



Human Resources and Work Health & Safety Committee Charter

1. PRIMARY OBJECTIVE

The Human Resources and Work Health & Safety Committee (**the Committee**) is a committee of the Board of Directors of the Port of Townsville Limited (**POTL**).

The primary objective of the Committee is to assist the Board of Directors in fulfilling its corporate governance responsibilities by reviewing recommendations, monitoring and establishing Human Resources and Work Health and Safety policy frameworks. Such frameworks shall be consistent with POTL's business needs and objectives, commercial profile and relevant legislation.

The Committee does not replace or replicate established management responsibilities and delegations, the responsibilities of other executive management groups within POTL, or the reporting lines and responsibilities of either the internal audit or external audit functions. The Committee does not have executive power with regard to its findings and recommendations.

2. DUTIES AND RESPONSIBILITIES

The Committee shall consider any matters relating to the human relations, safety and remuneration practices of POTL. In addition, the Committee shall examine any other matters referred to it by the Board of Directors.

Specific duties and responsibilities of the Committee include:-

- Reviewing and advising the Board of Directors in relation to remuneration policies and practices to ensure effectiveness, integrity and compliance with Government policy and to ensure that the overall remuneration policy and approach fits the strategic objectives of POTL. The Committee will periodically review all policies covering fixed remuneration, incentives and any remuneration related reward systems.
- Determining key performance indicators for the Chief Executive Officer and Senior Executives for recommendation to the Board.
- Evaluating the performance of the Chief Executive Officer and Senior Executives and recommending performance payments and remuneration increases to the Board in line with the Board's approved policy.
- Reviewing and advising the Board of Directors on POTL's management succession plan.
- Developing and implementing procedures for the Board's periodic evaluation of its performance and effectiveness, and overseeing implementation of recommendations from these reviews.
- Monitoring and evaluating the effectiveness of the policies and processes in place to effectively manage human resources, industrial relations and work health and safety matters, and ensuring they are sensitive to the general concerns of relevant stakeholders, including without limitation, shareholding Ministers, employees, government and unions.
- Evaluating compliance with statutory responsibilities and applicable policies relating to human resources, employment, industrial relations and work health and safety matters.
- Assisting with the development and oversight of POTL's safety management system.
- Responding to emerging issues relating to human resources, industrial relations and work health and safety that have the potential to impact upon POTL (e.g. changes in legislation or Government policy).
- Liaising as necessary with the Audit and Risk Management Committee in relation to human resources, industrial relations and the continuing implementation and external certification of POTL's safety management system.
- Liaising as necessary with the Strategy & Business Improvement and Major Project Committees.

The Committee may commission an audit to include:-

- compliance with relevant legislation, government policies and shareholding Minister's expectations;
- consistency with the Corporate Plan, Statement of Corporate Intent and Employment and Industrial Relations Plan;

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- consistency with Board and Senior Management philosophy; and,
- adequacy in terms of employee values.

The following evaluation criteria may be useful when conducting the Audit:-

- internal equity resulting from practices;
- affordability of remuneration level / decisions;
- external competitiveness or practices;
- degree to which policy and practice is understandable and communicated effectively to employees;
- extent to which policy is capable of being reshaped to adapt to changing needs;
- legal / defensible nature of policy and practices; and,
- administrative efficiency of policy and practices.

In the discharge of its responsibilities the Committee must provide prompt and constructive advice, and report its findings to the Board of Directors, particularly where issues are identified that could present material risk or threat to POTL.

POTL's Board of Directors, Senior Management and employees will assist the Committee in the discharge of its duties and responsibilities by providing access to POTL's documents, records and physical property as may be required to undertake its role. The Committee is free to review and appraise policies, plans, procedures, records and methods of operation and to seek information from employees appropriate to fulfilling Committee duties and responsibilities.

3. COMMITTEE MEMBERSHIP

The Chairperson of the Board will appoint at least three (3) Directors to serve as members of the Committee. The Chairperson of the Board may vary appointments to the Committee at any time and as he/she sees fit. The Chairperson of the Board may approve, from time to time, the appointment to the Committee of up to two (2) members external to POTL. The Chairperson of the Board shall be an ex-officio member of the Committee, if not already a member.

When considering membership appointments, the Chairperson of the Board will consider rotation of members to facilitate the input of new ideas, while retaining some degree of continuity via a core of experience.

Collectively, the Committee shall possess:

- a thorough understanding of the core activities of POTL and the environment in which it operates, including its strengths, weaknesses, opportunities and threats;
- a commitment to the continual improvement of the outputs that POTL delivers;
- strong business acumen and management skills;
- a high level of understanding of best practice and experience;
- a sound knowledge of information systems and emerging technology;
- an inquiring attitude, objectivity and independence; and
- a strong, demonstrated sense of probity and ethical conduct.

Committee Chairperson

The Committee Chairperson must be a Board Director.

If the Chairperson is not present or is unwilling to act, the Committee must appoint a Committee member who is also a Board Director to chair the meeting.

Committee Secretary

The Secretary will be appointed by the Chief Executive Officer to facilitate the Committee's meetings and reporting duties. The Secretary will be responsible for the preparation and circulation of the meeting agenda and accurately minuting all decisions of the Committee in consultation with the Committee Chairperson. The Secretary will also be responsible for the timely tabling of all correspondence, reports and other information relevant to the Committee's activities and operations.

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4. ETHICAL PRACTICES

Members of the Committee will, at all times in the discharge of their duties and responsibilities, exercise honesty, objectivity and probity and not engage knowingly in acts or activities that have the potential to bring discredit to POTL.

Members also must refrain from entering into any activity that may prejudice their ability to carry out their duties and responsibilities objectively and must at all times act in a proper and prudent manner in the use of information acquired in the course of their duties. Members must not use information obtained through their position on the Committee for any personal gain for themselves or their immediate families or in any manner that would be contrary to law or detrimental to the welfare and goodwill of POTL.

Further, members must not publicly comment on matters relative to activities of the Committee other than as authorised by the Board of Directors.

5. COMMITTEE MEETINGS

Meetings shall be conducted on a formal basis and be effectively minuted by the Secretary as to proceedings and decisions. A meeting agenda must be prepared and distributed to all members of the Committee at least five (5) working days prior to a meeting. Draft minutes of meetings must be prepared and provided to the Committee Chairperson for prior approval as soon as possible after the conclusion of the meeting. Once approval has been received, the minutes of meetings must be promptly distributed to Committee members and must be confirmed as an accurate record of the meeting at the next subsequent meeting of the Committee.

Meetings of the Committee should be held at least three (3) times each year. Meetings may be held via teleconference or videoconference, if required. In addition, the Committee Chairperson may call such additional meetings as may be necessary to address any matters referred to the Committee by the Chief Executive Officer or in respect of matters that the Committee wishes to pursue.

A quorum for a Committee meeting is half the number of members appointed (including the ex officio member) provided that at least one of the members present is a Director of the Board, and if that number is not a whole number, the next highest whole number.

Only those members appointed by the Board of Directors may vote on matters before the Committee. As far as practicable, decisions of the Committee shall be regarded as its collective decision or advice. However, where there is material dissension to a decision, a minority view may be placed before the Board of Directors.

Other Attendances at Meetings

The Chief Executive Officer is to attend all meetings. The General Managers shall have a standing invitation to attend all Committee meetings. Other executives or officers may be requested to attend Committee meetings to discuss or report on particular agenda items and such person(s) must attend.

When advice is required in relation to a matter subject to a Committee inquiry and it is considered sufficiently material to warrant the services of a specialist consultant external to POTL, the Committee may request the Chief Executive Officer to obtain such expert assistance.

The Committee may determine from time to time, that it is appropriate to conduct meetings privately with Senior Management, including the Chief Executive Officer. The reasons for such meetings will be forwarded to the relevant executives with the invitation to attend the meeting. The Committee may at its absolute discretion, decide to exclude some or all non-committee members from such a meeting.

6. ACCESS TO INFORMATION

The Committee shall have the freedom to conduct or authorise investigations into any matter within its objectives or as requested by the Board of Directors. The Committee shall be entitled to have access to all relevant information held by POTL. It is also authorised to discuss with any employee any matter that is the subject of an investigation.

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The Committee shall be empowered to retain independent legal advice, advisers or other professionals to assist in its investigations / deliberations, with the costs borne by POTL.

7. COMMITTEE REPORTING

The minutes of all Committee meetings and a report detailing the Committee's findings and recommendations must be tabled at the Board meeting following each Committee meeting, unless the Board meets within five (5) days of the Committee meeting in which case they are to be tabled at the next Board meeting thereafter.

The Committee Chairperson shall:-

- report the findings and recommendations of the Committee to the Board of Directors at the next possible Board meeting following each Committee meeting;
- regularly update the Board of Directors about Committee activities and make appropriate recommendations;
- ensure the Board of Directors is made aware of any human resources, industrial relations or safety matters which may impact on POTL or its Directors as soon as practicable; and
- submit a summary of the role and achievements of the Committee for inclusion in the Annual Report of POTL together with a statement that the Committee has observed the terms of its charter.

8. COMMITTEE REVIEW

The Committee Chairperson shall annually assess the performance of the Committee and take appropriate action in respect of areas where there is a perceived need for enhancement of its role, operational processes or membership.

At least once every three (3) years the Committee shall arrange for a peer review of its operations and activities by an appropriately qualified person. The results of the review shall be reported directly to the Board of Directors. The Chairperson of the Committee will action the performance evaluation and may obtain assistance if required.

A key outcome of the evaluation process should be for the Committee to set a series of goals to guide their activity over the coming year, as well as a review and update of the Committee Charter.

9. CO-OPERATION WITH COMMITTEE

Each employee must provide full, frank and meaningful advice on any issue raised by the Committee within fourteen (14) days of receiving such a request and shall co-operate fully with the activities of the Committee in all other respects. The annual report of the Committee will include a statement as to the extent of co-operation provided to the Committee during the year.

10. ANNUAL CALENDAR

MEETING DATE	MATTERS FOR CONSIDERATION
All Meetings	<ul style="list-style-type: none"> • Report on Staffing Levels • Report on Leave Balances and Pattern of Use • Report on Safety Performance and Trends
Annually	<ul style="list-style-type: none"> • Conduct Chief Executive Officer and Senior Executive Performance Assessments and Establish KPI's • Conduct Remuneration Reviews for Chief and Senior Executives • Review Succession Plan • Review Remuneration Policies and Practices • Evaluate and confirm the mechanism for Board Performance Assessments to be carried out by the whole Board • Summary of Employee Performance Reviews • HR & WHS Risks and Compliance • Workforce Planning • Review Committee Charter and Annual Calendar

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