



FBD Holdings plc

Terms of Reference

– for –

Nomination and Governance Committee

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i). OVERALL PURPOSE AND OBJECTIVES

The Nomination and Governance Committee is a Committee of the Board of Directors (the “Board”) of FBD Holdings plc (the “Company”). It is responsible for ensuring that there is effective succession planning in place for Board and Senior Management. The Nomination and Governance Committee should gain an understanding of the views of the workforce so that these views are considered in board discussion and decision making.

In framing governance strategy, frameworks and policies, the Committee shall give full consideration to the principles and provisions of the Corporate Governance Requirements for Insurance Undertakings 2015 and UK Corporate Governance Code 2018 and shall take into account the long term interests of shareholders, investors and other stakeholders in the Group.

ii). MEMBERSHIP AND ATTENDEES

- a. Members of the Committee shall be appointed by the Board.
- b. The Committee shall be made up of at least 3 members, the majority of whom should be independent non-executive Directors.
- c. Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend for all or part of any meeting, as and when appropriate.
- d. In line with the Corporate Governance Framework the Board Chair will be appointed as the Committee Chair. In the absence of the Committee Chair, the remaining members present shall elect one of their number to chair the meeting. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chair ship.

iii). VOTING RIGHTS

The Members of the Committee will be subject to the voting rights as detailed in the Company’s Articles of Association. Save as otherwise provided by the Articles, a Director shall not vote at a meeting of the Committee of Directors on any resolution concerning a matter in which he/she has, directly or indirectly, an interest which is material or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote.

iv). SECRETARY

- a. The Deputy Company Secretary or such other person as the Committee shall decide shall act as the Secretary to the Committee.

v). QUORUM

- a. The quorum necessary for the transaction of business shall be two. 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.

vi). FREQUENCY AND NOTICE OF MEETINGS

- a. The Committee shall meet as required and at least quarterly per annum.
- b. 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 before each meeting to enable to enable full and proper consideration to be given to the issues.

vii). MINUTES OF MEETINGS

- a. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- b. Minutes of Committee meetings shall be made available to all members of the Board, via Diligent, once approved by the Committee.

viii). ROLES AND RESPONSIBILITIES

The Committee will in respect to Nomination:

Subject to the right of the Central Bank of Ireland to approve any appointments to the Board of the Company, the Committee shall:

- i).
 - a. regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
 - b. 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 companies, and what skills and expertise are therefore needed in the future;
- ii). Recommend the appointment of Executive Directors, Executive Management Team and the Company Secretary to the Board;
- iii). Keep under review the Policy for Diversity;
- iv). make recommendations to the Board concerning the requirement of the Central Bank of Ireland that the renewal of the Chief Executive's contract be reviewed at least every five years;
- v). make recommendations to the Board concerning the requirement of the Central Bank of Ireland that the membership of the Board of independent directors with long service, and in particular service beyond nine years, is formally reviewed, documented and communicated to the Central Bank;

- 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 appointment is made by the Board, 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 suitable candidates the Committee shall:
 - consider candidates from a wide range of backgrounds with due regard to the Policy for Diversity; and
 - consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position;
 - c. for the appointment of a Chair , the Committee should prepare a job specification, including the time commitment expected. A proposed Chair 's other significant commitments should be disclosed to the Board before any appointment and any changes to a Chair 's commitments should be reported to the Board as they arise;
 - d. 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;
 - e. keep up to date and fully informed about strategic issues and commercial changes affecting the companies and the markets in which they operate;
 - f. 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; and
 - 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.
- vi). The Committee shall also make recommendations to the Board concerning:
- a. formulating plans for succession for both executive and non executive Directors and in particular for the key roles of Chair and Chief Executive ;
 - b. the role of designated Non-Executive Director for engagement with the workforce.
 - c. membership of the Audit, Remuneration and Risk Committees of the Boards, in consultation with the Chair of those committees;
 - d. the re-appointment of any non-executive Director 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 in the light of the knowledge, skills and experience required;

- e. the re-election by shareholders of any Director under the 'retirement by rotation' provisions in the Company's articles of association 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;
- f. 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;
- g. the appointment of any Director to executive or other office other than to the positions of Chair and Chief Executive, the recommendation for which would be considered at a meeting of the full Board; and
- h. Any changes to practices that are required to achieve a good standard of corporate governance.

The Committee will in respect to Governance

- i). Monitor the Company's compliance with corporate governance best practice with applicable legal, regulatory and listing requirements and to recommend to the Board such changes as deemed appropriate;
- ii). Advise the Board of significant corporate governance developments;
- iii). Review and monitor compliance with the implementation and embedding of the Group's culture, conduct and values
- iv). Oversee, in conjunction with the Board Chair, the conduct of the annual evaluation of the Board, Committee, Chair and individual Director Performance.

9. Reporting Responsibilities

- i) The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities relating to the particular Board.
- ii) The Committee shall report on succession planning.
- iii) The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- iv) The Committee shall within the annual report;
 - make a statement in the annual report about its activities, the process used to make appointments and explain if external advice or open advertising has not been used;
 - include a statement on the Board's Policy on Diversity, its objectives and linkage to company strategy and how it has been implemented and progress on achieving the objectives;
 - outline the gender balance of those in senior management and their direct reports;

- v) Report on how the Board evaluation has been conducted including, where applicable, the nature and extent of an external evaluators contact with the Board and individuals, the outcomes and actions taken and how board composition is influenced;
- vi) Review the Corporate Governance report.
- vii) The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Boards for approval.

10. Annual General Meeting

The Chair of the Committee shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

11. Authority

The Committee is authorised to seek any information it requires from any employee of the FBD Group in order to perform its duties.

The Committee is authorised to obtain, at FBD Group's expense, outside legal or other professional advice on any matters within its terms of reference.