

TERMS OF REFERENCE

G Governance and Remuneration Committee

G1 Functions

- G1.1 The Governance and Remuneration Committee is tasked with reviewing and making recommendations on matters concerning remuneration of non-executive members and executive staff of the Group, recommending a process for and overseeing the appraisal of the Chief Executive and reviewing governance policy and practice.
- G1.2 Ensuring there is an independent review of payment of non-executive members and the executive team taking into account good practice, market comparisons and industry norms on at least a triennial basis (note, salaries of staff not in the Executive Team are not within the scope of this committee).
- G1.3 To update and recommend the Group policies for Board and Committee remuneration on an annual basis for approval by the Ongo Homes Board.
- G1.4 To take independent advice and consider independently written reports on matters of remuneration principles. The Committee has responsibility to commission, monitor and evaluate the outcomes of such independent reviews within a budget agreed with the Ongo Homes Board.
- G1.5 Following the independent review, the Committee will consider the appropriate approach to levels of non-executive remuneration and recommend changes, where appropriate, to the Ongo Homes Board for adoption. The Committee will also consider the proposed level of Executive pay and make appropriate recommendations to Ongo Homes Board.
- G1.6 Carry out a light touch review every two years, but use legal advice to review and recommend the contractual terms for the Executive Leadership Team to the Ongo Homes Board every three years.
- G1.7 To oversee the process for individual appraisals of board members, including the Chair, in line with the agreed board appraisal process.
- G1.8 To report outcomes of the appraisal process to the Ongo Homes Board for approval.
- G1.9 Annually review the appraisal process for the Chief Executive and oversee this, making appropriate recommendations based on the outcomes to the Ongo Homes Board.
- G1.10 To take independent expert advice and recommend an approach to severance pay for the Executive Leadership Team in accordance with an individual's contract for employment, for approval by Ongo Homes Board.
- G1.11 To recommend a process for recruitment and succession planning for non-executive vacancies for approval by Ongo Homes Board.
- G1.12 To oversee a process for recruitment of non-executive member vacancies and of co-optees in line with the agreed delegations and the Board Recruitment & Succession Planning Policy and Procedure approved by Ongo Homes Board. To report outcomes on the appointment process to the Ongo Homes Board for approval.
- G1.13 To perform the functions in line with the Board Member Code of Conduct in relation to breaches.

- G1.14 To lead for Ongo Homes Board in ensuring the organisation maintains the highest standards of governance and learns from best practice from all sectors.
- G1.15 To oversee the process for a triennial review of governance effectiveness across the Group.
- G1.16 To scrutinise compliance with the Group,s chosen Code of Governance and recommend a statement of compliance to Ongo Homes Board on an annual basis.
- G1.17 To review evidence that the regulated entities within the Group are complying with any Standards issued by the relevant regulatory body and to recommend a statement of compliance to Ongo Homes Board on an annual basis.
- G1.19 To be responsible and accountable to Ongo Homes Board for risk management within the Governance and Remuneration areas and escalating issues to the Ongo Homes Board when necessary, seeking independent advice as relevant.

G2 Attendance

- G2.1 Attendance - employees and others, including external advisors may attend all or part of meetings at the invitation of the Committee Chair.

G3 Accountability

- G3.1 Accountability - Ongo Homes Board will always retain overall responsibility for all of governance and human resource issues.
- G3.2 The Governance and Remuneration Committee is accountable to Ongo Homes Board for the fulfilment of responsibilities delegated to it as set out in this Terms of Reference.
- G3.3 This Committee shall operate as the Governance and Remuneration Committee for the Ongo Homes Board and all Subsidiaries within the Group.
- G3.4 All committee members share responsibility for its decisions and should act only in the interests of the Group and not on behalf of any constituency or interest group.
- G3.5 Ongo Homes Board will obtain assurance on the committee,s work via minutes and regular verbal feedback from the Committee Chair on all of the Governance and Remuneration Committee meetings.
- G3.6 The Chair of the Governance and Remuneration Committee will ensure that key issues are promptly brought to the attention of the Ongo Homes Board (and subsidiary boards where necessary).
- G3.7 The Governance and Remuneration Committee will report formally on its work to the Group Common Board on an annual basis.

G4 Composition

- G4.1 Composition - the Committee shall consist of three members, two from the Ongo Homes Board and one independent member. No member may be an Executive.
- G4.2 Ongo Homes Board will appoint one of these members as the Committee Chair, who shall be a non-executive member of the Ongo Homes Board.
- G4.3 The Ongo Homes Board Chair may not serve as a member or Chair of the Governance and Remuneration Committee.

G4.4 On the recommendation of the Committee and the approval of Ongo Homes Board up to one additional member may be co-opted to provide particular specialist expertise as and when required.

G5 Quorum

G5.1 The quorum for a Committee meeting shall be two.

G6 Frequency of meetings

G6.1 The Committee must meet at least twice a year. The Committee is able to meet as and if the need arises during the year in order to effectively deliver its responsibilities.

G7 Skill requirements

G7.1 Skill requirements - in addition to those set out in the statement of preferred composition, the specific skill requirements for this Committee include:

- Scrutiny and challenge
- Investigative skills
- Analytical skills
- Corporate governance
- HR and organisational development
- Compliance and regulation
- Demonstrating commitment to and understanding of the values and objectives of the Ongo Group
- Appreciation of executive and non-executive roles and responsibilities
- Ability to dedicate sufficient time and energy
- Confidence to give honest opinions and add value to decision-making
- Inquisitiveness and independent judgement
- Capacity to keep up to date with the operating environment
- Understanding the wider social role of Ongo across local communities
- Understanding of legislation and key values of equality, diversity and inclusion

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