

CORPORATE

Terms of Reference
**of the Committee
on Staff Remuneration
and Budget**



European
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Bank

The EU bank 



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Terms of Reference of the Committee on Staff Remuneration and Budget

*Adopted by the Board of Directors in September 2018
Effective as from 18 September 2018*

1. Mandate

- 1.1. The role of the Committee on Staff Remuneration and Budget (hereby, "REMCOM" or "the Committee") shall be to pre-discuss (i) remuneration and pension review issues and (ii) Operating Expenses budget revisions, with a view to preparing the ground for Board discussions on budget, staff remuneration and pensions. In any event, the Committee shall be consultative and shall provide only opinions without prejudice to the decision-making process of the governance of the Bank and the respective powers of the Board of Directors and the Management Committee.

2. Duties

- 2.1. The Committee advises the Board of Directors on the overall EIB's staff remuneration and pensions system, namely:
 - The methodology for the salary adjustment proposal;
 - Overall review of the remuneration system for salaries, pensions and performance award;
 - The rationale for proposals and revisions related to the salaries and performance award budget.
- 2.2. The Committee advises the Board of Directors on the Operating Expenses budget, including the rationale for proposals and revisions related to the Other Operating Expenses budget.
- 2.3. The Committee may provide opinions and/or recommendations to the Board of Directors on any of the above.
- 2.4. The Committee will organize its activities around a work schedule as much as possible.

3. Composition

Membership

- 3.1. The Committee shall be composed of nine (9) members of the Board of Directors, appointed by the Board of Directors on a proposal by the Chairman of the Board of Directors, with one per Member State or group of Member States that nominate alternate Directors as specified under Article 9(2) of the Statute. Members willing to resign from the Committee shall promptly notify the Secretary General of their resignation and of the date on which that resignation is to take effect.
- 3.2. Membership of the Committee is on a voluntary basis. All Board Directors and alternate Directors are eligible. However, reasonably broad representation should exist across Member States.
- 3.3. Each member of the Committee is entitled to appoint an alternate member of the Committee, to be chosen among Board Directors or alternate Directors of its Member State or group of Member States that nominate alternate Directors as specified under Article 9(2) of the Statute. This alternate member of the Committee replaces the member of the Committee in case of absence of the latter.
- 3.4. The Committee may invite the Board's experts to join the meetings. Members of the Committee may specifically request an opinion or a piece of analysis from these experts, or when specifically needed from external experts.

Chairmanship

- 3.5. As a Committee of the Board of Directors, the chairmanship shall be on the same basis as for the Board itself (i.e., as laid down in Article 9(2) of the Statute and in Article 11.3 of the Bank's Rules of procedure) and hence it shall be chaired by the EIB President, who may delegate the chairmanship to a Vice-President or a member of the Committee.

Staff representatives

- 3.6. Staff Representatives should be invited to express their views on staff remuneration and pension issues before the Committee comes to its conclusions, notably in view of the importance attached by the competent legal instances to the issue of consultation and in the light of the legal provisions applicable to Staff Representation at the Bank. Participation would be voluntary.

4. Meetings

Notice of meetings

- 4.1. The Chairman of the Committee convenes Committee meetings in writing by any communication means, including electronic means.
- 4.2. Notice of Committee meetings shall be issued not less than ten (10) working days before the meeting. Supporting documents shall normally be issued not less than ten (10) working days before the date set for each meeting.
- 4.3. The Committee meets at least 2 or 3 times a year or more frequently at the request of the Chairman of the Committee or at the request of a minimum of three (3) members of the Committee. Special sessions of the Committee may be called to facilitate the preparation and discussion on staff remuneration and budgetary issues, in particular in view of the preparation of the Bank's Operational Plan ("OP") by the Management Committee.
- 4.4. Members can request elements to be included on the agenda in writing to the Secretary General no less than five (5) working days before the meeting. For items that are requested at least a calendar month before the meeting, the requesting member or the Chairman may ask that it be accompanied by a report from the EIB services reviewing the specific questions raised.
- 4.5. Meetings can consist of a gathering of all participants in a physical location, or of video or telephone conferences. Meetings may be scheduled on the eve of Board meetings or, when longer discussion and/or preparation time is required for the Committee to issue its opinions and recommendations, separate from the Board of Directors meetings.

Meeting attendance and support

- 4.6. The Head of Personnel and, if and when needed, other appropriate staff, attend every meeting of the Committee and answer directly the questions of the members of the Committee. Members of the Management Committee may attend REMCOM meetings.
- 4.7. The Secretary General of the Bank shall attend each meeting of the Committee and, in accordance with Art. 11.3 of the Rules of Procedure of the EIB, shall provide secretarial services for the Committee. The Secretary General may delegate this task to another staff member under his/her direct responsibility.
- 4.8. In the interests of preserving confidentiality, as a rule attendance is strictly restricted to the Chairman and the members of the Committee. The Chairman of the Committee may decide, exceptionally and at their request, to allow other Board members who are not members or alternates of the Committee to attend the meeting as observers.

Committee's Opinions

- 4.9. The Secretariat is responsible for the preparation of opinions and recommendations in relation to issues discussed by the Committee, as submitted by the Management Committee and for the submission of these opinions and recommendations to the Board of Directors on behalf of the Committee.
- 4.10. In addition, Committee members can table opinions to the Committee on issues within the Committee's mandate.
- 4.11. Formal opinions and recommendations of the Committee are reached, where possible, by consensus. In case this would not be possible, any disagreement is recorded in the opinions and recommendations at the request of the Committee members concerned.

Meeting Report

- 4.12. The Board of Directors should be regularly informed of the progress of the Committee. To that end, next to a statement by the President at the Board of Directors, an outcome note will be produced following each Committee meeting.

5. Disclosure and confidentiality

- 5.1. Confidentiality and non-disclosure shall be governed by the relevant provisions of the Code of Conduct of the Board of Directors.
- 5.2. The present terms of reference and the names of the members of the Committee will be published on the Bank's website.

6. Modification of the terms of reference

- 6.1. The present terms of reference are adopted by the Board of Directors.

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