

## Terms of Reference for the Remuneration and Nominations Committee

To be read in conjunction with the SHG Rules and the UK Corporate Governance Code

### Role

The Remuneration & Nominations Committee has delegated authority from the Board of Southern Housing Group Ltd ('the Group Board') and its subsidiaries for overseeing:

- Board Membership – recruitment, performance appraisal and remuneration
- Personnel - including the annual review of staff salaries
- Pension Strategy

All acts and proceedings of the Committee shall be reported to the Group Board.

### Membership

The membership of this committee will comprise up to five Group Board members plus the Group Chair, as an ex-officio member.

The Chief Executive, Corporate Services Director, Company Secretary and other Senior Managers may be invited to attend meetings of the Committee as required by the Chair.

### Quorum and meeting proceedings

Two members if there are three or four members of the committee or three if there are five or more members; at least one to be a Board member or co-optee of the Group Board. (other than any ex-officio).

The Committee shall meet a minimum of twice a year.

### Secretary

The Company Secretary, or his or her nominee, shall act as the secretary of the committee.

### Authority

The committee will have access to such information and advice, at the expense of the Company, both from within the Company and externally, as it deems necessary.

Duties	
<b>Skills and Experience</b>	Support the Group Chair in ensuring the Group Board, its subsidiaries and committees have the appropriate balance of skills, experience and knowledge of the Group to discharge their respective duties and responsibilities effectively.
<b>Appointments and Succession Planning</b>	Ensure there is a formal, rigorous and transparent procedure for the appointment of new members and

	<p>co-optees to the Group Board, its subsidiaries and committees.</p> <p>Interview and make recommendations to the Group Board and its subsidiaries.</p> <p>Ensure plans are in place for orderly succession for appointments to the Group Board its subsidiaries and committees to maintain an appropriate balance of skills and experience.</p>
<b>Induction and Training</b>	<p>Ensure all new members receive formal induction on joining the Group Board, its subsidiaries and committees.</p> <p>Ensure a programme of learning and development is in place to support members in regularly updating their skills and knowledge and familiarity with the company.</p>
<b>Annual Evaluation</b>	<p>Support the Group Chair in ensuring that the Group Board undertakes a formal and rigorous annual evaluation of its own performance and that of its subsidiaries and committees.</p> <p>Support the Group Chair and the chair of the subsidiary boards and committees to ensure that annual appraisal of individual members takes place and that these evaluations demonstrate whether each member continues to contribute effectively and show commitment to the role.</p>
<b>Review of Tenure</b>	<p>Review the membership status of all board members reaching a break in their two three year terms of office and based on performance and contribution formally recommend to the Group Board retention or replacement.</p> <p>Support committee chairs in undertaking a review of membership status of committee members reaching a break in their two three year terms of office and based on performance and contribution recommend to the Group Board retention or replacement.</p> <p>The Group Board reserves the right to extend a board member's tenure beyond six years in exceptional circumstances.</p>

<b>Code of Conduct</b>	<p>Ensure a robust Code of Conduct is in place which sets out the standards required of all members.</p> <p>Breaches of the Code of Conduct should be managed by the chair of the relevant board or committee in consultation with the chair of this committee, the Group Chair and CEO.</p>
<b>Appraisal of the Chair of the Group Board</b>	Support the Senior Independent Director in leading on the annual appraisal of the performance and effectiveness of the Group Chair, taking into account the views of the non-executive and executive directors.
<b>Boards and Committee Remuneration</b>	Work with external advisers as required or benchmark against external data to review the remuneration arrangements for all board and committee members on a three yearly basis.
<b>CEO Appointment, Remuneration, Severance, Redundancy and Ex-gratia payment.</b>	In conjunction with the Group Chair, appoint, appraise and approve remuneration of the Group Chief Executive Officer, including any severance, redundancy and ex-gratia payments.
<b>Staff Salary Structure</b>	Approve the Group's salary structure and reward scheme.
<b>Pension</b>	Oversee the pension strategy in place for the Group's employees.
<b>Non-contractual Benefits</b>	Review and consider periodic reports of any non-contractual benefits for employees.
<b>Terms of Reference for the Committee</b>	Review the committee's Terms of Reference on an annual basis to ensure they remain fit for purpose and recommend any changes to the Group Board for approval.