



RBC GLOBAL ASSET MANAGEMENT (UK) LIMITED HUMAN RESOURCES COMMITTEE

TERMS OF REFERENCE

1. SCOPE AND PURPOSE

The RBC Global Asset Management (UK) Limited Human Resources Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of RBC Global Asset Management (UK) Limited (“GAM” or the “Company”). The purpose of the Committee is to provide independent governance, on behalf of the Board, of: remuneration (including any applicable remuneration regulations); executive/senior management succession; and, Human Resources policies and practices.

2. REMUNERATION RESPONSIBILITIES

In connection with its independent governance of the Company’s remuneration matters, the Committee will have the following responsibilities:

2.1 Remuneration Policy and Plans

- Approve and adopt relevant RBC Group Remuneration and Compensation Policies including, but not limited to, the RBC Policy on Compensation Risk Management (“RBC Group Policies”) subject to the receipt of advice from the RBC Human Resources Committee, and subject to the Committee’s reserved right to amend the RBC Group Policies to comply with local legal, regulatory and market requirements;
- Annually approve and adopt a Remuneration Policy for the Company as well as oversee the implementation of other practices and governance frameworks to comply with applicable regional remuneration regulations, guidance and regulatory best practices as well as RBC’s enterprise policies;
- As appropriate, approve, on behalf of the Board, the incentive remuneration plans and equity-based remuneration plans for the employees of the Company, in accordance with relevant RBC enterprise frameworks and regulatory requirements.;
- Approve the annual Remuneration Policy Statements (RPS) required to be completed by regulators; and
- Where appropriate, receive updates from the Chief Risk Officer, Chief Financial Officer or Chief Compliance Officer of the Company reviewing the major remuneration policies and programmes of the Company.

2.2 Implementation of Policy and Plans, including approval of individual remuneration of MRTs

- Ensure that management has a robust process in place to identify GAM Material Risk Takers (“MRTs”) under the UK Regulators’ remuneration rules, and approve, on an annual basis, the list of MRTs;
- Review and agree the overarching approach to setting the performance criteria in respect of members of the Executive team and other MRTs of the Company, in accordance with relevant RBC enterprise frameworks;

- Approve the individual total remuneration, including all elements, of UK employees who are identified as MRTs (except Non-Executive Directors – see bullet below). This will include, amongst others: (i) those in Senior Management Functions under the Senior Managers Regime, (ii) others identified as members of ‘Senior Management’ under the RBC Standard for the Identification of MRTs, and (iii) the Chief Risk Officer and the Chief Compliance Officer (“Designated Employees”). In approving remuneration, the Committee shall consider the roles, responsibilities, personal performance (considering both financial and non-financial factors) including contributory performance in the delivery of good outcomes to clients, conduct of the MRTs, and performance of the businesses for which they work;
- Approve remuneration packages being offered to new MRT appointees, and leaving packages for any departing MRTs;
- Before approval of MRT remuneration, consider whether any variable remuneration to be awarded to MRTs is aligned with appropriate risk and compliance behaviours;
- Approve the variable remuneration expenditure for the Company as a whole, and ensure that it takes into account the financial soundness and long-term interests of the Company and the potential impact on its ability to maintain a sound capital base;
- Where appropriate, consider and approve the application of forfeiture and clawback to individuals in accordance with the applicable Forfeiture and Clawback Policy;
- Review remuneration benchmarking reports, as necessary;
- Review any annual internal audit of the effectiveness of the Company’s remuneration framework and its implementation and consider any remediation plans as a result;
- Review the annual Gender Pay Gap Report of the Company; and
- For avoidance of doubt, the remuneration of Non-Executive Directors of the Company shall not be a matter for this Committee and will be approved in accordance with the Subsidiary Governance Office policy, to ensure that no director, manager, or individual is involved in any decisions as to their own remuneration or fees.

2.3 Other remuneration responsibilities

- In conjunction with the RBC Executive Compensation Group and Chair, be responsible for establishing the selection criteria, selecting, appointing, and setting the terms of reference for any external remuneration consultants who advise the Committee.

3. EXECUTIVE/SENIOR MANAGEMENT SUCCESSION RESPONSIBILITIES

3.1 Executive/senior management succession

- Review the output from the annual talent management process in respect of key staff of the Company; and
- Review annually the management succession plans for the Executive Directors and senior officers of the Company.

4. HUMAN RESOURCES POLICIES AND PRACTICES RESPONSIBILITIES

- Oversee the Company's 'culture' including *inter alia* reviewing Employee Engagement Surveys, diversity and inclusion data and policies/practices, rates of voluntary attrition and other relevant indicators;
- At least annually, review and acknowledge the RBC Enterprise Culture and Conduct Risks Framework and review and approve any specific Company addendums which may be required;
- Review reports on employee conduct (including *inter alia* disciplinary, breach and conduct data);
- Review the adequacy and security of arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing (i.e. whistleblowing); and
- Review and approve changes to applicable Whistleblowing Policies.

5. REPORTING

- The Committee will report (via the Chair) to the Board on Committee proceedings after each meeting on all matters within its duties and responsibilities;
- Exceptionally, at the judgement of the Committee, decisions may be escalated to the Board for approval, where necessary;
- The Chair of the Committee will make a brief report to the Board after each Committee meeting and annually to the Compensation Risk Management Oversight Committee of Royal Bank of Canada (the "CRMOC"); and
- The Committee will also make such other reports to the Board and the CRMOC as they shall request from time to time.

6. MEMBERSHIP

- The Board will determine the membership of the Committee which will consist of at least three Independent Non-Executive Directors (INED) appointed to the Board.

The current Members are:

Member	Position
Maria Bentley	INED & Chair
Jim Pettigrew	INED
Damon Williams	CEO, RBC Global Asset Management

- No member or attendee may be present for any discussion relating to their own remuneration arrangements or relating to any other matter where they may be, or could be perceived to be, conflicted.

7. CHAIR

- The Chair of the Committee, who shall be an INED, will be appointed by the Board. The Chair will nominate any Committee member to chair the Committee in their absence.

8. QUORUM & DECISION MAKING

- The quorum of the Committee shall be a minimum of three members.
- Decisions may be taken: (i) at a Committee meeting; or (ii) in the form of an electronic written resolution. Decisions made at a Committee meeting shall be made by majority decision following a vote of the members (each with one vote).
- Any decisions circulated for approval by electronic written resolution shall only be valid via unanimous approval. Members may provide their approval via formal signature to a physical written resolution or by electronic voting and formal email confirmation. The Committee secretary shall keep a record of all decisions made by the Committee.

9. SECRETARY

- The Committee secretary shall be provided by the Subsidiary Governance Office.

10. MINUTES

- The Subsidiary Governance Office shall prepare minutes for each Committee meeting. A summary of decisions and actions of the meeting will be circulated by the Subsidiary Governance Office.

11. NOTICE AND FREQUENCY OF MEETINGS

- The Committee shall meet at least quarterly or at such other times as the Chair of the Committee may determine. Agendas and papers for each meeting will be circulated at least three clear business days in advance. The Committee agenda will be agreed by the Chair prior to the meeting date.
- Extraordinary Committee meetings may be convened at short notice by the Chair, assuming a quorum is available. Requests for such meetings should be submitted to the Chair.

12. ADVICE

- The Committee will consult with the RBC Human Resources Group, RBC Group Risk Management and RBC Group Compliance, as appropriate. The Committee may appoint such external remuneration advisers as it requires.
- The Committee take advice from the Chief Executive or other members of the management team, including inviting such individuals to attend Committee meetings as appropriate, but no director, manager, or individual should be involved in any decisions as to their own remuneration or fees.
- The Company's HR directors will have the right of unfettered access to the Chair of the Committee.

13. REVIEW OF COMMITTEE PERFORMANCE

- Periodically review the performance of the Committee and annually review the Committee's constitution and terms of reference to ensure it is operating effectively, and recommend any changes it considers necessary to the Board;

14. CHANGES TO THE TERMS OF REFERENCE

- The Terms of Reference shall be reviewed annually by SGO and any changes must be approved by the Board and passed to the CRMOC for information. Any minor changes to the Terms of Reference, including changes in Members and/or Attendees, may be approved by the Chair and circulated to the Committee Members for information.

15. VERSION CONTROL

Version number	Date approved	Approved by	Summary of changes
V1	19 June 2023	GAM Board	Inaugural set of ToR in RBC standard format
V2	19 September 2023	GAM Board	Changes due to Consumer Duty regulations.