

## **RULES – PLSA BOARD**

### **NON -EXECUTIVE DIRECTORS**

1. There shall normally be five non-executive directors.
2. Three of the non-executive directors shall be representatives of members of the PLSA.
3. Two of the non-executive directors shall be independent of the PLSA and its members.
4. Of the five non-executive directors:
  - a. One shall be the person selected by the Board to be the Chair of PLSA, who will ordinarily be a representative of a member of the PLSA.
  - b. One shall be the person selected by the Board to be the Chair of the Policy Board.
5. This rule shall be without prejudice to the power of the Board to appoint additional non-executive directors in special circumstances if they consider the interests of PLSA require it.

### **Appointment of non-executive directors**

6. The Chair of the Policy Board shall be appointed in accordance with the Rules for the Policy Board.
7. All other non-executive directors shall be nominated by the Remuneration and Nominations Committee of the Board (or such other committee as the Board may establish with the equivalent remit).
8. Whenever appointments are required to be made, the Remuneration and Nominations Committee shall, as appropriate:
  - a. Prepare a role description for the Chair of PLSA;
  - b. Prepare a framework document setting out the mix of skills and experience required by the non-executive directors as a whole;
  - c. Invite nominations for Chair of PLSA and for any non-executive director required to be a representative of a PLSA member;
  - d. Consider all nominations from PLSA members.
  - e. Seek applications for appointment as an independent non-executive director in accordance with Rule 8b.
  - f. Conduct such selection process as they consider appropriate in accordance with Rule 8b.
  - g. Recommend appointments to the PLSA Board.
9. As required by the Articles, the Board may either appoint nominees as directors itself or recommend their appointment at the following AGM.

10. As required by the Articles, a director appointed by the Board shall retire and offer themselves for re-election at the first AGM following their appointment.

#### **Term of office**

11. Non-executive directors shall normally serve a term of three years starting and ending at an AGM, and shall normally be eligible for reappointment for one further term of three years.
12. The Board may recommend the appointment of non-executive directors for a different term to ensure an even pattern of retirement or for any other reason it considers appropriate.

#### **Termination of office**

13. Directors shall cease to hold office in accordance with the Articles.
14. A non-executive director who is a representative of a member of PLSA shall cease to be a director if they cease to be a representative of a PLSA member, and have not become a representative of another PLSA member within six months.

#### **EXECUTIVE DIRECTORS**

15. The Chief Executive shall be appointed as an executive director. Other employees of PLSA may be appointed as executive directors, as determined by the Board on the recommendation of the Chief Executive.
16. In accordance with the Articles, the number of executive directors shall always be fewer than the number of non-executive directors.
17. Executive directors shall be nominated by the Remuneration and Nominations Committee of the Board (or such other committee as the Board may establish with the equivalent remit), and shall be appointed by the Board on their recommendation.

#### **TRANSITIONAL ARRANGEMENTS**

18. Unless their appointment is previously terminated in accordance with the Articles, the directors serving at the date of adoption of these Rules shall continue in office until the end of the 2018 AGM.
19. The Chair of PLSA shall not be required to retire and offer himself for re-election at the 2018 AGM but shall continue in office until the end of the 2020 AGM.
20. All other non-executive directors shall retire at the 2018 AGM. They may offer themselves for re-election if nominated by the Board in accordance with Rules 21 and 22 below.

21. The Board shall carry out the selection process set out above for all the non-executive directors except the Chair, and taking into account the selection process for the Policy Board Chair, in order to recommend a full set of Board appointments at the 2018 AGM.
22. Any non-executive director proposed for reappointment who was serving at the end of the 2017 AGM shall be recommended for appointment for a term of less than three years, so that their total term of office on the Board (including any future reappointment) shall not exceed six years.
23. The executive directors shall retire and offer themselves for reappointment at the 2018 AGM.