

## **TasPorts Board Human Resources & Remuneration Committee Charter**

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### **1. INTRODUCTION & AUTHORITY**

This Charter sets out the structure, role and responsibilities of the Human Resources and Remuneration Committee (**Committee**) of Tasmanian Ports Corporation Pty Ltd (**TasPorts**).

The Board authorises the Committee to:

- i. Undertake the activities identified within this Charter; and
- ii. Provide advice and recommendations to the Board on all other matters within its scope, taking into account any relevant shareholder policies, directives and guidelines.

### **2. OBJECTIVE**

The objective of the Committee is to provide advice and support to the Board:

- i. To ensure that the Board is comprised of persons with a suitable range of skills, expertise and experience; and
- ii. To ensure that remuneration policies, strategies and practices for Directors and executives are transparent, consistent with the Guidelines for Tasmanian Government Businesses – Director and Executive Remuneration, broader market practice and, in the case of executives, reward the creation of value for its shareholders.

### **3. STRUCTURE**

The Committee shall consist of no less than three (3) members, all being Directors.

The Board shall appoint the members of the Committee and the Committee Chair.

Management and external advisers may attend meetings by invitation of the Committee Chair, and they may participate in discussions, but they do not vote.

The Chair of the Board has a standing invitation to attend Committee meetings and Directors who are not Committee members may also attend Committee meetings.

### **4. RESPONSIBILITIES – NOMINATION AND BOARD PERFORMANCE**

The duties and responsibilities of the Committee in relation to nomination and Board performance are as follows:

#### **4.1 Board composition**

Review and make recommendations to the Board on:

- i. Updates to TasPorts' board skills matrix to support the appropriate mix of skills, expertise and experience for the Board to discharge its responsibilities effectively;
- ii. Board size, composition and tenure of Directors having regard to the needs of TasPorts;
- iii. The appointment of Directors and the effectiveness of the processes followed;
- iv. The removal of Directors (noting that this matter can only be decided by shareholders);
- v. Induction protocols for new Directors, the continuing education of Directors and the effectiveness of the processes followed; and
- vi. Succession plans for Directors and executives to enable an appropriate balance of skills, diversity, experience and expertise to be maintained.

Identify potential candidates to fill vacancies on the TasPorts' Board. In identifying potential candidates, the Committee will:

- i. Assess candidates with regard to TasPorts' Board skills matrix and diversity objectives; and
- ii. Consider and confirm the engagement of external consultants where necessary to assist in the selection process of suitable candidates.

#### **4.2 Board Performance**

Review and make recommendations to the Board on the annual performance of the Board, and its Committees, including the provision of assistance to Chair of the Board (if required) in reviewing the performance of individual Directors.

Co-ordinate the Board's annual review of its Chair's performance.

Review the time commitment required for Directors and whether Directors are meeting that commitment.

Review and consider conflicts of interest faced by Directors and make recommendations to the Board.

#### **4.3 Diversity**

Make recommendations to the Board regarding:

- i. Development of TasPorts' policy in relation to employee and Board diversity;
- ii. Strategies to facilitate greater diversity in management and leadership roles;
- iii. New ways to entrench diversity as a cultural priority across the organisation; and
- iv. Measurable objectives for achieving gender diversity, as well as diversity generally (which includes age, ethnicity, culture and religion).

Assess annually achievement against diversity objectives including representation of women at all levels of the organisation and assess the effectiveness of related initiatives designed to identify, support and develop talented women with leadership potential.

### **5. RESPONSIBILITIES**

#### **5.1. Remuneration**

The duties and responsibilities of the Committee in relation to remuneration are as follows:

##### **5.1.1 Remuneration policy**

The Committee will review and make recommendations to the Board in relation to policies and practices for:

- i. Remuneration of Directors and Key Management Personnel (as defined in the Corporations Act) including the level of remuneration and the fixed and variable components of the remuneration structure with both a short term and long term focus and superannuation arrangements; and
- ii. Incentive schemes and related performance measures (financial and non-financial).

In undertaking its review and making such recommendations to the Board as set out above, the Committee's must have regard to its objectives in determining the remuneration and incentive framework, which are to:

- i. Encourage Key Management Personnel to align their interests with those of TasPorts' Statement of Corporate Intent;
- ii. Align individual and team reward with business performance in both the short term and long term;
- iii. Encourage Key Management Personnel to perform to their fullest capacity;
- iv. Be business focused and flexible;
- v. Be competitive and cost effective in each relevant employment market; and
- vi. Be internally consistent.

### **5.1.2 Remuneration for Directors**

Director remuneration is determined by the Treasurer and Minister for Infrastructure. The Committee provides input into this determination through recommendations to the Board on the remuneration of Directors (including Committee fees), taking into account the Tasmanian Board Fee Policy issued by the Department of Premier and Cabinet.

### **5.1.3 Remuneration for Key Management Personnel**

The Committee will work with the Chief Executive Officer and General Manager People & Culture to determine the appropriate level and structure of remuneration of Key Management Personnel based on the guiding principal that executive remuneration is to be set at levels and structured to attract, motivate, reward and retain good performers to drive the business effectively, and taking into consideration the guidelines listed in the Guidelines for Tasmanian Government Businesses – Director and Executive Remuneration.

The Committee will also make recommendations to the Board on the remuneration of the Chief Executive Officer, including any performance payments, superannuation arrangements and other employee provisions. As part of this annual process, the Committee gathers and reviews relevant information, comparative remuneration, individual performance and, if required, obtains external advice.

Performance of the Chief Executive Officer and Key Management Personnel is reviewed annually in accordance with policies and processes determined by the Committee.

Each year the Committee reviews the remuneration of Key Management Personnel on the recommendation of the Chief Executive Officer (other than in relation to the Chief Executive Officer). The Committee's review considers individual performance, comparative remuneration in the market and where appropriate, external advice.

### **5.1.4 Remuneration Report**

The Committee will:

- i. Ensure the Remuneration Report contains relevant information on TasPorts' remuneration policy, practices, and strategy in accordance with applicable accounting and legal requirements; and
- ii. Recommend to the Board the content of the Remuneration Report to be included in TasPorts' Annual Report.

## **5.2 Organisational Structure**

The Committee will receive recommendations from the Chief Executive Officer and in consultation with the Chief Executive Officer provide recommendations to the Board on matters relating to:

- i. The overall structure of the organisation; any material change to the responsibilities and accountabilities proposed to any role within Key Management Personnel.

## **5.3 Human Resources Strategy & Policies**

The Committee will review and provide recommendations to the Board on matters relating to:

- i. The Company's human resources strategy;
- ii. The Company's organisational culture and culture strategy;
- iii. Staff engagement;
- iv. Board approval of human resources policies including the Company's Code of Conduct;
- v. Workforce planning;
- vi. Talent identification, including development and retention;
- vii. The Company's enterprise agreement(s) strategy;
- viii. The economic impact and key parameters for negotiation of the Company's enterprise agreements; and
- ix. Implementation of the Company's enterprise agreement strategy.

## **6. RESOURCES**

### **6.1 Internal Resources**

The Committee and each Committee member shall have direct access to appropriate internal resources to assist in the discharge of the responsibilities set out in this Charter, including without limitation the Chief Executive Officer, Chief Financial Officer, Company Secretary and General Manager People & Culture. Administrative support is available upon request.

### **6.2 External Resources**

The Committee acknowledges that there will be occasions where matters of particular complexity or sensitivity warrant the use of external advisers. The Committee shall have access to appropriate funds to engage external advisers or specialists to advise on all matters relevant to the discharge of the responsibilities set out in this Charter.

## **7. ADMINISTRATION ARRANGEMENTS**

### **7.1 Meetings**

The Committee will meet at least four times per year and additionally as required.

The Chair must call a meeting if asked to do so by the Chair of the Board, and will decide if a meeting is required if requested by another Committee member.

### **7.2 Planning**

The Committee will develop a forward meeting schedule that includes the dates, location, and proposed agenda items for each meeting for the forthcoming year, that cover all the responsibilities outlined in this Charter.

### **7.3 Quorum**

The quorum for meetings of the Committee is two members or if the majority of the Committee is greater than two persons, then that number of persons.

### **7.4 Secretariat**

The Company Secretary will provide secretariat support to the Committee, including:

- i. Compiling and distributing relevant documents to be considered at meetings of the Committee to members (as well as any invitees to the meeting); and
- ii. Preparing minutes of each Committee meeting, to be signed by the Chair within a reasonable time after the meeting.

### **7.5 Conflicts of Interest**

At the beginning of each Committee meeting, members must declare any potential or actual conflicts of interest that may apply to specific matters on the meeting agenda. Where required by the Chair, the member will be excused from the meeting or from the Committee's consideration of the relevant agenda item(s). Details of potential or actual conflicts of interest declared by members and action taken will be appropriately minuted.

### **7.6 Reviews**

The Committee must conduct an annual review of its performance and effectiveness, inviting comments from all members of the Board.

The Board will review the role of the Committee and this charter from time to time. The Board will take into account the Committee's recommendations on its role and Charter.