

Concern Worldwide - Remuneration and Succession Committee

Terms of Reference (December 2020)

1. MEMBERSHIP AND TERM LIMITS

The Committee comprises the Chair, the two Vice-Chairs and Company Secretary of Concern Worldwide together with at least one other member to be nominated by the Board.

If any of the Members specified above is unable for some reason to serve on the Committee, the remaining members may co-opt another Board Member.

1.1. Committee Chairperson

The Committee is chaired by the Chairperson of the Board. If the Chairperson of Concern Worldwide is unable to serve on this Committee the remaining members of the Committee will select a Chairperson from amongst their number.

1.2. Limits on terms of Committee Members

The maximum period of service on a Committee is six years.

Members of this Committee who are so by virtue of an office they occupy (Chair, Vice-Chair, Company Secretary) may exceed the maximum continuous service period and the total service period for so long as they hold the relevant office.

2. MEETINGS

The Committee is expected to meet at least three times yearly though special meetings may be held to consider particular issues. The quorum for meetings is three members.

Members of Concern management and staff may attend as deemed appropriate by the Chairperson.

3. ROLE

The Remuneration¹ and Succession Committee:

- i. Oversees issues relating to the remuneration policy of the organisation, with specific responsibility for making recommendations to the Board on the appropriateness of the remuneration policy and the way in which it is implemented.
- ii. Monitors the composition of the Board to ensure that it remains appropriately skilled and balanced, identifies potential candidates for Board membership, oversees screening processes and makes recommendations to the Board regarding potential nominees for Board membership.
- iii. Reviews Concern's membership on an on-going basis

¹ In this context remuneration will be taken to include any of the following that arise from or are related to employment with the organisation:

- All salary, overtime, bonus or performance related pay
- Any benefits in kind
- All pension or similar arrangements
- Any expense awards

- iv. Oversees the recruitment and selection of the Chief Executive in accordance with good practice and transparent procedures covering advertising of the position, professional screening and vetting procedures, interviewing arrangements through to selection and ratification by the Board and the offer of the position in accordance with Board agreed contractual terms and conditions

4. TASKS

In order to fulfil its mandate, the Committee will carry out the following tasks;

4.1. Remuneration

- Familiarize themselves with the organization's remuneration policy and make recommendations regarding any revisions to the policy that they consider appropriate.
- Consider how the policy is being applied e.g. the appropriateness of pay-scales, benchmarking processes etc.
- Determine all material matters in the context of that policy, including but not limited to;
 - i. Making annual recommendations to the Board as to any adjustments to salaries for staff generally.
 - ii. Periodically reviewing and making recommendations to the Board as to the total remuneration and benefits payable to the CEO.
 - iii. Ensuring that appropriate annual performance measures are in place for the CEO.
- Review expense procedures and entitlements to make sure that they are appropriate for the organisation.
- Review the content and adequacy of the organisations disclosure of staff remuneration in its annual report and in any other media the Committee considers necessary.

4.2. Succession

- Familiarize themselves with the Constitution of Concern Worldwide², paying particular attention to the provisions in relation to the appointment and rotation of Directors, and make recommendations regarding any revisions to the regulations that they consider appropriate.
- Monitor the composition of the Board in relation to areas of expertise/experience, background/diversity, independence, and any other dimensions relevant to ensuring an appropriately skilled and balanced Board.
- Where skill or other gaps are identified in Board composition, gather information on suitably qualified candidates for consideration by the Board of Concern Worldwide for appointment and oversee the

² Incorporated on 8 December 1972; As amended by Special Resolutions dated 27 May 2006, 10 October 2009, 11 December 2010, 28 May 2016 and 26 May 2018 (Appendix I) which comprises both the Memorandum of Association and Articles of Association;

screening of same.

- Maintain a register of screened candidates to be considered for recommendation to the Board as and when a vacancy arises.
- Submit recommendations for appointment, or support in the case of an election, to the Board.
- Ensure that there is adequate succession planning for the position of CEO and oversee the implementation of those plans.

4.3. Membership

- Familiarize themselves with all of the provisions of the Constitution of Concern Worldwide that relate to membership.
- Consider the volume and mix of members and whether it is appropriate to the needs of the organisation.
- Consider the level of engagement of members and identify any appropriate steps in this regard.
- Make recommendations to the Board in relation to actions that the Committee believes may be required.

4.4. Other

- Consider any other appropriate or relevant matters referred to it by the Board.

5. EXTERNAL/SPECIALIST ADVICE

The Committee may seek any legal or other independent advice, authorized by the Chairperson, which it considers necessary to discharge its obligations. If it is felt that such advice is required it will be sourced in conjunction with the Company Secretarial function within Concern.

6. REPORTING

The Chairperson of the Committee will ensure that accurate minutes are maintained of each meeting. And will use those minutes to provide each Board meeting with a written report of any work that they have carried out since the last meeting.

At the end of each Board year i.e. in May/June, the Committee will undertake an exercise to reflect on how well it has fulfilled its mandate and to consider whether different approaches/information/practices may be required in order to meet its overall objective.