

UTMOST LIFE AND PENSIONS LIMITED Nomination Committee Terms of Reference



1. Constitution and Purpose

The Nomination Committee is a sub-committee of Utmost Life and Pensions' ("ULP", "the Company") Board of Directors and has been delegated responsibility for ensuring the Board has a formal, rigorous and transparent procedure in place to manage the appointment of new Board Directors to the Board, and to ensure the Board and its Committees have the appropriate balance of skills, experience, independence and knowledge to enable them to discharge their respective duties and responsibilities effectively, including succession planning.

As of January 2020, the Nomination Committee also has delegated responsibility from the Board of the Equitable Life Assurance Society ("ELAS") to consider all relevant matters in relation to ELAS, being a wholly owned subsidiary of ULP, and to report and make recommendations to the ELAS Board accordingly.

2. Authority

The Committee is authorised by the Board and the ELAS Board to:

- investigate any activity within its ToR;
- seek any information that it requires from any employee of the Company or the Group involved in the provision of services to the Company or to ELAS and all such employees are directed to co-operate with any request made by the Committee and seek any information from any employee of an external service provider; and
- obtain outside legal or professional advice as necessary to fulfil its ToR, where such advisors may attend meetings as necessary.

3. Membership/Organisation

The Members of the Committee shall be appointed by the Board following consultation with the Chair. The Committee will be composed of at least three members at all times, of which the majority shall be Independent Non-Executive Directors. In the event of a tied vote in any decision, the Chairman will have the casting vote.

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as other Directors, the head of Human Resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

The Board shall appoint the Committee Chair who should be the Chair of the Board. In the absence of the Committee Chair, the Committee Chair can appoint a deputy. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to that role and the Chair will appoint a deputy for this purpose.

The membership and role of chair of the Committee will be reviewed each year by the Board in consultation with the Chair to ensure that an appropriate balance is maintained between experience and independence. Changes as required will be recommended to the Board thereafter. The appointment of members to the Committee shall be for a period of up to 3 years, extendable up to 2 further periods of 3 years.

The quorum for meetings shall be three members (of whom at least one shall be an Independent Non-Executive Director and at least one shall be a Founding Non-Executive Director). If necessary a Founding Non-Executive Director may grant delegated authority to any individual to represent the Founders at a given meeting, should they be absent, to allow it to be quorate.

A duly convened meeting of the Committee at which a quorum is present including the Committee Chair or appointed deputy shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

Any member of the Committee who has a personal interest in the matters to be considered by the Committee is to declare that interest in advance of such discussions. The member should absent themselves from any discussions on these items.

4. Meetings

The Committee shall meet at least twice a year, and at such other times as the Chair considers necessary or appropriate.

Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chair.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, standing invitees and any other person required to attend, no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other invitees as appropriate, at the same time.

The Company Secretary or their nominee shall be Secretary of the Committee. The Chair shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and the Secretary shall minute them accordingly.

The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

The Committee shall be authorised to seek any information that it requires from any employee of the Company, any employee of a Group company involved in the provision of services to the Company or to ELAS, or any employee of an external service provider.

5. Responsibilities

The Committee should carry out the responsibilities below for the Company and any subsidiary undertakings. The Committee shall:

- regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and the ELAS Board and make recommendations to the Board and the ELAS Board with regard to any changes.
- 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 ELAS, and the skills and expertise needed on the Board and the ELAS Board in the future.
- keep under review the leadership needs and succession planning 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.
- keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates.
- be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise.
- before any appointment is made by the Board or the ELAS Board, evaluate the balance of skills, knowledge, experience and diversity on the Board or the ELAS Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates the committee shall
 - use open advertising or the services of 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, including gender, taking care that appointees have enough time available to devote to the position.
- for the appointment of a Board Chair, prepare a job specification, including the time commitment expected. A proposed Chair's other significant commitments should be disclosed to the Board before appointment and any changes to the Chair's commitments should be reported to the Board as they arise.
- prior to the appointment of a Director, require the proposed appointee to disclose any other business interests that may result in a conflict of interest and report any future business interests that could result in a conflict of interest.
- ensure that on appointment to the Board or the ELAS 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.
- review the results of the performance evaluation process that relate to the composition of the Board and the ELAS Board.
- review annually the time required from Non-Executive Directors. Performance evaluation should be used to assess whether the Non-Executive Directors are spending enough time to fulfil their duties.
- work and liaise as necessary with all other Board Committees.

The Committee shall also make recommendations to the Board or the ELAS Board concerning:

- formulating succession plans for both Executive and Non-Executive Directors and in particular for the key roles of Chair and Chief Executive.

- suitable candidates for the role of Senior Independent Director.
- membership of all Board committees, in consultation with the Chairs of those committees.
- the re-appointment of any Non-Executive Director or member of the With-Profits Committee (WPC) at the conclusion of their specified term of office, having given due regard to their performance and ability to continue to contribute to the Board / WPC in the light of knowledge, skills and experience required.
- any matters relating to the continuation in office of any Director or member of the WPC 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.

6. Reporting Procedures

The Committee shall operate under delegated authority from the Board and the ELAS Board, and the Chair shall report formally to the Board and the ELAS Board on the key aspects of its proceedings after each meeting.

The Committee shall make whatever recommendations to the Board or the ELAS Board it deems appropriate regarding any matter within its remit where action or improvement is needed.

The Secretary shall circulate the minutes of meetings to all members of the Committee in advance of the next Committee meeting. The Board shall receive a copy of the most recent minutes from the latest Committee for review.

Committee members shall conduct an annual review of their work and this Terms of Reference and report to the Board on their activities during the year. As part of the latter there shall be an attestation by the Chair of the Committee as to any areas of the Terms of Reference that have not been met. In addition this report should include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

Appendix: Abbreviations and Definitions

The titles and functions in this document apply to both genders.

Board	The Board of Directors of Utmost Life and Pensions Ltd
Committee	The Nomination Committee to which these Terms of Reference are directed
Company	Utmost Life and Pensions Limited
Director Independence	<p>Independence is defined as the ability to exercise sound judgement and decision making independent of the views of Management, political interests or inappropriate outside interests. In determining Director Independence the following criteria are to be considered:</p> <ol style="list-style-type: none">i. Has been an employee of the company or group within the last five yearsii. Has, or has had within the last three years, a material business relationship with the Company either directly, or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Company;iii. Has received or receives additional remuneration from the Company apart from a director's fee, participates in the Company's share option or a performance related pay scheme, or is a member of the Company's pension scheme;iv. Whether the individual represents a significant shareholder;v. Holds cross-directorships or has significant links with other directors through involvement in other companies or bodies;vi. Has close family ties with any of the Company's advisers, directors or senior employees; andvii. Has served on the Board for more than nine years from the date of their first election.
ELAS	The Equitable Life Assurance Society
ELAS Board	The Board of Directors of the Equitable Life Assurance Society
Independent Non-Executive Director	Non-Executive Director who satisfies the criteria for director independence
Management	Members of the Senior Management Committee
Non-Executive Director	A Director without executive management responsibilities for the institution
ToR	Terms of Reference
ULP With-Profits Committee	The Committee with delegated authority from the ULP and ELAS Boards to provide an independent view on and oversight of the management and operation of the With-Profits funds of the two companies.