

# REMUNERATION COMMITTEE CHARTER

**Effective Date**

**September 2017**

## **1. Purpose**

The Remuneration Committee (the Committee) is a standing sub-committee of the Board of the Guide Dogs Victoria (the Board). The Committee has been established to assist the Board in:

- Reviewing executive remuneration policies
- The appointment of the Chief Executive Officer (CEO)
- Reviewing the performance of the CEO
- Determining an appropriate remuneration for the CEO
- Overseeing the appointment, remuneration and the performance appraisal of the CEO's direct reports
- Determining the appropriate disclosure of executive remuneration.

The Committee is responsible for reporting to the Board on all relevant matters relating to this Charter to enable the Board to take any necessary decisions and/or actions. The Committee may also be required to provide advice to the Board on specific matters that the Board has referred to it for consideration and advice.

## **2. Composition**

The Committee will consist of up to 4 members of the Board. The Board will appoint the Committee members and the Committee chair. The Chief Executive Officer (CEO) may be required to attend Committee meetings.

## **3. Meetings**

- The Committee will meet at least once a year, and has authority to convene additional meeting, as circumstances require
- Committee members are expected to attend each meeting

- There is a standing invitation for other Directors to attend the Committee meetings
- A quorum of any meeting is 2 members
- The Committee can invite members of management and any other persons deemed appropriate to attend meetings and provide pertinent information and they will arrange for a member of staff to fulfil the role of secretary
- The Committee Chair may devote time in any agenda for the purpose of confidential open discussion with members of the Committee
- Meeting agendas will be prepared and provided 1 week in advance to members, along with appropriate briefing materials
- Minutes will be distributed to members within 1 week after the meeting
- At a subsequent meeting, the minutes should be checked and endorsed by the Committee, and signed by the chair as an accurate record of the meeting.

#### **4. Reporting requirements**

The minutes of the Committee meetings are to be included in the agenda of the next available Board meeting, and the Committee chair will brief the Board on all significant matters discussed at the Committee meetings.

#### **5. Evaluating the Committee**

The Committee will:

- Evaluate its performance on an annual basis
- Obtain feedback from the Board on the Committee's effectiveness
- Review the Remuneration Committee Charter at least every three years and discuss any required changes with the Board and ensure that the Charter is approved or re-approved by the Board.

#### **6. Authority**

In discharging its responsibilities under this Charter, the Committee has authority to:

- Seek through the CEO any information it requires from any staff member-all of whom are directed to co-operate with the Committee's requests



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- Obtain external professional advice it considers appropriate or necessary in order for it to properly carry out its functions subject to obtaining the prior approval of the Board or the chair of the Board

The Committee has authority to conduct or authorise investigations into any matters within its scope of responsibilities under this Charter.

## **7. Responsibilities**

### Reviewing executive remuneration policies

The Committee is responsible for ensuring that executive remuneration policy and approach fits Guide Dogs Victoria's strategic goals.

### Appointment of the CEO

The Committee is responsible for recommending to the Board the appointment of the CEO. The Committee will utilise the services of an independent search firm to assist in identifying suitable candidates for the position, and to assist in the ultimate selection of a suitable individual for the position.

### Remuneration of the CEO

- The Committee will consult with suitable external experts to determine the appropriate remuneration (in this Charter remuneration means total remuneration package) for the position of CEO of Guide Dogs Victoria.
- The on-going determination of appropriate remuneration will be undertaken in conjunction with an appraisal of performance in line with an established performance plan.

### Performance Assessment of the CEO

- The Committee will establish an agreed performance plan for the position of CEO at the time the Board agrees to Guide Dogs Victoria's annual plans and budgets for the coming financial year.
- The CEO's actual performance will be assessed against the key performance areas in the agreed performance plan, when Guide Dogs Victoria's actual performance is known for the financial year and can be compared with the annual plans and budgets established at the commencement of the financial year.



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- Any adjustment in remuneration that is decided to be paid emanating from the annual performance assessment process will be back dated to the date of the assessment.

Overseeing the appointment, remuneration and the performance appraisal of the CEO's direct reports

The CEO must inform the Committee of the need to fill a vacancy of a position that directly reports to the CEO so that the Committee can determine whether or not it wishes to be involved in the selection process.