

Nominations and Remuneration Committee

Terms of Reference

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1. Purpose

To provide a formal and transparent procedure for recruitment of the Institute's Chief Executive, developing policy on remuneration for the Executive directors (including the CEO,) ensuring that the performance of the Chief Executive is reviewed and fixing his/her remuneration package.

To oversee the Board recruitment and appointment process and to manage the process for Board Co-options, bringing proposals for approval by the Board.

2. General Regulation

- 2.1 The Committee will meet at least twice each year
- 2.2 The quorum of the Committee/Group shall be three. In addition, a majority of those present must be Members of IWFM. Executive or staff (who can only be members of Extraordinary Committees) must be in a minority
- 2.3 Any member not attending or not contributing for 3 consecutive meetings within a twenty-four-month period will be deemed to have resigned from the Committee, removal will be at the discretion of the Chair
- 2.4 Other General Regulations are as stated in Section 5.0 of the Board Regulations – Board Committees and Advisory Groups.

3. Composition

- 3.1 The Committee shall have a maximum of six members appointed by the Board:
 - 3.1.1 The Chairman of IWFM
 - 3.1.2 Three other members of IWFM [who may or may not be members of the IWFM Board]
 - 3.1.3 A person who is not a member of IWFM (known as the independent lay member)
 - 3.1.4 A person appointed for their skills and qualifications in HR and people management (who may or may not be a member of IWFM)
- 3.2 The Chair of the Committee shall be appointed by the Board from amongst the members of the Committee. The Chairman of IWFM shall not be the Chair of the Committee.
- 3.3 The Chair and Committee Members must demonstrate a degree of knowledge and understanding of Corporate and Institute Governance policies, processes and procedures

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4. Functions

The functions of the Committee are:

- 4.1 To make recommendations to the Board concerning the formulation of plans for the succession for the Chief Executive.
- 4.2 To propose, agree with the Board and review the policy, as required, for the remuneration of the Executive Directors. The objective of such policy shall be to ensure that the Executive directors have appropriate incentives to encourage enhanced performance and, in a fair and responsible manner, are rewarded for their individual contribution to the long-term success of the Institute.
- 4.3 Within the terms of the agreed policy, to determine the total remuneration package of the Chief Executive including pension, benefits bonuses and incentive payments and to approve the total annual payments made, with due regard to HR advice and appropriate benchmarking.
- 4.4 To review contractual benefits, staff policies and procedures and performance management systems for all IWFM staff and recommend their adoption to the Board.
- 4.5 To consider succession planning for Non-Exec Board Directors, Chair & Deputy Chair of the Board and the President, as required, including the skills required on the Board.
- 4.6 To identify, through working with the Board, any gaps in the skills of the Board as a group and to lead an open and transparent process to identify possible candidates for co-option to the Board, making recommendations for appointment.

5. Powers

- 5.1 The Committee shall have the power to recommend the total remuneration package of the Chief Executive within the terms of the agreed policy. In all other matters the role of the Committee shall be advisory unless a specific delegation of power is made by the Board.
- 5.2 The board also has the right to veto any decision and to rescind the delegation of any activity, or power, the group holds if necessary or prudent to do so.

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6. Reporting

The Committee is accountable to the Board and operates as a committee of it.

- 6.1 The Committee will report to the Board through update reports to each formal Board meeting; and provide an Annual Report. (See 6.4).
- 6.2 The minutes of the Committee meetings shall be submitted to the Board.
- 6.3 The Chair of the Committee shall draw to the attention of the Board, any issues that require disclosure to the full Board, or require executive action.
- 6.4 The annual report provides self-assessment to assure the Board that, if undertaken, that a robust and independent process was carried out in determining the remuneration package of the Chief Executive or other Executive Directors. It will also provide assurance that reviews have been undertaken as required around the staff contractual benefits and Non-Executive Director Skills & Gaps.

