

Board Nominations Committee Terms of Reference

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1. Purpose

The Nottingham's Nominations Committee (the Committee) is a Committee of the Board of Directors responsible for leading the process for Board and Board Committee appointments, re-appointments and removals, the Board succession planning and Board and Board Committee effectiveness reviews.

The Committee is responsible for, amongst other things, the identification, nomination and recommendation of candidates for appointment to the Board and Board Committees, recommendations to the Board on a succession plan, preparation of the descriptions of the role and capabilities required.

This is to ensure that the Board and each of its Committees have appropriate balance of skills, experience, independence, diversity and knowledge of the Society to enable them to discharge their respective duties and responsibilities effectively as required by the UK Corporate Governance Code.

2. Scope

This Committee's remit covers The Nottingham, comprising The Nottingham Building Society and its subsidiary companies Nottingham Property Services Limited, Nottingham Mortgage Services Limited, Harrison Murray Limited and HM Lettings Limited.

3. Composition

The Nominations Committee is currently composed of the following members/attendees:

Role	Status	Deputy
Chairman of the Board	Member	Senior Independent Director
Senior Independent Director, Deputy Chair	Member	N/A
Chief Executive	Member	N/A
General Counsel	Non-voting attendee and Secretary	N/A

The Chair of the Committee shall be the Chairman of the Board of Directors and the Society's Chief Executive will be a member. The Senior Independent Director will chair the Nominations Committee when it is dealing with the appointment of a successor to the Chairman of the Board.

A majority of members of the Nomination Committee should be independent Non-Executive Directors.

The Committee Membership of all the Board and Board Committees will be reviewed annually by the Nominations Committee, with recommendations for membership of each Committee, submitted to the Board for approval.

No one other than the Committee Chair, members and regular attendees are entitled to be present at a meeting of the Committee, but any member of the Committee may petition the Chair for inclusion of specific individuals to be invited to attend a meeting. The Chairman of the Committee may invite other attendees.

New members of the Committee will be informed of their responsibilities, the role of the Committee and will be provided with support and training where deemed necessary by the Chairman, or a person appointed by the Chairman, to ensure they are able to discharge their responsibilities effectively.

4. Quorum

The Quorum shall be two members and must include either the Chair or Deputy Chair of the Committee.

Quorum requirements should be reviewed annually to reflect any changes in Committee membership or roles and responsibilities. A meeting can only be deemed quorate if all voting members have been invited to attend.

5. Meeting Frequency

The Committee shall meet a minimum of twice a year. Additional meetings may be convened if necessary. Members of the Committee may also request additional meetings following consultation with the Chair, where appropriate if the Rapid Decision Protocol is not deemed adequate.

6. Rapid Decision Protocol

The purpose of the Rapid Decision Protocol is to facilitate decision making outside of the scheduled meetings. Any use of the Rapid Decision Protocol must be agreed with the Chair of the Committee (or in their absence, the Deputy Chair) prior to its use, and circulated by the Committee Secretary (or in their absence, a nominated deputy). Quorum requirements detailed above apply to any decisions with members, either meeting in person, by telephone conference or responding via email.

Any decisions or approvals made using this protocol are to be submitted to the next scheduled committee meeting, accompanied by a summary of events and the final decision, for inclusion in the minutes.

7. Authority

The Delegation from the Board: The Board has delegated responsibility to the Committee for leading the process for Board appointments, re-appointments and removals and for making such recommendations to the Board.

The Committee is authorised by the Board of Directors to recommend to the Board individuals considered suitable for Board membership. It is also authorised to consider the performance of the Board's Committees, and Board Committee appointments, and Board succession generally.

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

7.1. Exceptions

The Committee will review and approve exceptions to policy under its authority as prescribed by the specific policy in question (see section 8 below).

Policy dispensations are submitted in writing to the Committee for approval, stating:

- The relevant policy or specific requirement(s) for which the dispensation is being requested
- What is being done instead of following the policy (i.e. the variation)
- An impact assessment of the dispensation
- The requested time period for the dispensation.

Policy breaches or agreed exceptions are to be reported to the Committee through the relevant management information report as prescribed by the policy in question.

7.2. Voting

Each member of the Committee is entitled to a single vote, which can be cast either in person at the meeting, or by email prior to the meeting addressed to the Chair of the Committee.

Approval requires a simple majority. In the event of an even split vote, the Chair or acting deputy has the option to exercise a casting vote. Committee members may not delegate their vote to a deputy, and invited guests attending the committee are not entitled to vote. The minutes should reflect all Committee decisions, whether there had been a vote or not.

8. Approvals and Responsibilities

	Responsibility	Details
For review	Board Evaluation	Review the structure, size and composition (including the balance of skills, experience, independence, diversity and knowledge) of the Board every 3 years as

	Responsibility	Details
		<p>part of the externally lead Board effectiveness review. Make recommendations to the Board on any changes, taking into account any legislative or regulatory requirements.</p>
	<p>Recommendations for Board appointments, re-appointments and removals</p>	<p>Prepare a description of the role, capabilities and time commitment required for Board members appointment. Ensure that open advertising is used for the appointment of the Chair and Non-Executive Directors. Recommend persons considered suitable for posts of Non-Executive Directors and Executive Directors by taking into account the competencies required for the vacancy and ensuring the independence of the individual. Prepare recommendations for reappointment and removal of the Board members.</p>
	<p>Succession planning</p>	<p>Review annually the directors standing for election at the Society's next Annual General Meeting by taking into consideration the competencies, performance, continuing independence and objectivity of the directors, the requirement of the Society's Rules, the UK Corporate Governance Code and:</p> <ul style="list-style-type: none"> • that the positions of all Directors are subject to annual election / re-election by the Society's membership • that non-executive directors can serve up to a maximum of 9 years with any extension to this requiring agreement by the Board. • That the Chair should not remain in post beyond 9 years from the date of their first appointment to the Board with any extension agreed by the Board, for a limited time to facilitate effective succession planning.
	<p>Chairman's Job specification</p>	<p>Prepare a job specification for the appointment of a Chairman, including an assessment of the time commitment expected, recognising the need for availability in the event of crisis. A Chairman's other significant commitments should be disclosed to the Board before appointment and included in the Annual Report and Accounts. Changes to such commitments should be reported to the Board as they arise, and their impact explained in the next Annual Report and Accounts.</p>
	<p>Recommendations for appointments of Board Chair, Deputy Board Chair and Senior Independent Director</p>	<p>Make recommendation for the appointment of the Board Chair, Deputy Chair and Senior Independent Director on an annual basis, so that the Board can make the appointment at the first meeting following the AGM.</p>

	Responsibility	Details
	Board Committee Chairmanship, membership and performance review	<p>Make recommendation for the appointment of the Chairs, Deputy Chairs and members of the Board Committees.</p> <p>Evaluate the effectiveness of the Board Committees, ensuring that decision making is not dominated by certain individuals. Recommend actions for addressing any findings and oversee the implementation of any resulting action plan. Ensure that Committee membership is refreshed and that undue reliance is not placed on particular individuals when deciding the Chair, Deputy Chair and membership of Committees.</p>
	Board Members performance review	<p>Ensure there is a formal process in place for performance reviews of both Executive and Non-Executive Directors.</p> <p>Ensure the time required of the Non-Executive Directors' is sufficient and that their performance against that standard is measured.</p> <p>Ensure that the Chair demonstrates objective judgement.</p>
	Disclosures of the Annual Report and Accounts	<p>Report in the annual statements how the principles relating to the role and effectiveness of the Board have been applied together with how the Board evaluation has been conducted and any outcomes or actions taken.</p> <p>Identify in the annual report each Non-Executive Director it considers to be independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the director's judgement.</p> <p>Report on the process used for appointments, including the use of any external search consultancy and the approach taken to succession planning.</p> <p>The work of the Committee in terms of the policy of diversity and inclusion and its objectives and linkage to company strategy together with the gender balance of those in senior management and their direct reports.</p>
	Responsibilities of the Board members and its Committees	<p>Ensure that the responsibilities of the Chair, Chief Executive, Senior Independent, and other Board members are set out in writing, agreed by the Board and reviewed annually as part of the review of the Responsibilities Map.</p>
For review	Assist the Senior Manager Function role holders	<p>Assist the Senior Manager Function (SMF) role holder in fulfilling the following Prescribed Responsibilities:</p> <p>u) for the firm's performance of its obligations under Fitness and Propriety in respect of its notified NEDs.</p>
	Maintain procedure for the appointment of new	<p>Maintain formal, rigorous and transparent procedure for the appointment of new directors to the Board, disclosure of which should be made in the Annual</p>

	Responsibility	Details
	directors to the Board	Report and Accounts.
	Other	Review the Committee's Terms of Reference prior to submission to the Board of Directors for approval. Consider its own performance, noting its conclusions in a report submitted to the Board.

9. Secretariat

The General Counsel will act as secretary for the Committee and be responsible for maintaining meeting minutes. The Secretary will ensure that all follow-up actions are appropriately assigned and monitored.

The Secretary will ensure that all items included within the Terms of Reference are covered as standard agenda items within Committee meetings with clear signposting of status and action for the Committee for each item. The Secretary in conjunction with the Chair shall draw up an agenda which shall be circulated prior to each meeting to each member of the Committee and to any other attendees.

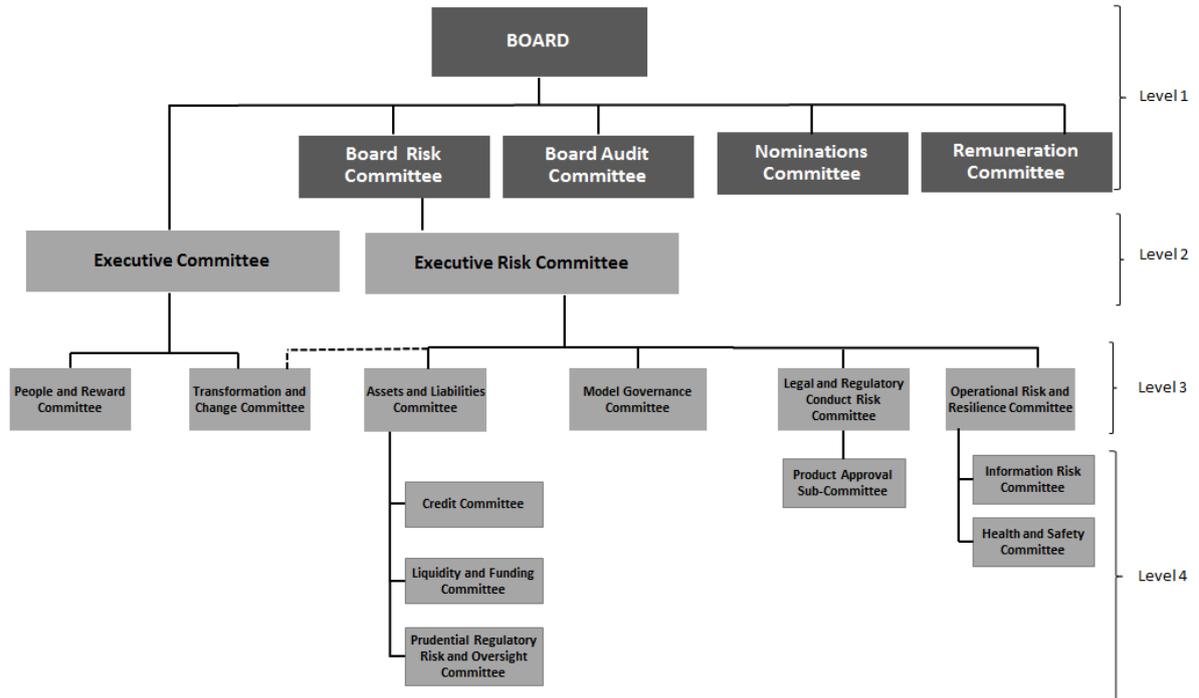
The Secretary shall be responsible for the collation and circulation of relevant reports to Committee members and other attendees in sufficient time for papers to be reviewed.

An effectiveness review of the Committee will be performed annually, including a review of meeting content, terms of reference and composition.

10. Minutes

Committee decisions and discussions will be evidenced by minutes, after approval by the Chair will be circulated to the Committee members and nominated attendees in sufficient time to allow completion of the actions.

11. Organisation



12. Document Version History

Date	Author	Version	Notes
15/06/2016	P Couchman	2016v1.3	Final Board approved version
30/10/2017	R Kolebuk	2017v1.4	Updated to include ExCo
02/2019	S Bolton	2019v1.5	Update following new Corporate Governance Code