



TERMS OF REFERENCE

The Royal London Mutual Insurance Society Limited - Nomination Committee (the **'Committee'**)

Version	2.0
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Approved on	18 December 2018



1. Scope

- 1.1 The Nomination Committee) responsibilities as set out in this document are in respect of The Royal London Mutual Insurance Society Limited and all of its businesses and subsidiaries (hereinafter referred to as the ‘**Group**’).

2 Membership

- 2.1 The Committee comprises not less than three members appointed by the Board of Directors of The Royal London Mutual Insurance Society Limited (the ‘Board’) from time to time. A majority of members of the Committee must be independent non-executive directors of the Board.
- 2.2 The Board shall appoint the Chairman of the Committee who shall be either the Chairman of the Board or an independent non-executive director. In the absence of the Chairman of the Committee the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by Board. The Chairman of the Board should not act as the Chair the Committee when it is dealing with the appointment of a successor to the Chairmanship of the Board.

3 Meetings

- 3.1 The Committee will meet as often as is required and have a minimum of four meetings a year.
- 3.2 Only members have a right to attend Committee meetings. However, other individuals (including the Group People Director and external advisers) may be invited to attend for all or part of a meeting, as and when appropriate and necessary.
- 3.3 The Board may determine the quorum for meetings of the Committee from time to time. In the absence of any such determination, the quorum will be two members who are independent non-executive directors of the Board. 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.
- 3.4 Sufficient time must be allowed to enable the Committee to consider the business of any meeting as set out in the agenda.

4 Secretary

- 4.1 The company secretary of the Board or his or her nominee shall act as secretary to the committee.

5 Meetings

- 5.1 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chairman of the Committee or any of its members.
- 5.2 Unless otherwise agreed, the meeting agenda and supporting papers shall be sent to members and to other attendees, as appropriate, in advance of the meeting to enable full and proper consideration to be given to the issues.

6 Services

- 6.1 The Committee has access to the services of the Group People Director and Company Secretarial as required in connection with:
- assisting the Chairman of the Committee in planning the Committee's work;
 - drawing-up meeting agendas;
 - collecting and distributing information; and
 - the provision of any other necessary support.
- 6.2 The Board must make funds available to the Committee to enable it to take independent advice when the Committee reasonably believes that it is necessary to do so.

7 Proceedings

- 7.1 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and, by exception, raise them and minute them accordingly.
- 7.2 The Committee shall maintain minutes of each meeting which shall be approved by the Committee Chairman as soon as is reasonably practicable following the meeting. Following the Chairman's approval the minutes may be distributed to all members of the Committee unless a conflict of interest exist, and others as may be agreed by the Chairman.
- 7.3 Members may attend a Committee meeting in person or through the use of video or telephone conference.

8 Responsibilities of the Committee

The Committee shall:

- 8.1 Regularly review the structure, size and composition (including the diversity, skills, knowledge and experience) of the Board and its Committees and make recommendations to the Board with regard to any changes.
- 8.2 Give full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed in the Board in the future.

- 8.3 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.
- 8.4 Be responsible for identifying and nominating for the approval of the Board candidates to fill vacancies on the Board and Board committees as and when they arise.
- 8.5 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. In identifying candidates the Committee shall:
- use open advertising or external advisers to facilitate the search;
 - consider candidates from a wide range of backgrounds;
 - 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 time available to devote to the position;
 - for the appointment of a chairman, the committee should prepare a job specification, including the time commitment expected. Any other significant commitments of the Chairman of the Board should be reported to the Board as they arise;
 - prior to the appointment of a director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest and be required to report any future business interests that could result in a conflict of interest;
 - make a statement in the annual report and accounts about:
 - its activities;
 - the process used for appointments and explain if external advice or open advertising has not been used;
 - the membership of the Committee;
 - the number of Committee meetings and attendance over the course of the year;
 - the process used for appointments, its approach to succession planning and how both support developing a diverse pipeline;
 - how the board evaluation has been conducted, the nature and extent of an external evaluator's contact, the outcomes and actions taken, and how it has or will influence board composition;
 - the gender balance of those in the senior management and their direct reports; and
 - the Board's policy on diversity and inclusion, its objectives and progress on achieving those objectives and linkage to company strategy
 - oversee the board evaluation process and the implementation of any identified actions;

- 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 with outside board meetings;
- review annually the time required from a non-executive director and undertake a performance evaluation to assess whether the non-executive director is spending enough time to fulfil their duties;
- make recommendations to the Board regarding:
 - plans for the orderly succession for both executive and non-executive directors and in particular the key roles of Chairman and Chief Executive.
 - suitable candidates for the role of senior independent director;
 - membership of the audit, board risk, investment, independent governance, nomination, recovery, remuneration and with profits committees, in consultation with the chairmen of those committees;
 - the re-appointment of any non-executive director at the conclusion of their specified term of office having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
 - the re-election by members of directors under the annual re-election provisions of the Code or the retirement by rotation provisions in the articles of association of The Royal London Mutual Insurance Society Limited, having due regard to their skills and experience and the specific reasons why their contribution is, and continues to be, important to the company's long-term sustainable success. and the need for progressive refreshing of the Board (particularly in relation to directors being re-elected for a term beyond six years);
 - 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 company subject to the provisions of the law and their service contract;
 - 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; and
 - the appointment of independent directors to subsidiary boards.

9. Reporting Procedures

- 9.1 The Chairman shall report to the Board on its proceedings after each meeting on all significant matters within its duties and responsibilities.
- 9.2 A separate section must be included in the annual report and accounts that describes the work of the Committee in discharging its responsibilities.

10. Annual General Meeting

- 10.1 The Chairman of the Committee, or in their absence a representative of the Committee, should be available at the annual general meeting to reply to questions that may be raised that are relevant to the role and responsibilities of the Committee.

11. Reviewing Effectiveness

- 11.1 The Committee must review annually its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any necessary changes to the Board.

12. Publication of Terms of Reference

- 12.1 The terms of reference of the Committee will be available on the Group's website.