

# HBF HEALTH LIMITED

## PEOPLE, CULTURE & REMUNERATION COMMITTEE CHARTER

### 1. Purpose and Authority

#### 1.1 Purpose

The primary objective of this People, Culture, and Remuneration Committee (**Committee**) Charter is to outline the authority delegated to the Committee by the HBF Health Limited Board (**Board**). It also outlines the role of the Committee, its responsibilities, membership and operation.

A reference to HBF includes HBF Health Limited and any related subsidiaries.

#### 1.2 Authority

The Committee has been established in accordance with the authority given to the Board as outlined within the HBF Constitution.

The Committee has the authority and power to exercise the role and responsibilities outlined within this Charter, in addition to any authority granted to it in accordance with any resolution of the Board.

### 2. Role & Responsibilities

#### 2.1 Role

The role of the Committee is to assist and advise the Board on the implementation and operation of HBF's remuneration framework, people management and culture obligations, board composition, board renewal, and succession planning as required by relevant regulatory and operational requirements.

The Committee will also provide objective non-executive guidance to management in relation to established or proposed operational activities to ensure financial and non-financial risks are clearly identified and well managed.

##### 2.1.1 Regulator Engagement

Members of the Committee must be readily available to meet with APRA or any other regulatory authority on request.

#### 2.2 Responsibilities

The key responsibilities of the Committee include those related to:

##### 2.2.1 People

The Committee is responsible for:

- Establishing principles within the People Management Policy to enable Management to effectively implement a workforce strategy, which enables effective execution of the organisational strategic plan.
- Monitor implementation of the People Management Policy, and related key people strategies, ensuring they support the establishment and maintenance of an appropriate organisational-wide risk and performance culture.

- Setting measurable objectives for achieving gender diversity not only in the composition of the Company's board but also in the composition of its senior executives and workforce generally. It must also disclose for each reporting period what its measurable objectives were for that period and progress towards achieving them.
- Establish an appropriate diversity and inclusion framework and monitor implementation of the framework.

### 2.2.2 Culture

The Committee is responsible for:

- Establishing principles for managing and promoting an appropriate organisational-wide risk and performance culture, which are aligned to HBF's corporate strategy, while supporting and promoting HBF's vision, values and purpose.
- reviewing and recommending the Board adopt organisational vision, values and purpose, which are appropriate, fit for purpose, and align to legislative and regulatory requirements, in addition to the member-based, mutual structure of the organisation.
- Monitoring implementation of relevant strategic initiatives which support and align with established risk and performance culture principles, and the vision, values and purpose.

### 2.2.3 Board Composition & Renewal

The Committee is responsible for:

- establishing and maintaining the HBF Board Renewal Policy, ensuring it remains fit for purpose and reflects legislative and regulatory requirements, making recommendations to the Board for its approval.
- providing guidance, advice and making recommendations to the Board as appropriate, in relation to implementing the Board Renewal Policy, including but not limited to matters related to:
  - size and composition of the board
  - board succession, renewal and tenure
  - collective skills the board currently has or is looking to achieve in its membership to support achievement of the corporate strategy
  - skills categories and related processes
  - director candidate searches and related processes
  - director appointment and induction
  - the board-performance assessment process
  - director education and training
  - removal of directors
- making recommendations to the Board in relation to membership of sub-committees and subsidiaries considering relevant factors including director skills and experience, expected workload of the body or entity, and member succession issues where relevant.
- appointing independent third parties to administer the board performance assessment process, as required.

### 2.2.4 Remuneration

The Committee is responsible for:

- Developing, and recommending the Board consider and adopt, a remuneration framework including the Remuneration Policy, ensuring it supports the strategic objectives of HBF, promotes behaviour which supports HBF's risk management framework and long-term financial soundness, and meets relevant prudential regulatory requirements.

- Monitoring implementation of the remuneration framework including the Remuneration Policy, which will include making recommendations to the Board on the remuneration of the
  - Chief Executive Officer
  - direct reports of the Chief Executive Officer
  - other persons whose activities may, in the Committee’s opinion, affect the financial soundness of the institution
  - categories of persons covered by the Remuneration Policy, and
  - any other person specified by APRA.

### 2.2.5 Succession Planning – Management

The Committee is responsible for:

- Considering and approving succession and related plans for the Chief Executive Officer, Executive General Managers and other Responsible Persons as identified in the HBF Fit and Proper Policy, for consideration by the Board.

## 3. Powers

- 3.1 The Committee has the authority to consider any matter relating to the implementation of HBF’s People Management Policy, remuneration framework or Board Renewal Policy as it considered desirable and may direct any special projects or investigations it deems necessary.
- 3.2 In carrying out its responsibilities, the Committee has the authority to seek any information it requires from any member of management or employee of HBF, and has full access to books, records and facilities.
- 3.3 Each member of the Committee has free and unfettered access to any member of management, personnel of HBF, and other external parties when discharging its duties.
- 3.4 The Committee is authorised to seek independent professional advice and secure the attendance of independent advisers at meetings, as it considers necessary.
- 3.5 The Committee has the authority to raise matters directly with the Board, as it considers necessary.
- 3.6 The Committee will notify the Board of any significant breach of, or material deviation from the People Management Policy, remuneration framework, or Board Renewal Policy.
- 3.7 The Committee has no executive powers in relation to its findings and recommendations, except as outlined within this charter and as delegated by the Board from time to time.

## 4. Membership

- 4.1 The number of Committee members must be at least 3, comprise non-executive Directors of the Board, a majority who must be independent.
- 4.2 The Chair of the Committee will be selected by the Board and must be an independent director.
- 4.3 Composition of the Committee shall take into account the existence of any subsidiaries within HBF’s corporate structure, and be reviewed by the Board on an annual basis.
- 4.4 Should the Chair of the Committee be absent from a meeting and no acting Chair has been appointed, the members of the Committee present at the meeting have authority to choose one of their number to be Chair for the duration of the meeting in question.
- 4.5 The Company Secretary of HBF shall be the Secretary of the Committee. The Company Secretary is responsible for the preparation and distribution of the meeting agenda and associated documents and keeping copies of all materials put before the Committee.

## 5. Meeting Procedure

- 5.1 Meetings shall be held approximately four times in each financial year, and additionally as required.
- 5.2 A quorum shall be two (2) members of the Committee and only members of the Committee are entitled to vote at meetings.
- 5.3 The Chair of the Committee will call a meeting if requested by the Chair of the HBF Board, Chief Executive Officer, Chief Risk Officer, Chief Financial Officer, Internal Auditor, Company Secretary, or the External Auditor.
- 5.4 The Company Secretary shall attend each meeting and ensure minutes of each meeting are taken and provided to the Committee Chair for review.
- 5.5 The Company Secretary, in conjunction with the Executive General Manager People and Corporate Affairs and Chair of the Committee shall prepare an agenda for each meeting.
- 5.6 Directors who are not Committee members may attend meetings, at the invitation of the Committee Chair.
- 5.7 The Chief Executive Officer and Executive General Manager People & Communications will attend the relevant portion of the meetings as requested by the Committee Chair.
- 5.8 The Chair of the Committee will report its findings or recommendations to the Board, or relevant subsidiary.
- 5.9 Copies or extracts from the minutes may be circulated to invited attendees at the Committee at the discretion of the Chair or the Company Secretary.
- 5.10 Minutes of the meetings of the Committee will be approved by the Committee at its next meeting and provided to the Board and any relevant subsidiary Board thereafter.

## 6. Conflict of Interest

- 6.1 A Committee member who has a material personal interest in a matter that relates to the affairs of the Committee must give the other Committee members notice of his or her interest.
- 6.2 Committee members will not participate in discussions and will not vote on any issues in respect of which there is an actual or perceived conflict of interest.

## 7. Review of Charter

- 7.1 The Committee will review this Charter annually, or as close to annually as practicable, to ensure it is consistent with Committees objectives, responsibilities powers and regulatory requirements, unless circumstances require an earlier review be undertaken.
- 7.2 The Committee will recommend any amendments to the Board for approval.

## 8. Document Maintenance Data Table

Role	Title	Name	Date	Resolution #
Content Owner	PC&R Committee	Tony Crawford	25/02/2020	PCR.02.20
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2				
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