



# Bank of Ireland

---

## Group Nomination and Governance Committee

---

### Terms of Reference

<b>Document Title:</b>	<b>Group Nomination and Governance Committee Terms of Reference</b>
<b>Reviewed by the Group Nomination &amp; Governance Committee:</b>	13 December 2023
<b>Approved by the Board:</b>	14 December 2023
<b>Effective from:</b>	14 December 2023
<b>Review frequency:</b>	<b>Annually</b>

**Bank of Ireland Group plc (the “Company” and together with its subsidiaries the “Group”)  
Group Nomination and Governance Committee (the “Committee”)**

**Terms of Reference**

**1. Objectives**

The Committee is established by the Board of Directors of Bank of Ireland Group plc (the “Board”), with responsibility for:

- 1.1 leading the process for nominations and renewals for Board and Board Committees as appropriate, and making recommendations in this regard to the Board for its approval;
- 1.2 ensuring plans are in place for orderly succession to both the Board and Group Executive Committee, and overseeing the development of a diverse pipeline for succession;
- 1.3 considering and making recommendations to the Board in respect of the appointment of Key Function Holders;
- 1.4 keeping Board governance arrangements under review and making appropriate recommendations to the Board to ensure corporate governance practices are consistent with best practice standards; and
- 1.5 overseeing subsidiary governance arrangements to ensure that appropriate and proportionate governance arrangements are in place for Group subsidiaries, including in relation to the composition of the Boards of the Group’s material subsidiaries.

**2. Membership**

- 2.1 The Committee shall have a minimum of three (3) members, appointed by the Board, all of whom shall be Non-Executive Directors with a majority of members being independent Non-Executive Directors. The Board Chair and the Deputy Chair shall be members of the Committee. Directors who perform an executive function shall not be members of the Committee.
- 2.2 Membership of the Committee shall be reviewed by the Chair (to include consideration of rotation of its members) each year to ensure an optimal mix of expertise, competencies and experience. The general aim is to refresh the membership from time to time to ensure an appropriate balance between continuity and fresh perspectives. These reviews shall be submitted to the Committee for consideration and recommendation to the Board.
- 2.3 In accordance with paragraph 124 of the Suitability Guidelines, members of the Committee should have adequate collective knowledge, expertise and experience relating to the business of the Group to be able to assess the appropriate composition of the Board, including recommending candidates to fill Board vacancies.
- 2.4 While there is no fixed term of membership, a minimum of three and no more than five consecutive years’ service would normally be expected of members.
- 2.5 Each year the membership of the Committee will be displayed in the Annual Report and Accounts together with a statement about its activities and the process used for any appointments made.

**3. Committee Chair**

- 3.1 The Committee shall be chaired by an independent member in accordance with the principles set out in paragraph 91 of the Joint ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06) (the “Suitability Guidelines”).
- 3.2 Without prejudice to paragraph 3.1, the Board Chair shall chair the Committee except when it is dealing with the appointment of a successor to the Board Chair role. In that situation the Senior Independent Director (“SID”) (unless he/she wishes to be considered for the role of Chair) shall be appointed to chair the Committee and to lead the selection process. Committee members who wish to be considered for the role of Chair are required to absent themselves from the Committee for the duration of the selection process.

**4. Committee Secretary**

- 4.1 The Group Secretary or a senior representative from the Group Secretariat & Corporate Governance Office shall be secretary of the Committee and attend all meetings.

## **5. Meetings and Quorum**

- 5.1 The Committee shall meet as often as it deems necessary for the discharge of its responsibilities. The Chair of the Committee shall report to the Board on its proceedings after each meeting.
- 5.2 The quorum for meetings shall be three members one of whom should be the Chair or Deputy Chair and two of whom shall be independent Non-Executive Directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the powers exercisable by the Committee. A member's participation in a meeting by video link or audio link shall be regarded as valid for these purposes.
- 5.3 Any member of the Committee or the Board who has any personal interest in the matters to be considered by that Committee must 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.

## **6. Voting**

Questions arising at any Committee meeting shall be decided by a majority of votes. Where there is an equality of votes, the Chair of the Committee shall have a second or casting vote. Votes shall be recorded in the minutes. Where decisions are unanimous, they shall be recorded as such in the minutes. Dissensions and negative votes shall be documented in the minutes in terms acceptable to the dissenting person or negative voter.

## **7. Duties**

Without limiting the generality of the Committee's objectives, it shall:

### **7.1 Nominations and Renewals**

#### **Board**

- 7.1.1 lead the appointment process for new Board Directors, establishing appropriate selection criteria, and recommending suitable candidates to the Board for approval. When considering Board appointments, the Committee shall have regard to any regulatory requirements applicable to the assessment of the suitability of holders of such roles and the Board Director Assessment Policy (as in place and agreed triennially) and the Board Diversity Policy (agreed annually);
- 7.1.2 receive confirmation from the Group Secretary 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;
- 7.1.3 receive confirmation from the Group Secretary that, on appointment to the Board, Directors receive a comprehensive and tailored induction programme designed to enable effective contribution from the outset;
- 7.1.4 receive updates from the Group Secretary to ensure that appropriate and timely training is provided on an ongoing basis to all Directors;
- 7.1.5 regularly (and at least annually) review the structure, size, composition and succession plans of the Board and Committees of the Board (including consideration of the skills, knowledge, experience and diversity of Directors and their compliance with the relevant fitness and probity ("F&P") standards) bearing in mind the future demands of the business and make recommendations to the Board with regard to any changes it considers desirable;
- 7.1.6 agree appropriate Committee membership to ensure no one individual or small group of individuals exercise excessive influence or control;
- 7.1.7 ensure plans are in place for orderly succession to both the Board positions, and oversee the development of a diverse pipeline for succession;
- 7.1.8 make recommendations to the Board concerning the extension of the terms of office of Non-Executive Directors, the re-election of Directors by shareholders at the Annual General Meeting and the compliance with the relevant F&P standards;

- 7.1.9 review the membership of the Board of any person who is a member for nine years or more and document its rationale for any continuance, and so advise the Central Bank in writing.

#### Executive / Other

- 7.1.10 consider and, if deemed appropriate, approve the membership and composition of the Group Executive Committee and individual Executive Committee appointments, and oversee the development of a diverse pipeline for succession;
- 7.1.11 meet annually, without any management present, to satisfy itself that plans are in hand for the orderly succession to the position of Group Chief Executive Officer;
- 7.1.12 provide advice to the Board in relation to the appointment, replacement or dismissal of the Group Secretary;
- 7.1.13 consider the appointment of Key Function Holders proposed by management to ensure they have the appropriate integrity, adequate knowledge, experience, skill and competence for their roles, remaining cognisant of the gender balance and diversity profile of those in senior management and their direct reports, and make recommendations to the Board with regard to such appointments;
- 7.1.14 recommend to the Board/Court pension trustee appointments to the Bank Staff Pension Fund.

## 7.2 Corporate Governance

- 7.2.1 oversee the annual evaluation of the performance of the Board including the arrangements and assessments aimed at ensuring the collective suitability of the Board and the annual evaluation of the performance of individual Board Directors;
- 7.2.2 review the Board's Terms of Reference on an annual basis and recommend any changes to the Board for approval;
- 7.2.3 monitor developments in corporate governance including regulatory developments which are relevant to the assessment of the suitability of holders of key roles within the Group, assess the implications for the Group and advise the Board accordingly;
- 7.2.4 annually assess the independence status of Non-Executive Directors and recommend to the Board whether the existing determination on independence remains valid;
- 7.2.5 make recommendations to the Board in respect of the approval of additional external appointments for Directors, having reviewed all appointments held to ensure compliance with applicable regulations, including the number of directorships held and other time commitments;
- 7.2.6 review and recommend for approval the annual Corporate Governance Statement for inclusion in the Annual Report of the Group;
- 7.2.7 review, at least annually, the Board & Court Diversity Policy, its effectiveness; its linkage to company strategy; and its objectives, including its measurable objectives for achieving Board diversity and the extent to which these measurable objectives have been achieved;
- 7.2.8 review the appropriateness of internal policies on the selection and assessment of members of the Board and key function holders. Such policies shall be reviewed annually by the Committee with any recommended changes being reported to the Board for approval;
- 7.2.9 oversee the Group's compliance with the applicable fitness and probity requirements, and review the Group Fitness & Probity and Suitability Assessment Policy annually and recommend any changes to the Board for approval;
- 7.2.10 review the Group's Individual Accountability Framework Policy, and recommend any changes to the Board for approval;
- 7.2.11 review the Director Induction, Training & Development Policy on a triennial basis and recommend any changes to the Board for approval;
- 7.2.12 review the Group Code of Conduct that applies to all employees and Directors of the Group and recommend any changes to the Board for approval;

- 7.2.13 review the Board Conflicts of Interest Policy on an annual basis and recommend any changes to the Board for approval;
- 7.2.14 review the Board Director Assessment Policy on an triennial basis and recommend any changes to the Board for approval;
- 7.2.15 receive periodic updates on the Group's diversity and inclusion activity, including an annual update on the Race at Work charter.

### **7.3 Subsidiary Governance**

- 7.3.1 oversee subsidiary governance to ensure that appropriate and proportionate governance arrangements are in place for Group subsidiaries, including determination of matters to be reserved/delegated to the subsidiaries;
- 7.3.2 oversee the process for appointments and renewals of the Boards of material regulated subsidiaries;
- 7.3.3 review succession plans for the Boards of material regulated subsidiaries;
- 7.3.4 consider the outcome of effectiveness reviews of the Boards of material regulated subsidiaries.

## **8. Decision making**

- 8.1 in performing its duties the members will comply with all applicable legal and regulatory requirements, including the Common and Additional Conduct Standards under the Central Bank of Ireland's Individual Accountability Framework. The relevant requirements are due skill, care and diligence, honesty, integrity, ensuring compliance with the law and regulation (including F&P suitability, EBA suitability and the CRD requirements regarding board composition), and notification to regulators regarding breaches notified to the Committee;
- 8.2 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 Group as a whole;
- 8.3 the Committee Chair should seek engagement with shareholders on significant matters related to work of the Committee.

## **9. Authority**

- 9.1 The Committee is a committee of the Board of Directors of the Company from which it derives its authority and to which it regularly reports.
- 9.2 The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Group Secretary for assistance as required. As and when required, the Committee may access professional advice and may commission both informal and formal studies to assist its formulation of policy and its operations.
- 9.3 The Committee may invite any Director, 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.
- 9.4 The Committee shall have access to all necessary information to perform its duties, including information and data from relevant corporate and control functions and be able to involve the relevant internal control functions and other competent internal functions, where necessary.
- 9.5 The Committee shall periodically review and decide on the content, format and frequency of the information on risk to be reported to them.

## **10. Performance Evaluation**

- 10.1 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.