



## **Terms of Reference of Board Sub Committees: Board Nominations Committee**

**June 2024**

## Document Control

The content and any amendments of this document are the responsibility of the Financial Controller and Secretary.

Version	Date	Changes made
1.0	June 2018	Full Review
2.0	October 2018	Manual divided into individual sections
3.0	November 2019	Full Review
4.0	May 2020	Full Review
5.0	November 2020	Updates
6.0	May 2021	Annual Review
7.0	April 2022	Annual Review
8.0	May 2023	Annual Review
9.0	June 2024	Wholesale review of the terms of reference to bring up to date and ensure fully comprehensive in line review of the Board Risk Committee Terms of Reference and work on the Global Policy List.

Contents

Constitution ..... 4

Role and responsibilities ..... 4

Objective..... 4

Duties and terms of reference ..... 4

Membership..... 4

Quorum ..... 6

Frequency of, and attendance at, meetings ..... 6

Notice of meetings..... 6

Voting arrangements ..... 6

Minutes of meetings..... 7

Annual General Meeting (“AGM”) ..... 7

Reporting responsibilities..... 7

General matters ..... 7

Authority ..... 8

### **Constitution**

The Board of Directors of Market Harborough Building Society has resolved to establish a Committee of the Board to be known as the Board Nominations Committee ("NomsCo").

The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference.

The Committee may sub-delegate any or all of its powers and authority as it thinks fit to one or more of its members or the Financial Controller & Society Secretary, including without limitation, the establishment of sub-committees which are to report back to the Committee.

### **Role and responsibilities**

To lead the process for appointments, ensure plans are in place for orderly succession to both the board and senior management positions, and oversee the development of a diverse pipeline for succession.

### **Objective**

To make recommendations to the Board for the appointment of Directors and monitor the Succession Plan.

### **Duties and terms of reference**

The Committee shall carry out the following duties for the Society as appropriate:

- a) To apply a broad set of qualities and competences when recruiting members to the Board and for that purpose put in place a policy promoting diversity on the Board;
- b) To identify and recommend for approval by the Board, candidates to fill Board vacancies, having evaluated the balance of knowledge, skills, geographical location, diversity and experience of the Board;
- c) To decide on a target for the representation of the under-represented gender in the Board and approve a policy on how to increase the number of the under-represented gender in the Board in order to meet that target;
- d) Consider the appropriateness of any targets for the representation of the under-represented characteristics of age, disability, ethnicity, education and social background in the Board and workforce and, if appropriate, approve a policy on how to increase the number of the under-represented characteristics in the Board and workforce in order to meet those targets;
- e) To periodically, and at least annually, assesses the structure, size, composition and performance of the Board and make recommendations to the Board with regard to any changes;
- f) To periodically, and at least annually, assesses the knowledge, skills and experience of individual members of the Board and of the Board collectively, and report this to the Board;

- g) In performing its duties, and to the extent possible, on an ongoing basis, take account of the need to ensure that the Board's decision making is not dominated by any one individual or small group of individuals in a manner that is detrimental to the interest of the Society as a whole.
- h) To approve a job and person specification for each vacant Directorship and for the Chair of the Board, having regard to the skills mix of the Board, location and professional sector requirements. The job specification will include an assessment of the time commitment needed for that role;
- i) To consider applications for Directorships;
- j) To authorise the use of an external recruitment agency and/or open advertising when necessary;
- k) To interview shortlisted candidates and to make recommendations for appointments to the Board;
- l) To monitor the Succession Plan on an ongoing basis and review it at least annually;
- m) To recommend changes to the Succession Plan;
- n) To provide a clear explanation in the Annual Report as to why any Non-Executive Director has served for longer than nine years;
- o) To consider and recommend to the Board the membership of each Board Committee based on operational requirements of the business;
- p) To consider and recommend to the Board the Society's Equality and Diversity Policy;
- q) To review the Committee's Terms of Reference annually;
- r) To periodically, and at least annually, carry out a Committee Self-Evaluation exercise.
- s) To consider the Skills Matrix annually, ensuring the skills identified meet the needs of current and future business strategy. Scoring will be within a range, eg: 0-5.
- t) To ensure that we consider our responsibilities in relation to Consumer Duty, specifically focussing on the Products and Services and Fair Value outcomes.

### Membership

The Committee shall be appointed by the Board from amongst the Non-Executive Directors, and shall comprise of no less than two Non-Executive Directors, including the Chair of the Society who will usually act as Chair of the Committee.

The Board shall appoint the Chair of the Committee. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present at a meeting shall elect one of their number present to chair the meeting.

The Society Chair will not chair any meetings convened to appoint their own successor.

The Committee Chair shall review membership of the Committee annually as part of the annual performance evaluation of the Committee and ensure Committee members have appropriate knowledge, skills and experience. The Chair should also consider whether NomsCo members have sufficient time to deliver their responsibilities.

The Chief Executive will normally attend meetings and act as Secretary to the Committee and provide all necessary support to the Committee, including the recording of Committee minutes and ensuring that the Committee receives information and papers in a timely manner to enable full and proper consideration of the relevant issues.

### **Quorum**

The quorum necessary for the transaction of business at a Committee meeting shall be two Non-Executive Directors, present in person or by audio or video conference.

A duly convened Committee meeting 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.

### **Frequency of, and attendance at, meetings**

The Committee shall meet at least annually such additional ad hoc meetings as Committee members may deem fit.

Only Committee members have the right to attend and vote at Committee meetings. However, the Chief Executive Officer, Chief Financial Officer, Chief Customer Officer, Chief Risk Officer, Chief Lending Officer, Chief Engagement Officer and Financial Controller & Society Secretary may be invited to attend and address meetings of the Committee and other non-members may be invited to attend all or part of any meetings as and when appropriate and necessary.

The Secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

Meetings of the Committee may be conducted when the members are physically present together or in the form of either video or audio conferences.

### **Notice of meetings**

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

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and relevant papers, shall be forwarded to each member of the Committee, any other person required to attend and all other Non-Executive Directors, no later than three working days before the date of the meeting.

### **Voting arrangements**

Each Committee member shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a Committee meeting (whether in person or by audio or video conference).

If a matter that is considered by the Committee is one where a Committee member, directly or indirectly has a personal interest, that member shall not be permitted to vote at the meeting.

Except where he or she has a personal interest, the Committee Chair shall have a casting vote.

The Committee Chair may ask attendees of a Committee meeting to leave the meeting to allow discussions of matters relating to them.

### **Minutes of meetings**

The Society Secretary (or their nominee) shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. A resolution in writing signed by all Committee members will be as effective as a resolution passed at a Committee meeting. Any written resolution shall be tabled and noted at the next meeting of the Committee.

The minutes of meetings of the Committee will be circulated to all members of the Board, and the Chair will report formally to the Board on its deliberations, decisions and recommendations at the Board meeting following each Committee meeting.

### **Annual General Meeting ("AGM")**

The Committee Chair shall attend the AGM to answer any questions from members on the Committee's activities and areas of responsibility.

### **Reporting responsibilities**

The Committee shall:

- Report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- Make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- Make available to members these terms of reference by placing them on the Society's website.

### **General matters**

The Committee shall:

- Consider other duties determined by the Board from time to time.
- Have access to sufficient resources in order to carry out its duties, including access to the Society Secretary as required.
- Be provided with appropriate and timely training, both in the form of an induction programme for new members and on ongoing basis for all members.
- Give due consideration to all applicable laws and regulations.

- Work and liaise as necessary with all other Board Committees.
- At least annually, carry out a Committee Self-Evaluation exercise and review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

### **Authority**

The Board authorises the Committee to:

- Carry out all duties set out in these terms of reference, to have unrestricted access to the Society's documents and information and to obtain, at the Society's expense, appropriate external legal or other independent professional advice on any matter within its terms of reference as it considers necessary.
- Seek any information if requires from any employee of the Society to perform its duties.
- Secure the attendance of external advisers or third parties with relevant experience and expertise at its meetings if it considers this necessary, at the Society's expense.
- Call any employee to be questioned at a Committee meeting as and when required. All employees are directed to co-operate with any request made by the Committee.