

# ARGYLE COMMUNITY HOUSING LTD

## NOMINATIONS, REMUNERATION AND GOVERNANCE COMMITTEE CHARTER

## 1. PURPOSE

- 1.1 The Board of Argyle Community Housing Ltd (**Argyle Housing** or the **Company** has constituted this Nominations, Remuneration and Governance Committee (**NRGC**) to assist the Board to fulfill its responsibilities with respect to nomination and succession planning processes human resource policies and remuneration matters and oversight the governance framework within the Company.
- 1.2 This Charter sets out the responsibilities of the NRGC, its membership and the manner in which its activities should be conducted.

## 2. OBJECTIVES

- 2.1 The objectives of the NRGC are to assist the Board to satisfy itself that the Company:
  - a) has coherent remuneration and people management policies and practices which are aligned with the Company's purpose, values, strategic objectives and risk appetite and which enable the Company to attract, motivate and retain capable and talented directors, executives and employees;
  - b) fairly and responsibly remunerates directors, CEO, direct reports of the CEO and other employees, having regard to the performance of the Company and best market practices; and
  - c) delivers on its overall people strategy, having due regard to the Company's succession planning, talent management, diversity, performance management and employee relations policies.

## 3. MEMBERSHIP

- 3.1 The NRGC shall be comprised of at least three independent non-executive directors.
- 3.2 A quorum for any meeting will be two members.
- 3.3 The Chair and members of the NRGC shall be appointed by the Board. The Chair will be an independent non-executive director who is not the Board Chair.

## 4. NOMINATION RESPONSIBILITIES

- 4.1 The Nomination responsibilities of the NRGC are:
  - a) identifying and recommending to the Board, nominees for membership of the Board;
  - b) being responsible for and disclosing a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership;
  - c) identifying and assessing the necessary and desirable competencies and characteristics for Board membership, including:
    - i) skills, expertise and background that add to and complement the range of skills, expertise and background of the existing directors;
    - ii) diversity; and
    - iii) the extent to which the candidate would fill a present need on the Board;
  - d) establishing processes for identifying suitable candidates for appointment to the Board to ensure an appropriate mix of expertise, experience and succession;
  - e) ensuring that the Company:
    - i) develops and discloses a Board appointment process, which includes selection criteria having regard to the candidate's skills and experience;
    - ii) undertakes appropriate checks before appointing a person, or putting forward to its members, a candidate for election, as a director, including checks as to a candidate's character, expertise, education, criminal record and bankruptcy history;

- iii) provides the members with all material information relevant to a decision about whether or not to elect or re-elect a director;
- iv) has a written agreement with each director, Chief Executive Officer (**CEO**) and direct reports of the CEO, setting out the terms of their employment; and
- v) has, and discloses a summary of the main features of, a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively, particularly in relation to accounting and changes in accounting standards;
- f) ensuring succession plans for Board, the CEO and direct reports of the CEO are in place; and
- g) recommending the removal of directors of the Board.

## **5. PERFORMANCE OF DIRECTORS RESPONSIBILITIES**

5.1 The Performance of directors' responsibilities of the NRG are:

- a) annually reviewing the performance of the CEO;
- b) establishing and disclosing a process for periodically evaluating the performance of the Board, its Committees and individual directors;
- c) evaluating the performance of the Board, its Committees and individual directors;
- d) reviewing whether the directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and on Board Committees effectively and, where any gaps are identified, considering what training or development could be undertaken to fill those gaps; and
- e) evaluating the performance of directors before they stand for re-election.

5.2 Members of the NRG must not participate in any review or assessment of their own performance.

5.3 After consulting with the other non-executive directors, the NRG will arrange for a suitable non-executive director or external person nominated by the NRG to conduct a performance evaluation of the Board Chair.

## **6. REMUNERATION RESPONSIBILITIES**

6.1 The Remuneration responsibilities of the NRG are:

- a) reviewing Board and director remuneration policies and practices to ensure they are in line with relevant legislation and corporate governance principles relating to remuneration practices and employment policies;
- b) considering the CEO's total remuneration having regard to relevant sector executive remuneration levels and policies;
- c) reviewing and approving, on the recommendation of the CEO, changes to the total remuneration, terms of employment of direct reports of the CEO, if the changes are outside of the current financial year Board approved Budget;
- d) reviewing the remuneration of non-executive directors for serving on the Board and any Committee (both individually and in total);
- e) reviewing superannuation arrangements for directors, Senior Executives and other employees;
- f) assessing whether there is any gender or other inappropriate bias with respect to the remuneration for directors, direct reports of the CEO or other employees;
- g) reviewing the remuneration, retirement and termination policies for non-executive directors having regard to market trends;
- h) any other responsibilities as determined by the Board from time to time; and
- i) making recommendations to the Board in relation to the matters above.

## **7. GOVERNANCE RESPONSIBILITIES**

7.1 The Governance responsibilities of the NRG Committee are:

- a) ensuring that an appropriate corporate governance framework is developed in line with a balance between legal compliance, ideal practice and the capacity of the organisation to operate within such a framework, based upon its size, risk profile and the effect on performance of the Company;
- b) ensuring that the Board operates within all legal and regulatory compliance requirements and that it takes account of change, obtains appropriate advice and conducts appropriate examination of existing practices in the light of legislative changes;
- c) developing an appropriate framework within which the Company can function, including such matters as committees, policy review, organisational risk, board performance, board training, and the development of board material;
- d) oversee and review the Company's Code of Ethics and Conduct and its applicable procedures and any reported non-compliance;
- e) ensuring that directors' resources are available on Argyle Housing's website to enable directors to perform their duties;
- f) developing director induction programs;
- g) reviewing the Constitution at the very least, every two years;
- h) developing and reviewing Company compliance standards; and
- i) in conjunction with the other Board Committees (as appropriate), to continue to investigate all aspects of further developing/expanding the business in order to meet both internal targets with external legislative requirements, such as:
  - i) monitoring compliance with Tier 1 National Registration; and
  - ii) reviewing the corporate structure as necessary to ensure an optimal structure.

## **8. COMMITTEE MEETINGS**

- 8.1 All directors are entitled and invited to attend meetings. The Committee may invite other persons to its meetings as it deems necessary.
- 8.2 The Secretary of the NRGC will be Argyle Housing's Company Secretary, unless the NRGC determines otherwise.
- 8.3 The NRGC will meet at least twice per year and at any other time at the request of the Board or as the NRGC determines.
- 8.4 A quorum for any meeting will be at least two NRGC members.
- 8.5 The NRGC must keep minutes of its meetings.
- 8.6 Meetings may be held by the members communicating with each other through any means by which they can participate in discussion even though they may not be physically present in the same place.
- 8.7 The Secretary is responsible for coordinating the timely dispatch of meeting agendas and committee papers to members prior to each meeting.
- 8.8 The Secretary will take minutes of all meetings and keep records of all meetings held, papers submitted to meetings and recommendations made by the NRGC.
- 8.9 Decisions of the NRGC will be by majority vote. Any dissenting member shall be entitled to have their dissent recorded in the minutes.
- 8.10 The NRGC may approve resolutions by circular resolution as required. A copy of the written resolution passed shall be provided to the NRGC's next meeting.

8.11 The NRGC Chair will communicate the proceedings of the Committee to the Board after each meeting. Copies of the minutes of meetings of the NRGC will be circulated to all Directors at the next full Board meeting following approval of the minutes by the NRGC Chair.

**9. ACCESS TO INFORMATION AND INDEPENDENT ADVICE**

9.1 The NRGC may seek any information that it considers necessary to fulfil its responsibilities.

9.2 The NRGC may seek professional advice from appropriate external advisers, at the Company's cost. The NRGC may meet with external advisers without the CEO being present.

**10. COMMITTEE PERFORMANCE**

10.1 The NRGC will evaluate Its performance on an annual basis and assess achievement of the responsibilities specified in this Charter and report the findings to the Board on an annual basis.

10.2 The NRGC shall review its Charter biennially and recommend any desired changes to the Board for approval.

**11. APPROVED AND ADOPTED**

11.1 This charter was approved and adopted by the Board on 29 June 2021.

**Version Control**

Version No	Date	Revised By	Description	Board approved
1.0	October 2017	Company Secretary	Review	26 August 2014
2.0	May 2018	Company Secretary	Move to a Biennial Review	26 June 2018
3.0	Dec 2019	Company Secretary	Review requested by the Board	17 December 2019
4.0	May 2020	Company Secretary	Biennial Review	24 June 2020
5.0	Sept 2020	CEO	Review of Clause 6	29 September 2020
6.9	June 2021	Company Secretary	Change requested by ARC	29 June 2021