

## **Bank of Ireland (UK) plc Nomination Committee Terms of Reference**

### **1. Objectives**

This is the Committee of the Board responsible for:

1. Leading the process for appointments and renewals for Board and Board Committees as appropriate and making recommendations in this regard to the Board for its approval.
2. Succession plans for and approval of Executive Committee and Senior Management Function (SMFs - as defined by the PRA/FCA Individual Accountability Regime) appointments.
3. Agreeing the Company's Corporate Social Responsibility Policy and overseeing its implementation.
4. Keeping Company governance arrangements under review and making appropriate recommendations to the Board to ensure corporate governance practices are consistent with good practice corporate governance standards.

### **2. Membership**

- 2.1 The Committee will have a minimum of three members, appointed by the Board, all of whom should be Non-Executive Directors.
- 2.2 The Committee Chairman should be either the Chairman of the board or an independent non-executive director.
- 2.3 Directors who perform an executive function shall not be members of the Committee.
- 2.4 The Company Secretary or his / her nominee shall be Secretary of the Committee.
- 2.5 The CEO shall be in attendance as required.
- 2.6 Membership of the Committee will be reviewed by the Chairman regularly to ensure an optimal mix of expertise, competencies and experience. This review shall be submitted to the Committee for consideration and recommendation to the Board. While there is no fixed term of membership, no more than three consecutive years would be expected from members, other than the Chairman. The general aim is to refresh the membership from time to time to ensure an appropriate balance between continuity and fresh perspectives.

### **3. Voting and Conflicts of Interest**

- 3.1 In keeping with the Articles of the Company, questions arising at any meeting of the Committee shall be determined by a majority of votes.
- 3.2 The Directors have a duty to act in the best interests of the Company, and must act in accordance with the Articles and the Company's Conflicts of Interest Policy at all times. A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company must declare the nature of this interest to the Committee at the earliest opportunity. Directors will not participate in any decision making/ discussion of the Committee where it could be reasonably perceived that conflicts of interest exist.

#### **4. Meetings and Quorum**

- 4.1 The Committee will meet as often as it deems necessary for the discharge of its responsibilities. The Committee Chairman shall report to the Board on its proceedings after each meeting.
- 4.2 The quorum for meetings will be two, to include the Chairman of the Committee.
- 4.3 Any member of the Committee or the Board who has any personal interest in the matters to be considered by that Committee must so declare that interest and if the issue is to be decided by the Committee, or subsequently by the Board, must absent himself / herself from any meeting while such issue is being considered.
- 4.4 In the event of a tie of votes, the Chairman will have a casting vote.

#### **5. Duties**

The Committee shall:

- 5.1. Regularly review succession plans for the Board and Committees of the Board in the context of their structure, size and composition (including the Director and Key Function Holders Assessment Policies, the skills, knowledge and experience, independence and diversity of Directors and their compliance with the UK Regulatory Regime, described by the PRA/FCA as the Individual Accountability Regime and make recommendations to the Board with regard to any changes it considers desirable, as well as concerning the extension of the terms of office of Non-Executive Directors. The Committee will review at least annually the Board's policy on diversity, its objectives, any relevant targets set out therein and the extent to which these objectives and targets have been achieved.
- 5.2. Give full consideration to succession planning for directors and other senior executives and SMFs in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the board in future.
- 5.3. Keep under review the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace. When considering appointments within its remit, have regard to the regulatory requirements applicable to the assessment of the suitability of holders of such roles.
- 5.4. Consider the appointment of members of the Executive Committee and SMFs to ensure they have appropriate integrity and adequate knowledge, experience, skill and competence for their roles.
- 5.5. Oversee the annual evaluation of the performance of individual directors.
- 5.6. Be responsible for reviewing and recommending to the Board the Conflicts of Interest, Director and Key Function Holders Assessment Policies. Such policies shall be reviewed

annually by the Committee with any recommended changes being reported to the Board for approval.

- 5.7. Meet annually, without any management present, to satisfy itself that plans are in hand for the orderly succession to the position of the Company Chief Executive.
- 5.8. Ensure that on appointment to the Board, non-Executive Directors receive:
  - 5.8.1.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;
  - 5.8.2.an induction programme designed to enable effective contribution from the outset;  
and
  - 5.8.3.an appropriate and timely training programme. Monitoring developments in corporate governance and other regulatory developments, e.g. the UK Regulatory Regime, described by the PRA/FCA as the Individual Accountability Regime, which are relevant to the assessment of the suitability and financial soundness of the holders of Senior Management Functions (as defined by the PRA/FCA Individual Accountability Regime) within the Company, assessing the implications and advising the Board accordingly.

In performing its duties, the Committee shall to the extent possible and on an ongoing basis, take account of the need to ensure that Board decision making is not dominated by any one individual or small group of individuals in a manner that is detrimental to the interests of the Company as a whole.

## **6. Prescribed Responsibilities**

- 6.1. The Committee will assist the Chairman to comply with his prescribed responsibilities by:
  - Reviewing the allocation of prescribed responsibilities across members of the Board.
  - Monitoring the effective implementation of policies and procedures for the induction, training and professional development of all members of the Board.
  - Overseeing the Company's performance of its obligations under Fitness and Propriety in respect of its notified Non-Executive Directors.

## **7. Authority**

- 7.1. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Group Secretariat for assistance as required. As and when required, the Committee may access professional advice.
- 7.2. The Committee may invite any Company Director, Company Executive or other person to attend any meeting(s) of the Committee as it may from time to time consider desirable to assist the Committee in the attainment of its objectives.

- 7.3. The Committee is authorised to seek any information it requires from any employee of the Company to enable it discharge its responsibilities.

## **8. Performance Evaluation**

- 8.1. The Committee shall, at least once a year, review its own performance and terms of reference and shall report its conclusions and recommend any changes it considers necessary to the Board for its approval.

Approved by the Board on 9 November 2017