



Sugar Research
Australia®

PEOPLE PERFORMANCE & REMUNERATION (PPRC)

Control

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CONTEXT AND OBJECTIVES

1. The People, Performance and Remuneration Committee (“Committee” or “PPRC”) is a committee of the Board of Sugar Research Australia Limited established pursuant to SRA’s Constitution.
2. The objectives of the Committee are to assist the SRA Board to discharge its corporate governance responsibilities to exercise due care and diligence and skill in relation to:
 - a. Oversight of human resources, workplace health and safety and environmental management strategies, policies and initiatives;
 - b. SRA’s people capabilities required to execute its strategic and business objectives;
 - c. Establishing key performance areas (and key performance indicators (KPIs)) for the Chief Executive Officer (CEO) and the regular review of the CEO’s performance;
 - d. Oversight of remuneration and benefits to ensure they are fair and equitable and managed within an appropriate framework;
 - e. Ensuring the company’s remuneration framework drives appropriate behaviours, reflective of the organisation’s values;
 - f. Oversight of SRA’s culture and cultural metrics; and
 - g. Oversight of compliance with applicable laws and regulations as they relate to the responsibilities of the Committee.

ROLE AND RESPONSIBILITIES

3. The main duties and responsibilities of the Committee are to:

Safety

- a. Oversee the establishment and implementation of effective and safe systems of work, and initiatives to manage the risk of serious harm or injury to SRA staff, contractors, and visitors to as low as reasonably practicable;
- b. Monitor the operation of SRA’s workplace health and safety and environmental policies and systems, and compliance with corresponding legislative requirements, and refer any material issues to the attention of the Board; and
- c. Regularly review safety performance (including trends) against agreed targets, approved organisational KPIs and industry best practice and encourage continual improvement and achievement of best practice through leadership and innovation.

Remuneration and Performance

CEO

- a. CEO Performance and Remuneration is the responsibility of SRA’s Board. The PPRC will review, assess and provide recommendations to the Board on:
 - The KPIs for the CEO to ensure their alignment to the achievement of SRA’s strategy and business model objectives;
 - The remuneration and benefit strategies for the CEO, to satisfy that these are appropriate for the position, are fair, reflect the contribution made to the business by the CEO and enhance a business culture that supports accountability and performance;
 - The methodology used to assess the CEO’s performance, remuneration and associated benefits.

- b. Assist SRA's Board Chair in the annual performance review of the CEO, including establishing objectives and KPIs for the CEO on an annual basis.

Senior Management (SMT)

- a. Work with the CEO to review and assess the KPIs for the senior management team (SMT) to ensure their alignment to the achievement of SRA's strategy and business model objectives;
- b. Review and assess the remuneration and benefit strategies recommended by the CEO for the SMT, to satisfy itself that these are appropriate for the position, are fair, reflect the contribution made to the business by the staff member and enhance a business culture that supports accountability and performance;
- c. Review and confirm the methodology used to assess the SMT's performance, remuneration and associated benefits.

SRA Board

- a. Review the Board's 'skills matrix' (at least annually prior to the appointment of the Director Selection Committee) and highlight any gaps in the collective skills of the Board;
- b. Recommend to the Board continuing professional development requirements for Directors;
- c. Review Director remuneration as requested by the Board from time to time; and
- d. Assist the Board in reviewing Board and Board Committee performance on an annual basis and initiate an independent formal performance review at least once every three years.

People and Culture

- a. Monitor the implementation and effectiveness of SRA's culture programs and culture metrics.
- b. Oversee SRA's culture and the effectiveness of initiatives to instil and reinforce SRA's values and compliance with the Code of Conduct (including material breaches and the action taken, or proposed to be taken, in response to those breaches);
- c. Satisfy itself of the existence, currency and adequacy of human resources policies and systems, including those relating to recruitment, talent management, training and development, performance management, remuneration and performance incentives, succession planning, superannuation, diversity, and the code of conduct, and their effectiveness in meeting SRA's strategic goals;
- d. Establish and review the talent management and succession planning strategies applicable to the CEO, and in consultation with the CEO, the talent management and succession planning strategies for direct reports to the CEO; and
- e. On an annual basis, review the effectiveness of SRA's Diversity Policy and strategies across all areas of diversity (including those covered by the Workplace Gender Equality Agency) and:
 - i. assess SRA's measurable objectives and its progress towards achieving them, including the effectiveness of any strategies aimed at achieving the objectives, and
 - ii. identify changes required to address any gender pay gap.

Risk Management and Reporting

- a. Monitor and identify any material risks specifically with the areas of responsibility for the Committee (including compliance obligations corresponding to those risks), considering SRA's risk appetite and refer any matters of significance or material deviations from the risk management framework to the Board; and
- b. Require that management identify and address changes to the rules and regulations for human resources management, workplace health and safety, and environmental management, and that compliance and non-compliance with the rules and regulations is reported to the Board.

DELEGATION AND AUTHORITY

4. The Committee may examine any matter in relation to its role, functions and accountabilities, either on its own initiative or at the request of the Board.
5. Unless expressly delegated by the Board, the Committee does not have any decision making powers and performs an advisory role only, making recommendations to the Board.
6. In fulfilling its role and discharging its functions and accountabilities, the Committee has the authority to:

- a. require the Chief Executive Officer, members of SRA's SMT or other SRA staff to attend meetings and provide information or advice;
- b. request or authorise investigations and access information, records and personnel for that purpose, and
- c. seek advice from independent external consultants, subject to the Board's approval and appropriate budgetary provision.

7. The Committee is subject to the direction of the Board.

Membership

8. The Committee comprises a minimum of 2 and a maximum of 4 members, including the Committee Chair.
9. Committee members must be Directors of SRA.
10. The Committee Chair and members are appointed by the Board, for the term and on the conditions determined by the Board.
11. The Board must appoint Committee members based on their skills and experience, so that collectively the Committee has the appropriate skills and experience to fulfil its role, functions and accountabilities.
12. The Committee Chair must not be the Chair of the Board and must possess strong leadership and communication skills.

MEETINGS

Frequency

13. The Committee must meet at least 4 times per year which may be in person or via video-conference.
14. The Committee may meet additionally, as the Committee considers necessary.
15. The Committee Chair and Company Secretary will endeavour to schedule meetings to coincide with other Board responsibilities and the timing of obligations that SRA is required to meet that require Committee endorsement or discussion.

Chair

16. If the Committee Chair is absent or unable or unwilling to chair a Committee meeting, the Committee members present may appoint a chair for that meeting.

Quorum

17. A quorum for a Committee meeting is 2 members.

Invitees

18. All Directors of SRA have a right to attend Committee meetings. The Committee may invite other stakeholders such as SRA staff to attend its meetings as it sees fit to assist the Committee in performing its roles and responsibilities.

Voting

19. Any matters requiring decision by the Committee may be decided by consensus, with no need for formal voting.
20. If a consensus is not achievable, a matter may be decided by a majority of votes of Committee members present.
21. Invitees to Committee meetings have no right to participate in consensus decisions or to vote.

Secretariat

22. The Company Secretary, in consultation with the Committee Chair, will assist the Committee with the administration of its meetings and reporting duties, including, as required:
 - a. preparing and sending notices of meetings and agenda to Committee members;
 - b. preparing and distributing Committee papers; and
 - c. preparing minutes of Committee meetings and including them in the Board papers.

Planning

23. The Committee must prepare an annual plan and calendar outlining the meetings, activities and events the Committee plans to undertake during each quarter in each year.
24. The Committee must provide its annual plan and calendar to the Board for approval.

Reporting to Board

25. As soon as practicable the Committee will provide the minutes of each Committee meeting to the Board at the next Board meeting.
26. The Committee Chair may provide a verbal report on the Committee's activities to the Board if required.

Reporting to Members

27. Rule 22.6 of the Constitution requires the Board to include in the annual report for each financial year a report on the operations of the Committee.

Review

28. The Committee will review the Charter annually to keep it up to date and consistent with the Committee's authority, objectives and responsibilities.
29. Any amendments to the Charter recommended by the Committee must be approved by the Board before taking effect.
30. In addition to the responsibilities included in this Charter, the Committee may consider any other matters referred to the Committee by the Board.