

MEMBER NOMINATED DIRECTOR ELECTIONS

Guidance Notes and Supplementary Information

Introduction

Our Co-op is moving forward strongly and we're proud of the progress made in rebuilding its businesses. With a membership offer for our members on our own brand products and services giving 5% back to our members and 1% to good causes in all our communities, we are getting back to our real purpose.

Part of the Co-op difference is the way we govern and manage our businesses for members who are our owners. Member Nominated Directors, (**MNDs**) nominated by members and elected by fellow members, are a key way that we show our difference. They sit on our Board and ensure those nominated by our members are actively involved in shaping our business. They also need to have all the skills and commercial experience expected of all of our directors.

To be considered for this role, candidates need to meet both the Eligibility and Membership criteria set out in the Co-operative Group's **Rules 48 and 49**.

Nominations will be assessed against the requirements set out in the **Board Composition Charter, the Membership Regulations, the Member Nominated Director Regulations** and also the **MND Person Specification**. All candidates are required to formally declare that they are confident that they fully meet the requirements as part of their nomination.

The **Member Nominated Director Election Regulations** also set out details of the election process.

All candidates must formally confirm that they have read and understood the **Canvassing Code of Practice**. Please read this document carefully.

Candidates will need to show that they are a member of the Co-op and that they have traded with the Co-op. In exceptional circumstances the Membership criteria may be waived and the Council Secretary (via MNDelections@coop.co.uk) or our recruitment agents Saxton Bampfylde can discuss this with you.

If you are unsure as to your membership, please log on to your membership account at membership.coop.co.uk/sign-in or email MNDelections@coop.co.uk

MNDs are unique, democratically elected positions and candidates will be invited to demonstrate their commitment to **Co-operative Values and Principles** during the application process.

What does being a Member Nominated Director involve?

MNDs ensure that our members have a voice at the heart of the boardroom. As Group Board directors, they have the same responsibilities as other Board directors, including the duty to act in the best interests of the Co-op and its members. The Board responsibilities are set out in Rules 43.3 and include:

- Determining a strategy for the Co-op, consistent with the Purpose and the Values and Principles and meeting the needs of its Members;
- Overseeing the business and performance of the Group in accordance with the strategy;
- Motivating and retaining an Executive team to deliver the strategy;

Holding the Executive to account in the performance of its duties, taking into account the views of the Council; and

- Overseeing a risk and internal audit framework designed to provide adequate assurance as to the protection of the Co-op's assets; the health, safety and welfare of customers, Members and staff; compliance with all relevant laws and regulations and the maintenance of the reputation of the Society.

The Board is accountable to our members for the performance of the business and adherence to our Cooperative Values and Principles. MNDs and their fellow Directors therefore regularly attend and report to our Members' Council.

Time commitment

Our Member Nominated Directors play an active role as part of our Board and in engaging with our Members' Council and the time commitment for this role is 3-4 days a month.

The Board meets monthly in Manchester with occasional meetings at business locations.

The remuneration for this position (including Board Committees) is £60,000 a year.

What happens after I apply to become a MND?

Once candidates have been assessed against the Eligibility and Membership criteria, their application will be considered by our MND Joint Selection and Approvals Committee, which is a Committee comprising representatives from the Group Board and Members' Council.

If a candidate is shortlisted, in order to meet regulatory requirements, they will be asked to provide further information to enable background screening checks to be undertaken prior to being approved as a candidate in the election. Any appointment is subject to approval by the Solicitors' Regulation Authority (SRA).

Shortlisted candidates will then be invited to a mutual Due Diligence day, for interview but also to give candidates the opportunity to meet key members of the Group Board and Council.

Candidates' details (including your name, photograph, election address and details of the Co-op businesses used in the past 12 months) will be issued in advance of the 2019 Annual General Meeting to approximately 2.7 million members who are eligible to vote. You'll also be invited to submit a video clip which will be shared with members during the election process.

The results will be formally declared at the AGM on 18 May 2019 and successful MND candidates will begin their three year term of office at the end of the AGM.

How long does a Member Nominated Director serve on the Board?

The term of office is three years, commencing on the day of the AGM.

On expiry of each term of office, reappointment will be subject to a contested election. Each MND can serve a maximum of three terms.

How do candidates apply?

Candidates can complete the Nomination Form online by visiting www.co-operative.coop/mndelection and submit it, together with their current CV, to the address supplied on the form. A covering letter is not required to be submitted with the application. The closing date for receipt of nominations is midday on **Monday 17 December 2018**

For further assistance during this process candidates can contact us confidentially at the following dedicated email address: MNDElections@coop.co.uk