

## **Nomination Committee | Terms Of Reference**

The Nomination Committee is a committee of the Board without executive powers. Members of the Committee shall be appointed by the Board and comprise of a minimum of three Directors, the majority of whom should be Non-Executive Directors. Each member is appointed annually at the Board meeting following the Annual General Meeting.

The Board shall appoint the Committee Chairman, who should be either the Chairman of the Board or a 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. The Chairman of the Board shall not chair the Nomination Committee when it is dealing with the matter of succession to the chairmanship.

Two Non-Executive Directors must be present to form a quorum.

Other individuals may also be invited to attend meetings.

The Assistant Secretary of the Society shall act as Secretary to the Committee.

The Nomination Committee will meet at least annually:

- in March each year to consider the status of each Non-Executive director with respect to their independence as defined in the Combined Code on Corporate Governance, Code Provision A.3.1 and to make recommendations to the Board;
- in March each year to consider the election and re-election of any director at the conclusion of their specified term of office, taking into account the director's term of office and performance evaluations undertaken by the Chairman and Senior Independent Director, and to make recommendations to the Board;
- In September each year to consider the Board and Executive Succession Plans; and
- at any other times deemed necessary by the Committee to fulfil its obligations under these terms of reference.

## **Reporting**

Minutes of Committee meetings shall be circulated to all members of the Committee and to the Board, for noting, at each Board Meeting following the Nomination Committee Meeting.

## **Duties of the Nomination Committee**

- 1 To regularly review the structure, size and composition (including skills, knowledge and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes.
- 2 To give full consideration to succession planning for directors and other senior executives, taking into account the challenges and opportunities facing the Society, and what skills and expertise are therefore needed on the Board in the future.
- 3 To be responsible for identifying and nominating, for the approval of the Board, candidates to fill board vacancies as and when they arise. In identifying suitable candidates, the Committee shall use open advertising or the services of external advisers, consider candidates from a wide range of backgrounds and consider candidates on merit and against objective criteria.
- 4 To be responsible for establishing that appointees have sufficient time to devote to the position.
- 5 To evaluate, before an appointment is made by the Board, the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepare a job description and the capabilities required for the appointment.
- 6 To ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment.

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

1. Formulating plans for succession of both executive and non-executive directors, and in particular the roles of Chairman and Chief Executive.
2. Membership of the Audit & Risk Committee and Remuneration Committee, in consultation with the chairmen of those committees.
3. 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 Society subject to the provisions of the law and their service contract.
4. To review, at least once a year, the Committee's 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.

## **General**

- To make available on the Society's web-site or on request through the Society's Secretary, to anyone who requires them, terms of reference of the Nomination Committee.
- To make available on request through the Society's Secretary, to anyone who requires them, the terms and conditions of appointment of non-executive directors.
- To make available at the AGM for 15 minutes prior to the meeting and during the meeting, the terms and conditions of appointment of non-executive directors.
- To approve an annual statement for inclusion in the annual report, describing the work of the Nomination Committee.
- The Chairman of the Nomination Committee will attend the Society's Annual General Meeting to answer any questions raised during the meeting.

The Nomination Committee has access to secretarial and legal services and training provided by the Society, and to reasonable funds to enable it to take independent legal, or other appropriate advice or training, where considered necessary.