

# Guide Dogs.

## Nomination, Remuneration and Culture Committee Charter

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Guide Dogs NSW/ACT Limited ABN 52 000 399 744 (**Company**) and its controlled entity (the Group).

Adopted by the Board on 26 October 2020

### 1 Committee Composition

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The Committee must consist of:

- only non-executive directors;
- a minimum of three members of the Board, and
- a maximum of four members of the Board, including the Chair of the Board.

The Board may appoint additional non-executive directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

All non-executive directors have a standing invitation to attend Committee meetings and have access to Committee papers, subject to conflicts. Other non-committee members, including members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.

The Chair must nominate a non-executive director (excluding himself or herself) to be the Chair of the Nomination & Remuneration Committee (Committee Chair).

### 2 Role and responsibilities

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#### 2.1 Remuneration overview

The responsibilities of the Committee in respect of remuneration are as follows:

- (a) Approve employment and remuneration arrangements for the Chief Executive Officer (**CEO**), including contract terms and annual remuneration package.
- (b) Review annually and approve key performance metrics for the Chief Executive Officer and, in conjunction with the CEO, the Executive Leadership Team including, where appropriate, approving changes in employment and remuneration arrangements and incentive programs based on CEO recommendations.
- (c) Review and approve, at an aggregate level, proposed remuneration arrangements of other staff (other than the senior management team and the CEO) with reference to the budget.
- (d) Conduct regular reviews of, and monitor the implementation of, the Company's remuneration framework to confirm it:
  - encourages and sustains a culture aligned with the Company's values;

- supports the Company's vision and mission; and is aligned with the Company's risk management framework, risk appetite
- (e) Retain the services of independent consultants, if necessary, to ensure that senior management teams' packages are fair, competitive and appropriate
- (f) Endorse major changes and developments in the Group's policies and procedures related to remuneration, recruitment, retention, termination and performance assessment for senior management.
- (g) Endorse major changes and developments in the remuneration policies, superannuation arrangements and reward arrangements for the Company.
- (h) Review gender based remuneration reports and recommend executive development strategies to address any identified gap.

## 2.2 Nomination overview

The responsibilities of the Committee in respect of nomination are as follows:

- (a) Assist the Board to develop and regularly review the mix of skills, expertise, experience and diversity that the Board currently has or is looking to achieve in its membership.
- (b) Recommend to the Board whether the composition and mix remains appropriate for the Group's strategy and covers the skills needed to address existing and emerging business and governance issues relevant to the Group.
- (c) Review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chair, having regard to the current composition and mix and the objective that the Board comprise directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender.
- (d) Review and recommend to the Board the criteria for nomination as a director and the membership of the Board more generally, including:
  - (1) making recommendations for the reappointment of Directors, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves; and
  - (2) assisting the Board to identify qualified individuals for nomination to the Board, in accordance with the policy outlined in section 4.
- (e) Review succession plans for the CEO and other senior executives and, using external recruitment specialists as necessary, identify and recommend to the Board candidates for the position of CEO and other senior executives where required, following background checks on these candidates being undertaken.
- (f) Review and recommend to the Board organisation-wide succession planning.
- (g) Assist the Board in relation to the performance evaluation of the Board, its Committees and individual directors.
- (h) Monitor that processes are in place to support director induction and ongoing education and periodically review the effectiveness of these processes.
- (i) Overseeing the regular assessment of, and making recommendations to the Board as to, the independence of each director and associated disclosures.
- (j) Defining diversity and developing diversity KPIs for the Board. Reviewing, and recommending to the Board, executive recommendations for diversity targets for the whole of the organisation.

## 2.3 Culture overview

The responsibilities of the Committee in respect of culture are as follows:

- (a) Monitor the culture of the organisation and management strategies to develop a culture consistent with the mission and vision of the organisation;

- (b) Seek input from the executive leadership team, and other relevant information that will help reveal the cultural dimensions of the organisation, such as employee survey results, customer and supplier feedback, internal audit reports, and reward and performance management systems.
- (c) Monitor the content of, and compliance with, the organisation's people and culture systems and processes in employment diversity, executive success planning and talent management, remuneration policy, employment diversity and paid and volunteer workforce planning and management.
- (d) Review, monitor and recommend to the Board the People Strategy for the organisation
- (e) Provide oversight of any disciplinary action including dismissal, and any restructuring leading to senior executive redundancy.

## 3 Selection and appointment of new directors

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### 3.1 Policy

Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:

- the skills, experience, expertise and personal qualities that will best complement Board effectiveness and promote Board diversity having regard to:
  - the mix of skills that the Board is seeking; and
  - the existing composition of the Board;
- the capability of the candidate to devote the necessary time and commitment to the role (this involves a consideration of matters such as other Board or executive appointments); and
- potential conflicts of interest.

### 3.2 Procedure

- (a) The identification of potential Director candidates may be assisted by the use of external search organisations as appropriate.
- (b) Detailed background information in relation to a potential candidate should be provided to all directors.
- (c) A detailed description of the role should be prepared.
- (d) Appropriate checks should be undertaken in relation to all potential candidates. This process may be assisted by the use of external organisation as appropriate.
- (e) An offer of a Board appointment must be made by the Chair only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.
- (f) All new Board appointments should be confirmed by letter in the standard format as approved by the Board or the Committee from time to time.

## 4 Reappointment of directors

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Each year, the Committee will review each of the directors who are seeking reappointment in light of their independence, the result of their performance review, the Company's succession plans and any other factor considered relevant to the director's contribution to the Board. On the basis of its review, the Committee will make a recommendation to the Board regarding whether to support the director's reappointment.

Where the Director considered for re-election is also a member of the Committee they shall be recused from any Committee discussions.

## 5 Rights of access and authority

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The Committee has unrestricted access to information it considers relevant to its responsibilities. The Committee has rights of access to management and to auditors (external and internal) without management present, and rights to seek explanations and additional information from both management and auditors.

## 6 Review of Charter

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The Board will, periodically and at least once every three years, review the membership of the Committee and the Charter of the Committee to determine its adequacy for current circumstances. The Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.

## 7 Administrative matters and procedures

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### 7.1 Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will normally meet at least twice a year, and one of those meeting shall be held prior to the review of executive remuneration levels.

### 7.2 Quorum

The quorum is at least two members.

### 7.3 Secretary

The Company Secretary, or his or her delegate, should attend all Committee meetings as minute secretary.

### 7.4 Convening and notice of meeting

The Committee Chair will call a meeting of the Committee, if so requested by any Committee member or by the CEO. Notice will be given to every member of the Committee, of every meeting of the Committee. However, there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

### 7.5 Independent advice

The Committee may seek the advice of the Company's auditors, solicitors or other independent advisers, consultants or specialists as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee.

The Committee Chair may arrange for the services of an appropriately qualified and experienced consultant to be available to advise the Committee and to attend its meetings when requested by any member of the Committee.

## **7.6 Minutes**

Minutes of meetings of the Committee must be kept by the Company Secretary. All minutes of the Committee must be entered into a minute book maintained for that purpose and be available for inspection by any director.

## **7.7 Reporting**

The Committee Chair (or his or her nominee) will provide a report to the Board as to any material matters arising out of Committee meetings at the subsequent scheduled Board meeting. All directors may, within the Board meeting, request information of members of the Committee.

A copy of the minutes of the Committee will also be provided to the Board with the Board papers.

The Committee will also consider if any material matters arising out of the Committee meeting should be advised to any other Committee and, if so, ensure that this occurs.