

Bonsucro HR & Remuneration Committee

Terms of Reference

These are the rules governing the HR & Remuneration Committee (“HRRC”) made by the Bonsucro Board of Directors according to Articles 4.2, 4.5 and 4.6 of its [Articles of Association](#).

1. Role

- 1.1 The HRRC is a committee of the Board of Directors of Bonsucro.
- 1.2 The role of the HRRC is to oversee and advise on Human Resources (HR) and remuneration arrangements with the aim to enable the recruitment, motivation, development and retention of staff while complying with the requirements of regulatory and governance bodies.
- 1.3 On behalf of the Board, the HRRC maintains an overview of Bonsucro’s HR policies and processes.

2. Responsibilities

The Board authorises the HRRC to:

- 2.1 Review and make recommendations to the Board on the HR plan and policies
- 2.2 Oversee and make recommendations to the Board on succession planning of the Board directors and other key personnel
- 2.3 Give advice to the Board for final decision-making on terms of employment, remuneration and annual appraisal process of the Chief Executive Officer (“CEO) and
- 2.4 Approve and regularly review the salary review process, including the ongoing appropriateness of staff remuneration and benefits, to facilitate the employment and motivation of people with the required skills and experience for Bonsucro needs, from time to time.
- 2.5 Give advice to the Board for final decision making on any major changes to the benefits offered by Bonsucro to staff.
- 2.6 By way of the Chair of the committee act as a point of contact to individuals escalating any concerns as part of the Grievance Policy and take appropriate action to investigate and resolve any concerns raised.
- 2.7 For the avoidance of doubt, the committee would not normally be concerned with individual salaries or terms of employment unless they relate to the CEO or fall outside the scope of agreed policies or delegated authorities
- 2.8 The committee will also consider other topics, as referred to it from time to time by the Board.

3. Specific Authorities

The HRRC is specifically authorised by the Board of Directors to:

- 3.1 Investigate, or cause to be investigated, any activity within its Terms of Reference and make any recommendations which it deems appropriate on any area where action or improvement is needed
- 3.2 Make recommendations to the Board on strategic policy issues around human resources and remuneration
- 3.3 Seek any information that it requires from any employee or Director of Bonsucro to perform its duties and require all employees to co-operate with any request made by the committee
- 3.4 Obtain at Bonsucro's expense, so long as resources permit, external legal or independent professional advice from such advisers as the committee select, who may at the invitation of the committee attend meetings as necessary.

4. Communication & Reporting

- 4.1 The Chair of the HRRC has the right of direct access to the Chair of Board of Directors for ad hoc reporting if required.
- 4.2 The Chair of the HRRC shall report to the Board at Board meetings on recommendations, concerns and any progress on specific issues
- 4.3 The HRRC shall formally report on an annual basis to the Board on the work of the Committee.
- 4.4 Minutes of the HRRC meetings, once agreed with the members of the HRRC, will be shared with the Board of Directors.

5. Membership, Composition and Selection

- 5.1 The HRRC will consist of at least two or three members, and at most five members.
- 5.2 The Chair of the HRRC must be an independent Director of the Board of Bonsucro and there must be at least one additional Director on the HRRC.
- 5.3 The HRRC may co-opt additional members to provide specialist skills, knowledge and experience, subject to the limit on the maximum number of members of the HRRC and to those appointments being approved by the Board of Bonsucro.
- 5.4 All HRRC members shall be formally appointed by the Board of Directors.
- 5.5 HRRC members will be independent of Bonsucro management and free of any factor that might interfere with the exercise of independent judgement. As a result, neither members of staff of Bonsucro, nor its external independent advisors, are eligible to be members of the HRRC although they may be invited to attend meetings.
- 5.6 Members shall be selected such that the HRRC as a body has skills and experience appropriate to its responsibilities. In addition, members of the HRRC should have recent and relevant organisational development and people management experience.
- 5.7 Where possible, and without compromise to the balance of skills, the composition of the HRRC should be such to achieve a reasonable balance in terms of geography, gender, age and ethnicity.
- 5.8 No member of staff, including the CEO, in attendance at a meeting will be present or will participate when matters relating to his or her own remuneration or terms and conditions of service are discussed.

6. Meetings and Quorum

- 6.1 Quorum will be half of the number of members of the HRRC plus one (rounded up to the nearest whole number), one of whom must be a Director of Bonsucro.
- 6.2 The HRRC will meet as regularly as the HRRC Chair judges appropriate and normally at least twice per year. The HRRC Chair may call an HRRC meeting at any time. Ordinarily three weeks' notice shall be given in advance of a meeting. The HRRC may request the presence of any other official of the organisation to attend to assist it with its discussions on any particular matter.
- 6.3 The Chief Executive is accountable to the Board of Directors for the HR management of Bonsucro. In order to properly execute his/her responsibilities, the Chief Executive is expected to attend and participate in all HRRC meetings, unless otherwise decided by the HRRC Chair.
- 6.4 The Chief Executive, or delegate, shall have the ability to disclose in full confidence (and under protection of the Public Interest Disclosure Act) to the Chair of the HRRC or any member of the Board of Directors any concerns that they might have relating to the HR management and related issues at Bonsucro.
- 6.5 The CEO shall act as secretary to the HRRC, unless it is appropriate for the CEO to delegate to a staff member or matters directly concerning the CEO are being discussed.
- 6.6 The HRRC may invite other people to attend meetings, including representatives of the external independent examiners/auditors.

7. Review

- 7.1 The HRRC will arrange for periodic reviews of its own performance and, at least annually, review these Terms of Reference, to ensure it is operating at maximum effectiveness, and recommend any changes it considers necessary to the Board of Directors for approval.

8. Articles of Association Govern

- 8.1 If any provision of these Terms of Reference is inconsistent with any provision of the Bonsucro Articles of Association, the Articles of Association shall govern.