

COMMITTEE TERMS OF REFERENCE

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| Title | Executive Performance & Remuneration Committee Terms of Reference | | |
| Document Sponsor | Chief Executive Officer | | |
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| Business Function | Governance | | |
| Keywords | | | |

1. Introduction

1.1 Purpose

To provide advice and direction to the Trust of the Greater Metropolitan Cemeteries Trust, on such matters as:

- a) the overall performance and remuneration of the Chief Executive, through regular performance reviews, and ;
- b) the individual remuneration packages of:
 - the Chief Executive Officer
 - the direct reports to the Chief Executive Officer (CEO), and
 - other executive positions as defined, from time to time, by the applicable government policies, and
- c) Urgent significant organisational issues determined by the Trust Chair and the Chief Executive Officer (CEO).

Note: The approval of the Trust Chair is required prior to the CEO formalising any appointments, remuneration changes, termination and/or major disciplinary actions of any direct report of the CEO (refer GMCT Operating Delegation Policy).

2. Objective and Powers

To ensure executive remuneration packages appropriately reflect competence and performance and comply with the Victorian Government Public Entity Executive Remuneration (PEER) Policy, Public Entity Executive Classification Framework (PEECF) and other applicable Victorian Government policies, guidelines and directives made from time to time.

3. Committee Responsibilities

- 3.1 Monitor compliance with the Victoria Government Public Entity Executive Remuneration Policy and Guidelines.
- 3.2 Receive from the Chief Executive recommendations on remuneration adjustments for all other executives, in order to make recommendations to the Trust.
- 3.3 Make recommendations to the Trust of the appropriate key performance indicators for the CEO directly linked to the delivery of the organisation's goals and objectives.
- 3.4 Assess the performance of the CEO against Trust-endorsed key performance indicators at least annually.

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- 3.5 Seek additional information if required, for the purpose of monitoring the CEO's performance, such as external advice or through a self-assessment process.
- 3.6 Monitor Succession Planning and Development Plans for the CEO, executives and High Potential Employees.
- 3.7 Recommend professional development opportunities for the CEO.
- 3.8 Note report provided by the CEO on Executive Performance and the annual Victorian Independent Remuneration Tribunal (VIRT) recommendations on remuneration bands and adjustments for Public Entity Senior Executive Service (PESES) classifications.
- 3.9 Approve remuneration adjustments to the CEO's and other Executive's fixed remuneration, subject to Victorian Government Public Entity Executive Remuneration (PEER) Policy, Public Entity Executive Classification Framework (PEECF) and the Victorian Independent Remuneration Tribunal and Improving Parliament Standards Act 2019 (Vic) on the annual adjustments to remuneration bands for executives employed in prescribed public entities.

4. Membership

4.1 Composition

- a) Minimum of three (3) Trust members (one of whom is the Trust Chair)

4.2 Members

- a) Committee Chair, or in their absence another member appointed by the Trust Chair.
- b) Trust members appointed by the Trust

4.3 Terms and Vacancies

- a) All appointments made by the Trust are for two (2) years and committee members are eligible for reappointment.
- b) The Trust must appoint a person to fill a vacancy in the membership within three months of the vacancy arising.
- c) Where possible, the Committee will seek to reappoint at least one (1) member to ensure continuity of corporate knowledge on this committee.

4.4 In Attendance

- a) CEO to attend as invited by the Executive Performance and Remuneration Committee when required.
- b) Other members of management or parties external to the Trust may be invited by the Committee Chair to attend any meeting of the Committee or part thereof, as a resource or in an advisory capacity. In particular, the Committee may engage an independent expert/s in executive leadership and development, to attend Committee meetings and provide the Committee with advice, tools and reports that assist the Committee to fulfil its responsibilities.
- c) Non-members of the Committee may be asked to withdraw for all or any part of any meeting.
- d) The Chair is responsible to ensure that minutes are taken at every meeting.

5. Meetings

5.1 Frequency

- a) Meetings shall be held as required for the purpose of conducting regular reviews of the performance of the CEO with a minimum of three (3) meetings per year.
- b) The Committee Chair may call a meeting of the Committee if so requested by a member of the Committee and/or by the Chair of the Trust.

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- c) Meetings may be called or held using any technology determined by the Committee Chair.

5.2 Quorum

A quorum shall consist of not less than two (2) Trust members, one (1) of whom shall be the Committee Chair, or a nominee of the Committee Chair who must be a Trust Member.

5.3 Decision-making

- a) Decisions shall be reached by consensus.
- b) Any matter not resolved by the Committee must be referred to the Trust.
- c) Any Trust member may attend a meeting of the Committee of which they are not a member, for discussion of particular areas of interest to that Trust member.

5.4 Agendas

- a) The Committee Chair is responsible for the development of the Agenda for Committee meetings; items for the agenda shall be circulated prior to the meeting.
- b) The Agenda will be circulated together with relevant meeting papers prior to the meeting date.
- c) Meeting agendas are structured throughout the year to ensure that each significant responsibility of the Committee is addressed.

5.5 Minutes

- a) Proceedings, findings and recommendations of all Committee meetings are minuted.
- b) Draft Minutes shall be distributed to all members no later than seven (7) days following the meeting unless otherwise agreed by the Committee.
- c) Minutes are approved by the Committee at its subsequent meeting.

6. Confidentiality

Members will be subject to the confidentiality requirements of the GMCT Confidentiality Policy.

7. Lobbying

- a) The Trust members who are Committee members are subject to restrictions on past or present lobbying activity under VPSC Code of conduct for Directors of Victorian Public Entities.
 - The Trust members who are Committee members must not engage in any lobbying activity including activities undertaken in other jurisdictions that may relate to the functions of the public entity.
 - The Committee must confirm at the start of each meeting that Trust members on the Committee are not engaged in such activity. Any independent members of the Committee are not strictly subject to the Code, but are required by GMCT to declare any lobbying activity that may relate to the functions of GMCT.
- b) Lobbying activity, defined in the Victorian Government Professional Lobbyist Code of Conduct, includes any contact with a Government Representative to influence decision-making, including policies, legislation, planning, and grants.
- c) Activities described in subclause 9(b) are exempt from being considered lobbying if the Committee member:
 - Is a board director or statutory office holder governed by the Directors Code of Conduct, and

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- Is acting in their capacity as a director on behalf of the public entity board.

8. Reporting

- 8.1 The Committee Chair or the Chair of the meeting must report the findings and recommendations of the Committee to the Trust after each Committee meeting.
- 8.2 The Committee’s formal report and feedback to the Trust is through its meeting Minutes.
- 8.3 Membership of the Committee is disclosed in the Annual Report.

9. Trust Responsibilities

- 9.1 Regularly receive Committee meeting minutes and consider the recommendations therein.
- 9.2 Request items for consideration.

10. Statutory Context

- 10.1 The policy framework for employing executives under the Public Administration Act 2004
- 10.2 The Committee’s role is to ensure that the Trust adhere to the Victorian Government Public Entity Executive Remuneration Policy (PEER Policy) overseen by the Victorian Independent Remuneration Tribunal (VIRT).
- 10.3 Victorian Public Entity Executive Handbook

11. Committee Terms of Reference History

| Date | Details of Change |
|---------------|---|
| 2014 | Reviewed and Updated |
| March 2016 | Updated to new template & consolidated with Trust Charter |
| May 2019 | Updated reference to the change of Policy on Executive Remuneration in Public Entities, previously overseen by GSERP is revoked and the Office of Public Sector Executive Remuneration (OPSER) has assumed responsibility for oversight of executive remuneration in public entities |
| Aug 2019 | Reviewed and updated following June EPRC meeting |
| Aug 2020 | <ul style="list-style-type: none"> • Statement under section 1.1c added • Statement under section 1.1d added • Section 3.9 added stating that EPRC has the responsibility to approve remuneration adjustments to the CEO’s and other Executive’s fixed remuneration • Change to section 4.2a, Trust Chair no longer required to be EPRC Chair • CEO moved from being a member in section 4.2d to being invited to attend EPRC section 4.4a. • Updated section 4.4b to allow EPRC to engage an independent expert • Adjusted the frequency of EPRC meetings • Updated Definitions • Replaced reference to OPSER with Victorian Government Public Entity Executive Remuneration Policy (PEER Policy) |
| November 2021 | <ul style="list-style-type: none"> • Added reference to the Victorian Government Public Entity Executive Remuneration (PEER) Policy and Public Entity Executive Classification Framework (PEECF) in section 2 • Added reference to Public Entity in section 3.1 • Added reference to CEO and executives in relation to monitoring |

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| | <p>succession planning and development plans for high potential employees in section 3.9</p> <ul style="list-style-type: none"> • Corrected the reference to Executive Performance and Remuneration Committee in section 4.4(a) • Updated information relating to statutory context in section 9 • Update to section 11, definitions |
| November 2022 | <ul style="list-style-type: none"> • Provided clarity to Item 3.8 in relation to annual Victorian Independent Remuneration Tribunal (VIRT) recommendations on remuneration band adjustments for Public Entity Senior Executive Service (PESES) classifications. |
| November 2023 | Reviewed and minimal changes updated |
| March 2024 | Updated to include changes to Code of conduct for directors of Victorian public entities. |

12. Definitions

Executive Performance: The level of performance of the CEO and direct reports (CEO determines KPI's for direct reports) as measured against a predetermined set of key performance indicators (KPIs) agreed by the Trust.

Remuneration Package: The "Total Remuneration Package" (TRP) and its components as defined by Victorian Government Public Entity Executive Remuneration Policy (PEER Policy) and other applicable government policies or directives made from time to time. Please note that s. 18L of the Cemeteries and Crematoria Act require the CEO's terms and conditions of appointment, including remuneration, to be approved by the Secretary to the Department of Health before a person is employed as a CEO.