

## MEMBER CODE OF CONDUCT COMMITTEE TERMS OF REFERENCE

### 1. Establishment and duration

- 1.1 The Company's Member Code of Conduct Committee Nominations Committee ("the Committee") was established, with these Terms of Reference, by resolution of the Company's Board under Article 42 of the Company's Articles of Association on 24<sup>th</sup> November 2015.

### 2. Scope and remit

- 2.1 The primary function of the Committee is to consider complaints and submissions presented in relation to compliance with the Member's Code.

### 3. Membership

- 3.1 Membership of the Committee is comprised of the appointed non-executive directors (excluding the Chair of the Board) and an appointed member representative.
- 3.2 The member representative is not involved in the decision making on complaints made under the Code, but plays an oversight role, ensuring proper and fair implementation of the Code.
- 3.3 The Committee will be chaired by the Senior Independent Director (SID).
- 3.4 Appointments to the Committee shall be for a period of up to three years and may be renewed.
- 3.5 A person shall cease to be a member of the Committee:
- i. at the end of his/her period of appointment (subject to reappointment);
  - ii. on ceasing to be a director;
  - iii. through a resolution of the Board terminating his/her appointment;
  - iv. on written notice of resignation from the appointment to the Company Secretary.

### 4. Secretary

- 4.1 The Company Secretary (or his or her nominee) will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
- 4.2 The Board may appoint a Committee secretary, in particular for the purpose of maintaining proper minutes of the Committee. In the absence of such a Board appointment, or the appointed Committee secretary at a quorate meeting of the Committee, the Committee shall arrange for appropriate minutes to be kept by one of its members.

### 5. Quorum

- 5.1 The quorum for business of the Committee to be undertaken shall be **three** and will include at least two appointed non-executives and one appointed member representative.
- 5.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested or exercisable by the Committee.

## 6. Meetings

- 6.1 The Committee shall meet at least once a year and otherwise as directed by the Board, or when otherwise summoned by the Committee chair in his or her discretion in response to complaint about member conduct.
- 6.2 Each Committee member shall provide an e-mail address which shall be the principal communication address for written notices and communications relevant to the Committee.
- 6.3 All or any of the members of the Committee may participate in a meeting of the Committee by means of conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.
- 6.4 Decisions requiring to be made between meetings may be by email exchange provided a simple majority of the Committee supports the decision proposed.

## 7. Notice of meetings

- 7.1 Meetings shall generally be summoned by the Committee secretary at the request of the Committee Chair or the Board.
- 7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forward to each member of the Committee and any other person required to attend, no fewer than five working days before the date of the meeting, unless agreed otherwise with Committee Chair. Supporting papers, and remote access arrangements if required, shall be sent to Committee members and to other attendees at the same time.

## 8. Minutes of meetings

- 8.1 The Secretary shall produce minutes of the Committee and shall include names of all those present and in attendance at Committee meetings, all decisions made and a reasonable record of key deliberations.
- 8.2 Draft minutes of a Committee meeting shall be circulated promptly to all Committee members with a reasonable period for comments to be made.
- 8.3 Once that period has elapsed the Committee Chair shall take responsibility for finalising and signing the minutes.

## 9. Annual General Meeting

- 9.1 The Chair of the Committee or, by agreement of the Committee, his or her nominee shall attend the Annual General Meeting prepared to respond to any member questions on the Committee's activities.

## 10. Duties

- 10.1 The Committee shall, in its sole discretion, regulate its own proceedings and determine whether or not a member has breached the Code having considered the information presented to it.
- 10.2 Where the Committee decides that a Member has breached the Code, it may, having taken all relevant circumstances into account:
  - i. require the Member to remedy the breach; and/or
  - ii. require an assurance from the Member, or any associated individual, relating to future behaviour, in terms determined by the committee; and/or

- iii. suspend the Member's voting rights without any reimbursement of membership fees in whole or in part.

10.3 The Committee, will, except in exceptional circumstances publish its decision in full.

10.4 Where a member has been found by the committee to have breached the Code, they shall be entitled to the committee's decision to an independent third party retained by Nominet.

### **11. Reporting Responsibilities**

11.1 The Committee, will, except in exceptional circumstances publish its decision on a complaint in full.

11.2 A report of the Member Code of Conduct committee shall be published at least annually, including a report from the member representative on the application of the Code.

### **12. Other Matters**

12.1 The Member Code of Conduct Committee shall have access to sufficient resources in order to carry out its duties including access to the Company Secretary for assistance as required.

12.2 The Committee shall, at least annually, review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

### **13. Authority**

13.1 The Committee is authorised by the Board to obtain, in connection with its duties, and at the Company's expense, any outside legal or other independent professional advice it considers to be necessary

13.2 The Committee is authorised by the Board to obtain appropriate and timely training, both in the form of an induction programme for new Committee members and on an ongoing basis.

*Approved by the Board in November 2015.*