



# **rt group Remuneration and Nominations Committee Charter**

**November 2019**

## rt Group Remuneration and Nomination Charter

### Contents

1. Purpose and authority .....	3
2. Role of the Committee.....	3
3. Composition and term .....	4
4. Meetings.....	5
5. Secretariat duties .....	5
6. Voting .....	5
7. Review of Charter.....	5
8. Approval.....	5

## 1. Purpose and authority

The purpose of this Nomination and Remuneration Committee Charter (the **Charter**) is to specify the authority delegated to the Remuneration and Nomination Committee (the **Committee**) by the Board of Directors (the **Board**) and to set out the role, responsibilities, membership and operation of the Committee.

The Committee is a committee of the Board established in accordance with the Constitution of Railway and Transport Health Fund Ltd (the **Constitution**) and authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time.

The Committee is not a policy making body but assists the Board by implementing Board policy.

## 2. Role of the Committee

### 2.1 Nomination

The Committee assists and advises the Board on:

- its own composition, performance evaluation and renewal;
- the process for recruiting a new director, and in relation to candidates for appointment as directors, including evaluating:
  - competencies and qualifications of the appointee, including their skill, expertise and experience and how these contribute to the overall skills mix and diversity requirements of the Board;
  - whether the person meets APRA's requirement under prudential standards that he or she is "fit and proper" for the role, having regards to the rt Group Fit and Proper Policy;
  - independence (taking in consideration the requirements of APRA's prudential standards;
  - the time commitment required by a director to effectively discharge his or her duties and the number of existing directorships and other commitments that may demand the attention of the appointee;
  - the nature of existing positions, directorships or other relationships and the impact that each may have on the appointee's ability exercise independent judgement; and
  - the extent to which the appointee is likely to work constructively with the existing directors and contribute to the overall effectiveness of the Board;
- the identification of nominees for membership of the Board of either an Appointed or Elected Director, or to fill a Casual Vacancy;
- overseeing the development and implementation of a process for the evaluation of the performance of the Board, Board committees, and directors individually, using both measurable and qualitative indicators;
- annually complete a Board skills matrix and undertake a qualification and skills gap analysis aligned to the rt Group strategic plan to ensure ongoing Board capability;
- annually assess that each incumbent Director, the GCEO and the Company Secretary meets APRA's requirements under prudential standards that he or she is "fit and proper" for the role, having regards to the rt Group Fit and Proper Policy; and
- assisting the Board in assessing the independence of each non-executive director;

To ensure that the Board is of a size and composition conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of the members and of the rt group as a whole.

## 2.2 Remuneration

The Committee is responsible for developing, reviewing and making recommendations to the Board on:

- remuneration policies and practices for the Board, the GCEO and the GCEO direct reports to enable the rt Group to attract, retain and motivate directors and executives who will create value for members within an appropriate risk management framework, by providing remuneration packages that are equitable and externally competitive;
- the annual review of the reasonableness of both the member approved Directors' maximum aggregate remuneration and the annual actual remuneration of Directors;
- the annual review of the remuneration of the GCEO and GCEO direct reports within the terms of the relevant employment contract;
- the GCEO's performance and key performance indicators for the determination of any annual bonus components;
- any bonus plans or ex-gratia payments to the GCEO or GCEO direct reports;
- legislative, regulatory or market developments likely to have a significant impact on the rt Group and legislative compliance in employment issues;
- rt Group remuneration policies, practices and systems, and the remuneration trends across the rt Group;
- ensuring that remuneration and incentive policies, practices and performance indicators are aligned to the board's vision, values and overall business objectives and are appropriately designed to:
  - motivate the GCEO and GCEO direct reports to pursue the long-term growth and success of the rt Group, and
  - demonstrate a clear relationship between the achievement of the rt Groups objectives and the GCEO and GCEO direct reports performance and remuneration.

In discharging their responsibilities, the Committee members have a duty to act in the best interests of rt Group as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations.

## 2.3 rt group Fit and Proper Policy

The Committee must review the rt Group Fit and Proper Policy not less than every 3 years. If any amendments are considered appropriate they will be recommended by the Committee to the Board for approval.

## 3. Composition and term

- The Chair and each Committee member will be appointed by the Board on terms determined by the Board.
- The Chair of the Board of Directors should not be the Chair of the Committee.
- The Committee will comprise at least three members, two of whom must be directors.
- The Committee should include a majority of independent directors.
- The Board shall approve all appointments to the Committee including any external member and the appointment of the Chair, who should be an independent director of rt Group.
- The duties and responsibilities of a member of the Committee will be in addition to those duties set out for a director of the Board.
- If the Chair is absent from a meeting the Committee members present will appoint the Chair of the Committee for that particular meeting.

#### 4. Meetings

- The Committee will hold meetings at least twice a year and additionally as it considers necessary.
- A quorum will be the smallest number greater than half the members.
- Meetings of the Committee may be held face-to-face or through any technological means by which members can participate in a discussion.
- The notice and agenda of meetings will include relevant supporting papers, as appropriate.
- The Committee may invite any such other persons to attend as it sees fit and consult with other persons or seek any information it considers necessary, to fulfil its responsibilities.
- Any member may call a meeting of the Committee.
- Directors who are not members of the Committee and the GCEO may attend meetings of the Committee at the invitation of the Committee Chair.

#### 5. Secretariat duties

- The Company Secretary will act as secretary of the Committee unless otherwise determined by the Committee.
- The Committee Chair, delegated Committee members or Company Secretary will minute the matters arising from all meetings. The minutes will be ratified by members in attendance and signed by the Committee Chair.
- The Committee Chair will table the outcome of deliberations at the next Board meeting.

#### 6. Voting

Any matters requiring a decision will be decided by a majority of votes of members present.

#### 7. Review of Charter

This Charter will be reviewed biennially or as required by the Board Committee to ensure that the operation of the Committee meets the Board's requirements.

#### 8. Approval

This Charter was approved by the Board at its meeting held 20 November 2019.

#### Document History and Version Control

Document Type: Board Committee Charter  
Owner: Committee Chair  
Approval: Board of Directors  
Review Frequency: Biennially

Effective Date:	20 November 2019
Superseded version:	February 2017