



Active Lancashire Limited
HUMAN RESOURCES AND REMUNERATION COMMITTEE OF THE BOARD
TERMS OF REFERENCE

Constitution and Membership

1. The Human Resources and Remuneration Committee ("the Committee") shall be appointed by the Board. The Committee shall consist of not less than four and not more than six Directors, at least one of which must be the Lancashire Director (as defined by the Company's Articles of Association).
2. The Committee shall appoint one of its members as Chair.
3. When the group acts as nomination committee the group will be Chaired by the Chair of the Board.
4. The quorum for the Committee shall be two Directors of which at least one must be a Lancashire Director.

Meetings

1. Other Directors and Officers of the Company may attend meetings at the invitation of the Committee.
2. The Company Secretary shall be Secretary of the Committee.

Frequency of meetings

1. The Committee shall meet at least three times per year or as required.

Functions of the Committee

1. The Committee has delegated authority to agree (or, where appropriate in accordance with the Company's Articles recommend to the Member(s) of the Company) on behalf of the Board:
 - a. Changes to the Company's staffing structure or establishment;
 - b. the remuneration arrangements (including any benefits) of the employees of the Company;
 - c. any scheme or other arrangements relating to any payments made to Directors of the Board;
 - d. the arrangements for the recruitment and selection of the Chair, Chief Executive and other Senior Executives of the Company;
 - e. review the Terms and Conditions of the Chief Executive and any other Executive Manager's employment and make recommendations to the Board for consideration and decision making;
 - f. the basis and terms on which the employment of the Chief Executive and any other Executive Manager is terminated and any disciplinary issues relating to the Chief Executive or any Executive Manager;
 - g. the Company's Human Resources related Policies and Procedures (including any schemes and arrangements relating to expenses and hospitality etc);
 - h. any delegation of Human Resources functions and/or issues to the Company's Chief Executive and/or Executive Managers;
 - h. any complaints, grievances etc, of any employees or third parties against the Chief Executive and to deal with any appeals under Company HR Policies and Procedures against decisions of the Chief Executive;
 - i. all other issues relating to the management of the Company's Human Resources;
 - j. the Recruitment and Nominations for new Board members;
 - k. to consider any other matters referred to it by the Board.

Minutes

The Minutes of Meetings of the Committee shall be submitted to the Board for information and the Chair (or other members) of the Committee shall answer any questions thereon.