

# People & Culture Committee - Terms of Reference (Specific)

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## Board Charter Appendix 19

### People and Culture Committee - Specific Terms of Reference\*

*\*to be read in conjunction with the Board Committee "General Terms of Reference" located in the Board Charter – "Board Committee Operations" (AQuA 2022)*

#### Purpose

The People & Culture Committee is formed to assist the Board in fulfilling its responsibilities by advising and assisting the Board in relation to organisational culture, employee experience, people management and remuneration, nomination, appointment and performance of Directors, the CEO and senior executives.

#### Responsibilities

##### 1. Culture

- 1.1 Oversees the development and measurement of Activ's culture, by the Chief Executive Officer (CEO) and Executive Team;
- 1.2 Reviews the performance of the CEO and Executive Team in managing Activ's people policies and practices to ensure that they are consistent with the Activ's Purpose, strategy and objectives and support the values and culture; and
- 1.3 Approves the Code of Conduct and review implementation of strategies by the CEO and Executive Team to embed the Code of Conduct in Activ's practices and processes.

##### 2. Remuneration and benefits

- 2.1 Reviews the Board Chair Remuneration (Honorarium) and recommending any adjustments to the Board for endorsement to seek approval from Council;
- 2.2 Ensures Activ has competitive employment conditions and remuneration structure and reviewing Activ's remuneration framework and its specific application to the CEO and the Executive Team;
- 2.3 Oversees any major changes recommended by the CEO in employee benefits structures that will have a material cost or risk implication to Activ;
- 2.4 Reviews contractual arrangements, remuneration and benefits in relation to the CEO and the recommendation of the CEO in regard to the Executive team;
  - On appointment;
  - Where any change is being considered to the remuneration of the CEO and Executive Team;
  - At the end of the financial year, including assessment of the CEO's and Executive Team's performance against the set key performance indicators and related salary recommendations and the setting of forward targets and objectives;
  - Prior to the implementation, termination or changes to contract terms of the CEO or Executive Team or to any aspect of their remuneration not specifically addressed elsewhere in these terms of reference;

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- 2.5 Provides recommendations to the Board for recognition for Service Appreciation in the form of Honorary Life Governors, Honorary Life Friends and Certificates of Appreciation, prior to the Annual General Meeting.

### **3. Board and Non-Executive Director Performance and Evaluation**

- 3.1 Developing and maintaining processes to enable the performance of the Board, Board Committees and Council to be monitored and improved; and
- 3.2 Developing and overseeing the performance evaluation process for the Board, the Board Committees and individual directors (including, where appropriate, engaging appropriately qualified external advisers and both peer and self-assessment of performance) using the Evaluation of Committees Procedure (AQuA 874).

### **4. Board and Board Committee Performance, Succession Planning and Development**

- 4.1 Periodically reviewing the size and composition of the Board and its Committees and the mix of skills, experience, independence, knowledge and diversity represented by directors on the Board and each Committee to determine whether the composition and mix remain appropriate for the Activ's Purpose and strategic objectives and whether they cover the skills needed to address existing and emerging business and governance issues relevant to Activ;
- 4.2 Developing and implementing a succession planning process for the identification of suitable candidates for appointment to the Board, the position of Chair (and Deputy Chair) of the Board and each of the Board's committees and Council. This may include seeking assistance from appropriately qualified independent recruitment consultants and conducting appropriate checks;
- 4.3 Reviewing and making recommendations to the Board on Board's and Committees' Membership, and Chair/Deputy Chair appointments;
- 4.4 Providing recommendations to the Board on Board and Council (Board appointees) candidates it considers appropriate for appointment, election or re-election;
- 4.5 Ensuring new Board and Board Committee members are appropriately inducted; and
- 4.6 Overseeing, reviewing and making recommendations to the Board in relation to the training and development program for directors (including induction processes and ongoing education) and regularly review the effectiveness of these processes.

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### **5. Performance management, succession planning and development of CEO and Activ's Leadership team.**

- 5.1 Undertaking an annual review and making recommendations to the Board in relation to the performance, succession planning, development and talent management framework for the role of CEO including reviewing:
- The appointments of Executive Team members recommended by the CEO; and
  - The performance objectives for the CEO and the recommendation by the CEO in regard to performance objectives of the Executive Team;
- 5.2 Reviewing the monitoring and evaluation of the performance of the CEO and of the CEO's evaluation of the performance of the Executive Team;
- 5.3 Succession planning for the CEO and monitoring succession planning for the Executive Team; and
- 5.4 Induction and development for the CEO.

### **6. People, performance, capability & capacity**

- 6.1 Review the management of people strategies, policies and practices by the CEO and Executive Team to ensure they:
- a) Are compliant with relevant legislative, regulatory and governance requirements;
  - b) Enable and promote delivery of Activ's culture and values; and
  - c) Align to the achievement of Activ's strategy and objectives, are performance oriented and enable the development and implementation of initiatives to attract, retain and develop the people required by Activ to achieve its purpose and ambitions.
- 6.2 Review and make recommendations to the Board in relation to principles underpinning the Activ's industrial instruments including broad strategic issues and options, as recommended by the CEO.

### **7. Equity & Inclusion**

- 7.1 As appropriate, make recommendations to the Board on diversity and inclusion matters including strategies and measurable objectives, as recommended by the CEO.