

**REDROW plc (“the Company”)**

**SUSTAINABILITY COMMITTEE**

**TERMS OF REFERENCE**

**1.0 Constitution**

1.1 The Board hereby resolves to adopt the following terms of reference for a committee of the Board to be known as the Sustainability Committee (“The Committee”)

**2.0 Membership**

2.1 The Committee shall comprise both Executive and Non-Executive Directors as determined by the Board.

2.2 The Committee Chairman shall be appointed by the Board from amongst the independent Non-Executive Directors.

2.3 The members for the time being shall be:

Liz Peace (Chairman)  
Nick Hewson – Non-Executive Director  
Warren Thompson – Regional Chief Executive  
Robert MacDiarmid – Group Sustainability Director  
Karen Jones – HR Director

2.4 The quorum for the Committee shall be two members which shall consist of at least one non-executive director.

2.5 The Company Secretary or in his absence any other person so agreed by the Committee shall act as secretary to the Committee.

**3.0 Attendance at Meetings**

3.1 The Committee may invite any other Director/Employee of the Company or external third party consultants to attend its meetings.

**4.0 Frequency of Meetings**

4.1 Meetings will be held as and when required but not less than three times per year.

4.2 A minimum of 30 days notice will be given of each Committee meeting, which may only be waived with the agreement of all members of the Committee.

4.3 If the members of the Committee all agree, meetings may be held by telephone conference call or video conference.

**5.0 Authority**

5.1 The Committee is authorised by the Board to:

- 5.1.1. Investigate any activity within its terms of reference within its area of responsibility; and
  - 5.1.2 obtain outside legal or independent professional advice and such advisors may attend meetings as necessary.
- 5.2 All recommendations of the Committee shall be referred to the Board and shall take effect only upon approval thereof by resolution of the Board at a meeting that is properly convened and constituted in accordance with the Company's Articles of Association.

## **6.0 Responsibilities**

6.1 The Committee shall:

- 6.1.1 Develop and monitor the Board's approach to sustainability.
- 6.1.2 Review and approve the sustainability targets proposed by management.
- 6.1.3 Assess the impact of Company operations on the environment and communities affected by its activities. The Committee will consider policies to enhance the benefits of those activities and mitigate any negative impact of those activities having regard to the commercial and operational performance of the Company.
- 6.1.4 In assessing the impact outlined above have particular regard to environmental, corporate social responsibility and community issues, including environmental management systems, waste management systems, recycling and energy management and any assessment should include a cost benefit evaluation of the recommended mitigating actions.
- 6.1.5 Ensure that the Group Sustainability Director produces in advance of each meeting a sustainability performance scorecard to assist the Committee to more clearly evaluate the relationship between the sustainability initiatives in place, or being considered, and the related performance levels being achieved.
- 6.1.6 Ensure that the Company supports its people on a learning and development pathway to deliver high quality products and services. The Committee is to ensure that sufficient encouragement and support is given to Company employees so that they can realise their capability to contribute to the social, environment and economic health of our communities
- 6.1.7 Have regard to promoting and maintaining the highest degree of physical, mental and social well-being in the workplace
- 6.1.8 Ensure that the Company continues to be an employer of choice in the industry, valuing and respecting its diversity; providing both advantage, and equality of opportunity in recruitment, development, recognition and reward.
- 6.1.9 Have regard to the Company's developments in customer engagement and service to ensure its values are upheld.
- 6.1.10 Investigate any statutory prosecutions or notices in relation to environmental and community issues and make recommendations to the Board regarding any action to be taken.

- 6.1.11 Have regard should also be given to the Company's involvement in the community, the Company's policy on charitable donations and activities
- 6.1.12 Make available its terms of reference explaining clearly its role and the authority delegated to it by the Board.
- 6.1.13 Conduct an annual review of these terms of reference and, where appropriate, propose revisions to the Board to these terms of reference.
- 6.1.14 Present a brief summary report to the Board, following each Committee meeting, which outlines the pertinent points that should be given due consideration.
- 6.1.15 Make a statement in the annual report about its activities; the membership of the Committee, number of Committee meetings and attendance over the course of the year.
- 6.1.16 To adhere to the Company's five principles of sustainability namely Grow our business responsibly, Put customers first, Create better places to live, Manage our resources efficiently and Value and develop our people.

## **7.0 Reporting Procedures**

- 7.1 The secretary shall circulate the minutes of the meetings of the Committee to the members of the Committee and to all other members of the Board of the Company.
- 7.2 The Chairman of the Committee, or as a minimum another member of the Committee, shall attend the AGM and shall answer questions, through the Company Chairman, on the Committee's activities and responsibilities.
- 7.3 A sustainability performance scorecard shall be generated and distributed in advance of the meeting by the Group Sustainability Director. It is expected that the scorecard will help the Committee to more clearly evaluate the relationship between the sustainability initiatives in place, or being considered, and the related performance levels being achieved.