

## TERMS OF REFERENCE FOR THE TREASURY COMMITTEE

To be read in conjunction with the SHG Rules, The Group's Financial Regulations and the UK Corporate Governance Code

### Role

The Treasury Committee has delegated authority from the Boards of Southern Housing Group Ltd (SHGL) and its subsidiaries for overseeing treasury management within the Group and agreeing specific matters on treasury as delegated to the Committee by each Board. All acts and proceedings of the Committee must be reported to the relevant Boards.

### Membership

- The Committee shall have a minimum of three members. The Committee may co-opt further members if required.
- The membership of the committee must include at least one board member or co-optee of the SHGL Board
- Each member will have skills relevant to the work of the Committee.
- Membership of the Committee must be approved by the SHGL Board.
- The Chair of the Committee shall be a member of, or nominated by the Board of SHGL.

### Quorum and meeting arrangements

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

The Committee meets at least twice a year. Additional meetings may be held if required.

### 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>Treasury Management Policy</b>	Approving the Group's Treasury Management policy.
<b>Risk Management</b>	The Treasury Committee will maintain an overview and monitor the specific risk relating to all treasury activity.
<b>Treasury Management Advisors</b>	Agreeing the Treasury Management Advisors to be used by the Group and their fee.

<b>Long term funding requirements</b>	Review the long term business plans to ensure that adequate borrowing arrangements can be put in place to meet the requirements in the plan and that interest payments and repayments of loans can be met by group resources per the plan.
<b>Short/medium/longterm funding requirements</b>	Ensuring that adequate facilities are in place to meet business commitments.
<b>External Borrowings</b>	<ul style="list-style-type: none"> <li>• Agreeing new borrowings for the organisations within the Group.</li> <li>• Reviewing regularly existing borrowings and consider whether any should be refinanced.</li> </ul>
<b>Intra Group lending</b>	Agreeing the terms of intra group loan facilities.
<b>Treasury Management Arrangements/ Derivative Transactions</b>	Agreeing whether Group members should enter into treasury management arrangements (primarily derivatives) and whether existing arrangements should be revised.
<b>Security</b>	Approving security proposals in respect of borrowings or other treasury arrangements such as ISDA's.
<b>Documentation</b>	Approving all formal documentation relating to all borrowings and treasury management arrangements / derivative transactions.
<b>Authorising signatories</b>	Approving signatories to sign loan or related treasury documentation and authorising documents to be sealed.
<b>Overseeing Investment Portfolios (long and medium term) and short term deposits and related counter-party approval.</b>	<ul style="list-style-type: none"> <li>• Agreeing the amounts to be held in the portfolio;</li> <li>• Selection, appointment and review of an external Investment Manager, if required;</li> <li>• Monitoring the performance of the Portfolio and receiving an annual report;</li> <li>• Agreeing any change in the approach to the Investment Strategy; and,</li> <li>• Approving deposit counter-parties for use in short term cash investment.</li> </ul>
<b>Loan covenants</b>	Ensuring loan covenants are maintained and agreeing any changes.
<b>Appointment of Bankers</b>	The Committee is responsible for the appointment of the Group's Bankers.
<b>Clearing banks</b>	Approving the clearing bank(s) to be used by the Group. The appointment of the clearing bank (s) shall be reviewed by the Committee after seven years or sooner subject to the needs of the Group.
<b>Banking Arrangements</b>	Approving bank mandates and authorised signatories for

	bank accounts within the Group.
<b>Service Level Agreements</b>	Establishing, approving and monitoring service level agreements relevant to the work of the Committee.
<b>Reports to Board</b>	All acts and proceedings of the Committee shall be reported to the relevant board where action taken by the Committee directly affects it.
<b>Changes to Terms of Reference for the Committee</b>	Recommending to the SHGL Board changes to the Terms of Reference.
<b>Complaints</b>	Monitoring complaints made relating to the work of the Committee and/or the Treasury function.