

# **Board People, Culture and Remuneration Committee**

## **Charter**

### **C-CHART0020**

#### **Version 5**

**Effective 5 December 2023**

**OFFICIAL**

Prepared: Deputy Board Secretary – Christopher Dalton

Approved: Airservices Australia Board  
Resolution: R120/2023

## Change summary

Version	Date	Change description
1	2 July 2019	Initial Document Centre published version of Charter, replacing all previous unpublished versions.
2	4 December 2020	Updates to responsibilities in respect of people and culture and to document a number of existing practices. Committee also renamed.
3	31 March 2021	Amendment to Committee's membership composition.
4	9 December 2021	Amendments to Committee responsibilities.
5	5 December 2023	Amendments to Committee responsibilities.

This document was created using Framework Template C-TEMP0322 Version 4.

## Table of contents

<b>1</b>	<b>Objectives.....</b>	<b>3</b>
<b>2</b>	<b>Membership.....</b>	<b>3</b>
<b>3</b>	<b>Responsibilities .....</b>	<b>4</b>
<b>4</b>	<b>Meeting Arrangements .....</b>	<b>7</b>
<b>5</b>	<b>Powers and authority .....</b>	<b>8</b>
<b>6</b>	<b>Reporting.....</b>	<b>8</b>
<b>7</b>	<b>Evaluating performance .....</b>	<b>8</b>
<b>8</b>	<b>Review of Charter .....</b>	<b>8</b>

# 1. Objectives

- 1.1. The objectives of the Board People, Culture and Remuneration Committee (**Committee**) are to assist the Airservices Board (**Board**) to discharge its responsibilities by:
- a) ensuring that Airservices culture and remuneration arrangements are values driven, strategically aligned, within risk appetite and consistent with community expectations;
  - b) reviewing and monitoring the effectiveness of strategy, policies and practices relating to the management of Airservices people and culture;
  - c) reviewing the performance, remuneration and succession plans for the Chief Executive Officer (CEO) and members of the Executive; and
  - d) overseeing and advising on matters concerning the remuneration and performance of the Board.

# 2. Membership

- 2.1. The Committee will consist of:
- a) a Chair, who will be a non-executive Board Member, appointed by the Board;
  - b) at least two non-executive Board Members, appointed by the Board;
  - c) ex officio, the Board Chairperson; and
  - d) ex officio, the Chief Executive Officer.
- 2.2. Appointments to the membership of the Committee will be reviewed by the Board on a biennial basis.
- 2.3. The members, taken collectively, will have a broad range of skills and experience relevant to the operations of Airservices. At least two members of the Committee should have a high level of expertise in the management of people and culture gained through Executive Team positions in large organisations.
- 2.4. The Board in making appointments to the Committee will have regard to the Airservices objectives on equity and diversity, and the need for both continuity and regular renewal.
- 2.5. Committee members are required to:
- a) understand and observe legislative requirements under the *Air Services Act 1995*, the *Public Governance, Performance and Accountability Act 2013* and the *Public Governance, Performance and Accountability Rule 2014*;
  - b) adhere to the Board's Code of Conduct and Conflict of Interest Protocol;
  - c) possess appropriate qualifications, knowledge, skills and experience;
  - d) apply appropriate analytical skills, objectivity and judgement; and
  - e) express opinions constructively and openly, raising issues that relate to the Committee's responsibilities and pursuing independent lines of enquiry.

### 3. Responsibilities

The Committee will assist the Board by:

People and culture	
3.1	Monitor Airservices culture, and satisfy itself that it: <ul style="list-style-type: none"> <li>a) is aligned with its purpose and values,</li> <li>b) supports an approach to risk which is consistent with the Risk Appetite Statement,</li> <li>c) enables the achievement of the Corporate Plan and underpinning strategies, and</li> <li>d) reinforces conduct which is lawful, ethical and responsible;</li> </ul>
3.2	Review Airservices people, culture and conduct related: <ul style="list-style-type: none"> <li>a) policies on an annual basis to ensure their currency and relevance to the purpose, values and strategic objectives of Airservices, and that the policies are operating effectively; and</li> <li>b) investment cases to be considered by the Board</li> </ul>
3.3	Oversee management in its implementation of the desired culture and related objectives including the determination of appropriate and meaningful benchmarking and key performance indicators;
3.4	Review and provide advice to the Board on the adequacy of, or proposed changes to, organisational design;
3.5	Review Airservices workforce planning, and monitor its implementation;
3.6	Review Airservices people and culture strategy, and monitor its implementation;
3.7	Review Airservices industrial relations strategy, and monitor its implementation;
3.8	Review and make recommendations to the Board for approval, with respect to general principles for the negotiation of enterprise agreements;
3.9	Monitor Airservices approach to: <ul style="list-style-type: none"> <li>a) employee value proposition, recruitment, retention and termination,</li> <li>b) talent and workforce planning,</li> <li>c) leadership development and accountability,</li> <li>d) staff alignment and engagement,</li> <li>e) diversity and inclusion,</li> <li>f) workforce productivity and transformation;</li> </ul>
3.10	Monitor significant occurrences involving misconduct and unethical behaviour (other than those involving fraud) and assess the cultural drivers of such conduct; and
3.11	Monitor the management of significant employee-related legal matters.

Remuneration	
3.12	Review Airservices strategy for remuneration and monitor its implementation;
3.13	<p>Monitor Airservices remuneration practices and conditions of employment, and satisfy itself that they:</p> <ul style="list-style-type: none"> <li>a) are aligned with its purpose and values,</li> <li>b) support an approach to risk which is consistent with the Risk Appetite Statement,</li> <li>c) enable the achievement of the Corporate Plan and underpinning strategies,</li> <li>d) reinforce conduct which is lawful, ethical and responsible,</li> <li>e) do not demonstrate gender or other inappropriate bias in the remuneration of all staff, and</li> <li>f) are consistent with Commonwealth public sector requirements concerning enterprise agreements, performance bonuses and other workplace arrangements.</li> </ul>
3.14	Review and make recommendations to the Board for approval, at least every three years, on the Executive Remuneration Policy which governs the remuneration, superannuation, allowances and other benefits of the CEO and members of the Executive;
3.15	Prior to an offer of appointment being made for a new CEO, review and make recommendations to the Board for approval, with respect to appropriate remuneration, superannuation, allowances and other benefits to be offered;
3.16	Undertake an annual review of the remuneration, superannuation, allowances and other benefits for the CEO, and make recommendations to the Board for approval, as appropriate;
3.17	Undertake an annual review of the remuneration, superannuation, allowances and other benefits for members of the Executive (based on recommendations from the CEO), and make recommendations to the Board for approval, as appropriate;
3.18	Review and make recommendations to the Board for approval, with respect to any proposal for the establishment of a performance bonus, or similar arrangement, for the CEO or any other member of the Executive (including governance processes for the Committee and Board to review any bonus payments before they are authorised).
3.19	Review and make recommendations to the Board for approval, with respect to any compensation payment for loss of office if the appointment of the CEO is terminated prior to the expiry of their term;
3.20	Review and make recommendations to the Board for approval, with respect to any compensation payment for loss of employment (based on recommendations from the CEO) if the appointment of a member of the Executive is terminated prior to the expiry of their contract;
3.21	Review and make recommendations to the Board for endorsement, at least every three years, with respect to the remuneration, superannuation, allowances and other benefits of non-executive Board members and whether a submission to the Remuneration Tribunal is warranted; and

3.22	Review and make recommendations to the Board for approval, with respect to the Remuneration Report for inclusion in Airservices Annual Report, in accordance with the relevant obligations under the <i>Public Governance, Performance and Accountability Act 2013</i> .
------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### Executive performance and professional development

3.23	Review and make recommendations to the Board for approval, with respect to the terms of the annual performance agreement for the CEO, including key performance indicators (KPIs) linked to the Corporate Plan;
3.24	Monitor the annual professional development plan for the CEO, as prepared by the CEO in consultation with the Chairperson;
3.25	Undertake mid-year and end-of-year reviews of the CEO's performance against the annual performance agreement, and make recommendations on a performance rating to the Board for approval;
3.26	Prior to the CEO entering into annual performance agreements with members of the Executive, review and make recommendations to the Board for approval, with respect to the approach to be applied by the CEO in determining the terms of the performance agreements, including KPIs linked to the Corporate Plan in the form of cascading accountabilities from the CEO's annual performance agreement;
3.27	Monitor the plans put in place by the CEO for the professional development of members of the Executive; and
3.28	Review the mid-year and end-of-year performance review assessments made by the CEO with respect to the members of the Executive.

### Executive recruitment and succession planning

3.29	Review and make recommendations to the Board for approval, with respect to processes for the appointment and reappointment of the CEO and, should it be necessary, the termination of their appointment;
3.30	Prior to commencement of a recruitment process for a member of the Executive, review and provide feedback to the CEO on the position / role description; recruitment strategy, remuneration parameters, assessment and shortlisting process and recruitment timeline;
3.31	Review and provide advice to the Board on the CEO's recommendation as to the preferred candidate for appointment as a member of the Executive. For this purpose, the CEO may also consult with the Board Chairperson, Committee Chair, and Chair of any other relevant Board Committee, in relation to the suitability (including experience, skills and qualifications) of the preferred candidate and the proposed remuneration package, including remuneration, superannuation, allowances and other benefits;

3.32	Develop, maintain and make recommendations to the Board for approval, with respect to succession planning for the position of CEO; and
3.33	Undertake an annual review of the approach and outcomes applied by the CEO for succession planning and talent management with respect to members of the Executive and other critical roles.

#### Board performance and development

3.34	Review and make recommendations to the Board for approval, with respect to the arrangements for the annual performance evaluation of the Board (including individual Board members and Board committees), including in respect of any evaluation to be conducted by a qualified independent external assessor;
3.35	Review and make recommendations to the Board for approval, with respect to induction and professional development arrangements for non-executive Board members; and
3.36	Review and make recommendations to the Board for approval, with respect to activities which will develop Board member awareness and understanding of matters of interest to staff, customers and other key stakeholders.

- 3.37 The Committee may consider such matters related to the above responsibilities, or otherwise, as they are referred to the Committee by the Board and / or other Board committees.

## 4. Meeting Arrangements

- 4.1. The Committee will meet (except where the Board determines otherwise) not less than four times each year.
- 4.2. A special meeting of the Committee may be convened by a member of the Committee at any time by written request to the Board Secretariat, stating the reason for calling the special meeting. Special meetings will be held within twenty-one days of receipt of such a request, with not less than seven days' notice being provided to all Committee members (except where all Committee members consent to a shorter notice period).
- 4.3. The agenda for Committee meetings will be determined by the Committee Chair.
- 4.4. Meetings can be held in person, by telephone or by videoconference.
- 4.5. The quorum for any meeting of the Committee is 50 per cent of current members of the Committee.
- 4.6. The following Airservices officers have standing invitations to attend meetings of the Committee, but may be asked to leave at any time:
- members of the Executive (as relevant to their accountabilities), and
  - Board Secretary and Deputy Board Secretary.

- 4.7. Other attendees may be invited as required or at the discretion of the Committee or Committee Chair.
- 4.8. The Board Secretariat will provide secretariat support to the Committee, and will ensure:
- the agenda and papers for each meeting are circulated, after approval by the Committee Chair and at least 7 days before the meeting. Copies of the agenda and meeting papers will be provided to all members of the Board via the Board Portal; and
  - the minutes of the meetings are prepared. Draft minutes will be reviewed by the Committee Chair and circulated to Committee members for consideration following each meeting.

## **5. Powers and authority**

- 5.1. The Committee has no power to make decisions in respect to Airservices' business or affairs except as expressly delegated to the Committee by the Board. As at the date of approval of this Charter, the Board has not delegated any decision-making powers to the Committee.
- 5.2. The Board has authorised the Committee to do the following things for the purposes of enabling the Committee to discharge its responsibilities:
- obtain information from management;
  - have access to management and employees; and
  - obtain external, independent advice as considered necessary, at the cost of Airservices.
- 5.3. Any request by the Committee for external advice will be noted in the minutes of the Committee meeting.

## **6. Reporting**

- 6.1. In addition to providing the Board with the minutes of Committee meetings, the Committee, through its Chair, will report at Board meetings about the Committee's activities and prepare draft resolutions for the Board's consideration.

## **7. Evaluating performance**

- 7.1. The Committee will assess its performance against this Charter on an annual basis and seek appropriate input from the Board and other relevant stakeholders as determined by the Board. The Committee will report to the Board on its assessment.

## **8. Review of Charter**

- 8.1. The Board will review this Charter on an annual basis, after receiving advice about the adequacy of the Charter from the Committee.



## 9. Indicative Standing Work Program

Agenda Item	Timing	Notes
Executive and Critical Role Succession Planning and Talent Management Update	Annual (Jan – Mar meeting)	
Board Performance Evaluation arrangements	Annual (Jan – Mar meeting)	
Workforce Planning Update	Annual (Apr – Jun meeting)	
Board Member Professional Development	Annual (Apr – Jun meeting)	
Review of People-Related Policies	Annual (Apr – Jun meeting)	
End of Year Executive Performance Review	Annual (Jun – Aug meeting)	
Annual Executive Remuneration Review	Annual (Jun – Aug meeting)	
End of Year CEO Performance Review	Annual (Jun – Aug meeting)	
End of Year CEO Remuneration Review	Annual (Jun – Aug meeting)	
Corporate Performance Scorecard Setting	Annual (Jun – Aug meeting)	
CEO Performance Agreement and Development Plan	Annual (Jun – Aug meeting)	
Remuneration Report	Annual (Sep meeting)	Statutory deadline applies
Mid-Year Executive Performance Review	Annual (Nov - Dec meeting)	
Mid-Year CEO Performance Review	Annual (Nov - Dec meeting)	
Committee Charter – Annual Review	Annual (Nov - Dec meeting)	
Board Engagement Program	Annual (Nov - Dec meeting)	
Board Member Remuneration Review	3-yearly	
Review of the Executive Remuneration Policy	3-yearly	