



MyState Limited

Group People, Remuneration and Nominations Committee Charter

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1. Purpose

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

2. Delegations to the Committee

The role of the GPRNC is to assist the Board in fulfilling its responsibilities with respect to remuneration and Director nominations governance and corporate governance in general by providing oversight to support the company in achieving its culture and capability ambitions, and meet its legal and regulatory requirements.

This includes the development of people management practices to drive a confident and courageous culture 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 GPRNC are as follows:

a. 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); and
- Material Risk Takers in addition to Board and Executive.

The need for shareholder approval where required is noted.

Make annual recommendations to the Board on the remuneration of:

- The MD & CEO;

- The Executive;
- Material Risk Takers in addition to the Board and Executive; and
- Any other employee whose activities are considered by the GPRNC to have the potential to materially affect the financial performance or reputation of the Group.

In the design implementation and oversight of the remuneration arrangements for the Group, GPRNC will have the right to obtain information, interview management and seek advice from external consultants or specialists as the committee considers necessary.

b. 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.

c. Remuneration Arrangements and Outcomes

Provide oversight of the design and 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 Tem Incentive (STI);
- Employee Share Plan (ESP); and
- Enterprise Agreement Company Performance Bonus.

In making recommendations for the variable remuneration for accountable persons GPRNC will consider whether the accountable person has fulfilled their accountability obligations under the Financial Accountability Regime (FAR).

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

d. 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 and pay outcomes for staff within scope of agreement coverage.

e. Remuneration Disclosures

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

f. Culture and Employee Engagement

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

GPRNC 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.

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.

g. 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.

h. Health Safety and Wellbeing

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

i. Board Performance

Develop and recommend to the Board effective processes for reviewing assessing the performance of:

- the Board as a whole;
- Board Committees; and
- the Chairperson and each of the Directors;

j. Corporate Governance Related Matters

Advise the Board on succession planning for Board positions, including the succession of the Chairman and specific nominations for directorship appointments, to maintain an appropriate mix of skills, experience, expertise and diversity on the Board.

Review that an effective induction process is in place for new directors and to regularly review the effectiveness of the induction process.

Review that reporting disclosures in relation to nomination and Board performance meet the Board's disclosure objectives and all relevant statutory and regulatory requirements.

Monitor contemporary Corporate Governance practices and emerging themes from regulators and industry and provide guidance and where appropriate, assign review and action to the relevant Board or Board Committee.

Annually review the Group's Corporate Governance Practices against the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations* and APRA's CPS 510 *Governance* and prepare a Corporate Governance Statement for Board approval and subsequent public disclosure

k. Policy

Monitor changes in the regulatory environment and community expectations as they relate to remuneration, nominations, corporate governance and workplace practices. Review and make recommendations to the Board in respect of policy and practices including:

- Workplace Health and Safety Policy;
- Sexual Harassment, Discrimination and prohibited Conduct Policy;

- Fair Work practices;
- FAR regulatory obligations;
- Diversity Policy (including workplace Gender Equality);
- Code of Conduct;
- Group Renewal and Evaluation Policy;
- Market Disclosure and Communications Policy; and
- Share Trading Policy.