

**TERMS OF REFERENCE FOR THE  
NOMINATION COMMITTEE  
OF THE BOARD OF JOHN LEWIS PARTNERSHIP PLC**  
(approved by the Partnership Board on 15 July 2021)

- Definitions:** “**Committee**” means the Nomination Committee.
- “**Company**” means John Lewis Partnership plc.
- “**Independent Directors**” means the Independent Directors who lead the independent function in the Partnership.
- “**Partnership Board**” means the Board of John Lewis Partnership plc.
- “**Partnership**” means John Lewis Partnership plc and its subsidiaries.
- “**Senior Management**” means the first layer of management below Partnership Board level, which includes the Partnership’s Executive Directors, its General Counsel & Company Secretary and those other Partners at “Director” level within the Partnership reporting to the Chairman. For the avoidance of doubt Senior Management does not include the Partnership’s Independent Directors and the President of the Partnership Council.
- Appointments:** Members of the Committee will be appointed and removed by the Partnership Board.
- Membership:** The Committee shall comprise at least five members including the Chairman of the Partnership, two independent Non-Executive Directors and two Elected Directors as recommended by the Committee.
- The Committee Chair shall review membership of the Committee annually, as part of the annual performance evaluation of the Committee.
- Chair of the Committee:** The Chair of the Committee will be the Deputy Chairman<sup>1</sup> of the Partnership provided that he/she is an independent Non-Executive Director, or failing that, one of the independent Non-Executive Directors recommended by the Committee and appointed by the Partnership Board.
- In the absence of the Chair of the Committee, the meetings will be chaired by a member appointed by the Chair of the Committee, or failing that the remaining members present will elect one of their number to chair the meeting.
- Secretary of the Committee:** The Company Secretary or a nominee appointed by the Company Secretary will act as Secretary to the Committee, ensuring it has access to sufficient resources and all necessary support (including training to enable it to carry out its duties), including the recording of Committee minutes and ensuring that the Committee receives information and papers in a timely manner to enable full and proper consideration of the relevant issues.
- Meetings:** The Committee shall meet at least three times a year and otherwise at such other times as the Chair of the Committee may require.
- Unless otherwise agreed, 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 and any other person required to attend no later than five calendar days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time, but Committee papers may be forwarded at shorter notice with the approval of the Chair of the Committee.
- Only members of the Committee and the Independent Directors have the right to attend Committee meetings. However, other individuals such as the Executive Director, People and external advisers may be invited to attend for all or part of any meeting, as and when appropriate with the agreement of the Chair of the Committee.
- Meetings of the Committee may be conducted when the members are physically present together or in the form of either video or audio conference.

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<sup>1</sup> The use of the terms “Chairman” and “Deputy Chairman” reflects the terminology used by the Partnership’s Constitution and should be construed as gender neutral throughout.

**Quorum:** The quorum necessary for the transaction of business at a Committee meeting shall be three members, to include the Chair of the Committee (or his/her appointed deputy), at least one Non-Executive Director and at least one Elected Director.

If there is difficulty in achieving a quorum, independent Non-Executive Directors and Elected Directors of the Partnership Board, who are not members of the Committee, may be co-opted as members for individual meetings.

**Minutes of meetings:** Once approved, minutes shall be circulated to all other members of the Partnership Board, normally by them being tabled at the next Partnership Board meeting, unless in the opinion of the Chair of the Committee it would be inappropriate to do so.

A resolution in writing and signed by all Committee members will be as effective as a resolution passed at a Committee meeting. Any written resolution shall be tabled and noted at the next meeting of the Committee.

**Authority:** The Partnership Board authorises the Committee to:

- (a) exercise the functions and powers and investigate any activity within its terms of reference;
- (b) seek any information it requires within its terms of reference from any Partner and/or call any Partner to be questioned at a Committee meeting as and when required;
- (c) have unrestricted access to the Partnership's documents and information and to obtain independent legal or professional advice, as and when required on any matter within its terms of reference as it considers necessary, at the Partnership's reasonable expense.

## **Purpose**

1. The purpose of the Committee is to support the Partnership Board in fulfilling its responsibilities by:
  - (a) ensuring the composition of the Partnership Board is regularly reviewed and refreshed, so that it is effective and able to operate in the best interests of the Partnership and Partners;
  - (b) ensuring that there are plans in place for orderly succession to the Partnership Board and Senior Management and that there is a diverse talent pipeline for succession;
  - (c) ensuring that there is a formal, rigorous and transparent procedure for appointments to the Partnership Board and Senior Management; and
  - (d) ensuring that there is an appropriate programme for induction and training for members of the Partnership Board and its committees.
2. The Committee will review annually both its terms of reference and its own effectiveness and recommend any necessary changes to the Partnership Board.
3. In order to fulfil its purpose the Committee will carry out the duties described below for the Partnership.

## **Succession Planning**

4. The Committee will regularly review the structure, size and composition of the Partnership Board and its committees (including the skills, experience, independence, knowledge, diversity and length of service) taking account of the Partnership's strategic priorities (including the main trends and factors affecting its long-term success and future viability) and recommend any necessary changes to the Partnership Board.
5. The Committee will keep under review the leadership needs of the Partnership and oversee that there are plans in place for orderly succession to the Partnership Board and Senior Management by ensuring that: there is sufficient breadth of talent, based on merit and objective criteria; the plans take into account the challenges and opportunities facing the business; and that the plans take into account the skills, experience, independence, knowledge and diversity needed for the future within both the Partnership Board and Senior Management.

## **Diversity Objectives**

6. The Committee will set measurable objectives for diversity and inclusion in relation to the Partnership Board and Senior Management positions and oversee the setting of diversity objectives for the Partnership as a whole.
7. The Committee will monitor the outcome of diversity initiatives and in particular the development of a diverse pipeline for succession, having regard to diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

## **Appointments**

### **Search and Selection Process**

8. The Committee will evaluate the balance of skills, experience, independence, knowledge and diversity within the Partnership Board and Senior Management as well as those needed to meet future challenges affecting the Partnership and from this evaluation will prepare a role profile and capabilities specification required for a particular appointment.
9. For all appointments the Committee will decide on the appropriate search and selection process for a particular appointment, including whether to use open advertising or the services of external advisers to facilitate the search. The search and selection process will ensure that the candidates are considered on merit, against objective criteria and with due regard for promoting the benefits of diversity including gender, social and ethnic backgrounds, as well as cognitive and personal strengths.
10. The Committee will require that before appointment, candidates disclose any matters that might constitute an actual or potential conflict of interest.

### **Appointment of the Chairman**

11. The Committee will oversee the process of nominating and appointing the Chairman of John Lewis Partnership Trust Limited, who by virtue of this appointment is also appointed Chairman of the Partnership Board.
12. The Committee will, following consultation with the Chairman, inform the Partnership Board concerning the plans and the process for succession which should take place and be concluded at least six months prior to the retirement from post of the current Chairman.
13. The search and selection process for the Chairman will additionally include:
  - (a) consultation with directors of the Partnership Board, Senior Management, other Partners and external advisors as appropriate;
  - (b) receipt of nominations/suggested candidacies from the Chairman;
  - (c) an evaluation by the Committee of prospective candidates;
  - (d) provision of a commentary to the Chairman regarding the suitability of prospective candidates against the role profile and capabilities specification; and
  - (e) the Chairman's final decision and recommendation of his/her nominee to succeed him/her, to be approved by the Partnership Board.
14. The Committee will receive confirmation annually from the Chairman whether a sealed nomination of his/her successor has been prepared.

### **Appointment of the Deputy Chairman**

15. The Committee will oversee the process of nominating and appointing the Deputy Chairman of John Lewis Partnership Trust Limited, who by virtue of this appointment is also appointed Deputy Chairman of the Partnership Board.

16. It is expected that the Deputy Chairman will be an independent Non-Executive Director who in the absence of the Chairman, or when the Chairman is acting in an executive capacity, will lead the Partnership Board, having responsibility for: leading the Chairman's performance appraisal and remuneration review; chairing both the Nomination and Remuneration Committees; acting as an alternative point of contact to the Chairman for other directors and, as and when necessary, acting as an intermediary between stakeholders. However if the role of Deputy Chairman is held by someone who is not "independent" (i.e. a Partner or potentially a former Partner) the Committee shall recommend for the approval of the Partnership Board that these responsibilities be allocated to one of the independent Non-Executive Directors.
17. The search and selection process for the Deputy Chairman will additionally include:
- (a) consultation with directors of the Partnership Board, Senior Management, other Partners and external advisors as appropriate;
  - (b) receipt of nominations/suggested candidacies from the Chairman;
  - (c) an evaluation by the Committee of prospective candidates;
  - (d) provision of a commentary to the Chairman regarding the suitability of prospective candidates against the role profile and capabilities specification; and
  - (e) the Chairman's final decision regarding the appointment of Deputy Chairman.

**Appointment of Non-Executive Directors**

18. The Committee will oversee the process of selecting and appointing Non-Executive Directors to the Partnership Board.
19. The search and selection process for a Non-Executive Director will additionally include confirming with prospective candidates what is expected in respect of time commitment for the induction process, preparation and attendance at Partnership Board and Committee meetings, and involvement outside of meetings such as engaging with Partnership Council.

**Board Committees**

20. The Committee will make recommendations to the Partnership Board, as appropriate, on membership of the Partnership Board's committees in consultation with the chair of those committees.
21. The Committee will oversee the process for selecting and appointing any external independent members of committees of the Partnership Board.

**Appointment of Senior Management**

22. The Committee will oversee the process for selecting and appointing Executive Directors to the Partnership Board and Senior Management.
23. The search and selection process for Executive Directors to the Partnership Board and Senior Management will additionally initially include consideration of whether an appointment should be made from within the Partnership and if so the Committee will ensure that appropriate account is taken of the Partnership's succession planning.

**Re-appointment and Termination**

24. The Committee will oversee and make recommendations for the approval of the Partnership Board for the re-appointment, non-reappointment, changes to the term of appointment and any substantial change to the duties or responsibilities of members of the Partnership Board or its committees.
25. The Committee will oversee and approve any substantial change in duties or responsibilities and any suspension or termination of employment of members of Senior Management.

## **Induction and Training**

26. The Committee will ensure that all new members of the Partnership Board and Senior Management are provided with an appropriate induction programme to ensure that they are fully informed about the Partnership's governance arrangements, main areas of business activity, its strategic priorities and the risks and commercial issues affecting the Partnership and the markets in which it operates.
27. The Committee will ensure that all members of the Partnership Board and Senior Management are provided with appropriate training and development to maintain and enhance their effectiveness, including maintaining visibility of the external landscape and performing their duties and responsibilities as a director.

## **Board Effectiveness Evaluation**

28. The Committee will oversee an annual evaluation to assess the performance and effectiveness of the Partnership Board, its committees and individual members. This will include consideration of the balance of skills, experience, independence, knowledge and diversity on the Partnership Board and how it works as a unit, as well as any other relevant factors.
29. The Committee will oversee the implementation of any recommendations agreed by the Partnership Board to develop its effectiveness or that of its committees.
30. The Committee will ensure that the evaluation of the Partnership Board is externally facilitated at least every three years.

## **Reporting Responsibilities**

31. The Chair of the Committee is responsible for:
  - (a) providing regular reports on the Committee's activities at meetings of the Partnership Board;
  - (b) the preparation of a formal report on the Committee's work and activities to be included in the Company's Annual Report and Accounts to include: the process used in relation to appointments; the approach to succession planning and the development of a diverse pipeline; how the Partnership Board effectiveness evaluation has been conducted and its outcomes; the policy on diversity and inclusion; and the gender balance of those in Senior Management and their direct reports;
  - (c) having regular engagement with Partnership Council to report on and answer questions on the Committee's activities including attending Partnership Council at the meeting at which it discusses the Partnership's annual performance with the Chairman ("holding to account");
  - (d) ensuring that any feedback received from Partnership Council, Partners generally or other stakeholders is taken into account by the Committee in carrying out its duties.