

NOMINATIONS COMMITTEE - TERMS OF REFERENCE

1. Objective

The primary objective of the Nominations Committee is to appraise the independence, skills, knowledge, experience, fitness, propriety and performance of all Board members; and recommend to the Board any changes to Directors (including a forward looking Board Succession Plan).

2. Authority

The Committee is authorised to:

- recommend to the Board individuals considered suitable for Board membership
- consider the performance of the Board's Committees.

The Terms of Reference of the Committee and any material amendments must be approved by the Board.

3. Membership

The Committee is comprised of the following members:

Members	Status
Board Chairman	Member (Chair)
Vice Chairman (Senior Independent Director)	Member
Chief Executive	Member & Secretary

4. Quorum

A quorum shall be a minimum of two members, both of whom must be Non Executive Directors

5. Frequency of Meetings

The Committee shall meet at least once annually, and at any other time determined by the Committee (currently January and April meetings).

6. Attendance

In addition to the members of the Committee, other attendees may be invited to the proceedings. Any member of the Committee may ask the Chair for specific individuals to attend a meeting.

7. Secretariat

The Chief Executive will act as secretary for the Committee and is responsible for maintaining Committee meeting minutes and ensuring that all follow up actions are appropriately assigned, monitored and reported.

Agenda and Minutes

The agenda and meeting papers for the Committee meeting will normally be made available 5 days prior to the meeting. Following the Chair's review the draft minutes will be submitted to the Board. The Committee Chair will also report verbally to the Board on such matters as are appropriate.

8. Responsibilities

The primary responsibilities of the Committee are to:

- establish and maintain a Nominations and Appointments Policy and recommend to the Board of Directors a Succession Plan for the Board
- review the Society's compliance against the UK Corporate Governance Code.
- Consider a target for the representation of the underrepresented gender on the Board and if appropriate prepare a policy on how to increase the number of the underrepresented gender on the Board to meet the target.
- evaluate the balance of skills, knowledge and experience on the Board and prepare a description of the role and capabilities required for new appointments to the Board
- ensure the time required of the non-executive directors is adequate and clearly communicated to all Directors upon appointment/re-election
- ensure that the performance of Directors against the standards expected is adequate including assessing that each Director remains 'fit and proper' within the context of the requirements of both the Society and regulators
- ensure there is a formal process in place for performance reviews of both Executive Directors and Non-Executive Directors;
- ensure that the Board's decision making is not dominated by one individual or small group of individuals in a manner that is detrimental to the interest of the Society as a whole
- recommend to the Board any changes/appointments to Board Committees (after due consultation with the Chair of the Board Committee)
- review annually the directors retiring by rotation at the Society's next Annual General Meeting, having regard to their competencies, performance and length of service; reviewing all directors initial or subsequent terms, in order that recommendations may be made, where appropriate, to the Board of Directors regarding their re-election
- recommend to the Board, at least annually, proposed changes to the composition, size and structure of the Board including any matters relating to the continuation in office of any Director at any time, (including the suspension or termination of service of any Executive Director as an employee of the Society subject to the provisions of the Society Rules, law and their service contract or the suspension or termination of service of any Non-Executive Director subject to the provisions of the Society Rules, law and the terms of their letter of appointment), and any other matter relating to Board succession planning.
- recommend to the Board of Directors persons considered suitable for posts of Non-Executive Directors and Executive Directors that will from time to time arise having regard to the overall composition of the Board
- ensure there is a formal and appropriate induction training programme for a new Director
- consider the performance of the Board and the Board's Committees including a formal review to be submitted to the Board
- consider its own performance, noting its conclusions in minutes that are submitted to the Board