13 October 2017

TI FLUID SYSTEMS PLC

NOMINATION COMMITTEE

TERMS OF REFERENCE

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1. DEFINITIONS AND INTERPRETATION

1.1 In these terms of reference, unless the context otherwise requires:

"**AGM**" means the annual general meeting of the shareholders of the Company;

"**Audit and Risk Committee**" means the audit and risk committee of the Company;

"**Board**" means the board of directors of the Company;

"**Chairman**" means the chairman of the Board;

"**Chief Executive Officer**" means the chief executive officer of the Company from time to time;

"**Committee**" means the nomination committee of the Company;

"**Committee Chairman**" means the chairman of the Committee;

"**Company**" means TI Fluid Systems plc;

"**Group**" means the Company and its subsidiaries;

"**Remuneration Committee**" means the remuneration committee of the Company; and

"**Secretary**" means the secretary of the Committee.

2. CONSTITUTION

The Committee was established by a resolution passed by the Board on 13 October 2017

3. MEMBERSHIP

3.1 The Committee shall comprise not less than three directors. A majority of the members of the Committee shall be independent non-executive directors.

3.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive Officer, the Company's head of human resources and external professional advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

3.3 All appointments to the Committee shall be made by the Board and shall be for a period of up to three years, which may be extended for a further period of up to three years, provided the members still meets the criteria for membership of the Committee.

3.4 The Board shall appoint the Committee Chairman who shall be either the Chairman or an independent non-executive director. 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 from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chairman shall not chair the Committee when it is dealing with the matter of succession to the chairmanship.

3.5 If any member of the Committee is unable to act for any reason, the Committee Chairman may appoint any other non-executive director of the Company to act as his or her alternate.

4. SECRETARY

The Chief Legal Officer or his or her nominee shall act as the Secretary and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

5. QUORUM

The quorum necessary for the transaction of business by the Committee shall be two members, both of whom 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. FREQUENCY OF MEETINGS

The Committee shall meet at least twice a year and at such other times as required. Decisions may be taken by the Committee without a meeting if all of the members of the Committee provide their approval in writing.

7. NOTICE OF MEETINGS

7.1 Meetings of the Committee shall be convened by the Secretary at the request of the Committee Chairman. Any two members or the Committee Chairman may call a meeting of the Committee upon due notice to each other member at least 48 hours prior to the meeting.

7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded by the Secretary to each member of the Committee, any other person required to attend and all other non-executive directors 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.

8. MINUTES OF MEETINGS

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

8.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once agreed, minutes should be circulated to all other members of the Board, unless a conflict of interest exists or in the opinion of the Committee Chairman it would be inappropriate to do so.

8.3 Final signed copies of the minutes of the meetings of the Committee should be maintained for the Company's records, in hard and soft copy where possible.

9. ANNUAL GENERAL MEETING

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

10. DUTIES

10.1 The Committee should carry out the duties below for the Company, major subsidiary undertakings and the Group as a whole, as appropriate.

10.2 The Committee shall:

(a) regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;

(b) give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;

(c) be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise;

(d) before an appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity 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 a wide range of backgrounds; and

(iii) consider candidates on merit and against objective criteria, and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position;

(e) keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace;

(f) keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;

(g) for the appointment of a Chairman, the Committee should prepare a job specification, including the time commitment expected. A proposed Chairman's other significant commitments should be disclosed to the Board before appointment and any changes to the Chairman's commitments should be reported to the Board as they arise;

(h) prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;

(i) 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;

(j) review the results of the Board performance evaluation process that relate to the composition of the Board;

(k) 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 fulfil their duties; and

(l) work and liaise as necessary with all other Board committees.

10.3 The Committee shall also make recommendations to the Board concerning:

(a) formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Chairman and Chief Executive Officer;

(b) suitable candidates for the role of senior independent director;

(c) membership of the Audit and Risk Committee, the Remuneration Committee and any other Board committees as appropriate, in consultation with the chairmen of those committees;

(d) the re-appointment of any non-executive directors at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;

(e) the re-election by shareholders of any director under the annual re-election provisions of the UK Corporate Governance Code or the retirement by rotation provisions in the Company's articles of association, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);

(f) 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

(g) the appointment of any director to executive or other office.

11. REPORTING RESPONSIBILITIES

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

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

11.3 The Committee shall produce a report to be included in the Company's annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used. Where an external search agency has been used, it shall be identified in the annual report and a statement made as to whether it has any connection with the Company.

11.4 The report referred to in paragraph 11.3 above should include a statement of the Board's policy on diversity (including gender), any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

11.5 The Committee shall have the authority to delegate to any subcommittees of the Committee any responsibilities of the full Committee and to officers of the Company such responsibilities of the full Committee, in each case to the extent permitted by applicable laws, rules or regulations.

12. OTHER MATTERS

12.1 The Committee shall:

(a) have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;

(b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members;

(c) annually review or participate in a review of its own performance, the results of which shall be presented to the Board and, at least annually, review its constitution and terms of reference periodically to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and

(d) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Financial Conduct Authority's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate.

13. AUTHORITY

The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference, including to approve such persons' fees (which will be paid by the Company) and retention terms, to oversee such persons' work and to terminate any such persons, provided that prior to any such appointment, retention and obtaining advice, the Committee must consider all factors relevant to the independence from management of such compensation consultants, legal counsel and other advisors, other than in-house legal counsel, including under any applicable laws, rules and regulations.