

# People and Governance Committee – Terms of Reference

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Date: 26 February 2020

**Club Plus Superannuation Pty Ltd**

ABN 26 003 217 990  
AFS Licence No. 245362  
RSE Licence No. L0000529  
**(Trustee)**

As trustee for

**Club Plus Superannuation Scheme**

ABN 95 275 115 088  
RSE Registration No. R1000757  
**(Fund)**

## Control Sheet

<b>Terms of Reference</b>		People and Governance Committee	
<b>Version</b>		7	
<b>Location</b>		G:\Executive\Templates for Lindy\Terms of Reference & Plans\People and Governance Committee Terms of Reference.docx	
<b>Entity</b>		Trustee (RSE)	
<b>Date Effective</b>		26 February 2020	
<b>Approved by</b>		Board	
<b>Review Requirement</b>		Periodically but at least every three years	
<b>Modifications</b>			
<b>Authority to Approve Modifications</b>			
<b>Version</b>	<b>Revision Date</b>	<b>Brief Description of Modification</b>	<b>Drafted by</b>
3	22 September 2016	Minor Changes	Chief Operations Officer
4	23 February 2017	Replacement	HoLARC
5	19 June 2019	Amendment re Chair of Board not being Chair of REM	HoLARC
6	14 August 2019	Amendments to include Board Nominations and Renewal	HoLARC
7	18 Feb 2020	Change of name and adding remit for governance matters	HoLARC

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## **1. Introduction and Purpose**

The Terms of Reference set out the role, responsibilities, composition and operation of the People and Governance Committee in its capacity to assist the Trustee's Board of Directors ('the Board') fulfil its statutory, fiduciary, governance and regulatory responsibilities.

## **2. Scope of Authority**

- 2.1.1. The People and Governance Committee assists the Board in setting a remuneration strategy and remuneration policies and to provide oversight of the remuneration framework for the Trustee.
- 2.1.2. The People and Governance Committee assists with the renewal of the Board to comply with its regulatory and legislative obligations and to provide oversight of the Board renewal process.
- 2.1.3. The People and Governance Committee also ensures that the appropriate governance framework is in place to support the Board and the Fund.
- 2.1.4. The People and Governance Committee has no executive powers. The responsibilities for the remuneration strategy and remuneration policies remain with the Board while the responsibilities of the Board and the shareholders respectively are set out in the Director Nomination Appointment Renewal and Removal Policy.
- 2.1.5. Decisions in relation to the remuneration strategy and remuneration policies for the Trustee and Fund are to be made by or under the authority of the Board.
- 2.1.6. The Board authorises the People and Governance Committee, within the scope of its role and responsibilities, to:
  - Engage external legal or other professional advisors as considered necessary to meet its responsibilities.
  - Request information from management and risk and financial control personnel and/or an external party (subject to the legal obligation to protect information).
  - Request the attendance of management and risk and financial control personnel and/or an external party at committee meetings.

## **3. Roles and Responsibilities**

### **3.1. The People and Governance Committee is responsible for the following functions:**

- 3.1.1. Making recommendations to the Board on People & Culture Management, the remuneration framework for the Trustee and any related policies.
- 3.1.2. Conducting regular reviews of and making recommendations to the Board on the Remuneration Policy, including an assessment of the Remuneration Policy's effectiveness and compliance with the requirements outlined in APRA's Prudential Standard SPS 510 – Governance.
- 3.1.3. Making annual recommendations to the Board on the remuneration of:
  - Directors and committee members; and
  - The Chief Executive Officer.
- 3.1.4. Oversight over the remuneration of the Management team, the Company Secretary, all Risk and Financial Control Personnel and any other persons whose activities may in the People and

Governance Committee's opinion affect the financial soundness of the Trustee's business operations, and any other person specified by APRA.

- 3.1.5.Oversight of all Director appointments including the Director Nomination Appointment Renewal and Removal Policy which sets out the process.
- 3.1.6.Making recommendations to the Board regarding Committee membership based on the individual's skills and experience and skill requirements of the Board.
- 3.1.7.Review any governance issues that are pertinent to the Fund or the Trustee.
- 3.1.8.Oversee the development and maintenance of the Trustee's policy framework.
- 3.1.9.Such other functions as the Board determines from time to time.

## **3.2. Risk Management**

- 3.2.1.The People and Governance Committee has oversight for risk management relating to the Governance Risk as set out in the Risk Management Framework.
- 3.2.2.Any recommended changes to risks, controls, ratings or risk appetite for this risk are to be approved by the Board.

## **4. Composition of the Committee**

### **4.1. Chair of the Committee**

- 4.1.1.The Board will appoint a Chair of the People and Governance Committee for a period of four years and may terminate that appointment at any time. The Chair of the Committee shall not be the Chair of the Board.
- 4.1.2.If the Chair is absent from a meeting and no acting Chair has been appointed, the members present may choose one of them to act as Chair for that meeting.
- 4.1.3.The Chair has authority to adjourn a People and Governance Committee meeting for any reason to such place and time as he or she thinks fit.

### **4.2. Membership**

- 4.2.1.The People and Governance Committee shall consist of four Board members.
- 4.2.2.Members will be appointed for a four year term. Members will be eligible for extension or re-appointment after the four year term subject to the member demonstrating satisfactory performance and maintaining skills, training and experience under the Trustee's Fit and Proper Policy.
- 4.2.3.Members must be available to meet with APRA on request.

### **4.3. Replacement**

- 4.3.1.If a member resigns, is removed or becomes unable to act so that there would be less than four People and Governance Committee members, then the Board must, within 90 days, appoint another person to the Committee.
- 4.3.2.A person may not be appointed unless he or she consents to the appointment.
- 4.3.3.In the event that a member is unable to attend two consecutive Committee meetings, the Board may appoint a replacement for the period of absence.

#### **4.4. Retirement**

4.4.1. The Board can remove a member of the People and Governance Committee by notice in writing if that member:

- fails to attend three consecutive meetings of the People and Governance Committee;
- neglects his/her duties as a member of the People and Governance Committee; or
- in the opinion of the Board, no longer meets the requirements in the Fit and Proper Policy.

#### **4.5. Disclosure of Interests**

4.5.1. Disclosures of interest made to the Board will be considered as declaration to the People and Governance Committee.

4.5.2. A member must disclose to the first meeting of the People and Governance Committee after they become aware of a direct or indirect pecuniary interest that they have in a matter being considered or about to be considered by the meeting. The matter must be recorded in the minutes and in either the Register of Relevant Duties or Relevant Interests upon becoming aware of the conflict.

#### **4.6. Duties of the People and Governance Committee**

4.6.1. The People and Governance Committee members must:

- act honestly;
- exercise the degree of care and diligence that a reasonable and prudent person would exercise if he or she were in the member's position;
- not make use of information acquired through being a People and Governance Committee member to either gain an improper advantage for the member or another person or cause detriment to the fund members; and
- not make improper use of their position as a People and Governance Committee member to gain (directly or indirectly) an advantage for themselves or for any other person or cause detriment to the fund members.

#### **4.7. People and Governance Committee Review**

4.7.1. The performance of the People and Governance Committee is reviewed internally on an annual basis.

4.7.2. The Terms of Reference and any material changes must be approved by the Board.

### **5. Operations of the Committee**

#### **5.1. Committee Meetings**

5.1.1. Quorum for a meeting shall consist of two thirds of the total number of Committee members.

5.1.2. The People and Governance Committee shall hold at least one meeting per annum or as frequently as it determines. Special meetings may be convened as required.

5.1.3. Meetings may be held by using any technology agreed by all the members, for example video or voice conference.

5.1.4. The Chair is required to call a meeting if requested to do so by the Board or any People and Governance Committee member on five business days' notice or such shorter time as the other committee members agree.

5.1.5. The Chair determines the manner in which a meeting of the Committee Members will be regulated and conducted. The decision of the Chair on any matter relating to the conduct of a meeting is final.

5.1.6. Any Board member, management or service providers requested to attend, may attend and speak at the People and Governance Committee meeting.

## **5.2. Reporting to the Board**

5.2.1. The minutes of all People and Governance Committee meetings, once finalised, are to be distributed at the next meeting of the Board.

5.2.2. The Chair will provide a report to the Board on matters discussed at the People and Governance Committee.

## **5.3. Committee Administration**

5.3.1. The Chief Executive Officer is responsible for the People and Governance Committee minutes and the collation and distribution of Committee Reports and Papers to members.

5.3.2. Signed minutes are taken to be a true record of the proceedings and resolutions passed.

5.3.3. The minutes and records must be available to the People and Governance Committee members, the Board of Directors and anyone else determined by the Board.