

## **1. Purpose**

The role of the Board Nominations Committee is to regularly review the structure, size and composition of the Board and make recommendations with regard to any changes, to ensure that the Board has an appropriate balance of knowledge, skills and experience to lead the business. It oversees succession planning both at Board and Senior Management level and ensures that the Board's performance is evaluated.

## **2. Membership and Attendance:**

2.1 The Committee shall comprise at least three directors. A majority of the members of the committee shall be independent non-executive directors.

2.2 Only members of the Committee have the right to attend Committee meetings. However, individuals such as the Chief Executive, of People and external advisers may be invited to attend for all or part of any meeting as and when appropriate.

2.3 Appointments to the Committee are made by the Board on the recommendation of the Nominations Committee and shall be for a period of up to three years, which may be extended for up to two additional three year periods, provided the director still meets the criteria for membership of the Committee.

2.4 The Board shall appoint the Committee Chair who should be either the Chair of the Board or an independent non-executive director. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession of the Chair of the Board.

2.5 Members of the Committee may participate in a meeting by means of an online meeting platform (ie MS Teams) where all persons participating can hear each other at the same time and participation by such means shall constitute presence at a meeting.

## **3. Quorum**

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

## **4. Frequency of Meetings**

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

## **5. Secretary**

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

## **6. Notice of Meetings**

6.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any of its members.

6.2 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 to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent electronically to Committee members and to other attendees as appropriate, at the same time.

## 7. Minutes of Meetings

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

Draft Minutes of committee meetings shall be circulated promptly to the Chair of the Committee. Once approved, minutes should be circulated to all other members of the Board unless it would be inappropriate to do so.

## 8. Duties

The principal duties of the Committee are detailed below:

The Committee shall

8.1 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.

8.2 Ensure plans are in place for orderly succession to Board and senior management positions, and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Society and the skills and expertise needed by the Board in the future

8.3 Keep under review the leadership needs of the Society, both executive and non-executive, with a view to ensuring the continued ability of the Society to compete effectively in the marketplace

8.4 keep up to date and fully informed about strategic issues and commercial changes affecting the Society and the market in which it operates

8.5 be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise

8.6 before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity of the Board as detailed in the Skills Matrix and in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and time commitment expected. In identifying suitable candidates, the Committee shall:

8.6.1 use open advertising or the services of external advisers to facilitate the search

8.6.2 consider candidates from a wide range of backgrounds

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

8.7 prior to the appointment of a director, other significant professional time commitments should be disclosed, and any additional future commitments should not be undertaken without prior approval of the Board. The proposed appointee should also be required to disclose any other business interests which may result in a conflict of interest. These must be authorised by the Board prior to appointment and any future business interests that could result in a conflict of interest must not be undertaken without prior authorisation of the Board.

8.8 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 their Senior Management Responsibilities, time commitment, Committee service and involvement outside Board meetings

8.9 review the results of the Board performance evaluation process which relate to the

composition of the Board and succession planning.

8.10 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.

8.11 work and liaise as necessary with all other Board Committees, ensuring the interaction between committees and with the Board is reviewed regularly

8.12 Receive an annual report from the Secretary, confirming that Board members remain fit and proper persons to be Directors and Approved Persons under the requirements of the PRA and FCA.

The Committee shall also make recommendations to the Board concerning:

8.13 Any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved.

8.14 suitable candidates as new Directors and succession for existing Directors

8.15 membership of the Board Audit & Compliance Committee (BACC), Board Risk Committee (BRC) and Board People, Remuneration & Culture Committee (PRCC), Board Technology Committee (BTC) and any other Board Committees as appropriate in consultation with the Committee Chairs

8.16 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.

8.17 the re-election by members of any directors under the annual re-election provisions of the Code or the retirement by rotation having due regard to performance and ability and why their contribution is important to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board taking into account the length of service of individual directors, the Chair and the Board as a whole.

8.18 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

8.19 the appointment of any director to executive or other office

## **10. Reporting Responsibilities**

10.1 The Committee Chair shall report to the Board after each meeting on the nature and content of its discussion, recommendations and action to be taken.

10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for Board discussion when necessary.

10.3 The Committee shall produce a report to be included in the Society's Annual Report and Accounts describing the work of the Nomination Committee, including

10.3.1 The process used in relation to appointments, its approach to succession planning and how both support and development of a diverse pipeline

10.3.2 How the board evaluation has been conducted, the nature and extent of an external evaluator's contact with the Board and individual directors, the outcomes and actions taken, and how it has influenced or will influence board composition

10.3.3 The policy on diversity and inclusion, its objectives and linkage to the Society's strategy, how it has been implemented and progress on achieving the objectives and

10.3.4 The gender balance of those in the senior management team and their direct reports

10.4 If an external search consultancy has been engaged, it should be identified in the annual report and accounts alongside a statement as to whether it has any connection with the Society or individual directors.

## **11. Other matters**

The Committee shall:

11.1 have access to sufficient resources in order to carry out its duties, including access to the Society Secretary for advice and assistance as required

11.2 be provided with appropriate and timely training both in the form of an induction programme for new members and on an ongoing basis for all members

11.3 give due consideration to laws and regulations, the provisions of the Code and associated guidance and any other rules or regulations which may apply.

11.4 Ensure that a periodic evaluation of the Committee's own performance is carried out

11.5 At least annually, review the Committee's 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

## **12. Authority**

The Committee is authorised by the Board to obtain at the Society's expense, outside legal or other professional advice on any matters within its Terms of Reference.

## **13. Annual General Meeting**

The Committee Chair should attend the annual general meeting to respond to questions from members on the Committee's activities.