

## **Conduct Risk Committee: Terms of Reference**

1. The Committee is established by the Board to monitor and review the Society's performance against its Conduct Risk Appetite, and to provide the Board with assurance that Conduct Risks are being appropriately managed, and that Society members (or potential members) are being treated fairly and consistently. The remit is reviewed at least annually by the Board.

### **Membership and Attendees**

2. The Committee is appointed by the Board and consists of the Chief Executive, who is the Chairman of the Committee, one non-executive Director, the Chief Operating Officer, the Secretary & Head of Compliance and the Head of Lending. A quorum is three members, one of which is a non-executive director.

3. The Committee is attended by the Compliance Manager, who is responsible for taking the minutes; the Head of Risk who presents the Conduct Risk Appetite report; and the Operations Manager (Branches). Other members of the management team attend on request.

### **Meetings**

4. The Committee normally meets bi-monthly, approximately two weeks prior to the main Board meeting. Additional meetings of the Committee may be held as and when required. Minutes are taken and these form a report to the Board at its next meeting.

### **Responsibilities**

5. To monitor the Society's performance against its articulated Conduct Risk Appetite by reviewing the Conduct Risk Dashboard.

6. To periodically review (at least annually) the management and measurement of identified Conduct Risks, including oversight of the Society's Conduct Risk Register and to report to the Board on any matters of concern.

7. To periodically review (at least annually) each of the Society's savings and mortgage products.

8. To consider the Conduct Risks associated with new or changed products or policies, to ensure fair outcomes for members, and to make appropriate recommendations to be incorporated in any proposal subsequently presented to the Board.

9. To consider the Conduct Risks associated with all third-party arrangements, and review these at least annually.

10. To consider emerging Conduct Risks, either through internal MI or sector knowledge.

11. To review the Society's Customer Treatment (including Conduct Risks) in light of industry 'best practice' and regulatory guidance.

12. To review the Society's performance against the six stated TCF outcomes.

13. To review member complaints and feedback on account closures (both quarterly), and to establish key themes through trend and root cause analyses.

14. To review the Training & Competence Report (quarterly).

15. To provide a forum for discussion of all Conduct Risk and Customer Treatment matters.

**Communication**

16. The Secretary of the Committee will normally circulate the agenda and papers for meetings at least three working days before the meeting.

17. All Board members are provided with Committee papers and subsequent formal minutes via the Board portal.

**Date Remit last reviewed**

29 July 2015