



REMUNERATION COMMITTEE TERMS OF REFERENCE

Constitution

The Board of the RFL (Governing Body) Limited (the “**Board**” and the “**RFL**” respectively) has approved a Remuneration Committee as a sub-committee of the Board (the “**Committee**”).

The Terms of Reference of the Committee were approved by the Board on 23 August 2019 and are set out below (replacing the Terms of Reference previously in force).

Scope

The Committee is concerned with the business of the entire RFL Group of companies and its authority extends to all matters relating to the RFL and its business units and subsidiaries (the “**Group**”).

Summary of Purpose

The principal purposes of the Committee are to:

- (A) Ensure that there is a formal and transparent policy on Board and Senior Executive remuneration; and
- (B) Determine the remuneration packages of the Chairman, other directors and senior executives.

1.0 Membership

- 1.1 The Committee shall be appointed by the Board and shall comprise not less than three members all of whom shall be independent non-executive directors (but which shall not include the Chairman of the Board). This shall attract no further remuneration than that of the existing Non-executive directors role.
- 1.2 The Chairman of the Committee will be appointed by the Board from amongst the members of the Committee.
- 1.3 The Chairman of the Committee can co-opt additional members from time to time to enhance the effectiveness of the Committee.
- 1.4 It is a condition of each Committee member’s appointment that he/she has signed a copy of the Directors’ / Sub-Committee members’ Code of Conduct.

2.0 Secretary

- 2.1 The RFL executive director responsible for the People department or his or her nominee shall act as the secretary of the Committee.

3.0 Attendance at Meetings

- 3.1 The RFL Chief Executive Officer, the Chief Operating Officer, the Finance Director and any other senior management executives shall attend if invited by



the Committee. For the avoidance of doubt any such invited individual will not attend any part a Committee meeting which relates to their own remuneration.

4.0 Meeting Structure

- 4.1 Meetings shall be held as a minimum of twice a year.
- 4.2 Agendas and papers will be circulated at least one week in advance of Committee meetings. Committee members may at any time request the addition of agenda items via the Chairman of the Committee and the Committee Secretary.
- 4.3 The quorum at any meeting of the Committee shall be 2
- 4.4 In the absence of the Chairman, the remaining members present shall elect one of themselves to chair the meeting.
- 4.5 No individual shall be involved in any decision as to their own remuneration.

5.0 Authority

- 5.1 The Committee is authorised by the Board to:
 - 5.1.1 investigate any activity within its Terms of Reference.
 - 5.1.2 seek any information that it requires from any employee of the Company and all employees are directed to cooperate with any request made by the Committee.
 - 5.1.3 obtain any necessary outside legal or independent professional advice (subject to the prior approval of the Board or relevant Executive Board member) and secure the attendance of external parties with relevant experience and expertise if considered necessary.

6.0 Responsibilities

- 6.1 The Committee shall:

Policy

- 6.1.1 Determine the framework or broad policy for the remuneration of: (i) the Chairman of the Board; (ii) the Chief Executive, the Chief Operating Officer and the Chief Commercial Officer (or such other persons who are executive Directors from time to time); and (iii) any other members of the executive management as it is designated to consider (currently those with a basic salary of over £100K per annum including bonus).

In determining such policy, the Committee will take into account factors which they may deem necessary. The objective of the policy shall be to ensure that members of the executive management of the RFL are rewarded, in a fair and responsible manner, for their individual contributions to the success of the RFL.

- 6.1.2 Review the ongoing appropriateness and relevance of the remuneration policy.
- 6.1.3 Approve the design of, and determine targets for, any performance related pay schemes operated by the RFL and approve the total annual payments made under such schemes.
- 6.1.4 Determine the policy for, and the scope of pension arrangements for the individuals listed in 6.1.1 above.
- 6.1.5 Take account of sector remuneration levels to ensure the RFL is competitive and able to recruit directors and executives of the required level.

Remuneration Packages

- 6.1.6 Within the terms of the agreed policy, determine the total remuneration package of the individuals listed in 6.1.1 above including bonuses, incentive payments, benefits and pension.
- 6.1.7 Accept the recommendations of the Chairman and Executive Directors in relation to the remuneration of all Non-Executive Directors (other than the Chairman);
- 6.1.8 Ensure that contractual terms on termination, and any payments made, are fair to the individual and the RFL, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- 6.1.9 In determining remuneration packages and arrangements give due regard to any relevant legal requirements and at all times to consider any best practice.
- 6.1.10 Agree the policy for authorising claims for expenses from the Chairman and Chief Executive.

Remuneration across the Organisation

- 6.1.11 Review and note annually the remuneration trends across the RFL and make recommendations to the Board.
 - 6.1.12 Oversee any major changes in employee benefits structures throughout the RFL.
- 6.2 In considering its remit the Committee shall take into account that remuneration for all directors and senior executives (and other employees) is made from Rugby Football League Limited (a trading and wholly owned subsidiary of the RFL). The Board of the two organisations are the identical. In addition, certain of the executive directors of the RFL are also directors of other group companies. The RFL also has the right to appoint an individual to the Board of Super League (Europe) Limited as a non-executive director.

7.0 Reporting

- 7.1 The Secretary of the Committee shall minute the proceedings and decisions of all meetings of the Committee and shall circulate the minutes to the members of the Committee. Once agreed by the members, unless confidential, the minutes shall be circulated to all members of the Board.
- 7.2 The Chairman shall report formally to the Board on its proceedings on its proceedings on all matters within its duties and responsibilities upon invitation.
- 7.3 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 7.4 The Committee shall annually review its terms of reference and its own effectiveness and recommend any appropriate changes to the Board.
- 7.5 The Chairman of the Committee shall attend the Annual Council Meeting of the RFL to answer questions which relate to the work of the Committee. In addition, the Committee shall prepare a report on its role and responsibilities and the actions it has taken to discharge those responsibilities for inclusion in the annual report and accounts. Such a report should specifically include:
 - 7.5.1 a summary of the role of the Committee;
 - 7.5.2 the names and qualifications of all members of the Committee during the period;
 - 7.5.3 the number of Committee meetings and attendance by each member;
and
 - 7.5.4 the way the Committee has discharged its responsibilities.