



## **TERMS OF REFERENCE - NOMINATION COMMITTEE**

### **1. Membership**

- 1.1. The Committee shall comprise the Chairman of the Board, the Senior Independent Director and the Chief Executive.
- 1.2. The Committee Chairman shall be the Chairman of the Board except when it is dealing with the matter of succession to the Society's chairmanship.

### **2. Quorum**

- 2.1. The quorum necessary for the transaction of business shall be 2 members. In the event that there should be only two attendees, neither shall have a casting vote.

### **3. Frequency of Meetings**

- 3.1. The Committee shall meet at least once a year and otherwise as required.

### **4. Minutes of Meetings**

- 4.1. The Committee will appoint a Secretary who shall minute the proceedings and resolutions of all meetings of the Committee.
- 4.2. Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed, to all members of the Board.

### **5. Annual General Meeting**

- 5.1 The Chairman of the Committee shall attend the Annual General Meeting prepared to respond to any member questions on the Committee's activities.

### **6. Duties**

- 6.1. The Committee shall:
  - 6.1.1. regularly review the job description for non-executive director of the Society, together with the structure, size and composition (including the skills, knowledge and experience) required of the Board, compared to its current position and make recommendations to the board with regard to any changes;
  - 6.1.2. give full consideration to succession planning for members of the board, taking into account the challenges and opportunities facing the Society, and what skills and expertise are therefore needed on the Board in the future;
  - 6.1.3. be responsible for identifying and nominating for the approval of the Board, a short-list of candidates to fill board vacancies as and when they arise;
  - 6.1.4. before appointment is made by the Board, evaluate the balance of skills, knowledge and experience 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:
    - 6.1.4.1. use open advertising or the services of external advisers to facilitate the search;

- 6.1.4.2. consider candidates from a wide range of backgrounds, and
- 6.1.4.3. consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
- 6.1.5. oversee the annual performance evaluation process in respect of all directors;
- 6.1.6. 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
- 6.1.7. 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.
- 6.2. The Committee shall also make recommendations to the Board concerning:
  - 6.2.1. formulating plans for succession for both executive and non-executive directors;
  - 6.2.2. suitable candidates for the role of senior independent director;
  - 6.2.3. membership of Subsidiary Boards and Board Committees.
  - 6.2.4. the re-appointment of any non-executive director 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;
  - 6.2.5. the re-election by members of any director under the 'retirement by rotation' provisions in the Society's rules 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;

## **7. Reporting Responsibilities**

- 7.1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 7.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 7.3. The Committee shall make a statement in the annual report about its activities and the process used to make appointments.

## **8. Other**

- 8.1. The Committee shall, at least once a year, review its 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.

## **9. Authority**

- 9.1. The Committee is authorised to seek any information it requires from any employee of the Society in order to perform its duties.
- 9.2. The Committee is authorised to obtain, at the Society's expense, outside legal or other professional advice on any matters within its terms of reference.