

JUNE 2019

# People, Performance and Culture Committee Charter



## Purpose

1. The People, Performance and Culture Committee (**PPCC**) assists the Board in overseeing Chorus' people, culture and related policies and strategies.

## Role

2. The PPCC's role is to:
  - review people and remuneration strategies, structures and policies
  - approve annual remuneration increase guides and budgets
  - review candidates for, and the performance and remuneration of, the CEO
  - review the CEO's recommendations on the appointment or termination of the CFO and the General Counsel and Company Secretary
  - approve the appointment of the CEO's other Executive direct reports
  - approve the CEO's Executive direct reports' terms and conditions of employment (and any variation)
  - review the CEO's performance evaluation of her/his Executive direct reports
  - develop and annually review and assess diversity within Chorus and its reporting
  - oversee recruitment, retention and termination policies and procedures for senior management
  - recommend senior executive (including CEO) incentive remuneration plans to the Board, and
  - review non-executive Director remuneration.

## Procedure

3. The PPCC meets quarterly and as required.

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4. The GM People and Culture attends<sup>1</sup> all PPCC meetings at the invitation of its Chair (but may be asked to leave at any time).

### Responsibilities and Powers

5. The responsibilities and powers delegated to the PPCC by the Board are set out in the Schedule.

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<sup>1</sup> Except for those meetings held without Management present.

### Schedule: PPCC Responsibilities and Powers

<b>Remuneration, Policies &amp; Procedures</b>	
1	Approving annual remuneration increase guides and budgets.
2	Annually reviewing remuneration practices to ensure consistency with Board policy.
3	Reviewing Chorus' people and remuneration strategies, structures and policies and recommending any changes to the Board <sup>2</sup> .
4	Overseeing recruitment, retention and termination policies and procedures for senior management.
<b>CEO</b>	
5	Meeting with the Board and the Board Chair to discuss the CEO's performance and remuneration.
6	Annually reviewing and making recommendations to the Board in respect of the: <ul style="list-style-type: none"> <li>• key performance objectives to be set for the CEO</li> <li>• CEO's performance against her/his key performance objectives, and</li> <li>• CEO's remuneration, any proposed changes, and any other variation of the CEO's terms of employment<sup>3</sup>.</li> </ul>
7	Recommending to the Board candidates to be appointed as CEO.
<b>Executives/Senior Managers &amp; Remuneration Incentive Plans</b>	
8	Reviewing the CEO's recommendations on the appointment or termination of the CFO and General Counsel and Company Secretary, and making recommendations to the Board.
9	Approving, on the recommendation of the CEO, the appointment of the CEO's other Executive direct reports.
10	Approving, on the recommendation of the CEO, the CEO's Executive direct reports' terms and conditions of employment (including any variation).
11	Reviewing the CEO's performance evaluation of her/his Executive direct reports.
12	Making recommendations (including proposing amendments) to the Board with respect to: <ul style="list-style-type: none"> <li>• senior executive (including CEO) incentive plans</li> <li>• employee share option and share ownership plans, and</li> <li>• other employee benefits (including superannuation).</li> </ul>

<sup>2</sup> The Audit and Risk Management Committee reviews remuneration incentive arrangements, and reviews and approves performance objectives and measures, for key internal audit personnel.

<sup>3</sup> The Board Charter sets out the process to be followed for discussion with the CEO of performance and remuneration.

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13	Administering <sup>4</sup> senior executive incentive and employee share option and ownership plans: <ul style="list-style-type: none"> <li>• under the terms of those plans, or</li> <li>• within the powers otherwise delegated by the Board.</li> </ul>
14	Overseeing management succession planning and development for agreed key roles at least annually, including reviewing the CEO's report regarding development and succession planning for her/his Executive direct reports.
<b>Diversity</b>	
15	Developing diversity within Chorus.
16	Annually recommending to the Board the measurable objectives to be set for achieving diversity (including gender diversity) for: <ul style="list-style-type: none"> <li>• Chorus as a whole</li> <li>• senior managers, and</li> <li>• the Board.</li> </ul>
17	Annually: <ul style="list-style-type: none"> <li>• evaluating Chorus' performance with respect to its diversity policy</li> <li>• assessing the measurable objectives set for achieving diversity and progress toward achieving them, and</li> </ul> making recommendations to the Board.
18	Annually reviewing and reporting to the Board on (amongst other indicators) the proportion of women and men in Chorus (including as a whole, senior managers and Chorus' Board).
19	Ensuring appropriate diversity disclosures are made in Chorus' annual report.
<b>Non-Executive Director Remuneration</b>	
20	Annually reviewing non-Executive Director remuneration and recommending any changes to the Board.

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<sup>4</sup> Including setting remuneration measures.