

Board People, Culture and Remuneration Committee

Charter

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Version 7

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Approved: Airservices Australia Board
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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1	2 July 2019	Initial Document Centre published version of Charter, replacing all previous unpublished versions.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.
6	4 September 2024	Amendments to Committee responsibilities.
7	6 December 2024	Minor amendments

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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, policies and practices are values driven, strategically aligned, within risk appetite and consistent with community expectations;
 - b) reviewing the performance, remuneration and succession plans for the Chief Executive Officer (CEO) and members of the Executive; and
 - c) reviewing 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. The Board, in making appointments to the Committee, will consider the need for:
- a) the Committee members to collectively have a broad range of skills and experience relevant to the operations of Airservices.
 - b) at least two members of the Committee to have a high level of expertise in the management of people and culture gained through Executive Team positions in large organisations.
 - c) equity and diversity; and
 - d) both continuity and regular renewal.
- 2.3. The Board will review Committee membership at least every two years.
- 2.4. 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

People and culture

- 3.1 Monitoring Airservices culture and satisfying itself that it:
- a) is values driven, strategically aligned, within risk appetite and consistent with community expectations;
 - b) supports achievement of the Corporate Plan and underpinning strategies; and
 - c) reinforces conduct which is lawful, ethical and responsible.
- 3.2 Reviewing Airservices' implementation of people, culture and conduct related:
- a) policies and strategy to ensure their currency and relevance to the purpose, values and strategic objectives of Airservices, and that the policies and strategy are operating effectively;
 - b) investment cases to be considered by the Board; and
 - c) objectives including the determination of appropriate and meaningful benchmarking and key performance indicators.
- 3.3 Monitoring and advising on Airservices approach to:
- a) employee value proposition, recruitment, retention and termination;
 - b) talent and workforce planning;
 - c) leadership development and accountability;
 - d) staff alignment and engagement;
 - e) diversity and inclusion; and
 - f) workforce productivity and transformation.
- 3.4 Monitoring significant occurrences involving misconduct and unethical behaviour (other than those involving fraud) and assessing the cultural drivers of such conduct.
- 3.5 Monitoring the management of significant employee-related legal matters.

Remuneration

- 3.6 Reviewing Airservices strategy for remuneration and monitoring its implementation.
- 3.7 Monitoring Airservices remuneration practices and conditions of employment to ensure that they are:
- a) aligned with its purpose and values,
 - b) support an approach to risk which is consistent with the Risk Appetite Statement,
 - c) enable the achievement of the Corporate Plan and underpinning strategies,
 - d) reinforce conduct which is lawful, ethical and responsible,
 - e) do not demonstrate gender or other inappropriate bias in the remuneration of all staff, and
 - f) are consistent with Commonwealth public sector requirements concerning enterprise agreements, performance bonuses and other workplace arrangements.

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- 3.8 Reviewing and making 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.
- 3.9 Undertaking an annual review of the remuneration, superannuation, allowances and other benefits for the CEO, and making recommendations to the Board for approval, as appropriate.
- 3.10 Undertaking an annual review of the remuneration, superannuation, allowances and other benefits for members of the Executive (based on recommendations from the CEO), and making recommendations to the Board for approval, as appropriate.
- 3.11 Reviewing and making 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).
- 3.12 Reviewing and making 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.
- 3.13 Reviewing and making 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 *Public Governance, Performance and Accountability Act 2013*.

Executive performance and professional development

- 3.14 Reviewing and making 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.
- 3.15 Monitoring the annual professional development plan for the CEO, as prepared by the CEO in consultation with the Chairperson.
- 3.16 Undertaking mid-year and end-of-year reviews of the CEO's performance against the annual performance agreement, and making recommendations on a performance rating to the Board for approval.
- 3.17 Provide advice to the CEO on KPIs to include in Executive Performance Agreements that are linked to the Corporate Plan and cascade accountabilities from the CEO's annual performance agreement.
- 3.18 Monitoring the plans put in place by the CEO for the professional development of members of the Executive.
- 3.19 Reviewing 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

- 3.20 Prior to commencement of a recruitment process for a member of the Executive, reviewing and providing feedback to the CEO on the position / role description; recruitment strategy, remuneration parameters, assessment and shortlisting process and recruitment timeline.
- 3.21 Prior to the appointment of a candidate to be a member of the Executive Team, the CEO will consult with the Board Chairperson, Committee Chair, and Chair of any other relevant Board Committee on the recommended appointment.
- 3.22 Annual review and recommendations to the Board for approval, with respect to succession planning for the position of CEO.
- 3.23 Undertaking 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

- 3.24 Reviewing and making recommendations to the Board for approval, with respect to induction and professional development arrangements for non-executive Board members. These arrangements include activities to ensure Board understanding of issues of importance for staff, customers and key stakeholders.

Other matters

- 3.25 The Committee may consider such matters:
- a) related to the above responsibilities; or otherwise
 - b) as they are referred to the Committee by the Board and / or other Board committees.

4. Meeting Arrangements

- 4.1. The Committee will meet not less than four times each year except where the Board determines otherwise.
- 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:
- a) members of the Executive (as relevant to their accountabilities), and
 - b) 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 Board Secretariat will provide secretariat support to the Committee by ensuring:
- a) the agenda and papers for each meeting are circulated to all Board members , after approval by the Committee Chair, at least 7 days before the meeting; and
 - b) 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. The Board, at the date of approval of this Charter, has not made any such delegation.
- 5.2 The Board has authorised the Committee to do the following things for the purposes of enabling the Committee to discharge its responsibilities:
- a) obtain information from management;
 - b) have access to management and employees; and
 - c) 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 The Committee will:
- a) prepare draft resolutions for the Board's consideration.
 - b) provide the Board with the minutes of Committee meetings; and
 - c) through its Chair, report at Board meetings about the Committee's activities.

7 Evaluating performance

- 7.1 The Committee will:
- a) assess its performance against this Charter on an annual basis. This assessment includes seeking appropriate input from the Board and other relevant stakeholders as determined by the Board.
 - b) report to the Board on its assessment.

8 Review of Charter

- 8.1 The Committee will review this Charter on an annual basis and report the outcomes of the review to the Board.