

---

## Nominations Committee report

---

The Committee comprises Charles Berry (as Chairman), Tim Barker, Jamie Dundas, Mike Grasby and David Lindsell (appointed 1 December 2008). The biographical notes of the members of the Committee are set out on pages 36 and 37. The Company Secretary acts as Secretary to the Committee. Gordon Horsfield served as Chairman of the Committee until his retirement on 17 April 2008.

The principal duties of the Committee are to keep under review the structure, size and composition of the Board (including the skills, knowledge and experience required by it), to consider succession planning for the directors and other senior managers, to identify and nominate candidates to fill vacancies among the directors and to review the time required from non-executive directors. It also reviews those directors retiring by rotation in accordance with the Company's Articles of Association and makes recommendations to the Board regarding their re-election.

The terms of reference for the Committee are reviewed annually by the Committee and then by the Board. A copy of the terms of reference is available on the Group's website at [www.draxgroup.plc.uk](http://www.draxgroup.plc.uk).

The Committee met on five occasions in 2008, and the members' attendance record is set out on page 44. The Chairman of the Committee reports the Committee's deliberations to the following Board meeting and, subject to redaction in the event that they include personal information, the minutes of each meeting of the Committee are circulated to all members of the Board.

During the year, the Committee considered the succession planning process for the directors and senior managers and concluded that it was appropriate for the business. The outcome of the process which it initiated for the review of the performance of the Board and individual directors is reported in the Corporate governance report within this Annual Report and Accounts.

Following Gordon Boyd's decision to resign as Finance Director, the Committee undertook the process to identify and nominate a successor. External search consultants were engaged to assist in the process. A number of potential candidates were identified and interviewed, and references were taken. The Committee recommended that Tony Quinlan be appointed as Finance Director, and he was appointed by the Board on 1 September 2008.

The Committee reviewed the structure of the Board in the light of Gordon Horsfield's retirement and the appointment of Charles Berry as Chairman. It concluded that the appointment of an additional non-executive director was desirable, and conducted a process to identify and nominate suitable candidates. External search consultants were engaged to assist in the process. A number of potential candidates were identified and interviewed, and references were taken. The Committee recommended that David Lindsell be appointed as a non-executive director, and he was appointed by the Board on 1 December 2008.

The executive directors' service contracts and non-executive directors' letters of appointment are available for inspection by prior arrangement during normal business hours at the Company's registered office. They will also be available for inspection at the venue, prior to the Annual General Meeting, details of which are contained in the Notice of Meeting.

This report was reviewed and approved by the Board on 2 March 2009.

---

**Charles Berry**

Chairman, Nominations Committee



---