

THE CHILDREN'S MUTUAL

Terms of Reference for the Nomination Committee

Constitution

- 1 The Board hereby resolves to establish a committee of the Board to be known as the Nomination Committee, to lead the process for Board appointments.

Duties

- 2 The committee should:
 - a. Be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
 - b. Before making an appointment, 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;
 - c. Give full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the organisation and what skills and expertise are needed on the Board in the future, and to consider new candidates in the light of those requirements;
 - d. Regularly (at least annually) review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to any changes;
 - e. Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
 - f. Make a statement in the annual report about its activities, frequency of meeting and attendance of members;
 - g. 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.

Membership

- 3 The committee shall be appointed by the Board from amongst their number. It shall consist of not less than three members, normally to include the Chairman, Senior Independent Director and the Chief Executive.
- 4 The committee shall be appointed by the Board.
- 5 A quorum shall be two members of the committee. In the absence of the Committee Chairman, those committee members attending shall, at the start of the meeting, elect a chairman who shall be an independent non-executive director, for the purpose of that meeting only.

Attendance at meetings

- 6 Members of the Board may be invited by the committee to attend any meeting of the committee.

Frequency of meetings

- 7 The committee shall meet as often as the Board may decide, but at least annually.
8. The committee should make recommendations to the Board:
 - a. as regards plans for succession for both executive and non-executive directors;
 - b. as regards the re-appointment of any non-executive director at the conclusion of their specified term of office;
 - c. concerning any matters relating to the continuation in office of any director at any time; and
 - d. concerning the appointment of any director to executive or other office other than to the positions of Chairman and Chief Executive, the recommendation for which would be considered at a meeting of the Board.

Authority

9. The committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any relevant information it requires from any employee of the Society or subsidiary thereof.
10. The committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure their attendance at any meeting of the committee if it considers this necessary.

Reporting procedures

- 11 The committee shall cause minutes of meetings of the committee to be circulated to all members of the Board.
- 12 The chairman of the committee shall report annually to the Board on the issues being addressed and policy matters.

12 December 2007
Reviewed November 2009