











Nominations and Governance Committee - Terms of reference – September 2023

 Purpose: The purpose of the Nominations and Governance Committee is to: <ol style="list-style-type: none"> a) develop and maintain succession plans, and a formal, rigorous and open procedure for making recommendations to the Board, on senior appointments and reappointments in Wellcome; to include the Board of Governors (the “Board”), its Committees, and also the Chief Executive. b) assist the Board in its ongoing oversight of the quality of governance in Wellcome and make recommendations for improvement; and support the Board in maintaining alignment with legal and regulatory expectations, having regard to the requirements of the UK Corporate Governance Code and Charity Code of Governance and other relevant best practice c) enable the Board to have regular oversight of stakeholder engagement within a systematic and strategic framework. 	
 Meeting frequency and duration: Meets at least three times per year for a ½ day meeting – around February, May, September and November.	 Secretary (minutes/notes and actions): Governance Manager <ul style="list-style-type: none"> • Meeting pack to be circulated at least 7 days ahead of meeting • Minutes to be shared with chair 7 days following meeting • Action to be circulated to action owners 2 days following meeting
 Chair: Julia Gillard, Wellcome Chair The Chair of the Board will be the Chair of the Committee, subject to the following exception: If the topic under discussion is the appointment of a new Chair of the Board, the Deputy Chair will chair the Committee. The Chair of the Board and any other member of the Committee who is a potential candidate for that position will not participate in the work of the Committee on that appointment	
 Members: <ul style="list-style-type: none"> • Chair of the Board; • Deputy Chair of the Board; and • Up to two other Governors. • Substitutes are not permitted. 	 Quorum: 2 members If the Committee would be in-quorate because of the requirements regarding appointment of the Chair (see Chair above), the Chair of the Committee will appoint, as an additional member of the Committee, a Governor who is not a potential candidate

	 <p>Standing attendees:</p> <ul style="list-style-type: none"> • Chief Executive Officer; • Director of People; • Chief Legal Officer and/or nominee. <p>Ad hoc attendees: by invitation at the discretion of the Chair:</p> <ul style="list-style-type: none"> • Other attendees (non-voting) for specific items or for the whole meeting, as deemed necessary. • External advisors can be appointed by the Committee, with the sole authority to approve fees and terms. The Board to be informed of the details.
 <p>Reports: The Committee will receive the following regular papers:</p> <ul style="list-style-type: none"> - verbal business update from Director of People on their responsibilities since last full Board of Governors meeting – at each meeting - regular updates on relevant recruitment and succession matters - as required (see responsibilities) - Board performance process and outcomes – annually - EDI programme update – at each meeting - Regular papers on governance - as required - Stakeholder engagement updates - at each meeting, annual report for AR&FS - Committee report for inclusion in AR&FS - annual 	 <p>Reporting line and escalation route: The Nominations and Governance Committee is a Committee of the Board of Governors. Any material governance or reputational risk issues should be escalated to the Audit and Risk Committee (which has responsibility for overall oversight of legal and compliance risk across Wellcome as a whole).</p> <p>Term of office: Appointments to the Committee are made by the Board on recommendation of the NGC, for three-year terms, with ability to extend for future terms.</p>
 <p>Responsibilities: (on behalf of the Board):</p>	
<ul style="list-style-type: none"> • Board, Committee Membership and Senior Staff Engagement, and Succession Planning <p>(a) regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board of Governors and make recommendations to the Board with regard to any changes;</p> <p>(b) be responsible for identifying and nominating for the approval of the Board:</p>	



- candidates to fill Governor and external committee member vacancies as and when they arise;
 - candidates to fill the positions of Chair, Deputy Chair and Governors of the Board, as and when vacancies in those positions arise;
 - reappointment of any Governor 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 knowledge, skills and experience required;
 - Chair and membership of the following Board Committees (and any other Board Committees or Boards of Wellcome, as appropriate): Audit and Risk Committee; Investment Committee; Remuneration Committee
 - appointment of Governors as trustees of the Wellcome Trust Pension Plan (and any other pension plans of Wellcome or any of its subsidiaries);
- (c) consideration and approval of nominations from Wellcome for major senior external honours and awards (ELT level and above), and to receive regular reports for its employees, Wellcome’s grant recipients or other individuals;
- (d) give full consideration to succession planning for the Board and Committees and in particular for the key roles of Chair, Deputy Chair and Chief Executive Officer;
- (e) before any appointment, evaluate the balance of skills, knowledge, experience and diversity on the Board, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment.
- (f) In identifying suitable candidates, the Committee shall use open advertising or the services of external advisers to facilitate the search for 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 candidates have enough time available to devote to the position.
- (g) At the direction of the Board of Governors be responsible for recruitment and recommending the appointment of the Chief Executive Officer of Wellcome. Final responsibility for the appointment remains with the Board;

• **Board performance**

- (a) Develop, review and oversee the performance evaluation/appraisal process for the Board, Board committees and the Governors individually;
- (b) Review annually the time required from Governors (including all aspects of the role, for example study visits and other non-meeting related aspects). Performance evaluation should be used to assess whether Governors are spending enough time to fulfil their duties;

• **Governance**

- (a) Advise the Board on the Group’s compliance with the UK Corporate Governance Code, Charity Governance Code and other applicable governance requirements;
- (b) Review Wellcome’s corporate governance arrangements and make recommendations for improvement;
- (c) Assist the Chair in reviewing the composition of the Board and to make appropriate recommendations to ensure board governance is consistent with its legal and regulatory obligations;
- (d) Ensure, on behalf of the Board, that the conflicts of interest policy is being upheld by Governors and ELT;
- (e) Investigate and make recommendations, as requested by the Chair of the Board of Governors, for any reported breach of the eligibility criteria

	and/or Code of Conduct. Advise on other matters of governance and nomination as mandated by the Board. (f) Escalate any material governance or reputational risk issues to the Audit and Risk Committee (which has responsibility for overall oversight of legal and compliance risk across Wellcome as a whole).
<ul style="list-style-type: none"> • Stakeholder engagement <p>(a) Appoint an Engagement Governor who is accountable to the NGC and ultimately the BoG who will interface with the Executive via the Director of Strategy.</p> <p>(b) Ensure, on behalf of the Board, stakeholder and partnership data is tracked and collated and an annual report is provided to the September Board meeting.</p> <p>(c) Enable the Board to gather the views of the workforce, making sure the employee voice is heard and acted upon.</p> <p>(d) Ensure the Board fulfils its statutory reporting obligations in relation to staff and stakeholder engagement and is appropriately and efficiently connected with, listening to and informed by insights from a broad cross-section of staff and stakeholders in its decision-making.</p> <p>(e) Where possible benchmarking Wellcome against best practice engagement in other organisations.</p>	
 Terms of reference review: To be reviewed on an annual basis in partnership with Committee responsibilities.	 Effectiveness reviews: To be reviewed in line with Board effectiveness reviews.

Version control

Version	Date adopted	Approval forum	Summary of changes made	Owner
3.0	NGC 19 September 2023 25/26 September 2023	NGC BoG	NGC ToR amendments to: - Clarify the division of responsibilities between RemCom and NGC in relation to succession planning for non-executives and executives and the Chief Executive in line with best practice.	Governance team

			Emphasise the role of the ARC in managing overall Group governance and reputational issues and escalations	
2.0 – 1.0	Dec 2019 – Dec 2022	BoG	Various historic amendments (Approved by the Nominations Committee at its meeting on 2 December 2019 and by the Board of Governors at its meeting on 16 December 2019 and amended by the Nominations and Governance Committee on 2 December 2020 and approved by the Board of Governors on 14 December 2020.)	Governance team