

Remuneration Committee Charter

Revised: December 2019

1. Introduction

- 1.1** This charter has been adopted by the Agency Management Committee (the Board) to set out the role of the Remuneration Committee (the Committee).
- 1.2** The Committee's function is to assist the Board and AHPRA maintain their policies and procedures relating to the remuneration policy and performance management framework for AHPRA's senior management and for ensuring that the Board is able to discharge its functions in an effective manner.
- 1.3** For the purposes of this Charter, AHPRA's senior managers are defined as the Chief Executive Officer (CEO), Executive Directors and other staff on executive contracts, not otherwise covered by enterprise agreements.
- 1.4** The Committee has no formal delegated power from the Board.
- 1.5** This Charter has effect from the date nominated by the Board until it is subsequently reviewed, amended and approved by the Board.

2. Purpose

- 2.1** The Board has established the Committee to provide advice and recommendations on the following areas:
 - the remuneration policy for senior managers;
 - the performance management framework for senior managers;
 - other duties as identified and referred by the Agency Management Committee.
- 2.2** The Committee must follow a lawful direction given to it by the Board, and those directions override all provisions of this Charter.
- 2.3** In order to ensure that it provides effective and timely advice to the Board, the Committee will:
 - review and make recommendations on remuneration policies and packages and the performance management framework for AHPRA senior managers
 - review and make recommendations on the overall level and structure of remuneration for senior managers, including the form of employment contract, salary bands (including any performance related elements), provision of other benefits and termination arrangements
 - review and make recommendations on the annual objectives, performance measures, performance and remuneration of the CEO
 - ensure that effective arrangements are in place for setting of annual objectives and appraisal for other senior manager
 - ensure that there is an appropriate succession planning framework for the Chief Executive Officer and the other key AHPRA senior management positions
 - review and make recommendations on the application of the framework for the payment of sitting fees and/or stipends to members of National Boards as determined by Ministerial Council.

3. Members of the Committee

- 3.1** Members of the Committee are appointed by the Board for a term not exceeding three years. Members may be re-appointed for two additional terms.
- 3.2** The Committee will comprise up to 6 members including, at least:
- the Chair of the Board
 - up to two other members of the Board
 - two National Board members
 - an independent member
- 3.3** The Chair is appointed by the Board and must be a member of the Board.
- 3.4** An independent committee member will provide an external perspective on matters considered by the committee.
- 3.5** Secretariat and professional support will be provided by AHPRA.
- 3.6** The Board can fill a casual vacancy in the Committee and must ensure that the Committee has a Chair at all times

4. Meetings of the Committee

- 4.1** The Committee will hold three to four scheduled meetings per calendar year, subject to need.
- 4.2** In addition to the scheduled meetings, a meeting of the committee must be held if requested by either:
- the Board, or
 - the CEO of AHPRA
- 4.3** Three members of the Committee are required for a quorum, at least two of whom must be Board members.
- 4.4** The AHPRA CEO shall normally be in attendance, except when the Committee is considering the remuneration or any aspect of the contract or performance of the AHPRA CEO.
- 4.5** The Committee, acting through the AHPRA CEO, may request the provision of:
- Information from AHPRA relevant to its operational requirements
 - independent professional advice and/or
 - the attendance of any relevant member of AHPRA staff.

at any of its meetings.

5. Reporting to the Board

- 5.1** The Committee must submit the minutes of each meeting to the next possible meeting of the Board and the Chair will provide a verbal update after each meeting.
- 5.2** The Committee will conduct a review of its activities prior to the end of each financial year and provide a summary of the review to the next meeting of the Board.
- 5.3** The Committee will produce a report annually of its activities for consideration by the Board and circulation to National Boards.
- 5.4** The Committee must also provide any other reports requested of it by the Board.

6. Accountability and Review

- 6.1** The Board will review this charter annually.