

Introduction

This plan, together with the Trust's governance documents, adopted Code of Governance, board recruitment policy and procedure and Board Member appraisal system sets out Saffron's approach to managing the Board's composition and succession.

The plan has four parts:

- 1) Board composition and review
- 2) Board skills
- 3) Annual Board recruitment
- 4) Ad hoc recruitment.

The aim of the plan is to ensure that the Board has the necessary skills, experience and behaviours to effectively manage Saffron's business in accordance with the Trust's governance documents.

When undertaking a review of the Board or recruiting to Board vacancies, the Board will consider the diversity of the Board and seek to ensure the Board is representative of the whole community.

Board composition and review

The Saffron Trust Board comprises 12 members.

Eight of these members are independent appointments approved by the Board.

One of these members is the Chief Executive of Saffron Housing Trust.

Three of these members are Board Members are jointly nominated by the Chairs of the Tenant Scrutiny Group and Tenant Support and Communication Group or their successors and approved for appointment by the Board.

All Board Members will be recruited and appointed based upon their skills and the skills requirements of the Board at the time of recruitment. The Chief Executive's membership on the Board and term of office is tied to his or her contract, the 'Service Agreement'.

The roles of:

- Trust Chair
- Chair of Crocus
- Chair of Audit and Risk

are specific appointments. The holders of these posts become members of the Trust Board.

The Chairs of People, Nominations & Remuneration Committee, Service Quality Committee, Sustainability Committee and Subsidiary Boards will be appointed from within the Board membership by nomination.

The Senior Independent Director will also be appointed from within the Board membership by nomination.

The size of the Group Board will be reviewed at least once every three years and at other times as determined by the Board and will comply with Saffron's Rules and adopted Code of Governance.

Board skills

Saffron has adopted a skills matrix which incorporates knowledge-based skills and behavioural skills.

BOARD MEMBER COMPOSITION AND SUCCESSION PLAN

The skills matrix (**Appendix A**) establishes the skills needed by the Board to be effective.

There are specific skills requirements established for specific appointments within the respective role descriptions for those posts.

Board Members complete a full self-assessment against the Skills Matrix on appointment and will update their knowledge based skills each year as part of their appraisal.

Board Members' behavioural skills are assessed annually through a self-assessment, Chair's assessment and a peer assessment.

The skills matrix is reviewed at least once every three years and at other times as agreed by the Board.

The Board's approach to increasing the diversity of its Membership is contained within in a statement in the Board Member Recruitment and Renewal Policy at **Appendix B1**.

Annual Board recruitment

Each Board Member is appointed for a fixed number of Annual General Meetings, normally three, and no Board Member may serve for more than nine Annual General Meetings.

Each Member's maximum tenure will normally be up to six consecutive years (typically comprising two terms of office) and is managed so as to enable the organisation to achieve an appropriately skilled, diverse and independent board membership.

Where a member has served six years, and the Board agrees that it is in the organisation's best interests, their tenure may be extended up to a maximum of nine years. An annual review will usually be required when an individual's tenure has been extended beyond the sixth AGM.

Examples of what constitutes Saffron's best interests include the regional availability of particular skills required for Board renewal; or to smooth and de-risk the succession plan whereby a member has retired ahead of their full term of office. In the latter, this can result in additional Members reaching their sixth year of tenure at the same time as other Member are due to retire. In the case of succession planning, extending a term by one year may be less beneficial to the organisation than extending by two years, in order to stagger planned retirement dates.

The Succession Plan therefore sets out intended retirement dates, including approved extensions to the normal maximum six-year tenure, however a degree of flexibility is maintained allowing for annual reviews at the intended retirement date, or in response to ad hoc departures, to a maximum of nine years' tenure.

Once a Board Member has reached nine years of service they are not eligible to stand for election to the Board for a period of three Annual General Meetings.

All Board recruitment will follow the agreed Board Member Recruitment Policy and Procedure (**Appendix B**).

Annual Board recruitment and re-election typically follows a three-year cycle, however the management of risks relating to succession planning and unscheduled retirements have resulted in some extensions. The risks must therefore be monitored, and the plan adapted to meet the needs of the organisation. The table below provides the plan as at October 2023:

BOARD MEMBER COMPOSITION AND SUCCESSION PLAN

Key:		retirement		extended
-------------	--	------------	--	----------

Saffron Housing Trust Ltd - Succession

Type	Sep-22	Sep-23	Sep-24	Sep-25	Sep-26	Sep-27	Sep-28	Sep-29	Sep-30
CURRENT BOARD MEMBERS									
Independent Chair of Board		Appointed	AGM 1	AGM 2	AGM 3	AGM 4	AGM 5	AGM 6	
Independent Chair of Audit & Risk Committee	AGM 6	AGM 7	AGM 8 retires	1	2	3	4	5	AGM 6
Independent Chair of Crocus			Appointed	AGM 1	AGM 2	AGM 3	AGM 4	AGM 5	AGM 6
Independent	AGM 4 elected 2 yrs	AGM 5	AGM 6	AGM 7	AGM 8	AGM 9 retires	1	2	3
Customer Nominated	AGM 4	AGM 5	AGM 6	AGM 7	AGM 8 retires	1	2	3	4
Independent	AGM 4	AGM 5	AGM 6	AGM 7	AGM 8 retires	AGM 9 retires	1	2	3
Customer Nominated	AGM 3	AGM 4	AGM 5	AGM 6	1	2	3	4	5
Independent	Appointed	AGM 1	AGM 2	AGM 3	AGM 4	AGM 5	AGM 6	1	2
Resident Nominated	Appointed	AGM 1	AGM 2	AGM 3	AGM 4	AGM 5	AGM 6	1	2
Independent	Appointed	AGM 1	AGM 2	AGM 3	AGM 4	AGM 5	AGM 6	1	2
Independent	Appointed	AGM 1	AGM 2	AGM 3	AGM 4	AGM 5	AGM 6	1	2
Executive (CEO)	AGM 2	AGM 3	AGM 4	AGM 5	AGM 6	AGM 7	AGM 8	AGM 9	AGM 10

BOARD MEMBER COMPOSITION AND SUCCESSION PLAN

Independent Committee Members									
Independent Audit and Risk Committee Member	4	5	6	7	8	9	1	2	3
Independent Audit and Risk Committee Member	4	5	6	7	8	9	1	2	3
Independent Service Quality Committee Member	Appointed	1	2	3	4	5	6		
Independent Service Quality Committee Member	Appointed	1	2	3	4	5	6		
Independent Sustainability Quality Committee Member	Appointed	1	2	3	4	5	6		
Independent Sustainability Quality Committee Member	Appointed	1	2	3	4	5	6		

i.

If no suitable candidates for any vacancy can be found to the satisfaction of the Board the position shall remain vacant and a new recruitment campaign will be held.

All potential Board Members must meet the selection and skills criteria established by the Board.

BOARD MEMBER COMPOSITION AND SUCCESSION PLAN

Once recruitment has finished Board members will be invited to join one or more subsidiary boards, standing committees or working groups depending on their specific skills and the skills requirements of each board, committee or group at that time.

Senior Independent Director Nomination and Appointment Process

When the Senior Independent Director role becomes vacant on the Board, the Board are required to consider the appointment of a Senior Independent Director by nomination from the People, Nomination and Remuneration (PNR) Committee.

The following process for nominating and appointing a Senior Independent Director will be followed:

- 1) The Company Secretary will seek expressions of interest from the existing Board Membership for the vacant SID role.
- 2) Members who express an interest to the Company Secretary must consider the skills and personal qualities required for the SID Role and include why they feel they have the required skills to undertake the permanent SID role. Expressions of Interest must be received by the deadline date provided the Company Secretary.
- 3) The Company Secretary will collate and present expressions of Interest to the PNR Committee. Any Members of the PNR who have expressed an interest in the SID Role will declare a conflict of interest and not be included in the nomination process.
- 4) The PNR Committee will meet at the next scheduled Committee Meeting or convene an additional meeting to consider the expressions of interest and nominate a candidate (or candidates if more than one candidate meets the required skill level and personal qualities) to the Board, based on skill requirements and personal qualities for the role.
- 5) If no suitable candidate is identified by the PNR Committee, the PNR Committee will consider and propose interim arrangements to the Board. This may include seeking specific skills in a future Board recruitment exercise.
- 6) As the SID cannot also act as a Committee Chair, the PNR Committee will consider any impact on current Committee Membership and propose any amendments to Committee Membership to the Board.
- 7) The Board will consider the SID nomination from the PNR Committee. If more than one candidate has been nominated by the PNR Committee, the Board may put forward the appointment to a vote with a simple majority required for appointment. In the event of a vote, the Chair would have the casting vote if votes were tied.

Deviations from this process must be agreed by the Board.

Other appointments

The Trust will also make use of independent members of committees to ensure they have the necessary specialist skills required. These will be recruited to using the same general principles as for Board Member recruitment

Subsidiary boards, for example Crocus, will have their own succession plans for recruiting independent members.

Ad hoc recruitment

If a Board Member resigns between an Annual General Meeting or a vacancy arises for any other reason, the Company Secretary will carry out an assessment of the skills of

BOARD MEMBER COMPOSITION AND SUCCESSION PLAN

remaining Board Members and:

- 8) If the requirements of the skills matrix are still met and there is a reasonable chance the Board can maintain a quorum, the vacancy will be held until the next annual recruitment cycle.
- 9) If the skills matrix is no longer met or the Board's quorum is at risk, then recruitment shall commence and any successful applicant will be appointed in accordance with Rule 10.
- 10) If the departing Board Member holds a specific appointment then this will be recruited to in all events.
- 11) In alignment with the Trust's Rules, the first Term will commence at the first AGM, and six years' normal maximum tenure will also commence from the AGM.

All ad hoc recruitment will follow the Board Member Recruitment Policy and Procedure.

Consulted with Tenant Scrutiny Group	N/A
Board/Committee	Board / People, Nomination and Remuneration
Date Approved	November 2023
Review Date	November 2025
Officer	Company Secretary
Version Number	4.0

Board Member Recruitment and Succession Plan - Appendix A

Saffron Board Skills Matrix

Feb-
23

(m) (n) (o) (p) (q) (s)

Minimum skills requirement			
Very Strong	Good	Working knw'dge	Limited
5	4	3	2

Strategic Priority	Skills	Total score	Minimum skills requirement				Min. Total
			Very Strong	Good	Working knw'dge	Limited	
Inspiring Trust	A1	Customer Care and Digital Services	2	3	7		43
	A2	Knowledge of areas/communities & their concerns		3		9	30
	A3	Resident and service user involvement and scrutiny		2	7	3	35
	A4	Complaints and feedback	2	3		7	36
	A5	Financial inclusion and/or employment initiatives		2		10	28
	A6	Health & Wellbeing, Social Policy	2	3	7		43
	A7	Care and support for elderly/vulnerable people	2	3	5	2	41
	A8	Stakeholder engagement & accountability	2		7	3	37
	A9	ICT Strategy, Systems & processes	2	3	3	4	39
Inspiring Community	B1	Financial strategy, business planning	2		7	3	37
	B2	Treasury management	2			10	30
	B3	Accounting & external audit	2		7	3	37
	B4	Efficiency & VFM	2		7	3	37
	B5	Pensions		3		9	30
	B6	Sustainability (Tenure, Homes & Culture)	2	2	7	1	41
	B7	Strategic asset management, repairs and maintenance	2	3	7		43
	B8	Property development and appraisal	2	3	7		43
	B9	Health & Safety Compliance	1	1	7	3	36
Inspiring Organisation	C1	Data, Analysis, GDPR & Cybersecurity	2	2	6	2	40
	C2	Governance, law and Social Housing Regulation	2	2	8		42
	C3	Risk identification and management	2	3	7		43
	C4	ESG / Performance management		3	9		39
	C5	Internal Audit & controls	2		7	3	37
	C6	Change management/organisational development		3	7	2	37
	C7	Equality, Diversity and Inclusion		2	10		38
	C8	Leadership (vision, emotional intelligence, partnerships)	3		9		42
	C9	Strategic HR		2		10	28
	C10	Strategic management and planning	2	3	7		43
	C11	Communications, Marketing & PR		2	3	7	31
	C12	Strategic partnership with other agencies and organisations	2		7	3	37
	C13	General business/commercial mgt & business development		4	4	4	36

Continued...

		Behaviours
Professional: I lead with passion by	G1	Respecting and showing empathy to the different views and beliefs of my colleagues, staff and customers and using this diversity to enhance the work of the Trust.
	G2	Showing complete integrity and honesty at all times and respecting the collective responsibility and confidentiality of the Board
	G3	Engaging in Board discussions with politeness and enthusiasm and avoid making issues personal.

12
12
12

36
36
36

Accountable: I take pride in responsibility by:	H1	Committing to participating in Board discussions and making independent judgements following debate.
	H2	Upholding the vision, values and objectives of the Group and taking pride in the work of Saffron.
	H3	Working with Board colleagues to share my views constructively but accepting collective responsibility once decisions are made.
	H4	Recognising the strategic importance of my role and being direct in expressing my views.

12
12
12
12

36
36
36
36

Collaborative: I act as part of one team by	I1	Showing that I am part of the Saffron team by being motivated and building supportive relationships with staff and colleagues
	I2	Bringing constructive challenge to the Board when it discusses issues
	I3	Listening to the views of others, including staff, and reflecting on their views before reaching a decision

12
12
12

36
36
36

Evolving: I continually evolve by:	J1	Being curious about the work of Saffron and the housing sector
	J2	Being pro-active in understanding the relevant economic, legislative or political issues which may affect the Trust
	J3	Staying agile when considering new ideas and not relying solely on my personal experiences.

12
12
12

36
36
36

BOARD MEMBER RECRUITMENT AND RENEWAL POLICY

Introduction

- 1.1 Saffron Housing Trust uses a skills matrix to identify the range of skills, behaviours and experience it needs to carry out its work effectively. This is in line with the Regulator of Social Housing's Governance and Financial Viability Standard which requires that:
- registered providers shall ensure that they manage their affairs with an appropriate degree of skill, independence, diligence, effectiveness, prudence and foresight.*
- 1.2 Section 3.4 of the NHF Governance Code 2020, requires:
- “the board has a diverse membership with the collective skills and attributes needed to govern effectively.*
- (1) The board understands, states and regularly reviews the collective skills and attributes it requires to be effective.*
- (2) Prospective board and committee members undergo an open and merit based assessment process to establish their suitability. Where the organisation's constitution provides for one or more board members to be nominated by an external body, or directly elected, the organisation ensures that those coming forward have the necessary attributes and qualities, and that they are aware of the responsibilities of the role, including those of exercising independent judgement.” .*
- 1.3 Consequently the Trust Board will ensure that it has the skills, diversity and exhibits the behaviours necessary to effectively deliver its responsibilities.
- 1.4 The Board must also have processes in place to ensure that the Board plans for the succession of its membership whether through resignation or members reaching the end of their term of office. It must determine, document and regularly review the board composition best suited to its needs. The Skills Matrix, Succession Plan and Board Member Recruitment Procedure aim to deliver this requirement.

2. Policy Statement

- 2.1 The Trust will appoint Board members transparently and ensure that the skills, diversity, experience and the behaviours necessary for good governance are central to selection.
- 2.2 The process of Board Member recruitment will be in accordance with the Trust's Rules, Standing Orders, the NHF Code of Governance and any rules and regulations set out by the Trust's Regulator.
- 2.3 The Trust recognises the need for a range of specialist skills, experience and behaviours on its Board and that robust governance requires a Board which is diverse and refreshes itself periodically.
- 2.4 The identified skills and behaviours required by the Board are set out in the Trust's Board Member Skills Matrix and the approach to recruitment in the Trust's Board Member Recruitment Procedure. The Board also has a Succession Plan.

3. Purpose

- 3.1 Saffron Housing Trust has decided that its Board members must have the right skills and competencies to ensure effective governance.
- 3.2 The policy ensures that the recruitment of Board members delivers the range and diversity of people, skills and behaviours required based upon fair and transparent selection.

4. Scope

This policy covers the recruitment and selection of Board members for the Trust Board, subsidiary Boards and any other appointments to committees and working groups agreed by the Board. This policy does not apply to the recruitment of any Executive Board Member nor co-optee appointments agreed by the Board.

5. Roles, responsibility and authority

- 5.1 The Chief Executive is responsible for ensuring this policy is followed.

6. Policy management system requirements.

- 6.1 General requirements:

- The Trust Board, or any Committee to which it delegates responsibility for Board Member recruitment, will ensure that there is a proper, rigorous and transparent procedure followed when appointing Board Members.
- Each year, the Trust Board will review the skills of the existing Board and determine what skills, behaviours or experience require consideration when recruiting new Board Members.
- Except when the Board agrees to recommend the appointment of co-optees as full Board Members, there will be wide advertising of vacancies which may include within specialist publications to attract specific skills, with assistance from a Search Partner if deemed necessary, and via inclusive channels to reach diverse candidates.
- The composition of each Board or committee covered by this policy will be set out in the relevant terms of reference which the Board will review at least once every two years.
- All selection and recruitment will follow the Board Member Recruitment Procedure.
- When considering recommendations for appointment, the Board will be asked to approve that due process has been followed and appropriate consideration given to the Skills Matrix.
- Any applicants for a position as Board Member or committee member will be assessed for the required Skills, with particular attention paid to the skills, experience or behaviour gaps identified by the Board in its annual review.
- The Trust's Board may nominate or appoint individuals to subsidiary Boards where appropriate and in accordance with this policy.
- In the event of a vacancy occurring in respect of a Board Member jointly nominated by Tenant Group Chairs, the Company Secretary will liaise with them to ensure that the procedure for recruiting such nominees, as agreed by the Trust's Board, is followed.
- Recruitment and selection will be an open and merit based assessment process in order to ensure that the most suitable person for the post, taking into account knowledge, experience, and behaviours is appointed. The selection process should actively seek to broaden Board Member diversity.
- Where a Board or committee member is nearing the end of their term of appointment, the Company Secretary, working with the Trust Chair, shall ensure

that recruitment is completed in a timely manner in line with the agreed procedure.

- The Board will, generally, only submit to the Annual Meeting sufficient candidates to fill vacancies for the currently agreed size of the Board.

7. Approach to Diversity Statement

7.1 Saffron Board's approach for increasing Equality, Diversity and Inclusion of Board composition is to target a broad diversity profile, including perspective, style and experience to provoke different and new thinking. In addition to protected characteristics such as LGBT, Young People and People with Disabilities, members should consider socio-economic circumstances, locality, background, viewpoints and lived experiences, specifically encouraging Board applicants from a range of different groups to ensure inclusion.

The setting of specific numerical targets is unlikely to deliver immediate results, and statistics should instead be considered and monitored within the broader diversity of perspective, style and professional experience of a diverse Board.

This approach is already supplemented by the reserved positions for three Members of the Board to be nominated by Residents, through the Tenant Group Chairs, in respect of their lived experience of Saffron's services.

8. Implementation, monitoring and reviewing

8.1 This policy will be subject to review after three years, unless changes in legislation, the Trust's governance documents or regulatory requirements necessitate earlier review.

APPENDIX B2

Board Member Recruitment Procedure

1.0 GENERAL

- 1.1 In line with the Board Member Recruitment and Renewal Policy, Saffron Housing Trust will recruit new Board Members in a way which is:
- Transparent
 - Fair
 - Reflective of the Board Skills Matrix
 - Seeks, where possible, to broaden the diversity of the Trust Board, subsidiary Boards or any committees established by the Board.
- 1.2 This procedure has four elements:
- The re-appointment of existing Board Members.
 - The appointment of new independent Board Members
 - The nomination of Board Members by Tenant Group Chairs
 - The appointment of the Trust Chair and other specific posts set by the Board.
- 1.3 The Trust Board has 'step in' rights as set out in paragraph 3.3 of the Intra-Group Agreement to appoint and remove any Board members. If the parent decides to use these powers it must have regard to the Board Skills Matrix and, in the case of removing a Board member, the performance of the Board member.
- 1.4 This procedure has been approved by the Trust's Board.

2.0 RE-ELECTION OR RE-APPOINTMENT OF EXISTING BOARD MEMBERS

- 2.1 Three months prior to the end of a member's period of appointment, the Company Secretary shall notify the Trust Chair, or subsidiary chair, of the end of the appointment.
- 2.2 The relevant chair and at least one other member of the Board and a Chief Officer, will meet to review the Board member's performance during their term.
- 2.3 If the panel decides the Board member's performance is satisfactory and that the Board has an appropriate mix and balance of skills then they will recommend re-appointment to the Board. For subsidiary Board members the Trust Board may exercise step in rights at this point.
- 2.4 Subject to the Trust Board or subsidiary Board's approval, the Board Member shall be nominated to continue to serve as a Board Member. In the case of a Trust Board member this nomination will be subject to approval at the Annual General Meeting.
- 2.4 If the panel decides that the Board Member's performance is not satisfactory or that there are significant gaps in the Board Skills Matrix which the Board member cannot reasonably fill, then this decision should be communicated as soon as possible to the Board Member. The Board Member may then request a review by the panel, having set out any areas in which the Board Member thinks the panel has paid insufficient regard. If this review draws the same conclusion as previously, the panel will recommend the ending of the Board Member's appointment at the expiry of their term of office. Otherwise their appointment shall continue in line with paragraph 2.3. If a

APPENDIX B2

vacancy arises as a result of this, the Board will follow the appointment of Board members procedures.

3.0 APPOINTMENT OF NEW INDEPENDENT BOARD MEMBERS

- 3.1 When a Board Member announces their resignation, is unable to continue as a Board member or has served for the maximum term, the Company Secretary will notify the Trust Chair and seek approval to begin recruitment for a replacement.
- 3.2 The Company Secretary will evaluate the skills and experience on the Board against the Board Skills Matrix and identify key skills needed by any replacement and what opportunities may exist to increase the diversity of the Board.
- 3.3 If, at the time at which the vacancy arises, the Board has co-optees serving on it, then the Trust Chair may approach those co-optees and ask them if they wish to serve as full Board Members. Tenure served as a co-optee will count towards the normal six year maximum term of a Board Member, as per the NHF Code of Governance 2020.
- 3.4 If one or more co-optees expresses an interest, the Company Secretary shall set up a selection panel. This panel will interview the co-optees who wish to become full Board Members. The panel will then recommend to the Board the nomination of suitable co-optees to the Annual General Meeting as Board Members. The number of nominations may not exceed the number of Board Members resigning or retiring at the end of their term of office.
- 3.5 In the event that there are no co-optees or no co-optees wish to become full Board Members, the Company Secretary shall arrange for external recruitment to the role. This will include advertising and preparing a suitable recruitment. This may be undertaken with support from an external agency.
- 3.6 Once adverts have closed, the Company Secretary and Chief Executive will evaluate all applications against the identified skills and draw up a shortlist for interview.
- 3.7 Interviews shall be undertaken by a panel of at least three and no more than five people chosen by the Chair and including the Trust Chair.
- 3.8 The panel will conduct interviews and determine the preferred candidate with regard to the Board Skills Matrix and the Board Member Recruitment Policy. Once the panel has determined its preferred candidate it will notify the Company Secretary.
- 3.9 The Company Secretary will prepare a report, for Board consideration. The Board will be asked to approve the panel's recommended nomination on the basis that a full and transparent approach to recruitment has been followed.
- 3.10 The Company Secretary will arrange for personal references and fit and proper person checks to be carried out prior to the submission of the nomination to the Annual General Meeting for election as a Board Member.
- 3.11 The recruitment of new Board Members should aim to be completed by the 31 July each year to enable consideration of nominees at the Annual General Meeting in September.

4.0 BOARD MEMBERS NOMINATED BY RESIDENTS VIA TENANT GROUP CHAIRS

- 4.1 If a resident-nominated Board member is due to retire the Chairs of the Tenant Groups will ask if they intend to stand again. If they do, and assuming that the requirements of section 2.2 of this procedure have been followed and the Chair is content with the individual's performance, the Board Member shall be eligible to stand without challenge and will be nominated to the Board by Tenant Group Chairs.
- 4.2 If the member does not wish to stand again or is at the end of their final term, Tenant Group Chairs will begin a process to seek a potential Board Member to nominate to the Board.

APPENDIX B2

- 4.3 An invitation will be sent to all residents, regardless of tenure type, notifying them of the vacancy and inviting them to an engagement event on the role of the Board. Non-attendance at this event will not preclude someone from standing for the Board.
- 4.4 The Tenant Group Chairs will consult with the Company Secretary and Board Chair on which skills, aside from customer experience, are required on the Board. Whilst these skills are not mandatory or required at a high level, Tenant Group Chairs may wish to explore these skills through the selection process.
- 4.5 Tenant Group Chairs will advertise the opportunity to apply for a Board position using reasonable channels including social media, Saffron and TCSG website.
- 4.6 Prospective candidates will be invited to complete an application form which, as a minimum:
- Seeks a curriculum vitae or similar
 - Asks candidates to set out why they feel they meet the needs of the Board and the value they would add to the work of the Board as a non-executive director.
- 4.7 A panel of Tenant Group members, agreed by the Tenant Group Chairs, will shortlist applications that meet the criteria set. A member of the Saffron Board or a designated representative from Saffron shall be allowed to observe the shortlisting process.
- 4.8 Adequate records of the criteria used will be kept.
- 4.9 Candidates meeting the criteria shall be invited to attend an interview. The Panel for the interview shall comprise at least three Tenant Group members plus an independent participant (if it is felt to be beneficial) and an observer from the Saffron Board or designated representative.
- 4.10 Each interviewee will be asked the same standard set of questions along with any follow-up questions the Panel feels are appropriate.
- 4.11 Adequate records of the criteria used to assess candidates will be kept.
- 4.12 Once all candidates have been interviewed, the Panel shall decide who it feels best meets the requirements of the Board. This person shall be the Tenant Group Chairs' joint nominee.
- 4.13 The Tenant Group Chairs will notify the Company Secretary of the proposed nominee so that appropriate checks may be carried out. If these checks are satisfactorily completed, the Board will be asked to approve presenting the nominee for election at the Annual General Meeting. This report will set out the assurance given through this process that the nominee is the person best placed to sit on the Board and that the individual meets the minimum criteria specified.

5.0 APPOINTMENT OF TRUST CHAIR AND OTHER SPECIFIC APPOINTMENTS

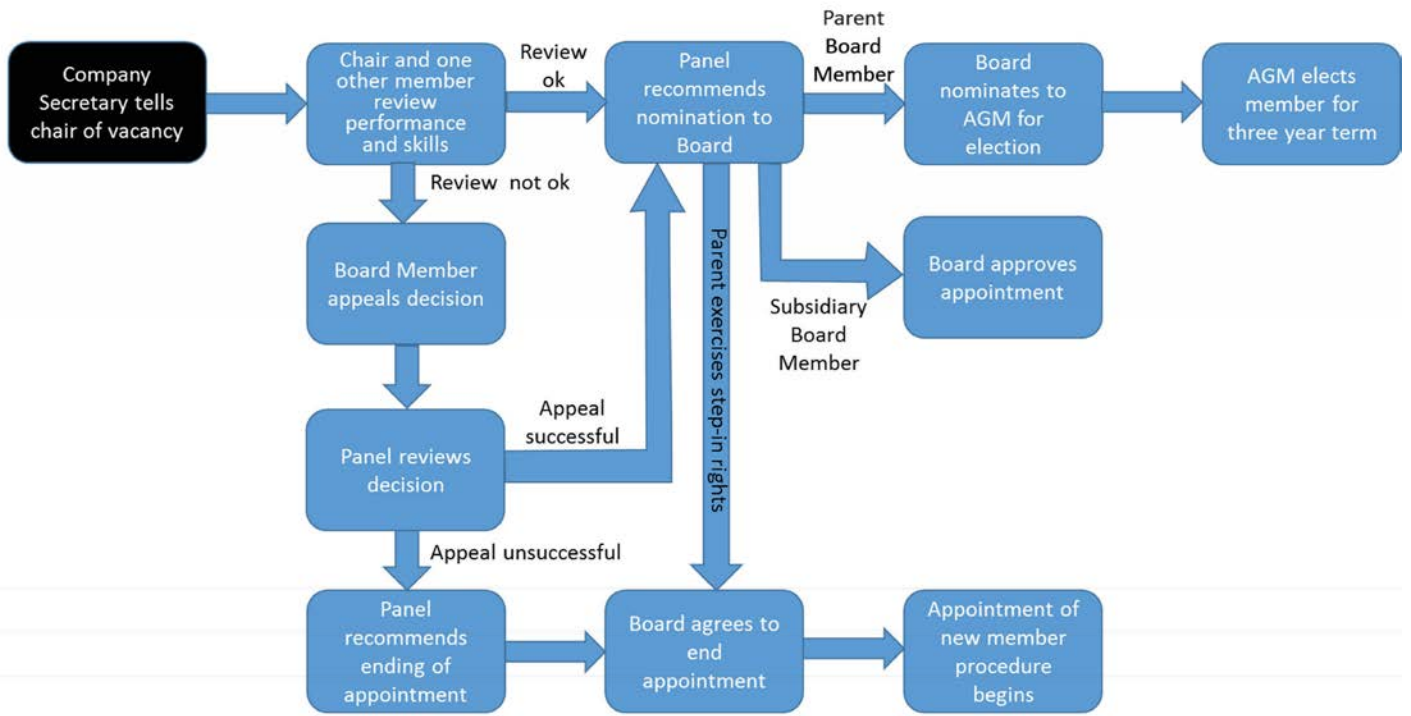
- 5.1 The Trust Chair, and other posts identified by the Board from time-to-time, will be subject to external recruitment whenever the post is vacated. Holders of these posts shall automatically be Board Members.
- 5.2 When the Chair, or other post-holder – reaches the end of a term of office, but has not served the maximum term permissible – the procedure set out in section 2 shall apply except that, for the role of Chair only, the person leading the review shall be the Senior Independent Director.
- 5.3 The recruitment of the Chair will be undertaken with support from external advisers. This external route will not preclude existing Board Members from applying, flexibility will be considered regarding length of tenure if Board deem it is in the best interests of the organisation, but will not exceed the maximum permitted nine years

APPENDIX B2

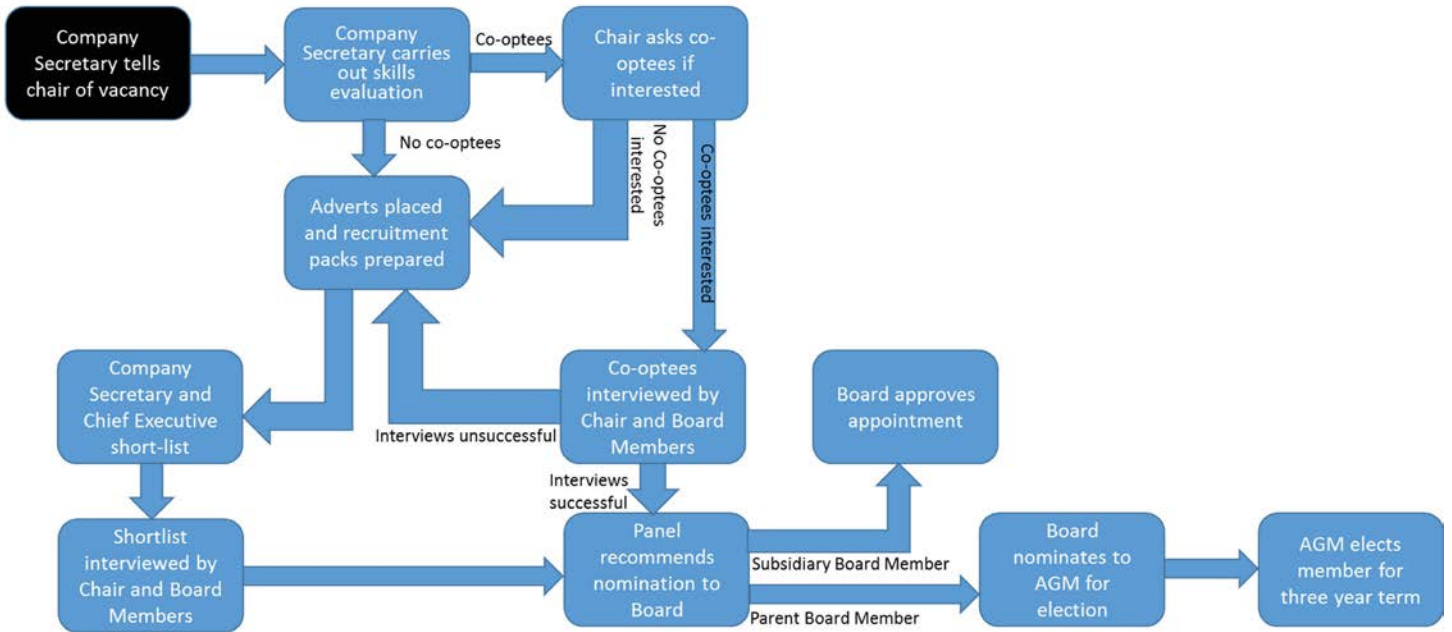
6.0 PARENT STEP IN RIGHTS

- 6.1 The parent will only exercise step in rights in extreme circumstances these may include, but are not limited to:
- a. An attempt to appoint a person who does not meet any fit and proper person tests
 - b. A person who has previously been removed from a Board or not been reappointed due to poor performance without adequate demonstration that the circumstances leading to their removal have not altered
 - c. A person who has a conflict of interest where the conflict is material or long-standing, and in the opinion of the board cannot be managed appropriately.
 - d. A person who has not been through the agreed selection procedure
 - e. A person whose previous performance creates sufficient doubt that, in the Board's view the Board would be unable to adequately fulfil its functions.

Re-election or Re-appointment of existing Board Members



Election or Appointment of New Independent Board Member



Election of Resident-Nominated Board Members

