

Gorta Group - Remuneration Committee

Terms of Reference

1. Constitution

The Board will establish a committee of the Board to be known as the Remuneration Committee (the Committee). The Committee will act as the responsible committee for all members of the Gorta Group of companies.

2. Purpose

The Gorta Group board has ultimate responsibility for the remuneration policy of the organisation. This Committee is a formal sub-committee of the Board, with delegated responsibilities for developing and proposing remuneration policy as per the list of duties below.

3. Membership

The Committee shall be appointed by the Board. The Committee shall consist of not less than three members and not normally more than fourteen. A quorum shall be two members one of whom must be a member of the Board.

The Committee will consist of at least two board members and any other suitable qualified member of the organisation. Any changes to the membership of the Committee are subject to the approval of the Gorta Group board.

The chairperson of the Committee shall be appointed by the Board and must be a member of the main Board. The Chairperson of the Board will not be the Chairperson of the Committee. If a situation arises that the Chairperson is incapacitated and cannot attend, the committee will choose one of its members present to chair the meeting.

Membership of the Committee is at the discretion of the board which has the power to appoint and remove members by majority vote. The Board will seek to ensure that there is an appropriate level of rotation of the committee membership over time.

4. Secretary

The secretary of the Board of the Gorta Group shall be the secretary of the Committee.

5. Attendance at meetings

No one other than the Committee members will be entitled to attend the Committee meetings. The Group CEO (CEO), Executive Director (ED), the Chief Finance & Operations Officer, the Head of Human Resources and relevant staff of SHA and subsidiaries shall attend meetings at the invitation of the Committee. It will be normal practice that at least one member of the executive will attend Committee meetings to provide support and information to the Committee. The Committee will meet in closed session when the CEO and ED's salaries are discussed.

6. Frequency of meetings

Meetings are held at least annually, though additional meetings may be held to consider particular issues.

7. Notice of Meetings

Notice of meetings will be given by the secretary. A minimum of two week's notice shall be given though by consent of all members this may be shorter. Date of next meeting will be confirmed at each meeting.

8. Corporate Governance Duties

The Board delegates its oversight authority to the Committee. The Committee Chair shall report to the board on the Committee's proceedings after each meeting and shall make recommendations for approval by the Board.

9. Authority

The Committee is authorised by the Board to:

- Seek any information or documents that it requires from any employee, and all employees are directed to cooperate with any request made by the Committee.
- Obtain outside legal or independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this is necessary, (To be sourced through the Company Secretary).

10. Duties

To oversee issues relating to the Remuneration Policy of the organisation, with specific responsibility for making recommendations to the Board on; the Remuneration Policy and its implementation; the CEO/ED's remuneration, and, setting performance targets for the CEO/ED.

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 other benefits
- Any expense awards

Tasks

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

- a) Familiarise themselves with the organisation's Remuneration Policy (pending) and make recommendations regarding any revisions to the policy as they consider appropriate.
- b) Consider how the policy is being applied e.g. the appropriateness of pay-scales, benchmarking processes etc.
- c) Determine all matters in the context of that policy, including but not limited to;
 - i. Making annual recommendations to the Board as to increments proposed by management for staff generally.
 - ii. Periodically reviewing and making recommendations to the Board as to the total remuneration and benefits payable to the CEO/ED.
 - iii. Reviewing annual performance measures for the CEO/ED as set by the Chair of the Board and agreeing the annual performance assessment of the CEO/ED completed by the Chair of the Board.
- d) 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.
- e) Ensure that there is adequate succession planning for the positions of CEO/ED and oversee the implementation of those plans.
- f) Be available to provide support to the executive when requested outside of committee meetings.
- g) Consider any other appropriate or relevant matters referred to it by the Board.

11. Reporting

The secretary shall circulate the minutes of meetings of the Committee to all members of the Board within seven working days of the meeting.

A report from the chairperson of the Committee or minutes of meetings will be provided to the Board and will be included as an agenda item for the Board Meeting following the Committee meeting. The report should also be circulated to the Chair of the AFRC for their perusal. The chairperson may delegate reporting responsibilities to another member of the Committee as appropriate or necessary.

12. Confidentiality

Pursuant to their fiduciary duties of loyalty and care, Directors/Committee members are required to protect and hold confidential all non-public information obtained due to their directorship/committee membership position absent the express or implied permission of the Board of Directors to disclose such information. (See full confidentiality policy)

13. Renewal of Terms of Reference

The Committee shall regularly review its terms of reference and its own effectiveness and recommend any necessary changes to the Board.

14. Other Matters

The Committee is obliged to raise with the Board any matter of concern it may have.

Signed: _____
Chairperson, Gorta Group

Signed: _____
Chairperson Remuneration Committee

Dated: _____

Dated: _____

APPENDIX – REMUNERATION COMMITTEE PROCEDURES

INTRODUCTION

The scope of this document is to provide a framework and guidelines for the successful operation and conduct of the work of the GSHA Remuneration Committee (the Committee). The procedures are informed by the Board approved Committee Terms of Reference. It is to be noted that these are only guidelines and do not constitute part of an Act or legally binding regulation.

VOTING AND DECISION MAKING

For the most effective and successful operation of the Committee, arriving at decisions by consensus is the preferred approach. Otherwise, where a decision is required, majority will rule and members can have their dissent noted in the meeting minutes. In the event of a tie, the Chair will have a casting vote or direct the matter for further review and deliberation.

AGENDA

For every meeting, members will receive a copy of the proposed agenda which will be compiled by the Secretary and approved by the Chairperson of the Committee. A member of the Committee that wishes to have an item included on the agenda should forward same to the Secretary prior to the meeting. Urgent matters may be raised by any member with the permission of the Chairperson under Any Other Business.

MINUTES

Draft minutes of the proceedings of a meeting of the Committee shall be drawn up by the Secretary and signed by the Chairperson of the committee, prior to the Board meeting at which the report from the Committee is presented.

COMMITTEE PAPERS

A full set of meeting documentation will accompany the agenda and will be distributed a minimum of seven days before the meeting. Members can express their preference for electronic or hardcopy documentation.

DISCLOSURE OF INTEREST

In the interests of good governance, it is required that members express any actual or perceived conflicts of interest with items coming under the agenda. They can then absent themselves from the relevant part of the meeting.

CONDUCT AND BEHAVIOUR AT MEETINGS

General guidelines on meeting conduct include the following:

- All members wishing to contribute will be given reasonable opportunity to do so
- Time spent on issues should be proportionate to the importance and relevance of the issue
- Only matters that relate to the mandate, role and responsibility of the Committee will be discussed
- Professional conduct is expected at all times.
- All actions to be agreed through the Chair