

Board Membership Policy

Sections Amended	Date of Approval	Approved by
Required review having regard to New Abri Rules and adopted NHF Code of Governance and combining several policies into one central document	24/11/2021	Group Board
Policy updated to include: - Non-Executive Director Payments (previously a stand-alone policy) - Abri's approach to Board Member grievance	24/11/2022	Group Board
Policy updated to include Regional Boards. Further clarity added around board recruitment and terms of office.	26/07/2023	Group Board
Policy updated to remove references Regional Boards, to reflect changes to terms of office, to provide clarity on co-optee voting and to remove/update some of the detail around board training and development.	22/10/2025	Group Board
References to Octavia removed further to Transfer of Engagements	30/03/2026	Chief Governance Officer

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Board Membership Policy

1. Introduction

- 1.1 Abri's aim is to have strong and effective governance arrangements tailored to our needs to support the delivery of our corporate objectives, vision and values.

2. Policy Statement

- 2.1 Abri's Board Membership policy provides a supporting framework within which Abri is able to operate under the principles of good governance, including ensuring transparent management of Board and Committee Members. These areas include:

- Membership and composition of the Board
- Skills, experience and competencies
- Board Member recruitment, selection, appointment and removal
- Terms of office
- Board member induction and development
- Appraisal and evaluation
- Succession planning
- Diversity
- Remuneration and expenses
- Conflict of interests
- Board member grievance
- IT equipment

For the purposes of this policy, 'Board Member' shall be defined as members of Abri Group's Board, but this policy shall also apply to all non-executive directors, committee members and co-optees of all the Registered Providers and subsidiaries of the Group.

For the purposes of this policy, the 'Registered Providers' shall be defined as including Abri Group Limited, Swaythling Housing Society Limited and Oriel Housing Limited.

3. Membership and Composition of the Board

- 3.1 Board Membership shall be open to all people of 18 years or over who openly and genuinely support the principle of providing affordable housing and who have no business interest in Abri. Those appointed to the Board shall have the aims and objectives of Abri as their primary motivation for seeking appointment.
- 3.2 The Board will be a Group Board comprising the Registered Providers, between 5 to 12 members, including the Chief Executive Officer and the Chief Financial Officer. Co-optees may be appointed with specialist skills and experience and will not be counted in the membership threshold (the Board may co-opt up to 5 co-optees; co-optees may act in all respects as a Board Members and cannot take part in deliberations or vote on the election of officers or any matters directly affecting Shareholders).
- 3.2 The Board may appoint both customer and other independent members to its committees; the Board is responsible for determining the appropriate number of independents appointed. The independent members are not regarded as non-executive directors or co-optees and will not be counted in the membership threshold.

4. Skills, Experience and Competencies

- 4.1 Abri's Group Board will be made up of people who have or acquire a diverse range of skills, experience and competencies to function effectively. The list of skills, experience and competencies is regularly reviewed by the People and Culture Committee (PACC) so that it remains up to date.
- 4.2 At least once every 12 months the Board shall carry out a review of its skills, strengths and areas for enhancement in order to ensure its continuing effectiveness ('Board Effectiveness Review'). As part of this review, the Board will identify skills absent amongst its current membership or those which are under-represented.

5. Board Member Recruitment, Selection and Appointment

- 5.1 Abri's Group Board member recruitment is open, transparent, merit based and follows best practice in terms of equality, diversity and is mindful of any potential conflict of interest. PACC will oversee the work, tailoring the process to suit Abri's particular skills, competencies, diversity and lived experience requirements at the time to ensure that Abri's Board has the right collective skills and attributes to govern effectively.
- 5.2 Abri may use the services of recruitment consultants; alternatively, Abri may use the in-house resources to carry out the recruitment process. The process must be agreed with PACC prior to the commencement of recruitment. Recruitment for the Chair of the Board should always include recruitment consultants.
- 5.3 Prospective new Board Members will be interviewed by a recruitment panel, usually consisting of three PACC members (and external consultants where appropriate); the Board reserves the right to change membership of the recruitment panel to include Committee Chairs as appropriate. Subject to a satisfactory conclusion to the recruitment process, PACC will make a formal recommendation on any appointment (Board Member, Co-optee or Independent) to the Board for approval.
- 5.4 Newly appointed members will receive a formal letter of appointment specifying their duties, responsibilities and obligations and an agreement for services required to be signed. Failure to sign the agreement will lead to the termination of the appointment.

6. Terms of Office

- 6.1 Board Members will be appointed for a one-year term of office to ensure the skill set remains right for Abri as an evolving sector. There is the option to extend for a maximum of 6 years (in line with the NHF Code of Governance 2020), however this should be kept under annual review as part of the annual appraisal process. Time served as a co-optee will be taken into account in calculating the overall maximum term of tenure.
- 6.2 Any Board Members joining the Group Board as a result of mergers or acquisitions must have at least 12 months term remaining. Any term served on the Board of the entity of the merger or acquisition will count towards the maximum tenure. For example, if a member joined the Abri Board having served 3 years on the merger

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entity, the member can serve a maximum of 3 years on the Abri Board due to the 6 year maximum tenure limit.

7. Board Member Induction and Board Development

- 7.1 Abri uses a Board Member induction programme to support new Board Members to become effective as quickly as possible in their first year. It's tailored to address specific training needs and provide an overview of key information and an introduction to existing Board Members and the Executive Board.
- 7.2 Board Members are expected to actively participate in Board development activities to ensure that they keep up to date throughout their term of tenure. Board Members will not receive additional remuneration for attending training.
- 7.3 Individual training, development and support programmes linked to the outcome of individual appraisals will be arranged.
- 7.4 Attendance of any conferences or external training (for which there is a joining fee) must be linked to individual appraisals and must be approved by the Company Secretary in advance of booking.

8. Appraisal and Evaluation

- 8.1 In line with Clause 13 of Standing Orders, Board Members will receive regular appraisals. On an annual basis the Chair of the Board and Company Secretary shall meet with Board Members individually to appraise their performance. The annual appraisal includes 360 feedback from other Board Members on a matrix based approach and the Executive Board. The purpose of this is to provide holistic feedback to individual Board Members during the appraisal. The Chair and Company Secretary shall use the meeting to also agree objectives and future aspirations as well as identify individual training needs.
- 8.2 The Chair is responsible for providing assurance to PACC, who oversee the appraisal process, in relation to the appraisals and will provide an overview of objectives set for the individual Board Members.
- 8.3 The Chair shall be appraised on an annual basis; this shall be led by the Senior Independent Director (**SID**) and PACC. The SID shall meet with the Board Members and Executive Board Members without the Chair present to seek views on the performance of the Chair.
- 8.4 In addition to individual appraisals the Board should carry out annual Board Effectiveness Reviews. These can be carried out in-house on an annual basis; however, at least every three years this must be carried out by independent consultants.
- 8.5 The outcomes of the Board Effectiveness Reviews will inform the annual Governance Action Plan to ensure continuous improvements. PACC is responsible for agreeing the scope of any external governance reviews prior to their commencement.

9. Succession Planning

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- 9.1 The Board needs a balance of new Board Members to bring fresh perspective and longer serving Board Members to preserve continuity of experience and decision making. Abri has a planned, timely and smooth Board refreshment and renewal process in place. Responsibility for Board succession planning is delegated to PACC. This will be carried out for the Board, Committees and any subsidiary Boards.
- 9.2 The Board appraisal process will inform the succession plan in terms of Members' intentions and aspirations, in order to ensure effective renewal and succession planning for the Board and the Executive.

10. Diversity

- 10.1 While not setting specific diversity targets, Abri is actively committed to achieving diversity on the Board which reflects the demographic in which Abri operates. This will be considered as part of the recruitment criteria for Members.

11. Remuneration

- 11.1 Board Members, Co-optees and Independent Committee Members are all remunerated in line with their agreement for services, to ensure that Abri is able to recruit and retain individuals with the necessary skills, knowledge and experience required to govern Abri and contribute to its success in delivering effective governance to the Group. Remuneration acknowledges the skilled contribution, time commitment and legal responsibilities that Members accept on appointment.
- 11.2 Board Members are not entitled to any other payments or benefits (such as dividends, other emoluments, bonus schemes and pension schemes) other than their fees or the reimbursement of expenses necessarily and legitimately incurred under the Expenses Policy for Non-Executive Board & Committee or Panel Members. Board Members are considered to be office holders and have no relationship with Abri that constitutes that of one between employer and employee.
- 11.3 The level of fees will be reviewed at least every two years by the PACC (independent benchmarking shall be sought) in order to ensure that payment levels remain appropriate for the size and complexity of the Group. Any changes to remuneration levels require the approval of the Group Board, further to recommendation from PACC.
- 11.4 Members will receive only one fee for acting as a Board Member, regardless of how many Boards or Committees within the Group they are a member of. Supplementary fees may be paid for specific roles, such as Committee Chair.
- 11.5 Members are permitted to decline a fee. If a fee is declined, Members may request for it to be reinstated at any time. Fees would become payable from the date of the request to resume payments.
- 11.6 Payment is to individuals personally by means of set annual fees, paid by equal monthly instalments in arrears, net of PAYE and NIC. In circumstances where fees are not paid net of PAYE or NIC, Board Members will be personally responsible for the declaration and payment of any relevant tax and National Insurance contributions.

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- 11.7 In setting and paying fees the Group undertakes to take account of relevant legal advice where necessary and current taxation law.

12. Expenses

- 12.1 Abri will reimburse members of its Boards, Committees and Panels, for expenses incurred wholly and necessarily in the course of their obligations to Abri. A separate policy provides further information on this (Expenses Policy for Non-Executive Board & Committee or Panel Members).
- 12.2 As part of our commitment to transparency Abri may publish details of expenses paid.

13. Conflict of Interests

- 13.1 Clause 23 of Standing Orders provides guidance on how Board Members must deal with any overlapping responsibilities and any resulting conflicts of interest.

14. Board Member Grievance

- 14.1 Abri's adopted Code of Governance (NHF 2020) requires organisations to document how grievances and disputes involving members of the Board can be raised, and how they are responded to.
- 14.2 It is hoped that Board Member disputes and grievances can be handled through candid discussions informally, outside of Board meetings.
- 14.3 If a member has a dispute with another Board Member that they cannot resolve informally or would like to raise a grievance, they may do so by contacting the Chair (or the SID) if the grievance relates to the Chair).
- 14.4 The Chair will arrange a formal meeting with the Board Member to discuss the matter. The Chair will be supported by the SID. The SID may request support from the Chair of the Group Audit and Risk Committee if the grievance relates to the Chair. The Company Secretary will provide governance advice, as appropriate.
- 14.5 Following the meeting, a letter outlining the concerns and actions agreed will be provided by the Chair to the Board Member raising the grievance. If the matter involved the Chair, the SID will provide the letter outlining the concerns and actions agreed.
- 14.6 If the matter is not successfully resolved, or if it is considered necessary for an investigation to take place, the Chair and/or SID will refer the matter to PACC. PACC will hear from both the Chair and/or SID and the Board Member concerned. Following the meeting, the Chair or SID will send a letter to the Board Member who raised the grievance, outlining the concerns and the actions agreed. This action plan will be final with no further appeals or review.
- 14.7 Should the recommendation of PACC be to remove the Board Member concerned, removal will take place in line with section 15 of this policy.

15. Removal

- 15.1 Normally Board Members will resign or retire at the end of their term of office. Where a Board Member is not willing to resign under the circumstances described

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in Abri's Rules (D7) or for other reasons, they may be removed by the Board or by the shareholders in line with Abri's Rules (D8). In the event of conduct issues or performance concerns (that are not raised as a 'grievance'), the Chair shall consult with the Company Secretary on next steps in accordance with the Rules.

- 15.2 In the event of concerns about the Chair (that are not raised as a 'grievance'), the SID should consult with the Company Secretary.
- 15.3 PACC will be consulted to make any necessary recommendations to the Board in relation to the removal of a Board Member; this must be carried out in accordance with the Rules.

16. IT equipment

- 16.1 Abri will supply a tablet, or suitable alternative as technology dictates, for Board Members to undertake their role. Appropriate security and access to any systems and / or applications which support their work will be organised. Abri will provide training and support. Unless there are exceptional circumstances, Abri will not pay for set up costs for any broadband / internet connections. Abri expects its Board Members to comply with the IT Security Policy at all times when using Abri's IT equipment.
- 16.2 Any equipment provided for Board Members to fulfil their role must be returned when they cease to be a Board Member for whatever reason; this includes access passes. Abri retains ownership of all equipment and software.

17. Related Policies

- Shareholder Policy
- Standing Orders
- Whistleblowing Policy
- The Rules
- Expenses Policy for Non-Executive Board & Committee or Panel Members
- IT Security Policy