

# Governance, Remuneration and Culture Committee Charter

(as at November 2024)



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# 1 Purpose

- 1.1** The purpose of the Governance, Remuneration and Culture Committee (the Committee) is to oversee:
- (a) the transition for Newco to establish the integration of the culture, and consolidation of the organisation, as it transitions to its new ways of working;
  - (b) the Board's governance framework within which the Trustee operates;
  - (c) the design, implementation and monitoring of the remuneration framework; and
  - (d) the people and culture programs.
- 1.2** The Board is ultimately responsible for the remuneration framework and will establish clear accountabilities and expectations for risk management (including risk culture), consequence management and conduct management. The Board can exercise its discretion to challenge and override recommendations from the Committee in compliance with Prudential Standards and the Remuneration Policy.

# 2 Membership

## **2.1 Size**

The Committee will comprise of a minimum of five (5) Directors.

## **2.2 Appointment**

Committee members are appointed by the Board in line with the nomination, appointment and renewal principles set out in the Governance Policy, including those that support appropriate skills and diversity on the Committee.

## **2.3 Committee Chair**

The Board will appoint one of the Committee members who is a Board Director as the Committee Chair. If the Committee Chair is unable to attend a meeting or has a conflict of interest in relation to a meeting agenda item, the Committee members present may appoint another Board Director as acting Chair for the meeting, or meeting agenda item.

## **2.4 Tenure**

The terms of the Committee members, including the Committee Chair, will coincide with their terms of the Board, unless the Board determines otherwise.

## **2.5 Observing Directors**

All Board Directors are welcome to attend the Committee meetings and may participate at the invitation of the Committee Chair but will have no voting rights.

## **2.6 Secretary**

The Company Secretary (or nominee) will act as secretary to the Committee.

# 3 Responsibilities

Without limiting the general role or powers of the Board, the Committee is responsible for:

## 3.1 Culture

- (a) facilitating the transition to CareSuper Pty Ltd by overseeing the integration and consolidation of the organisation's culture;
- (b) providing oversight of the People strategy, and supporting policies and monitoring the implementation and effectiveness of the people and culture programs;
- (c) promote a strong and positive culture, establishing a positive tone from the Committee and ensure there is open dialogue between the Committees and Management;
- (d) reinforce the vision and values for staff to personally behave in a manner consistent with CareSuper's Code of Conduct; and
- (e) receiving reports on various aspects related to workforce management, stakeholder relations, and organisational culture.

## 3.2 Board Governance

- (a) reviewing the fitness and propriety of directors, the Chief Executive Officer (CEO) and other Responsible Persons;
- (b) implementing appropriate processes and governance frameworks to address the Board, Committee and key senior management succession planning and Board governance issues to make appropriate recommendations to the Board as required;
- (c) reviewing and recommending for Board approval, relevant policies in relation to the business of the Committee including this Charter, the Remuneration Policy, the Variable Remuneration Policy (VR Policy), Consequence Management Policy and the Fit and Proper Policy;
- (d) reviewing and assessing the desired mix of skills, experience and expertise for the Board and Committees including identifying any desirable new skills, knowledge and qualities for Directors;
- (e) reviewing and assessing the Board and Responsible Persons Skills Matrix annually (in consultation with all committee Chairs where appropriate) to determine Committee composition and make recommendations for changes where required; and
- (f) facilitating (by engaging external providers where required) and implementing annual and triennial Board and Committee assessments/evaluations and report findings to the Board, and monitor and follow up recommendations and actions determined by the Board.

## 3.3 Remuneration

- (a) establishing parameters for KPIs and assessment of performance for Responsible Persons;
- (b) assessing performance of the CEO and recommend the CEO's Total Employment Costs (TEC) package for Board approval in accordance with the Remuneration Policy, VR Policy and the CEO's employment agreement;
- (c) recommending (and where set out in the Remuneration Policy) for Board approval the TEC package for relevant employees with specified roles (as outlined in the relevant Prudential Standards, in compliance with the enterprise agreement, the Remuneration Policy and the VR Policy);
- (d) annually review and make recommendations to the Board for Director remuneration, taking into consideration relevant market movements for the superannuation industry, including independent relevant benchmark reports, and the Board's performance as a whole;
- (e) reviewing and recommending to the Board, at least annually, the remuneration arrangements, and variable remuneration outcomes (including deferral and/or vesting) consistent with CPS 511;
- (f) reviewing reporting to assess alignment of remuneration outcomes with performance and risk outcomes;

- (g) oversight and reviewing the compliance of the Remuneration Framework against the requirements of Prudential Standards at least annually, and through a triennial effectiveness review of the Remuneration Framework, and assessing the findings (if any) to ensure they are adequately addressed; and
- (h) reviewing the adequacy and effectiveness of the Remuneration Framework annually or following a material change to size, business mix and operating complexity of the Fund and appropriately addressing findings.

### **3.4 Nominations**

- (a) managing the process for the selection and (after Board approval) subsequent appointment of the CEO;
- (b) managing the process for the selection and (after Board approval) subsequent appointment of a new Chair to the Board;
- (c) making recommendations to the Board concerning the subject matters of sections 3.4(a) and 3.4(b). These recommendations are then tabled to the Board for resolution; and
- (d) include nominations and recommendations to Board about director appointments.

### **3.5 Other**

- (a) overseeing the fitness and propriety assessment of new and existing Responsible Persons, including the auditor and/or actuary;
- (b) consulting with the Risk and Compliance Committee, Chief Risk Officer (CRO) and other Board Committees as required for the effective exercise of its responsibilities, including enabling risk outcomes to be appropriately reflected in the remuneration outcomes of persons in specified roles;
- (c) annually reviewing this Charter and making recommendations for change where required;
- (d) performing such other functions as the Board may from time to time request the Committee to undertake; and
- (e) overseeing and approving relevant Committee policies and remuneration policies with input provided by the Risk and Compliance Committee, other Board Committee, including the CRO.

## **4 Meeting Arrangements**

### **4.1 Quorum**

Until otherwise determined by the Board, 75% of Committee members being present forms a quorum.

### **4.2 Holding of Meetings**

- (a) Committee meetings must be held at least four (4) times a year or as often as the business of the Committee requires and as otherwise directed by the Board and/or Committee Chair.
- (b) Meetings of the Committee may be convened at agreed venues, via teleconference, via video conference, or a combination of any of these mediums, at the request of the Committee Chair.

### **4.3 Voting**

- (a) The decisions of the Committee must be determined by 75% of votes of Committee members present and voting.
- (b) The Committee may pass a resolution without a Committee meeting being held if all Committee members or 75% of the Committee members (where notice of the resolution has been given to all Committee members), who are entitled to vote on the resolution (not being less than the number required for a quorum at a meeting of the Committee) assent to a document containing a statement that they are in favour of the resolution set out in the document.

- (c) Where there is an equality of votes among Committee members, the Committee Chair has a casting vote in addition to their deliberative vote, in which case sections 4.3(a) and 4.3(b) do not apply.

#### **4.4 Attendance at Meetings**

The CEO, Company Secretary, Chief of People Officer (or their nominees) are expected to attend the Committee meetings for those parts of the meeting that relate to the assessment and remuneration of relevant staff where there is no conflict of interest, together with relevant executives (or nominees) as required. Other staff may attend the Committee meetings as the CEO or relevant executive considers appropriate.

#### **4.5 Committee papers**

- a) The agenda and committee papers will be distributed to the Committee members no later than five (5) working days before each Committee meeting.
- b) Following the meeting, draft minutes of the meeting will be authorised by the Committee Chair for distribution to all Committee members. The minutes will be confirmed (or amended) at the next Committee meeting and signed by the Committee Chair.
- c) Minutes of each Committee meeting, once available, will be tabled at the next meeting of the Board.

#### **4.6 Conflict of Interest**

Committee members must observe the Board's governance and delegations' policies and conflicts management framework. In particular, Committee members must declare any conflict of interest or duty that arises in the course of the Committee's business and deal with the conflict in accordance with the Board's approved conflicts management arrangements.

## **5 Authority**

**5.1** In the exercise of its functions the Committee will have:

- (a) the power to act in accordance with its delegated authorities;
- (b) free and unfettered access to people and culture personnel and other parties; and
- (c) the power to engage third-party experts, subject to the expenditure limits (if any) imposed by the Board from time to time, to obtain independent advice, as may be required to assist the Committee in the execution of its powers and duties, and the performance of its functions.

**5.2** The Committee will be supported by the Company Secretary (or nominee), who will provide the necessary resources for the Committee's work.

## **6 Reporting to the Board**

The Committee Chair or a delegated representative shall report to the Board on the business of the Committee at each quarterly Board meeting (and on such other occasions as the Board may require). Where necessary the Board will receive the recommendations of the Committee for actioning as it sees fit.

# 7 Interaction between Committees

It is expected that other Board Committees may refer matters to the Committee for its consideration and that all Board Committees will liaise and cooperate to ensure that each Committee deals efficiently with matters within its expertise and that any duplication of work and effort is minimised.

# 8 Review

The Committee will conduct an annual review of its performance and effectiveness. This review process will include an annual review of the terms of this Charter.

# 9 Definitions

Term	Definition
Board	means the Board of directors of the Trustee.
CareSuper Group	means the Trustee and its wholly owned entities.
Directors	means a person appointed or elected to the office of director of the Trustee in accordance with the constitution of the Trustee and, where appropriate, includes an alternate director.
Fund	CareSuper (ABN 74 559 365 913)
TEC	means total employment costs
Trustee	CareSuper Pty Ltd (ABN 14 008 650 628) The Trustee holds a Registrable Superannuation Entity (RSE) licence granted by APRA and an Australian Financial Services (AFS) licence granted by ASIC and is the trustee of the Fund.

# 10 Document history

Version	Reason for amendment	Date approved	Approved by
1.0	First version	17 October 2024	Board