



MyState Limited

# Group People and Remuneration Committee Charter

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## 1. Purpose

The Group People and Remuneration Committee (GPC) is appointed by the Board of Directors of MyState Limited and performs the functions outlined in this Charter, for all entities in the MyState Limited Group.

The reference to the Board in the Charter means the Board of MYS and/or the Board of each entity referred to above.

## 2. Delegations to the Committee

The role of the GPC is to assist the Board in fulfilling its responsibilities with respect to remuneration governance and provide oversight to support the company in achieving its culture and capability ambitions, and meet legal and regulatory requirements

This includes the development of people management practices to drive a culture of customer centricity and execution excellence and equip staff with the capabilities required to deliver organisational excellence and agility.

To assist in fulfilling its responsibilities, the Committee may obtain information, interview management, and seek advice from external consultants or specialists where the Committee considers that necessary or appropriate.

## 3. Committee Composition

Refer to the Board Committee Standing procedures.

## 4. Committee Governance

Refer to the Board Committee Standing Procedures.

## 5. Responsibilities of the Committee

The duties and responsibilities of the GPC are as follows:

### Remuneration

Review and make recommendations to the Board in relation to the remuneration and contractual arrangements of:

- Board Members;
- Managing Director and Chief Executive Officer (MD & CEO)
- Senior executives who are direct reports of the CEO (Executive);
- Accountable Persons in addition to Board and Executive

The need for shareholder approval where required is noted.

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Make annual recommendations to the Board on the remuneration of:

- The MD & CEO;
- The Executive;
- Accountable Persons in addition to the Board and Executive; and
- Any other employee whose activities are considered by the GPC to have the potential to materially affect the financial performance of the Group.

### **Remuneration Policy**

Conduct regular reviews of, and make recommendations to the Board on, the Remuneration Policy. This must include an assessment of the Remuneration Policy's effectiveness and compliance with the requirements of APRA's Prudential Standards and other relevant governance and regulatory requirements.

### **Remuneration Arrangements and Outcomes**

Provide oversight of the implementation of the remuneration framework, including receiving reports to monitor remuneration outcomes.

Approve the aggregate STI payment for Senior Managers on the recommendation of the Managing Director.

Review and make recommendations to the Board in relation to structure, compliance, eligibility and approval of final reward for Incentive and Share programs, taking into account both financial and non-financial risk management implications of variable remuneration setting and outcomes, consulting with the Chair of the Group Audit Committee, and the Chair of the Group Risk Committee as appropriate. Such programs include:

- Executive Long Term Incentive Program (ELTIP);
- Executive Short Term Incentive (STI);
- Employee Share Plan (ESP); and
- Enterprise Agreement Company Performance Bonus.

In making recommendations for the variable remuneration for Accountable Persons GPC will consider whether the Accountable Person has fulfilled their accountability obligations under the Banking Executive Accountability Regime (BEAR).

Monitor the Group's pay equity position both generally and in relation to gender including actions to identify and rectify any unjustified gaps.

**Remuneration Disclosures**

Review and recommend to the Board, approval of the Group's Remuneration Report.

**Culture and Employee Engagement**

GPC will review and monitor strategies and initiatives being taken to measure and transform organisational culture in alignment with MyState's strategic ambitions.

GPC will review and monitor employee survey results and initiatives being taken to enhance the employee experience.

Demonstrate commitment to an inclusive culture by assuming primary responsibility for the formulation and oversight of the Diversity Policy (noting the Group Nominations and Corporate Governance Committee's responsibility to oversight Board diversity reporting in accordance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations).

Review and make recommendations to the Board with respect to policy and procedure including the Code of Conduct and other policies relating to ethical conduct.

**Enterprise Bargaining**

Approve the enterprise bargaining strategy giving consideration to future workforce requirements, financial performance, and sound workplace relations requirements including compliance with regulatory standards.

**Talent and Succession**

Provide oversight to see that management has effective programs in place to build employee capability for strategic execution and also support current business operations, creating an equipped and expert workforce with the capabilities required now and into the future.

Review of the Group's succession plan (noting that this report is also of interest to the Group Risk Committee) for CEO direct reports and other critical roles.

**Health Safety and Wellbeing**

Monitor workplace health and safety, overseeing that management has effective programs in place to provide a safe and healthy work environment and promote employee wellbeing.

**Policy**

- Monitor changes in the regulatory environment and community expectations as they relate to remuneration and workplace practices. Oversee compliance with relevant Group Policies and legal requirements of employment, including:
  - Workplace Health and Safety;
  - Anti-Discrimination;
  - Fair Work;
  - BEAR; and
  - Workplace Gender Equality