



Providence Life Limited, PCC

TERMS OF REFERENCE FOR  
THE NOMINATION AND REMUNERATION  
COMMITTEE

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## 1. Preamble

The Nomination and Remuneration Committee (the “Committee” or “NRC”) shall operate as a sub-committee of the Board of Directors (the “Board”) of Providence Life Limited, PCC (“Providence” or “the Company”).

## 2. Membership

- 2.1 The Committee shall be made up of not less than three members, the majority of whom shall be non-executive directors. and at least one of which must be Independent non-executive director.
- 2.2 The Chairperson of the Committee must be an Independent Director and shall be appointed by the Board. The Committee shall also appoint a Vice-Chairperson.
- 2.3 Appointments to the Committee shall be for a period as determined by the Board.
- 2.4 The Chairperson of the Board shall not be the Chairperson of the Committee. If the Chairperson of the Board has to act as Chairperson of the Committee due to the non-availability of the Chairperson of the Committee, it will be by exception in his capacity as Vice-Chairperson of the Committee.
- 2.5 If any member of the Committee resigns or his appointment is terminated by the Board, the Board shall be entitled to appoint a replacement member to the Committee.

The members of the Committee shall be as set out in a Schedule and otherwise as appointed by the Board from time to time.

## 3. Secretary to the Committee

- 3.1 The Co-Company Secretary and the Corporate Company Secretary or its nominee (the “Secretary”) shall act as the Secretary of the Committee.
- 3.2 The Secretary shall be responsible for circulating agendas and documentation ahead of all meetings of the Committee and for keeping detailed minutes of all meetings, which shall be available for inspection by any member of the Committee at any time.

## 4. Quorum

- 4.1 Quorum for meetings of the Committee shall be no less than two members (being present or joining by telephone, videoconference or Microsoft Team call or video) provided that the Chairperson or Vice-Chairperson must be in attendance for a quorum to be achieved. No business may be transacted at a meeting of the Committee unless a quorum is achieved and must include a non-executive director.
- 4.2 All meetings of the Committee shall be chaired by the Chairperson or in his/her absence the Vice-Chairperson.

- 4.3 All decisions at meetings of the Committee shall be taken by a majority decision, although unanimity will always be sought in the first instance. Each member shall have one vote and the Chairperson, or the Vice-Chairperson shall have a casting vote in the event of a tie.

## 5. Frequency, Notice and Proceedings of Meetings

- 5.1 The Committee shall meet at least every 3 months and otherwise as required to resolve any matters within the Committee's duties.
- 5.2 The Committee shall endeavour to agree upon scheduled meeting dates at the beginning of each year, but in any event not less than three days' notice shall be given to the members of the Committee in respect of proposed meetings, although meetings may be convened in a shorter period if all of the members of the Committee agree and waive such requirement at the commencement of the meeting.
- 5.3 Members of the Committee may attend meetings by telephone, videoconference or Microsoft Team call or video, and such participation shall count towards the quorum of the meeting.
- 5.4 The notice of the meeting confirming the venue, time and date and a formal agenda of items to be discussed at any meeting of the Committee shall be circulated to each member at least three (3) working days in advance of the Committee meeting.
- 5.5 Any executive with responsibility, officers and external advisers reporting to (or assisting) the Committee may be invited to attend meetings, as required. Other Company executives and advisers, as the Chairperson thinks fit, may also be invited to attend meetings.
- 5.6 The Committee may obtain such external professional advice and assistance, to enable it to fulfil its responsibilities and duties, as it considers appropriate.
- 5.7 The external advisers reporting to (or assisting) the Committee:
- a) may be required to meet separately with the Committee, without management, upon the Chairperson's request; and
  - b) may be asked to contribute to the Committee's agenda.

## 6. Minutes of Meetings

- 6.1 The Secretary or Chairperson of the Committee shall confirm at the beginning of each meeting whether quorum has been achieved.
- 6.2 The Secretary of the Committee shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.3 The Secretary of the Committee shall draft the minutes for the Chairperson and after an initial edit be responsible for circulating minutes of meetings of the Committee to the members as soon as possible following the conclusion of the meeting. All minutes shall be circulated to all Committee members and any objection shall be noted. The minutes shall be signed by the Chairperson and Company Secretary/Co-Company Secretary. Thereafter, the minutes shall be filed with the other corporate documents relating to the Company and reported to the Board as appropriate.

## 7. Duties

The Duties of the Committee shall include, but not limited to the following:

### 7.1 Remuneration

- a) Determine specific remuneration packages of executive directors and determine the level of non-executive directors and emoluments to be recommended to the Board;
- b) To have an oversight of the ongoing appropriateness of the framework or broad policy for remuneration and benefits of the Company's Chief Executive Officer, Board of Directors and officers of the Company and ensure that the remuneration and benefits awarded are reasonable and aligned with the performance of the Company. No director shall be involved in any decisions as to their own remuneration;
- c) to approve the design of and determine targets for any performance related pay schemes operated by the Company and approve the total payments made under such schemes;
- d) to review and / or have an oversight on the design of all long-term incentive plans for approval by the Board of the Company and for any such plan, determine whether awards will be made annual and the overall amount of such awards. In addition, to determine the individual awards to executive directors or other senior executives and the performance targets to be used;
- e) to ensure that the policy on termination payments is fair and in accordance with applicable laws but that failure is not rewarded and that the duty to mitigate loss is fully recognized;
- f) to review and note annually remuneration trends across the Company;
- g) to oversee any major changes in employee benefit structures throughout the Company;
- h) to establish selection criteria for remuneration consultants to advise the committee and set the terms of reference for such consultants;
- i) to obtain reliable, up-to-date benchmarking information about remuneration at other companies.
- j) To review and note any changes to FTE;
- k) To approve the annual remuneration package target of all staff with particular attention on out of scope awards;
- l) To ensure all of the above are aligned with the firms approved business plans.

### 7.2 Nomination

- a) to organise and oversee the procedures for nomination to the Board in accordance with the legal and governance framework and make recommendations on the appointment of new executive and non-executive directors;
- b) to assist the Chairperson to review the structure, size and composition (including the skills, knowledge and experience) of the Board compared to its current position and to make recommendations to the Board with regard to any changes;
- c) Ensure that on appointment to the Board, non-executive Directors receive a formal letter/contract of appointment setting out clearly what is expected of them in terms of time, commitment service and involvement.
- d) Make recommendations to the Board for membership of Boards' committees in consultation with the Chairpersons of those committees and the Boards' Chairperson.

- e) Make recommendations to the Boards for the continuation (or not) in services of any Director who has reached the age of 70; and
- f) to maintain oversight of the Company's staffing needs at the executive and employee level and the basis for selection of executives and employees.

### 7.3 Evaluation, Training and Succession Planning

- a) to ensure that there is a clear annual performance assessment criteria for the Board of the Company; to ensure that the Company give full consideration to succession planning for directors in the course of its work;
- b) to have oversight of the human resources and training policies of the Company.

## 8. Reporting to the Board

- 8.1 The Chairperson of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 8.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is required.
- 8.3 The Committee shall ensure that all material resolutions arising out of its meetings are promptly forwarded to the Board for consideration and shall otherwise make the minutes of its meetings available to the Board.

## 9. Approval and Review Mechanism

The Terms of Reference shall be approved by the Board and any amendments thereto submitted to the Board for approval.

This document will be reviewed and updated as and when required, at least on an annual basis.

Approved by the Board of Directors of Providence Life Limited, PCC on 20 June 2023.