



PEOPLE, REMUNERATION & CULTURE COMMITTEE CHARTER

1. PURPOSE

This Charter sets out the basis on which Business NSW's (BNSW) Board of Directors (Board) has established, under BNSW's Constitution, the People, Remuneration & Culture Committee (Committee).

The purpose of the Committee is to assist the Board to ensure that BNSW and its related entities (Group) has appropriate people, remuneration and succession strategies, policies and controls in place to:

- (a) attract, retain and motivate high calibre officers and employees that will drive the long term financial, commercial and for-purpose growth and success of the Group within the Board's risk appetite;

- (b) foster a culture that is aligned to the Group’s organisational values and is diverse, equitable and inclusive;
- (c) comply with regulatory requirements;
- (d) create alignment of people and remuneration related policies, frameworks and policies with the Group’s purpose, strategy and culture;
- (e) maintain relevant in response to changing market conditions and practices;
- (f) manage Board succession planning.

The operation, powers and responsibilities of the Committee are governed by this Charter.

The Charter will be made available to members of BNSW via the BNSW website.

2. MEMBERSHIP

2.1. Composition

The Committee will be comprised of at least 3 and not more than 5 non-executive members of the Board if the composition of the Board and expertise of the directors make this practicable to do so.

The President is automatically, by virtue of their position as President, a member of the Committee.

Membership of the Committee shall be published in the annual report.

2.2. Appointment

The President of BNSW will nominate, and recommend to the Board for approval, the members (including the Chair) of the Committee. The President is not eligible to serve as Chair of the Committee.

The Board will endeavour to appoint a Chair and members who have the desired skills and experience for membership of the Committee.

2.3. Tenure

The Board will review the membership of the Committee every two years.

It will be the responsibility of the President to advise the Board of the time for the review of Committee membership.

Membership of the Committee will continue until:

- (a) revoked by the Board;
- (b) the member resigns from the Committee by giving written notice to the Chair of the Committee, the Company Secretary or the President; or
- (c) the member ceases to be a member of the Board.

2.4. Secretary

The Company Secretary to the Board will be the Secretary of the Committee, unless otherwise determined by the Board.

3. MEETINGS

3.1. Frequency

The Committee will meet as often as it deems necessary to discharge its responsibilities, though it is intended that the Committee will meet no less than three times per year.

3.2. Notice

The Chair may call a meeting of the Committee at any time by giving reasonable notice, taking into account requests from any member, the Chief Executive Officer or Company Secretary.

The Secretary will aim to circulate the agenda and papers for a meeting at least seven days prior to the meeting.

3.3. Quorum

A quorum shall consist of two members of the Committee.

3.4. Chair

In the absence of the Chair at a meeting, those present shall appoint a Chair for that meeting.

3.5. Attendance

Any member of the Board who is not a member of the Committee is permitted to attend Committee meetings.

Unless otherwise directed by the Committee, the Chief Executive Officer, Company Secretary, Executive Director, People Culture & Workplace and the Chief Financial Officer (or their respective equivalents) have standing invitations to attend Committee meetings.

The Committee may also have in attendance such other members of management or others as it may deem necessary to provide appropriate information or assistance to the Committee.

Members may attend Committee meetings in person or participate by videoconference or other electronic means.

3.6. Decisions

The Committee will strive to achieve consensus in decision making. However, in the absence of consensus, decisions will be by majority vote. Each member has one vote. The Chair does not have a casting vote.

Decisions of the Committee may be made, in the absence of a meeting, by written resolution signed by all members of the Committee.

3.7. Minutes

Minutes of Committee meetings will be prepared by the Secretary, approved by the Chair in draft and circulated to the Committee. Minutes of a Committee meeting will be confirmed at the next meeting and signed by the Chair. Minutes of Committee meetings will be tabled with the Board.

4. DUTIES AND RESPONSIBILITIES

In addition to considering any matter referred to it by the Board or another Board Committee, the Committee has the following duties and responsibilities:

4.1. People and Culture

1. Exercise oversight of the People, Culture & Workplace Strategy.
2. Consider the adequacy of controls, and those policies in respect of which approval is reserved to the Board, in relation to compliance with relevant legislation related to people management, including but not limited to WHS, employment, industrial relations, equal opportunity and anti-discrimination regulation.
3. Monitor key people metrics, including:
 - 3.1. employee engagement and culture survey results;
 - 3.2. turnover rates;
 - 3.3. gender pay gap;
 - 3.4. diversity measures;
 - 3.5. leave balances;
 - 3.6. budgeted headcount; and
 - 3.7. performance plan completion rates.
4. Ensure that succession plans for an interim CEO, and the Executive Leadership Team (ELT), are in place.

4.2. Remuneration and Performance of CEO and ELT

1. Review the effectiveness of the Group's remuneration framework, strategies, policies and practices, including having regard to whether they:
 - (a) create a clear relationship between performance and conduct and remuneration;
 - (b) comply with regulatory requirements;
 - (c) are consistent with contemporary market practice;
 - (d) encourage behaviours which appropriately mitigate against operational, financial, non-financial, regulatory and reputational risks;
 - (e) reward conduct that is contrary to BNSW's values, culture or risk appetite.
2. Review the remuneration and other key employment arrangements of the CEO and ELT against the Group's remuneration framework and make recommendations to the Board in relation to changes to such remuneration or employment arrangements.
3. Review and make recommendations to the Board in relation to the key accountabilities and performance measures of the Chief Executive Officer.
4. Assist the President in undertaking an annual performance review of the CEO.
5. Review and recommend to the Board any amounts provisioned for the payment of discretionary bonuses.
6. Review and recommend to the Board the remuneration for Board members, Board and Committee Chairs, Policy Chairs and Councillors.

4.3. Board Skills and Succession

The Committee will support the Board in its skills and succession planning in the manner outlined below and having regard to the role that BNSW's State Council plays in the election of the President, Vice-President and six 'Elected Directors'.

1. Evaluate nominees to the Board as Appointed Directors and provide a list of the Committee's preferred candidates to the Board for consideration.
2. When required, in light of material changes to the activities or strategy of BNSW or the external environment, review the need for various skills and experience on the Board and its Committees against current Board Skills Matrix and make recommendations to the Board regarding the requisite competencies.
3. Consider the adequacy of director nomination processes and make recommendations to the Board in relation to changes to such processes.
4. Develop and maintain a Board succession plan for consideration by the Board.
5. Oversee the development and implementation of a suitable induction process for new Directors.
6. Oversee the development and implementation of a process for evaluating the performance of the Board, its Committees and Directors.
7. Review all policies or manuals relating to the administration or conduct of the Board itself and make recommendations to the Board if changes are required.

5. POWERS

5.1. Decision Making Authority

Except where expressly stated in this Charter, the Committee discharges its responsibilities by making recommendations to the Board.

5.2. Access

The Committee is authorised to seek any information it requires from any officer or employee of BNSW that is necessary to allow the Committee to fulfil its duties and responsibilities. Requests for information should be made through the Committee Chair to the Chief Executive Officer, Executive Director, People Culture & Workplace or the Company Secretary.

5.3. Independent Advice

The Committee may take such independent professional advice, as it considers necessary, subject to the prior notification to and approval from the President. The Committee must comply with any policy or procedure set down by the Board in respect of seeking such advice.

6. REVIEW AND AMENDMENT OF THIS CHARTER

The Board shall review this Charter to determine its adequacy in light of BNSW's operations, risk environment and strategy, the external environment and contemporary governance practice at least once every two years, or sooner if material changes to business activities or the external environment warrant a review.

When it is deemed necessary to do so, changes will be recommended to the Board for the formal adoption of a revised Charter for the future operations of the Committee.

7. APPROVAL AND REVIEW

Approved by	Board
Policy owner	Human Resources & Succession Committee
Date issued	22 December 2022
Last review date	22 December 2022
Review schedule	December 2024
Replaces	Human Resources & Succession Committee Charter (18 September 2018)