

# Sample nomination committee charter

## Nomination committee

### Constitution

The nomination committee shall be a committee of the board established by the board.

### Objectives

The objectives of the committee are to assist the board in planning the board's composition, evaluating the competencies required of prospective directors (both non-executive and executive), identifying those prospective directors, establishing their degree of independence, developing succession plans for the board, CEO and other key management, and making recommendations to the board accordingly.

### Membership

Membership of the committee shall comprise members of the board appointed by the board. The number of members of the committee shall be not less than three, a majority of whom shall, wherever feasible, be independent non-executive directors. The composition of the committee shall also, if possible, demonstrate a commitment to diversity.

The chair of the committee may be the chair of the board, or when the appointment of a successor as board chair is under consideration by the committee, another independent non-executive director selected by the board.

### Meetings

- The secretary of the committee shall be appointed by the board.
- A quorum of members of the committee shall be two, at least one of whom is ideally an independent non-executive director.
- All directors are entitled to attend meetings of the committee, except those directors whose positions as directors are under consideration by the committee in which case attendance is by invitation of the committee only.
- Reasonable notice of meetings and the business to be conducted shall be given to the members of the committee and all other members of the board.
- Meetings shall be held at least twice per year, having regard to the occurrence of board vacancies, actual or anticipated. Any member of the committee may request a meeting at any time if they consider it necessary.

- Minutes of all meetings shall be kept.
- The agenda and minutes of all committee meetings shall be circulated to members of the board, the CEO, and to such other persons as the board directs.

### Responsibilities

The responsibilities of the committee are as follows:

- identify and nominate, for the approval of the board, external candidates to fill board vacancies as and when they arise
- make recommendations to the board with respect to:
  - the re-appointment, or not, of any non-executive director at the conclusion of their specified term of office
  - the re-election by shareholders of any director under the retirement by rotation provisions in the company's constitution
  - the degree of independence of any director
  - any other matters relating to the continuation in office of any director at any time
- before recommending an appointment, evaluate the balance of skills, knowledge and experience on the board and, in light of the evaluation, to determine the role and capabilities required for the appointment
- formulate succession plans for both non-executive and executive directors, taking into account the challenges and opportunities facing the company and the skills and expertise accordingly required on the board in the future
- recruit, and develop succession plans for, the CEO and other key management as needed
- regularly review the structure, size and composition (including the skills, knowledge and experience) of the board and to make recommendations to the board regarding any changes
- keep under review the leadership requirements of the company, both non-executive and executive, with a view to ensuring the continued ability of the company to compete efficiently in the marketplace
- review and provide oversight of diversity and inclusion within the company, including (and not limited to) diversity of skills, backgrounds, ethnicities and gender, and to recommend measurable diversity and inclusion objectives to the board
- consider such other matters relating to board nomination or succession issues as may be referred to it by the board.

## **Authorities**

The committee will make recommendations to the board on all matters requiring a decision. The committee does not have the power or authority to make a decision in the board's name or on its behalf.

The committee is authorised by the board, at the expense of the company, to consult with outside services, such as the IoD's DirectorSearch services, executive search consultants, and other external sources of information and advice such as financial or legal advisors, as it considers necessary for carrying out its responsibilities.

## **Review of the committee and the charter**

The committee shall undertake an annual self-review of its objectives and responsibilities, and of its charter. Such objectives, responsibilities and charter shall also be reviewed by the board and any other person the board considers appropriate.

## **Reporting procedures**

After each meeting the chair will report the committee's recommendations and findings to the board. The minutes of all committee meetings will be circulated to members of the board and to such other persons as the board directs.

Following any director, CEO or key management candidate interviews, the committee shall provide a report to the full board. The board will select a preferred candidate/s and make a recommendation for appointment to the relevant stakeholders/shareholders.

The chair will present an annual report to the board summarising the committee's activities during the year and any related significant results and findings.

Charter adopted by the committee on XX/XX/20XX.