



## Governance and Rewards Committee Charter

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Togethr Trustees Pty Ltd ABN 64 006 964 049

## 1. Purpose

- 1.1. This Charter sets out the roles, responsibilities, composition and operation of the Governance and Rewards Committee (GRC) of Togethr Trustees Pty Ltd (Trustee), as trustee of the Equipsuper Superannuation Fund (Equip) and the MyLifeMyMoney Superannuation Fund (MLMM), together referred to as the Funds.

## 2. Objective

- 2.1. The objective of the GRC is to assist the Board in the effective discharge of its responsibilities in relation to all aspects of corporate governance and rewards and remuneration matters.

## 3. Authority

- 3.1. The GRC is established by and delegated functions by the Board. The GRC's functions and powers are as set out in this Charter or otherwise delegated to it by the Board, in accordance with the Trustee's Constitution.

## 4. Role and Responsibilities

- 4.1. The overall role of the GRC is to provide support and make recommendations to the Board related to the matters set out below, and to exercise any delegated authority from the Board in relation to these matters:

### 4.2. Governance

The GRC is responsible for the oversight of the governance arrangements for the Fund, including:

- (a) Governance issues arising from or connected with, the strategic development of the Fund;
- (b) Continuous improvement in the adoption of best practice governance standards, policies and procedures by the Trustee in all areas of its business;
- (c) The Trustee's governance policies and procedures, including for example, the Governance Framework, the Board Appointment and Renewal Policy, the Code of Conduct, the Conflicts Management Policy, the Fit and Proper Policy, and the Trustee's Deed of Delegation;
- (d) Regular review of the Gifts, Benefits and Hospitality Policy, and oversight of the policy implementation on a quarterly basis, with any non-compliance issues to be reported to the Audit and Compliance Committee;
- (e) Regular review of the Conflicts Registers, and the ongoing management of such conflicts as part of the Conflicts Management Policy;
- (f) Oversight of the appropriateness, adequacy, and effectiveness of the Conflicts Management Policy, including the triennial comprehensive review of the Conflicts Management Policy;
- (g) Oversight of the composition of the Board of Directors, including:
  - i. The processes governing the nomination and/or election, appointment and removal of Directors;
  - ii. Ensuring there is appropriate continuity and renewal of the Board;
  - iii. Strategies to address Board diversity;
  - iv. The role and powers of the Chair of the Board;

- v. Board succession planning and the succession of the Chair and Deputy Chair;
- (h) Review of the framework for monitoring and improving the effective operation of the Board and Board Committees and the performance of Directors;
- (i) Matters affecting Directors, including ongoing development of the Board Skills Matrix and the Committee Skills Matrix including the skills, capabilities, experience and attributes desired to deliver the Trustee's Strategic Plan;
- (j) Monitoring the requirements for minimum competency and probity standards, fit and proper assessments, training programs for, and skills assessments of, Directors; and
- (k) Any other governance functions requested by the Board or which the GRC reasonably considers is appropriate for it to undertake.

#### **4.3. *Rewards, remuneration and employment***

The GRC is responsible for the oversight of the rewards, remuneration and employment arrangements of the Fund, including:

- (a) Review and recommend to the Board annually the corporate key performance indicators (Agreed Annual KPIs);
- (b) Having regard to recommendations from the CEO regarding the performance of the Executive Officers against the Agreed Annual KPIs, recommend to the Board annually the remuneration of the Executive Officers (and any other Internal Responsible Persons as specified by APRA);
- (c) Review the CEO's performance against the Agreed Annual KPIs and, having regard to that review, recommend to the Board the remuneration and incentives for the CEO;
- (d) At least annually, or as appropriate, review non-executive director remuneration arrangements against appropriate benchmarks, and having regard to the role and time requirements of non-executive directors, recommend to the Board changes to remuneration with supporting rationale;
- (e) Review and approve the scope, contract and fees payable in relation to the engagement of a consultant(s) who are briefed to provide advice on the remuneration of the Directors, CEO and/or the CEO's direct reports (other than the Executive Assistant);
- (f) Receive remuneration recommendations from a consultant, if any, who has been engaged to provide a recommendation regarding the remuneration of the Directors, CEO and/or the CEO's direct reports (other than the Executive Assistant), and make appropriate recommendations to the Board;
- (g) Review and recommend to the Board any redundancy or termination payments in relation to the CEO in accordance with the Trustee's policies;
- (h) If required by the Board, act as a Nomination Committee for the selection and appointment of the Chair of the Board, Director or the CEO;
- (i) Review the application of legislation and relevant regulatory requirements and standards relating to employment and remuneration matters;
- (j) Annually review and recommend to the Board any changes to the Trustee's employment and remuneration related policies, including the Remuneration Policy.

- (k) In relation to the Remuneration Policy, the GRC is also responsible for reviewing and assessing its effectiveness and the compliance with the APRA prudential standards; and
- (l) Undertake any other reward, remuneration or employment related functions requested by the Board or which the GRC, reasonably considers it is appropriate to be undertaken.

## **5. Committee Chair**

- 5.1. The GRC Chair is appointed by the Board.
- 5.2. The GRC Chair will be responsible for:
  - (a) Efficient conduct of the GRC's function;
  - (b) Ensuring the GRC's responsibilities are properly discharged;
  - (c) Facilitating the effective contribution of all GRC members; and
  - (d) Reporting to the Board and, where appropriate, making recommendations to the Board.
- 5.3. The GRC Chair must be a Director and cannot be the Chair of the Board.

## **6. Meetings**

- 6.1. The GRC will generally meet at least four times per year, or as otherwise required for the proper and efficient discharge of its functions and responsibilities. All GRC members are expected to attend each meeting, unless they are genuinely unable to do so.
- 6.2. A GRC member may requisition a Committee meeting at any time. GRC members may participate in meetings by attending in person, or by means of telephone, video conference or electronic means as deemed appropriate.
- 6.3. With consent of the GRC Chair, the GRC may meet without the presence of Management at any time either prior to, or during, any meeting.
- 6.4. All Directors have a standing invitation to attend all Committee meetings.
- 6.5. The CEO, Executive Officer, Governance and Risk (Company Secretary) and Executive Officer, Capability and Enablement will generally be expected to attend all meetings of the GRC (unless requested by the GRC Chair to be absent).
- 6.6. Other members of Management and service providers attend as required.
- 6.7. If the GRC Chair is unable to attend a meeting, or is unwilling to act, the remaining Directors will select a Chair for that meeting.

## **7. Composition**

- 7.1. The GRC is comprised of four Directors.
- 7.2. The Board may appointment additional GRC members from time to time, who may be Management or external parties with specialist expertise. The Board may also appoint specialist consultants to assist the GRC in carrying out its role and responsibilities, including in relation to specific matters or on a general or ongoing basis.

## **8. Voting and Quorum**

- 8.1. The GRC is expected to make decisions on a consensus basis. However, where a consensus cannot be reached, a vote will be undertaken.
- 8.2. A quorum of the GRC is two thirds of members.

8.3. Accordingly, a quorum of the Committee will be three members.

## **9. Agendas and papers**

9.1. An agenda will be prepared by the Company Secretary and approved by the GRC Chair, prior to each meeting.

9.2. Agendas and papers will clearly identify whether a decision is to be made at the Trustee level, or whether the information / decision is specific to Equip or specific to MLMM.

9.3. The agenda and supporting papers for each meeting will be distributed to GRC members and other attendees in sufficient time to enable GRC members to read the material and prepare for the meeting.

## **10. Conflicts of Interest**

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

10.2. Conflict procedures are included as a standing agenda item for every meeting. The GRC Chair reminds GRC members 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.

10.3. 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.

10.4. Where a recorded conflict could reasonably be foreseen to impact an agenda item, the GRC member(s) affected shall not receive the papers for that agenda item.

## **11. Reporting**

11.1. The Company Secretary or their delegate will be responsible for taking, writing and presenting accurate minutes of all GRC meetings.

11.2. The minutes of all GRC meetings are to be distributed to the GRC Chair for review, within a reasonable time.

11.3. The minutes will thereafter be submitted to the GRC members for their review at the next meeting, with the final version to be approved and (unless the GRC determines otherwise) signed by the GRC Chair or other person chairing the meeting.

11.4. The GRC, via its Chair, will report to the Board on a regular basis.

## **12. Review**

12.1. On an annual basis, the GRC should review the appropriateness and/or effectiveness of the GRC's composition and its performance. Subsequently, the GRC Chair should provide a verbal report on the outcomes of the review to the Board.

12.2. An independent review of the GRC's effectiveness, performance and composition should be conducted every three years. This review may be undertaken in conjunction with the comprehensive review of the Trustee Board conducted every three years.

12.3. This Charter will be reviewed at least every two years for ongoing relevance and effectiveness.