



People & Culture and Remuneration & Nomination Committee Charter

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Motor Trades Association of Australia

Superannuation Fund Pty Limited

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1. Purpose of the Committee

The purpose of the People & Culture and Remuneration & Nomination Committee (PCRNC) is to assist the Trustee to fulfil its statutory and governance responsibilities. The PCRNC will:

- a) Provide oversight of the People Strategy, and supporting policies and monitor the implementation and effectiveness of the people and culture programs, having regard to the Facilities Agreement between the Trustee and Secretariat Co.
- b) Assess and recommend for Trustee Board approval, the appointment and remuneration for the Chief Executive Officer (CEO) in accordance with the Prudential Standards, and in compliance with the Remuneration Policy.
- c) Oversee the design of the remuneration framework and make recommendations to the Trustee Board annually on remuneration arrangements and any variable remuneration outcomes.
- d) Ensure performance and remuneration outcomes are linked and consistent with the organisational strategy and risk appetite.
- e) Assess and approve, under the delegation granted by the Trustee Board, the remuneration for relevant staff (in accordance with the Prudential Standards, and in compliance with the Enterprise Agreement and Remuneration Policy).
- f) Review, assess and recommend for Trustee Board approval, remuneration of the Directors (in compliance with Prudential Standards and Remuneration Policy).
- g) Assess and recommend for Trustee Board approval, the Trustee Board composition and appointment of Directors and skills required for the Trustee Board to ensure the Trustee has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities in accordance with the Trustee's Fit and Proper Policy and Constitution.
- h) Review the fitness and propriety of Directors, the CEO and other Responsible Persons.
- i) Implement appropriate processes and governance frameworks to address Trustee, Committee and key senior management succession planning and Board governance issues.
- j) Review and recommend for Trustee Board approval relevant Policies pertaining to the business of the Committee.

The Trustee is ultimately responsible for the remuneration framework and will establish clear accountabilities and expectations for risk management, effective consequence management and the risk culture framework. The Trustee Board can exercise its discretion to challenge and override recommendations from the PCRNC (in compliance with Prudential Standards and the Remuneration Policy).

2. Composition of the Committee

- a) The Committee will be comprised of five Directors.
- b) The Committee may select its own Chair who must not be Chair of the Fund.
- c) All Directors are invited to attend Committee meetings as an Observing Director and may participate but not be involved in deciding resolutions made by the Committee.
- d) The Chief Executive Officer (CEO) (or nominee) and Chief of People & Culture will attend Committee meetings for those parts of the meeting that relate to the assessment and remuneration of relevant staff where there is no conflict of interest.
- e) The Company Secretary (or nominee) may attend and assist the Committee with the business of the Committee and matters outlined in this Charter including acting as minute secretary to the Committee.

3. Proceedings of the Committee

- a) The quorum for the Committee is three members.
- b) Committee members must observe the Trustee's governance and delegation policies and conflicts management framework and declare any conflict of interest or duty that arises in the course of the Committee's business and deal with the conflict in accordance with the Trustee's approved conflicts management arrangements.
- c) Committee meetings must be held at least three times a year or as often as the business of the Committee requires and as otherwise directed by the Trustee Board and/or Committee Chair.

- d) Meetings may be convened at agreed venues, via teleconference, via video conference, or a combination of any of these mediums, at the request of the Committee Chair.
- e) Decisions of the Committee must be determined by not less than three quarters of the total number of Committee members present and voting and circular resolutions may also be passed when required and signed by all Committee members entitled to vote on the resolution.
- f) Minutes of each Committee meeting, once available, will be tabled at the next meeting of the Trustee Board.

4. Powers of the Committee

The Committee has delegated powers to provide guidance and receive updates on:

- a) Culture, capability and engagement
- b) Workplace Health and Safety
- c) Diversity and Inclusion
- d) Succession Planning
- e) Workforce profile

CEO and relevant staff remuneration

- f) establish parameters for KPIs and assessment of performance for Responsible Persons;
- g) assess performance of the CEO and recommend the CEO's Total Employment Costs (TEC) package for Trustee Board approval in accordance with the Remuneration Policy, STI Policy and the CEO's Employment Agreement;
- h) recommend (and where set out in the Remuneration Policy, approve) the TEC package for relevant employees (as outlined in the relevant Prudential Standards, in compliance with the Enterprise Agreement, the Remuneration Policy and the STI Policy);

Trustee Remuneration

- i) annually review and make recommendations to the Trustee Board for Director remuneration, taking into consideration relevant market movements for the superannuation industry, including independent relevant benchmark reports, and the Trustee's performance as a whole;

Board Governance

- j) review and recommend for approval, relevant policies in relation to the business of the Committee including this Charter, the Remuneration Policy, the STI Policy and the Fit and Proper Policy;
- k) review and assess the desired mix of skills, experience and expertise for the Trustee and Committees including identifying any desirable new skills, knowledge and qualities for Directors;
- l) assess fitness and propriety of new and existing Directors and identify and recommend to the Trustee renewal and appointment of individual Directors in accordance with the Trustee's Constitution, Fit and Proper and Governance policies;
- m) review and assess the Trustee & Responsible Persons Skills Matrix annually (in consultation with Committee Chairs where appropriate) to determine Committee composition and make recommendations for changes where required;
- n) monitor and assess succession planning for the Trustee and its Committees to make appropriate recommendations to the Trustee Board as required;
- o) facilitate (by engaging external providers where required) and implement annual and triennial Trustee and Committee Assessments/Evaluations and report findings to the Trustee Board and monitor and follow up recommendations and actions determined by the Trustee;

Other fitness and propriety assessments

- p) oversee the fitness and propriety assessments of new and existing Responsible Persons including the Auditor and Actuary;

Appointment of CEO and Trustee Chair

- q) manage the process for the selection and (after Trustee approval) subsequent appointment of the CEO;
- r) manage the process for the selection and (after Trustee approval) subsequent appointment of a new Chair to the Trustee;

- s) perform such other functions as the Trustee Board may from time to time request the Committee to undertake.

5. Committee resources

- a) The Committee will be supported by the Chief Executive Officer (or nominee), who will provide the necessary resources for the Committee's work.
- b) Subject to the expenditure limits (if any) imposed by the Trustee from time to time the Committee is authorised to engage:
- i. an independent consultant or obtain any other independent advice or counsel as and when required; and
 - ii. the Fund's service providers as may be required to assist the Committee in the execution of its powers and duties and the performance of its functions.

6. Committee reporting

- a) The Committee Chair or a delegated representative shall report to the Trustee Board on the business of the Committee at each quarterly Board meeting (and on such other occasions as the Trustee may require). The Trustee Board will receive the recommendations of the Committee for actioning as it sees fit.

7. Interaction between Committees

- a) It is expected that other Committees may refer matters to the Committee for its consideration and that all Committees will liaise and cooperate to ensure that each Committee deals efficiently with matters within its expertise and that any duplication of work and effort is minimised.

8. Access to the Committee

- a) The Committee must have free and unfettered access to risk and financial control personnel and other parties (internal and external) in carrying out its duties.
- b) All Committee members must be available to meet with APRA on request.

9. Revision History

Version	Reason for amendment	Date approved	Approved by
1	First version: new charter for Spirit Super Committee	26/11/2020 (effective 1 April 2021)	Trustee Board
2	Minor amendments to align with current processes, and broaden the instances where Chiefs may need to attend Committee meetings	26 May 2021	Trustee Board
3	Amended to include People Strategy oversight	-	Trustee Board
4	Delegation to approve remuneration for additional categories of staff	25 August 2022	Trustee Board
5	Annual review including amendments to reflect CPS 511 requirements and CPG 511 guidance	30 August 2023	Trustee Board