

Remuneration Committee Remit

Review Date	Key Updates Made	Reviewed By
15 December 2020	Draft Remit agreed.	Board

1 OVERALL PURPOSE

- 1.1 The Board hereby resolves to establish a Committee to be known as the Remuneration Committee (The Committee). The Committee is a non-executive Committee of the Board, which determines its Membership and Remit.
- 1.2 The Remuneration Committee's primary aim is to approve the appropriate remuneration and terms of service for the Chief Executive, Senior Management, and Board as determined by the Society Board.

2 AUTHORITY

- 2.1 The Board authorises the Committee, within the scope of its responsibilities, to:
 - 2.1.1 Seek any information it requires in order to perform its duties.
 - 2.1.2 Obtain, after due consultation with the Board, at the Company's expense, outside legal or professional advice on any matters within its terms of reference.
 - 2.1.3 The Committee shall have no executive powers.

3 ORGANISATION

3.1 Membership

- 3.1.1 Membership of the Committee shall be appointed by the Board in consultation with the Chair of the Committee.
- 3.1.2 The Board will appoint the Chair of the Committee and determine the period for which he/she will hold office. The Chair of the Society shall not be eligible to be appointed as Chair of the Committee.
- 3.1.3 The Committee will comprise of not less than three Board members, including the Chair of the Committee.
- 3.1.4 The quorum for any meeting will be two.
- 3.1.5 In the absence of the Committee Chair, any other member may act as Chair except the Chair of the Society.

3.2 Meetings

- 3.2.1 Meetings shall be held at least once a year. Special meetings may be convened as required.
- 3.2.2 The Committee may invite such other person to its meetings as it deems necessary, but no person other than the members of the committee shall have a right of attendance.
- 3.2.3 Meetings shall be called by the Chair or Secretary of the Committee at the request of any Committee Members. Notice shall be forwarded to each Member of the Committee, and any other person required, one week before the date of the meeting. Supporting papers shall be sent to the Committee members and other attendees as appropriate, at the same time.
- 3.2.4 The proceedings and resolutions of all meetings of the Committee, including the names of those present and in attendance, will be minuted and circulated promptly to all members of the Committee.
- 3.2.5 No Committee attendee shall participate in any discussion or decision on their own

remuneration.

- 3.2.6 The Chair of the Committee shall attend the Annual General Meeting and be prepared to respond to any member of the Society's questions on the Committee's activities.

4 DUTIES AND RESPONSIBILITIES

4.1 The Committee should undertake the following:

- 4.1.1 Recommend for approval by the Board the framework or broad policy for the remuneration of the Chief Executive, Senior Management, Chair and remunerated Board members. The remuneration of Board members shall be a matter for the Chair and members of the executive management of the Board. No employee or Board member shall be involved in any decisions as to their own remuneration.
- 4.1.2 Ensure that Members of the senior management of the Company are provided with appropriate incentive to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Society.
- 4.1.3 Review the design of, and determine targets for, any performance or bonus schemes operated by the Society and approve the total annual payments made under such schemes within budgetary limits agreed by the Society Board.
- 4.1.4 Review that the implementation of any contractual terms and any payments made on termination, are fair to the individual and the Society and that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- 4.1.5 When setting remuneration policy for the Board, Chief Executive and Senior Management, review and have regard to the remuneration trends across the Society and sector.
- 4.1.6 Review any major changes in employee benefit structures throughout the Society.
- 4.1.7 If appropriate, and after due consultation with the Board, recommend and establish the terms of reference for the appointment of any consultants necessary to advise the Committee on issues within its terms of reference.

5 REPORTING

- 5.1 The Committee shall make a report to the Board on its proceedings after each meeting and on all matters within its duties and responsibilities.

6 MONITORING AND REVIEW

- 6.1 The Committee shall once a year, review its own performance, remit to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 6.2 This remit was reviewed approved by the Board on 15 December 2020 and cannot be amended without its approval. It will be reviewed not later than December 2023.