

FAMILY ASSURANCE FRIENDLY SOCIETY

MEMBER & CUSTOMER SUB-COMMITTEE

TERMS OF REFERENCE

The Member & Customer Committee is a Sub-Committee of the Board and is so constituted.

These terms of reference will be reviewed at least once a year and updated as necessary in accordance with the needs of the business, best practice and regulatory requirements and were approved by the Board on 28 February 2018.

1. Scope & Objectives

The scope of the Member & Customer Committee is delegated by the Board to provide approval to member and customer treatments, oversight of operational performance and reports to Board in relation to the Society's Membership, Customer and Foundation plans, governance and controls. Also ensuring that sound management practices are applied, in line with the risk appetite and tolerances set by the Board.

The objectives of the Member & Customer Committee are to:

- Receive and approve recommendations from Executive in relation to the Society's Membership, Customer, Foundation and broader corporate responsibility plans
- Receive and approve recommendations from Executive of associated Operational Plans
- Receive and review updates as to the performance against key indicators for Membership, Customer and Foundation objectives against targets to include TCF and Customer Satisfaction reporting.
- Ensure that appropriate governance, risk mitigation and controls are in place in relation to Foundation, customer and member experience

Strategy

- To review the strategies and annual business plan, aligned to the wider organisation's strategy, recommended by the Culture, People & Membership Executive Committee
- To consider issues that may be material to the customer and membership experience provided by the Society, including that of the Foundation, and the delivery of its agreed plans
- To monitor performance against the operational plans and key deliverables

Financials

To monitor the financial performance against budget, with specific reference to the Foundation.

Risk

- Oversight of the associated issues considered by the Risk Committee and where appropriate to monitor appropriate delivery of actions escalated from the Risk Committee.
- Oversight and to monitor and ensure all regulatory and statutory requirements are met
- Review and monitor related conduct risk performance
- Review and monitor related operational risk performance
- Review the Group's codes of conduct, ethics and related corporate responsibility policies and how these policies are communicated to employees and monitored.

Policy

- To review customer and member related risks and keep abreast of related changes to regulation.
- To consider recommendations from the Risk Committee in relation to risk management matters.

- To make recommendations to the Risk Committee in relation to potential amendments to the risk framework.
- To ensure that risk considerations are embedded within the strategic planning and budgeting processes
- To review and approve policies on behalf of the Board as delegated to it by the Board from time to time.

Key reports, proposals and output from these activities will be submitted to the Board as appropriate for review and/or approval.

2. Membership

Membership of the Committee shall comprise of no fewer than one Non-Executive Director and two members of the Executive (who need not be Directors).

Attendees should include but are not restricted to:

- MD Growth
- MD Heritage
- Head of FP&A

From time to time other Non-Executive Directors and members of the Society's Management team may be invited to attend meetings when appropriate.

3. Frequency of meetings

The Committee will meet at least 4 times per annum and the secretariat will be provided by Karen Palfrey. Papers will be coordinated by the Customer Strategy Director and will be sent to attendees a minimum of 72 hours in advance of the meeting.

4. Reporting & Escalation

Standing agenda will include:

- Review of minutes of the last meeting / actions arising
- Foundation Governance
 - Operational Plan progress
 - Financial Performance
 - Risk Report
- Member Strategy progress against plan
- Customer Strategy progress against plan
- TCF and Customer Satisfaction reports
- Review of Risks
- AOB

Minutes recording decisions and actions will be sent out to the Member & Customer Sub Committee members.