



**Charter of
Board Governance, Nomination and Remuneration
Committee**

Table of Content

1. Introduction	3
2. Purpose.....	3
3. Responsibilities.	3
4. Size and make-up of Committee	5
5. Chairman eligibility and terms of appointment.....	5
6. Reconstitution.	5
7. Remuneration for members of the Committee.	6
8. Restrictions placed on its powers and responsibilities.	6
9. Frequency of meetings.....	6
10. Attendance at Committee Meetings	6
11. Secretary at Committee Meeting	6
12. Notice of meetings.	6
13. Quorum at meetings.....	6
14. Record keeping at meetings.....	6
15. Appointment of sub-Committees	7
16. Ability to take outside advice	7
17. Reporting and accountability	7

1. Introduction.

This Charter governs the operations of Access Bank Plc's Board Governance , Nomination and Remuneration Committee ('the Committee'). The Committee shall review and re-assess this Charter every three years or such other period as the circumstance may warrant and recommend required changes to the Board.

2. Purpose

The Committee shall advise the Board on its oversight responsibilities in relation to governance, appointment, re-election, and removal of Directors. The Committee will advise the Board on issues of Directors' induction and training as well as Board performance evaluation. The Committee is also responsible for recommending appropriate remuneration for Directors and all other staff to the Board for approval.

The Committee shall have the following responsibilities:

3. **Responsibilities: Governance and Nominations**

- i. Review the size and composition of the Board at least annually , including succession planning and recommend the appropriate skill mix, personal qualities, expertise, ability to exercise independent judgment and diversity required to discharge the Board's duties;
- ii. Develop criteria for Board membership and Board positions. The criteria will however be approved by the Board;
- iii. Prepare a job specification for the Chairman's position, including the assessment of the time commitment required of the candidate;
- iv. Make recommendation on experience required by Board Committee members, Committee appointment and removal, operating structure, reporting and other Committee operational matters;
- v. Nominate and recommend the appointment of new Directors to the Board, noting the desirable qualifications and experience for individual new appointees. The process shall involve subjecting Director nominees to a fit and proper person's test and ensuring that they are qualified to hold office and their appointment will not have a negative impact on the Bank's reputation in the market place;
- vi. Ensure that all new Directors receive a formal letter of appointment specifying what is expected of them and that new Directors with no or limited Board experience receive development and education to equip them for the discharge of their duties, responsibilities, and understand their powers and potential liabilities. To enhance the induction process, new Directors should be provided with an induction pack that includes at least the Board charter and minutes of previous four meetings and the Bank's constitutional documents.

- vii. Establish and continuously review the effectiveness of the orientation programme for new Directors to acquaint them with the Bank's operations, senior management, business environment and to induct them on their fiduciary duties and responsibilities;
- viii. Continuously review the effectiveness of the process for the nomination, selection and removal of Directors and make recommendations where appropriate;
- ix. Oversee the implementation of the process for the evaluation of the performance of individual Directors on an annual basis;
- x. Monitor and assess the continuing education programme for Directors;
- xi. Establish and oversee a process for providing periodic briefings on relevant new laws and regulations to Board members;
- xii. Ensure that the Bank has an accurate profile on all Directors;
- xiii. Nominate an independent third party to conduct annual review/appraisal of the performance of the Directors, the Board and Board Committees and make recommendations to the Board in this regard. The review/appraisal should cover all aspects of the Board's structure and composition, responsibilities, individual competencies, Board operations, Board's role in strategy setting, oversight over corporate culture, monitoring role and evaluation of management performance, independence of the independent Directors and stewardship towards shareholders.
- xiv. Review and make recommendation to the Board for approval of the Bank's organisational structure and any other proposed amendment.
- xv. Review performance and effectiveness of the subsidiary companies Board as and when necessary.
- xvi. Ensure periodic review of Board charters, Board Committee charters and other governance policies such as Code of Ethics, Conflict of Interest and Whistleblowing policies among others.

Responsibilities - Remuneration

The Committee shall have the power to:

- i. Review and recommend to the Board changes regarding the Bank's policies covering the compensation and provision of benefits to employees.
- ii. Ensure that the Bank's total compensation package for the Chief Executive Officer, other executive officers and other key senior officers will serve to:

- a. attract, retain and motivate outstanding management staff who add value to the Bank based on individual and team contributions
- b. provide a highly competitive base salary structure in all markets where the Bank operates and
- c. clearly link annual variable pay opportunities to attainment of pre-defined performance measures

This could be achieved by requesting an independent adviser to carry out a periodic compensation survey/benchmark across comparative banks.

- iii. Proffer advice and counsel to Executive Management regarding Human Resources Remuneration policy brought to the attention of the Committee from time to time
- iv. Form and delegate authority to sub-committees when appropriate.

4. Size, make-up and competencies of Committee members.

The Committee shall comprise at least six members . The Committee shall be chaired by an Independent Non-Executive Director and no Executive Director shall be a member of the Committee.

The Board shall have the authority to appoint and remove any member from the Committee as it deems fit.

5. Chairman eligibility and terms of appointment.

The Chairman of the Committee shall be an Independent Non-Executive Director appointed by the Board, for a period of three years. The Chairman may be reappointed for a further period of three years and shall thereafter not be eligible for further re-appointment as Chairman until after three years. The Chairman of the Board can neither be a member nor Chairman of the Committee.

Notwithstanding the foregoing, where the Chairman is absent from a meeting, the Committee's Vice-Chairman shall preside over the meeting. Where both the Chairman and Vice-Chairman are absent, the members of the Committee present at the meeting shall have authority to choose one of them to be Chairman for that meeting.

The Group Managing Director/Chief Executive Officer (GMD/CEO) shall not go on to be the Chairman of the Bank. If in exceptional circumstances, the Board decides that a former GMD/CEO or an Executive Director should become Chairman, a cool-off period of three years should be adopted.

6. Reconstitution.

The Board reserves the right to reconstitute the membership of the Committee at any a time it deems fit.

7. Remuneration for members of the Committee

The members of the Committee shall be entitled to sitting allowance, reimbursable travel and hotel expenses only. They shall not receive benefits and salaries whether in cash or in kind other than those mentioned above.

8. Restrictions placed on its powers and responsibilities.

The Board shall reserve the right to:

- i. Ratify criteria for board membership;
- ii. Make final approval for all board nominations and appointments; and
- iii. Negotiate the CEO's remuneration as well as ratify the Directors remuneration.

9. Meetings.

The Committee shall meet at least twice a year or such number of times as may be appropriate to discharge its duties.

The decision of the majority at any such meeting will be the decision of the Committee. The Committee may also act by unanimous written resolution in lieu of a meeting.

10. Attendance at Committee Meetings

All Committee members are required to attend all meetings of the Committee

11. Secretary

The Company Secretary shall serve as the secretary to the Committee.

12. Notice of meetings.

The Secretary shall provide notice of meetings, but lack of notice shall not invalidate the proceeding of any meeting at which a quorum was present.

13. Quorum at meetings.

Four members of the Committee shall constitute a quorum.

14. Record keeping at meetings.

The Secretary shall keep minutes of the Committee meetings. The minutes of the Committee meetings shall be made available for approval at the next meeting of the Committee.



15. Sub-Committees.

The Committee may appoint its own Sub-committees and delegate any of its responsibilities as it deems fit to such Sub-committee.

16. Ability to take outside Advice

The Committee has the power, in its sole discretion, to obtain advice and assistance from, and to retain at the Bank's expense, such independent or outside legal counsel, accounting or other advisors and experts as it determines necessary or appropriate to carry out its duties. The Committee shall have the sole authority to retain, replace, and approve fees and other retention terms for, any consultant or advisors that it shall deem necessary to assist it in fulfilling its duties.

17. Reporting and Accountability.

The Committee shall report the proceedings and recommendations of each meeting and its Sub-Committee meeting to the Board at the next practicable meeting of the Board.

18. Approval and Effective Date

This Charter becomes effective immediately upon approval of the Central Bank of Nigeria

