



## **REMUNERATION COMMITTEE TERMS OF REFERENCE**

### **1 GENERAL**

- 1.1 The Remuneration Committee is a committee of the Board of England Athletics.
- 1.2 The purpose of the remuneration committee is to consider matters in relation to remuneration and expenses taking into account the company's human resource policies and operations.
- 1.3 No director shall be involved in deciding their remuneration.

### **2 MEMBERSHIP**

- 2.1 The committee shall comprise at least three members, a majority of whom shall be non-executive directors. Members of the committee shall be appointed by the board, on the recommendation of the nomination committee and in consultation with the chair of the remuneration committee.
- 2.2 The composition of the committee shall be reviewed by the board at the first board meeting following each annual general meeting.
- 2.3 The board shall appoint the committee chair. It should not be the Chair of the Board. The Committee chair will be a member of Remuneration Committee, and appointment will be based on their skills and experience. In the absence of the committee chair and/or an appointed deputy, the remaining members shall elect one of themselves to chair the meeting.
- 2.4 Only members of the committee have the right to attend committee meetings. However, other individuals such as the chief executive, the head of human resources, the head of finance and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

### **3 SECRETARY**

The Board and NED secretary shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

### **4 QUORUM**

- 4.1 The quorum necessary for the transaction of the business shall be two, one of whom shall be an independent non-executive director. Committee members may be present in person or through any other means of communication, but to count towards a quorum, members must be able, fully, to hear and participate in the committee's proceedings.
- 4.2 A duly convened meeting at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.
- 4.3 An inquorate meeting shall be suspended and reconvened within fourteen working days. Following the suspension of the meeting those present may continue to meet to discuss those items of business that cannot be deferred and to informally discuss other matters. In such cases the chair and if present the chief executive would bear the responsibility for any actions taken subsequently. No record of these discussions would appear in the Minutes which would record that the meeting was inquorate and therefore had to be adjourned.

## **5 MEETINGS**

The committee shall meet at least twice per year and otherwise as required and at such other times as the chair of the committee shall determine, or a member of the committee shall request.

## **6 NOTICE OF MEETINGS**

- 6.1 Meetings of the committee shall be called by the secretary of the committee at the request of the committee chair.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the committee, any other person required to attend and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees, as appropriate, at the same time.
- 6.3 Meetings of the committee may be adjourned by the agreement of a majority of the members of the committee, for no longer than 14 working days.

## **7 MINUTES OF MEETINGS**

- 7.1 The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.
- 7.2 Draft minutes of committee meetings shall be circulated promptly to all members of the committee. Once approved, minutes should be circulated to all other members of the board unless in the opinion of the committee chair it would be inappropriate to do so, subject always to the provisions of section 10 of these terms of reference.
- 7.3 A full detailed minute of the Remuneration Committee meeting is taken and held for the purposes of continuity. A summary note outlining the decisions and the process, without breaking confidentiality, should be prepared for the Board.

## **8 ANNUAL GENERAL MEETINGS**

The committee chair should attend the annual general meeting to answer any questions on the committee's activities.

## **9 DUTIES**

The committee shall:

- 9.1 Have the responsibility for approving, on behalf of the Board, the remuneration / pay policy for members of staff.
- 9.2 In determining such policy take into account all factors which it deems necessary including relevant legal and regulatory requirements. The objective of such policy shall be to attract, retain and motivate executive management and staff of the quality required to run the company successfully without paying more than is necessary, having regard to the views of members and other stakeholders. The remuneration / pay policy should have regard to the risk appetite of the company and alignment to the company's strategic goals. A significant proportion of the executive management's remuneration should be structured so as to link rewards to corporate and individual performance and designed to promote the long-term success of the company.
- 9.3 Review the on-going appropriateness and relevance of the remuneration / pay policy.
- 9.4 Approve the Personal Growth and Development Plan policy on behalf of the Board.

- 9.5 Within the terms of the agreed policy and in consultation with the chair and/or chief executive, as appropriate, determine the total individual remuneration package of each executive director and senior managers whose base salary exceeds £70,000.
- 9.6 Review the contracts of employment of those within its remit, and will approve any remuneration related changes to their terms;
- 9.7 Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- 9.8 Have the responsibility for recommending the remuneration / pay policy for all non-executive directors and England Council members. The board should determine the remuneration of the non-executive directors and England Council members, within the limits set in the agreed pay and benefits policy, and of the Chair.
- 9.9 Oversee the Board non-executive director annual reviews. The Chair of the Board will review all Board NEDs, add his/her comments to the NED's self assessment form and send the final version to the Board & NED Secretary for confidential filing. The SID will do the same with regard to the Chair of the Board.
- 9.10 Obtain reliable, up-to-date information about remuneration in other sporting organisations and companies of comparable scale and complexity. To help fulfil its obligations the committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the company but within any budgetary restraints imposed by the board.
- 9.11 Establish and review an acceptable pay multiple of the CEO salary to the median pay of the company.
- 9.12 Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee.
- 9.13 Approve the design of, and determine targets for, any performance-related pay schemes operated by the company and approve the total annual payments made under such schemes.
- 9.14 Be consulted over the basic level of increase to staff at the annual pay review date although the annual/payroll increaser will be a matter for the overall budget process;
- 9.15 Give full consideration to succession planning for the CEO and Executive Team, taking into account the challenges and opportunities facing the Company.
- 9.16 Receive and review the annual performance and development reviews of the Chief Executive and the senior staff as defined in 9.6 above and approve headline objectives.
- 9.17 Ensure that its terms of reference should be made publicly available and there should be a report of their activity made in the annual report including frequency of meetings and a statement of remuneration / pay policy.
- 9.18 Oversee any major change in employee benefits structures.
- 9.19 Recommend the policy for authorising claims for expenses from the directors.
- 9.20 Work and liaise as necessary with all other board committees.

## **10 REPORTING RESPONSIBILITIES**

- 10.1 The committee chair shall report to the board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2 The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.

## **11 OTHER MATTERS**

The committee shall:

- 11.1 Be provided with appropriate and timely training, both in the form of an induction programme for new members on an on-going basis for all members.
- 11.2 Be notified of any internal whistleblowing cases involving employees and directors by way of a report to the each RemCo meeting. (Accountability remains with Audit & Assurance).

## **12 AUTHORITY**

The committee is authorised by the board to obtain, at the company's expense, outside legal or other professional advice on any matters with its terms of reference.

## **13 CHANGES IN CIRCUMSTANCES AND OTHER INTERESTS**

- 13.1 The committee will adhere to the director's conflict of interest policy, the organisations anti-bribery policy, the articles of association and all relevant legislation.
- 13.2 All declarations of conflicts of interest shall be recorded in the minutes of the meeting. They shall also be recorded in the register of interests of directors and senior staff.
- 13.3 All committee members are required to notify the company secretary of all other bodies in which they have a significant interest or of which they are an employee, director, partner, trustee or for which they perform a similar role.
- 13.4 All committee members are required to notify the company secretary of any changes in circumstances which may affect their ability to perform their role as a director of the company.

## **14 REVIEW**

Review these Terms of Reference and make any necessary amendments, at least once every four years.

Approved by Remuneration Committee – 19 April 2022

Approved by the Board: 21 July 2022