

# Remuneration Committee (“Remco”) - Terms of Reference

## Purpose and objectives of the body

### Overview

- To undertake a detailed review of the performance of the Senior Partner, Managing Partner and members of the Leadership Team (LT). Key areas of focus will include: focus on quality, upholding the firm’s values, demonstrating ethical behaviour, performance of the firm and performance in relation to specific role descriptions.
- To receive profit share recommendations from the Managing Partner in relation to members of the LT
- To receive profit share recommendations from the Senior Partner in relation to the Managing Partner
- To make a profit share recommendation to Partnership Council (PC) based on the assessment of performance and input from the Managing Partner for members of the LT
- To oversee the objective setting process for the Managing Partner, Senior Partner and members of the LT.
- To carry out the responsibilities assigned to Remco by firm policies including the Policy relating to the financial arrangements for retiring Managing Partners and Senior Partners.

## Membership

- RemCo will constitute the Senior Partner plus four elected members of PC (which may increase to five should there be a transition year for any one member)
- The Chair of RemCo will be a member of PC, or if required for specific matters, the Senior Partner
- The elected PC members of RemCo will be selected by PC
- The elected PC members of RemCo will remain members of RemCo for their term on PC
- A RemCo member can request to step down from RemCo by making a formal request to the Senior Partner. The Senior Partner will consider the basis of the request and if granted will ask the Chair to arrange for a new elected PC member to step in to the vacated role

- The Chair has the ability to remove any elected PC member from RemCo following consultation and agreement with the remaining members of RemCo. The Chair will then arrange for a new elected PC member to step in to the vacated role.

### Chairing the body

- The tenure of the Chair will be for the period they serve on PC
- Should the Chair step down from PC there will be a direct handover from the outgoing Chair to the incoming Chair. The Senior Partner will assist in the handover process as required
- The Chair will have the following responsibilities:
  - Convene meetings
  - Set the agenda
  - Prepare and collate papers and ensure they are available at least a week in advance of the meetings
  - Draft and agree with RemCo the wording of any reports to be presented to PC
  - Ensure full and factual minutes are prepared, approved and stored appropriately.

### Meetings

- RemCo will meet as part of the profit share review process held in July - after the close of the firm's accounting period and then in a follow-up meeting post profit share review
- Expected meetings are as follows:

July	First RemCo meeting	Senior Partner, Managing Partner and LT performance discussion. No decision on profit share.
July	Second RemCo meeting (if required)	Senior Partner, Managing Partner and LT performance discussion. No decision on profit share.
July	Final discussion on performance of Managing Partner, LT and Senior Partner and submission of written recommendations	<p>Meeting to be held after PC have been given access to full profit share information for the year in order to give context to deliberations.</p> <p>Any queries or further information requests made at initial meeting to be cleared at this meeting.</p> <p>Managing Partner to submit written recommendation on LT members.</p> <p>Senior Partner to submit written recommendation on Managing Partner.</p> <p>Appraising partners to submit written recommendation on Senior Partner.</p> <p>RemCo to prepare recommendation on profit share for Senior Partner, Managing Partner and LT.</p> <p>Prepare paper to submit to PC in advance of debate during profit share.</p>

September	SP, MP and LT objectives meeting	Meeting to discuss Managing Partner, Senior Partner and LT member objectives for the year ahead. Managing Partner to attend the meeting.
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- A non-routine meeting of RemCo can be called by any member, at any time
- A meeting will be quorate when at least four members of RemCo (including the Senior Partner) are in attendance (or at least three members of RemCo when the Senior Partner is being discussed)
- The Managing Partner will attend the RemCo meetings by invitation to discuss the performance of members of LT
- RemCo will have the right to invite guests to the meetings if appropriate and with the consent of the Chair
- Should any member or RemCo believe there is a conflict of interest this must be declared at the outset of the meeting.

#### ***Decision making***

- RemCo will be required to submit a profit share recommendation to PC for the Senior Partner, Managing Partner and each member of LT
- This will be in a written format and will be supplemented by discussion at the PC profit share meeting
- Voting is one person, one vote and decisions are made by simple majority
- The recommendation will set out whether each individual recommendation has the full support of the RemCo members or whether RemCo was split in their decision
- Any differences of opinion within RemCo can be discussed at the PC profit share meeting.

#### ***Connectivity with other bodies***

- The key connectivity is to PC which will leverage the work of RemCo in forming their opinion on the profit share for the Senior Partner, Managing Partner and members of LT.

#### ***Assessing effectiveness of the Chair and the body***

- RemCo will undertake an informal effectiveness review as part of the debrief of the profit share process with PC
- This will be undertaken annually.

#### ***Schedule for reviewing Terms of Reference***

- The terms of reference will be reviewed on an annual basis. Any changes will be agreed with PC.

*Approved by RemCo in February 2025*

*Approved by Partnership Council in March 2025*