition to other functions that may be assigned to it by the Board of Directors, the Nomination Committee shall:
  - (a) To issue its opinion on policies and procedures concerning recruitment, hiring, compensation, termination of functions and continuous assessment of senior



- management, policies on remuneration and incentives for same management, and a succession plan for them, and issue recommendations deemed appropriate in this regard;
- (b) Supervise, assist and issue opinions on selection procedures for senior management at the Company and the Navigator Group;
  - (c) Be informed of appointments and end of functions of senior management;
  - (d) Receive, for its opinion, proposals of potential candidates to fill in vacancies that may exist for positions in senior management;
  - (e) Represent the Nomination Committee before corporate bodies and other representatives of the Company.
3. The Collaborators of the Company must be available to provide clarifications and information requested by the members of the Nomination Committee, when performing their functions; however, requests for clarifications and information shall preferably be addressed to the Chairman of the Nomination Committee, or whomever he indicates.

#### **Article 4 (Duties)**

The nomination committee should make its terms of reference available, and should foster, to the extent of its powers, transparent selection processes that include effective mechanisms of identification of potential candidates, and that those chosen for proposal are those who present a higher degree of merit, who are best suited to the demands of the functions to be carried out, and who will best promote, within the organization, a suitable diversity, including gender diversity.

#### **Article 5 (Provision of Services)**

The Nomination Committee may contract the provision of services by specialists or companies specialized in human resources consultancy, to support its members in the performance of their functions. The contracts with and fees of such specialists and consultants must take into account the importance of the matters committed to them and the economic situation of the Company.



**Article 6**  
**(Schedule and Meetings)**

1. The Nomination Committee shall meet at least quarterly.
2. The Nomination Committee shall meet extraordinarily, at the initiative of its chairman or at the request of any of its members, which shall propose date and agenda for such purpose.
3. Meetings shall be scheduled as far in advance as possible, and the date of all the foreseeable meetings during the year shall be set at the beginning of the year.
4. Prior notice of no less than three days shall be given of unscheduled meetings, without prejudice to the possibility of, in case of an urgency, the Chairman of the Nomination Committee convening the Committee as early as possible, even if less than delay mentioned above.
5. All meetings must be convened with indication of the items in the agenda, preferably in writing and by e-mail, even when the meeting has been scheduled in advance. However, the members of the Nomination Committee attending the meeting or being represented at said meetings, and those who have attended the meeting in which, in their presence, or in the presence of their representative, the date(s) and time(s) of the new meeting(s) were set are deemed to have been given notice of the meeting.
6. The convening notice and the order of business for each meeting of the Nomination Committee shall be sent to its members at least three days before the date set for the meeting.
7. Meetings shall be held at the Company's head office, or elsewhere as designated in advance of each meeting by the Chairman of the Nomination Committee or his substitute.
8. In each meeting, one of the members of the Committee shall be designated to act as secretary.
9. The contents of meetings of the Nomination Committee, and of all of its supporting documents, are strictly confidential.

**Article 7**  
**(Agenda)**

1. The meetings of the Nomination Committee shall centre on matters within its competence.



2. The agenda shall be approved by the Chairman of the Nomination Committee and distributed to its other members with the notice of meeting and the relevant supporting documents.
3. Any member of the Nomination Committee may request the inclusion of items in the order of business; this request shall be addressed to the Chairman of the Nomination Committee as much in advance as possible of the date of the meeting accompanied by the respective supporting documents to be distributed to other members.
4. Powers to accept new items or otherwise shall rest with the Chairman, who shall announce his decision at the start of the meeting.
5. The supporting documents for each item in the agenda shall be distributed to all members of the Committee in advance, to enable their analysis in de time, preferably with the notice of the meeting.

**Article 8**  
**(Quorum and Resolutions)**

1. The Nomination Committee shall not adopt any resolution without a majority of its members being present or represented.
2. Resolutions of the Nomination Committee are passed by simple majority of votes cast.
3. In the event of a tie, the Chairman of the Nomination Committee shall have a casting vote.

**Article 9**  
**(Minutes)**

1. Minutes of the meetings of the Nomination Committee shall be drawn up, containing the main issues addressed and its main conclusions.
2. After approval by members of the Committee, minutes shall be recorded in the book of minutes, signed, and a copy thereof shall be sent to the Board of Directors.

**Article 10**  
**(Attendances)**

1. In addition to the members of the Nomination Committee, said members may decide on the attendance of external members in its meetings, as may be deemed appropriate taking into consideration the items on the agenda, notably:
  - a) Other members of the Board of Directors;



- b) Representatives of the audit board;
  - c) The Company Secretary;
  - d) Senior management, in coordination with the competent member of the Board of Directors.
2. The Nomination Committee may also request the assistance of one or more members of staff to support the preparation and holding of meetings, including the proposal of items for inclusion in the agenda, preparing and assembling the supporting documents and drafting the respective minutes.
  3. The attendance of any Company staff or third parties of any meeting of the Nomination Committee shall bind the former to maintain confidentiality of all subjects discussed at the meetings.

**Article 11**  
**(Entry into force and amendments)**

1. These Regulations enter into force on the date of their approval by the Board.
2. The power to amend these regulations rest only with the Board of Directors of the Company.

Setubal, 13 December 2018

The Board of Directors,