

# Remuneration and Human Resources Committee Charter

## 1. Constitution

The Remuneration and Human Resources Committee shall be a committee of the Southern Cross Medical Care Society Board, established by the Board. The Committee is responsible to and will report to the Board.

## 2. Objectives

The objectives of the Committee are to:

- Provide recommendations to the Board on the remuneration, employment conditions, development and performance management of the Chief Executive Officer (CEO)
- Approve the CEO's recommendations for his/her direct reports' remuneration
- Provide recommendations to the Board on remuneration and HR-related issues.

Additional objectives (to the extent that these matters are not dealt with by the Board) are to:

- Provide oversight of Human Resources strategy, policies and practices; including organisation structure, performance, succession planning, staff development and remuneration
- Provide oversight to ensure best practice principles of diversity, inclusion and equal employment opportunities are adopted.

For clarity, reference in this charter to CEO means the CEO SCHS.

## 3. Membership

Membership of the Committee shall comprise members of the Board appointed by the Board.

The number of members of the Committee shall be not less than three, one of whom shall be the Chairperson of the Board.

The Committee Chair shall be appointed by the Board.

## 4. Meetings of the Committee

A quorum of the Committee shall be not less than two members, one of whom must be the Committee Chair.

The Committee may choose to meet simultaneously with the Remuneration and Human Resources Committee of the Southern Cross Health Trust (Trust Committee), if/when matters of common interest are being considered.

If the Committee meets simultaneously with the Trust Committee, only Board Members explicitly appointed by the Society Board will have voting rights and constitute a quorum of the Society Committee in matters that relate to the Society.

All Board Members shall be entitled to attend meetings of the Committee.

In addition to its regular meetings the Committee may opt to consider items by circulation.

The Secretary to the Committee shall be appointed by the Committee.

Minutes of all Committee meetings shall be kept.

Advisors, the CEO and other members of the senior executive may attend from time to time, at the Committee Chair's invitation.

Meetings shall be held not less than three times a year. Any member of the Committee or CEO may request a meeting at any time if they consider it necessary.

## 5. Responsibilities

The responsibilities of the Committee are as follows:

### 5.1 Chief Executive Officer

- Annually review and recommend, in accordance with the organisation's remuneration policies and practices, all remuneration components of the CEO's contract of employment.
- Prior to each financial year, review and recommend performance agreements with the CEO, incorporating key performance measures that will enable the Board to assess the performance of the CEO against criteria in his/her performance agreement.
- Following approval of the annual Financial Statements, conduct an annual review of the CEO's performance against criteria in his/her performance agreement, and provide recommendations to the Board on the level of any at-risk or bonus payment to be made to the CEO.
- Annually review CEO succession planning and development programmes.

### 5.2 CEO's Direct Reports

- Annually review and approve all components of the direct reports' proposed remuneration packages and employment contracts (including performance agreements and measures) based on the CEO's recommendations and in accordance with the organisation's remuneration policies and practices and the conditions and remuneration parameters established for each position.
- Annually review and approve the CEO's recommendations on any at-risk or performance-related payments to be made to direct reports.
- Annually review and approve succession planning and talent development programmes in place at senior management levels.

### 5.3 Human Resource Management

- Review and make recommendations to the Board in relation to the adoption of Human Resources policies and practices, and standard terms and conditions that will normally apply in any individual contract of employment.
- Review and make recommendations to the Board in relation to Human Resources strategy including organisation structure, performance, succession planning, staff development and remuneration.
- Ensure the adoption of best practice principles in relation to diversity, inclusion and equal employment opportunities.

#### **5.4 Other**

- Address any remuneration, performance management or other employment related matters that may from time to time be raised with the Committee by any Board Member or CEO.
- Address any other HR matter which may have implications across the organisation (e.g. remuneration and incentive structures and payments).

### **6. Authority**

The Committee may consult with independent and/or suitably qualified advisors and other independent sources of information and advice as it considers necessary to carry out its responsibilities.

Except as expressly provided for in this Charter, the Committee will make recommendations to the Board on all matters requiring a decision and does not have the power or authority to make a decision in the Board's name or on its behalf.

### **7. Communication**

After each Committee meeting, the Committee Chair shall report the Committee's findings and recommendations to the Board.

The Chairperson of the Board will maintain a direct line of communication with the CEO on behalf of the Committee/Board regarding the CEO's remuneration, performance, development and related matters.

### **8. Review of the Committee**

The Committee will periodically undertake a self-review of its objectives and responsibilities and the extent to which they have been achieved and/or discharged. Such objectives and responsibilities and their attainment will also be reviewed periodically by the Board and any other person the Board considers appropriate.