

MUTUAL GOVERNANCE EXCELLENCE FRAMEWORK

TERMS OF REFERENCE FOR BOARD COMMITTEES

People and Remuneration Committee

A. Membership and Quorum

- The Committee will consist of a minimum of 3 and maximum of 5 members including:
 - a minimum of 2 Non-executive Directors; and
 - up to 2 independent members with full voting rights
 - Members of the Committee (including Independent committee members) shall be appointed by the Board.
- Non-Executive Directors will always be in the majority of members.
- Executive Directors, the Chair of the Board, Representatives and Employees cannot serve as Committee Members. Members of the Executive Management Team (in particular the Director of Resources), Head of HR (or equivalent) and other external advisers may be invited to attend for all or any part of any meeting as and when appropriate and necessary.
- The quorum of the Committee will be 3 members (including at least 2 Non-Executive Directors).

B. Responsibilities

As a tenant and employee owned mutual social housing provider, RBH has distinct ownership and governance arrangements which set it apart from others. In all areas including those below, the Committee is responsible for considering each matter from a mutual perspective, and whether and if so how its approach should be different as a result.

- To consider employment issues with the parameters of the Scheme of Delegation.
- Determine the high level principles of employee terms and conditions and the strategic approach to Pay and Reward. The Committee may commission, at the Group's expense independent advice/reviews to assist it in fulfilling its function.
- Recommend the high level principles of Executive Management terms and conditions and approach to Pay and Reward.
- To approve cross-organisational restructures.
- To consider and approve the HR strategy and any policies as delegated for the Committee's approval in accordance with the Strategy and Policy Framework.
- To consider and approve the Equality, Diversity and Inclusion Annual Plan and to recommend to the Board the commitments, objectives and priorities.
- To regularly receive updates on equality of opportunity, diversity and inclusion on all the organisations activities and provide assurance to the Board on the implementation of progress.

- To annually receive a report on the organisational performance reviews and how this reflects culture and behaviours.
- To have oversight and provide assurance to the Board on culture and behaviours are being enacted and are in alignment with its mission and values.
- Deal with disciplinary matters relating to members of the Executive Management Team excluding the Executive Directors (as defined in the Rules) and in accordance with the Scheme of Delegation.
- To recommend the process for the appraisal of the Chief Executive and to have oversight of the process. The Committee shall support the Chair of the Board in the process if requested. The Committee to receive an outcome report from the Board Chair and provide assurance to the Board on the achievement of specific and measurable targets which are agreed annually with the CEO.
- To make a recommendation for the Board's consideration on the contractual terms and remuneration of the Executive Leadership Team (excluding the Chief Executive) on a minimum of a triennial basis.
- To approve significant changes to employee terms, conditions and benefit structure.
- To make a recommendation for the Board's consideration on the Chief Executive's contractual terms and remuneration at least every 2 years (subject to approval by the Representative Body).
- To review the Society's Code of Conduct for Employees to ensure that it is aligned to the culture and values of the Society.
- To receive results of any Colleague Climate and Engagement Surveys.
- To receive an annual update on Whistleblowing (for information).
- To monitor themes and actions on Colleague Wellbeing.
- To annually review Workforce opportunities and plans for learning and development and that an appropriate budget is set for investing in this activity.
- To annually review the activities of the Royal London Pension Advisory Group.
- Annually consider whether there are any areas which may influence the Internal Audit Programme.
- To carry out any other duties delegated by the Board.

1) General

- To make recommendations to the Board on all of the above matters as the Committee sees fit.
- To regularly update and provide assurance to the Board on key issues discussed at its meetings.
- To immediately report to the Board any arising issues it feels will seriously impact on any of the Board's responsibilities.
- The Committee is authorised by the Board to seek any information it requires to fulfil its terms of reference. It may either make decisions under the Scheme of Delegation or make recommendations to the Board where

final decisions will be taken. The Committee is authorised to establish working groups to undertake detailed work on any matter covered by its terms of reference.

- To ensure that the Committee complies with the equality and diversity requirements and that every report that comes to the Committee for approval includes a stage one Equality Impact Assessment and where appropriate in addition a stage two.
- Regularly appraise its own effectiveness including reviewing the balance of skills of its members. To submit an annual review of its effectiveness to the Board for its review.
- To work collaboratively with any other Committee, referring matters of relevance and seeking input as appropriate, including influencing the work of internal audit.

C. Frequency of Meetings

The committee will meet as required with a minimum of 2 meetings per year, with any urgent decision between meetings being taken electronically.

D. Chair

The Chair of the committee shall be appointed by the Board and must be a Non-Executive Director but cannot be the Chair of the Audit Committee. In the absence of the Chair, the remaining members present shall elect one of themselves to Chair the meeting who would qualify under these terms of reference to be Chair.

E. Skills and Experience Requirements of Members

The relevant areas are: human resource management, governance, mutuality, equality law & good practice, housing sector and employment law.