

FIDELITY SPECIAL VALUES PLC
(the “Company”)

Terms of Reference of the Nomination Committee

1. Function

The Nomination Committee (the “Committee”) is appointed by the Board to lead the process for Board appointments, to evaluate the balance of skills, experience, independence and knowledge and in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment.

2. Membership

2.1 The Committee shall comprise all the Directors of the Company.

2.2 The Chairman of the Board shall be the Chairman of the Committee, except when dealing with the appointment of his/her successor. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of their number who is qualified under these Terms of Reference to chair the meeting.

2.3 The Company Secretary or their nominee shall act as the Secretary of the Committee.

3. Quorum

The quorum necessary for the transaction of business shall be two independent Directors.

4. Meetings

4.1 Only Committee members have the right to attend Committee meetings, although external advisers may be invited to attend as appropriate.

4.2 The Committee shall meet at least annually, the date of the Committee meeting coinciding with the year end reporting process so that resolutions to recommend the proposal to elect or re-elect Directors at the next Annual General Meeting may be considered.

4.3 A meeting of the Committee may be called by any Committee member or the Secretary.

4.4 Notice of each Committee meeting confirming the date, time and venue, together with an agenda and supporting papers (as appropriate) shall be circulated to Committee members in a timely manner.

4.5 The Secretary shall minute the meetings and circulate copies of the minutes to all members of the Committee unless a conflict of interest exists.

5. Authority

5.1 The Committee is authorised to employ the services of such outside advisers at the Company’s expense as it deems necessary to fulfil its responsibilities.

6. Duties

6.1 The Committee shall be responsible for regularly reviewing the structure, size and composition of the Board and Board Committees and, in the light of this evaluation, make recommendations to the Board with regard to any adjustments that are deemed necessary bearing in mind the leadership and business needs of the Company, detailing the roles and capabilities required.

6.2 The Committee shall make recommendations to the Board as to:

- a) whether Directors who are retiring by rotation should be proposed for re-election, taking into account the needs of continuity versus freshness of approach; and
- b) the continuation or cessation of service of Directors at any other time.

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- 6.3 The Committee shall be responsible for identifying and nominating candidates for approval by the Board to fill vacancies as and when they arise, including:
- a) for appointments to the Board;
 - b) for appointments to Board Committees, in consultation with the relevant Committee Chairman;
 - c) for appointment of Committee Chairmen, in consultation with the Chairman or failing him the Senior Independent Director;
 - d) the position of Senior Independent Director, in consultation with the Chairman; and
 - e) the position of Chairman in consultation with the Senior Independent Director.
- 6.4 The Committee shall be required to
- a) consider the balance of skill, knowledge and experience within the Board and Board committee and the need for progressive refreshing of the Board;
 - b) consider the independence of each Director and candidate for the position of Director;
 - c) consider candidates on merit and against objective criteria with due regards to the benefits of diversity within the Board and Board Committees, including of gender;
 - d) assess the time commitments of the Board roles and ensure that each individual has sufficient time to undertake their duties effectively;
 - e) prepare a Chairman role specification, including an assessment of the time commitment expected, recognising the need for availability in the event of crises; and
 - f) disclose any proposed Chairman’s other significant commitments to the Board prior to appointment.
- 6.5 The Committee shall control the process of recruitment, including the selection and terms of external advisers as appropriate, ensuring the proper consideration of candidates from a wide range of backgrounds.
- 6.6 The Committee shall ensure that on appointment, 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.
- 6.7 The Committee shall put in place plans for succession, taking into account the challenges and opportunities facing the Company and the skills and expertise needed on the Board in the future.
- 6.8 The Committee shall ensure compliance with the Companies Act 2006, AIC Code, the Listing Rules, the Prospectus Rules and Disclosure and Transparency Rules and other applicable and associated rules and guidance.
- 6.9 The Committee shall review its own performance, constitution and terms of reference and recommend any changes to the Board.
- 6.10 The Committee shall review the results of the Board performance evaluation process.
- 6.11 The Committee shall ensure that any appropriate and timely training is undertaken including:
- a) an induction process for new Directors; and

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- b) ongoing training for other Directors to ensure they are kept up to date and fully informed of the strategic and commercial changes affecting the company and the market in which it operates.
- 6.12 The Committee shall review the external appointments and potential conflicts of interest of candidates, particularly for the position of Chairman, prior to appointment and appointed Directors on an ongoing basis.
7. Reporting requirements
- 7.1 The Chairman of the Committee shall report to the Board on all matters within the Committee’s remit.
- 7.2 Directors shall disclose all external appointments and potential conflicts of interest on an ongoing basis, after prior consultation with the Chairman (or Senior Independent Director in the case of the Chairman) as appropriate.
8. Communications with Shareholders
- 8.1 The Chairman of the Committee shall be available at the Annual General Meeting to respond to any shareholder questions on the Committee’s activities.
- 8.2 The Committee shall ensure that the Board discloses the following information in the Company’s annual report and financial statements:
- a) the identity of the Chairman, the Board and Board Committee members;
 - b) an explanation of the terms of reference of the Committee, demonstrating the role and authority of the Committee;
 - c) a statement detailing the activities and process used for appointments to the Board explaining, if appropriate, the reasons why external recruitment consultants or open advertising were not used;
 - d) the number of Board and Board Committee meetings held and members’ attendance levels over the course of the year;
 - e) the reasons why a Director should be elected or re-elected by the shareholders at the forthcoming Annual General Meeting;
 - f) the Directors considered to be independent and an explanation if a Director is considered to be independent notwithstanding the existence of relationships or circumstances which may appear relevant to this determination; and
 - g) any other details relating to the activities of the Committee in accordance with the required reporting requirements.
- 8.3 Terms of reference should be available to Shareholders on the Company’s pages of the Manager’s website.

Approved by the Board in November 2012.