



NATIONAL HOUSING FINANCE AND INVESTMENT CORPORATION

REMUNERATION COMMITTEE CHARTER

August 2020

Purpose, Role and Functions

The Remuneration Committee (**Committee**) is a committee of the National Housing Finance and Investment Corporation (**NHFIC**) Board. The role of the Committee is to review and make recommendations to the Board in relation to the payment of bonuses at NHFIC and the remuneration of the Chief Executive Officer (**CEO**).

This Charter governs the operations of the Committee. It sets out the Committee's duties and responsibilities and its membership structure.

Duties and responsibilities

The Committee's duties and responsibilities are to:

- (a) review the recommendations of the CEO regarding bonuses to be paid to eligible senior executives at NHFIC who report directly to the CEO (**senior executives**) and make recommendations to the Board in relation to such bonuses;
- (b) review the recommendations of the CEO regarding the bonus pool for all eligible staff at NHFIC and make recommendations to the Board in relation to the bonus pool;
- (c) satisfy itself that any bonuses paid to senior executives comply with all contractual, legislative and NHFIC Investment Mandate requirements;
- (d) review and make recommendations to the Board in relation to the remuneration of the CEO where appropriate.

Membership

The Committee will consist of four members appointed by the Board. Appointment of Committee members will be subject to rotation as determined by the Board. All members of the Committee should have appropriate knowledge, skills and experience to assist the Committee to perform its functions. The Board will review and confirm membership of the Committee each year.

The Board will appoint one of the members of the Committee as Chair of the Committee (**Chair**). The Committee will manage succession planning for the Committee for adoption by NHFIC's Board.

Members of the Committee may resign on giving reasonable notice in writing to the Chair. A Committee member may be removed by notice in writing by the Board.

The secretary of the Committee shall be the Board Secretary or such other person as nominated by the Chair.

Meetings

The Committee will meet in August of each year and more frequently as the Board may determine.

A quorum consists of a majority of Committee members.

All attendees at Committee meetings must treat any deliberations, recommendations or decisions made by Committee members during those meetings as confidential. No attendee at a Committee meeting may disclose the content of any Committee meeting to third parties unless the Chair has given prior authorisation for them to do so.

Participation of non-members

The CEO may attend Committee meetings. Other NHFIC staff and advisers may be invited by the Chair to attend meetings of the Committee. Non-members will not be entitled to participate in any Committee decisions or recommendations to the Board. Any NHFIC Board member is welcome to attend Committee meetings. However, unless they are a member of the Committee, they will not be entitled to vote.

Agenda and Minutes

The Chair will approve the agenda for Committee's meetings, and any member may suggest items for consideration. Briefing materials will be provided to the Committee as far in advance of meetings as

practicable.

The NHFIC Board secretary or such other person nominated by the Chair will keep minutes of the Committee meetings. The minutes, or relevant extracts from them, will be circulated to Committee members.

Authority

The CEO will be responsible for coordinating any necessary input or information from NHFIC employees or contractors on behalf of the Committee.

Committee members are to reach consensus on whether or not to make recommendations to the Board. The Chair does not have a casting vote. All Committee deliberations must be conducted in a respectful manner.

Compliance with NHFIC Policies

Members of the Committee must comply with all NHFIC policies applicable to the performance of its functions, as required by the Board.

Reporting

The CEO will provide a verbal or written report to NHFIC's Board at the next Board meeting following a Committee meeting. In addition, the Committee will provide such additional reporting as the Board may require including copies of its minutes or relevant extracts from them.

Review of the charter

The Committee will review its performance against this charter annually and will review the terms of this charter at least annually.

Conflicts of interest

Annually, members of the Committee will provide written declarations, through the Chair, to the NHFIC Board declaring any conflicts of interest they may have in relation to their responsibilities.

Committee members must be alert to conflicts of interest on an ongoing basis for the duration of their tenure. Committee members must confirm whether they have any actual, perceived or potential conflict of interest at the beginning of each Committee meeting.