



# People, Culture and Remuneration Committee

## 1. PURPOSE OF CHARTER

This Charter sets out the role, responsibilities, composition and operation of the People, Culture and Remuneration Committee (“**the Committee**”) of United Super Pty Ltd, in its capacity as Trustee (“**Trustee**”) for the Cbus Superannuation Fund (“**Fund**”).

## 2. AUTHORITY

The Committee is appointed and authorised by each of:

- the Fund’s Articles of Association;
- any Trustee Board Charter;
- any separate Board delegations, resolutions and approvals granted to it from time to time.

The Committee is appointed to assist the Trustee’s Board of Directors (“**the Board**”) to fulfil the Board’s statutory, fiduciary, governance and regulatory responsibilities.

## 3. COMPOSITION

The Trustee Board determines the Committee’s composition which includes four directors and the Chair of the Board.

Equal employer and employee representation is a guiding principle to be applied on the Committee, in alignment with the Committee’s skills matrix and requirements.

The Chair of the Committee shall not be the Chair of the Board. The Committee Chair is appointed by the Board.

Should the Committee Chair be absent for all or part of a meeting, or is unwilling to act, the Committee members present shall elect one of their number in attendance to chair the meeting.

The Board must ensure that collectively, the Committee has the skills and experience necessary to carry out the functions of the Committee.

## 4. ROLES AND RESPONSIBILITIES

The overall role of the People, Culture and Remuneration Committee is to assist the Board in the oversight of the Fund’s organisational capabilities and implementation of its people management and remuneration frameworks.

The Committee is also responsible for ensuring that the Fund’s remuneration strategies align to support the achievement of strategic objectives and business plan of the Fund, consistent with its Risk Appetite and the Risk Management Framework, whilst also supporting Cbus’ member-focused culture. It must perform its duties and exercise its powers in the best financial interests of beneficiaries and support the prevention and mitigations of conduct risk.

## 5. SCOPE OF AUTHORITY

The Committee may, within the scope of its authority:

- perform activities and make recommendations to the Board consistent with this Charter;
- engage independent counsel and other advisors as it considers necessary to carry out its duties; and
- require the attendance of and access to Management, employees and information necessary for the performance of its functions.

## Specific Authority

The Committee has the following specific authority along with any other matters as directed by the Board.

### a. People and Culture

Oversight of:

- Organisation people metrics, including employee engagement with Key Performance Indicators (KPIs);
- Adequacy of resources across the Fund including organisational structure and design;
- Succession planning for Group Executive, Senior Management and key person;
- Diversity and inclusion objectives and metrics;
- Any material People and Culture-related strategies; and
- The Fund's people and culture frameworks and initiatives (including performance and leadership frameworks, metrics, surveys, as outlined in the Risk Management Strategy).

### b. Remuneration and Entitlements

Review and make recommendations to the Board on:

- Amendments to the Fund's Remuneration Framework and Policy, and ensuring the Policy is reviewed annually and that the Framework is reviewed independently every three years;
- The remuneration of Executives and all Specified Persons covered by the Remuneration Policy on an annual basis; and
- The structure and quantum of director fees for all group entities on an annual basis;

The Committee is also responsible for:

- Conducting an annual review of the Cbus Property Short Term Incentive (STI) program and implementation report;
- Considering any other matters that may be relevant to the Remuneration Framework, including requesting comprehensive reporting that will allow the Committee to determine whether remuneration arrangements align with Cbus' strategic objectives, business plan, Risk Management Framework and roles and responsibilities of the Committee;
- Oversight of the Variable Pay Program (VPP) including annually reviewing and endorsing the VPP outcomes for eligible Executives to the Board for approval and annually noting the VPP outcomes for other cohorts; and
- Providing in-principal approval of Enterprise Agreement arrangements prior to staff vote, following the conclusion of after all Executive Management negotiations and arrangements. In the event of the rollover or extension of an Enterprise Agreement, in principal approval from the Executive Management will be reported to the next Committee meeting.

### c. CEO Performance

- The Committee will annually review and endorse the following items to the Board for approval:
  - CEO Key Performance Indicators;
  - CEO Performance review; and
  - CEO Remuneration.

## 6. OTHER WORK AS DIRECTED BY THE BOARD MEETINGS

The Committee will meet at least three times per year. All Committee members are expected to attend each meeting.

The Chief Executive Officer and the Group Executive - People and Culture will attend all meetings except where their own remuneration is to be discussed.

## 7. COMMITTEE MEMBER ACCESS

The members of the Committee, in carrying out their duties, must have free and unfettered access to:

- the CEO and Group Executive of the Fund;
- risk and financial control personnel and other parties (internal and external); and
- other Board Committees.

Additionally, members of the Committee must be able to engage third-party experts, in a manner that ensures that the engagement, including any advice received, is independent.

Members of the Committee must also be available to meet with APRA on request.

## 8. AUDITOR ACCESS

The Auditor/s shall have right of access to the Committee or its Chair at any time.

## 9. VOTING/QUORUM

A quorum of the Committee is two thirds of members (i.e., at least three members). The Chair of the Committee will ensure that quorum is met prior to commencing the meeting.

Two-thirds majority of members (at least three) is required for all resolutions. Trustee Directors who are not Committee members may attend the meeting, but do not have a right to vote.

## 10. A COMMITTEE MEMBER CAN APPOINT ANY BOARD DIRECTOR AS THEIR PROXY. CONFLICTS OF INTEREST

All Directors must have the ability to recognise and disclose actual, perceived and potential material conflicts and ensure they are appropriately managed or avoided so as to ensure that priority is given to interests of the Fund's beneficiaries.

Where there is a conflict, the Committee must give priority to the duties to and interests of the beneficiaries of the Fund over the duties to and interests of other persons and ensure that the duties to the beneficiaries are met despite the conflict and that the interests of the beneficiaries are not adversely affected by the conflict.

Conflict procedures are included as a standard Committee agenda item for every meeting. The Committee Chair reminds Directors at the beginning of every meeting of their obligation to disclose any conflict or potential conflict with regard to any agenda item for consideration at that meeting.

Any identified conflicts are recorded as well as the action taken to avoid or manage the conflict in accordance with the Trustee's Conflict Management Policy.

## 11. COMMITTEE ADMINISTRATION

The Company Secretary and Governance Team services this Committee, and are responsible for:

- the preparation of Committee minutes; and
- the collation and distribution of Committee Reports to members.

Papers are distributed to all Directors one week prior to the meeting date.

The Committee Chair will approve each meeting's agenda, with the auditor/s retaining the ability to add items to the agenda as they see fit.

## 12. REPORTING

The Chair of the Committee will provide a report to the Board on matters discussed at the Committee.

The Committee will refer any matter impacting the Risk Management Framework to the Risk Committee for consideration.

The Chief Executive Officer is responsible for the implementation of all the Committee recommendations, unless the decision involves him/her, in which instance the responsibility lies with the Committee Chair.

## 13. REVIEW

The performance of the Committee is reviewed internally on an annual basis. An independent review of the Committee is performed every three years.

This Charter will be reviewed annually for ongoing relevance and effectiveness. The membership of the Committee is

reviewed annually by the Board.

**Approved on: 30 August 2023**