

HYDRO-ELECTRIC CORPORATION
People, Culture and Safety Committee
Terms of Reference

1 OBJECTIVES

The objectives of the People, Culture and Safety Committee (Committee) are to assist the Board to discharge its corporate governance responsibilities to exercise due care and diligence and skill in relation to:

- a) oversight of human resources and workplace health and safety strategies to foster quality management practices that keep our people safe, develop and appropriately reward our people, foster an effective and efficient workforce and create a great place to work;
- b) setting key performance areas for the Chief Executive Officer (CEO) and the regular review of the CEO's performance;
- c) oversight of executive and staff remuneration and benefits frameworks;
- d) oversight of human resources and workplace health and safety policies and procedures;
- e) oversight of the culture of the organisation, and its strategies for the prevention of inappropriate workplace behaviour and promotion of diversity, equity and inclusion;
- f) oversight of compliance with applicable laws and regulations; and
- g) examination of any other matter referred by the Board.

2 MEMBERSHIP

- a) The Committee shall comprise a minimum of three non-executive directors, one of whom shall be appointed Committee Chair.
- b) The Chief Executive Officer, EGM Governance and all non-executive directors, who are not members of the Committee, have a standing invitation to attend meetings.
- c) The terms of appointment of members are at the discretion of the Board, including appointment of the Chair.

- d) Where possible (having regard to membership of the Board of Directors), at least one member of the Committee will have professional experience in Human Resources management and/or safety practices.
- e) The quorum for a Committee meeting shall be two non-executive director members.

3 DUTIES AND RESPONSIBILITIES

3.1 Policy setting

The Committee will monitor, review and make recommendations to the Board on the Corporation's human resources and workplace health and safety policies and the Code of Conduct.

3.2 Human resources, culture and workplace health and safety oversight

The Committee will:

- a) maintain oversight of the Corporation's people and workplace health and safety strategies, systems, frameworks and reporting to ensure alignment with strategic business priorities, ethics, values and risk appetite;
- b) maintain oversight of the Corporation's culture evolution and the development of a workplace culture that is safe, healthy, collaborative, efficient and effective; and
- c) maintain oversight of diversity, equity and inclusion strategies that support inclusion and belonging and prevent inappropriate workplace behaviours.

3.3 Compliance

The Committee will:

- a) maintain oversight of processes for compliance with relevant legislation and regulations in connection with workplace health and safety and human resources management;
- b) seek timely updates from management with respect to material changes in legislative and regulatory obligations in the areas of workplace health and safety and human resource management and keep the Board informed of relevant changes;
- c) seek confirmation from management on an annual basis that the Corporation is compliant with requirements set out in the Tasmanian Government Business Enterprise Guidelines for Director and Executive Remuneration; and

- d) be apprised of serious allegations or systemic breaches of the Code of Conduct that require reporting to an external regulator or authority.

3.4 Remuneration and incentives

The Committee will:

- a) oversee any proposed changes to the Corporation's remuneration framework and strategy;
- b) provide input into the development of the annual balanced scorecard and executive incentive program;
- c) oversee and provide guidance to the Corporation and make recommendations to the Board with regard to the renegotiation of Enterprise Agreements and/or other significant terms and conditions of employment; and
- d) make recommendations to the Board with respect to key performance measures for the CEO.

3.5 Succession planning

The Committee will:

- a) monitor, review and make recommendations to the Board regarding required skills and succession planning for non-executive directors and the CEO; and
- b) monitor and review executive succession planning undertaken by the CEO.

4 RESOURCES

- a) The Committee has the authority to seek any information it may reasonably require from any officer of the Corporation or its subsidiaries.
- b) The Committee may consult experts at the expense of the Corporation where considered necessary to carry out its duties and responsibilities.
- c) The Committee may require, at its discretion, the attendance of the EGM People, Culture and Engagement, EGM Strategy, and other management representatives as necessary. The Corporation Secretary or their nominee will attend all Committee meetings.
- d) The Corporation Secretary or their nominee shall carry out secretariat duties for the Committee and be responsible for keeping minutes of meetings and drawing up agendas in consultation with the Executive General Manager People, Culture and Engagement and the Chair of the Committee.

- e) An annual forward agenda will be established by the Executive General Manager People, Culture and Engagement for approval by the Committee by the end of each calendar year.

5 GENERAL

- a) The Committee will meet quarterly, or as the business may require, but no less than quarterly either in person or virtually.
- b) The Chair of the Committee will report significant issues arising from Committee meetings to the next meeting of the Board.
- c) The Committee will ensure that its Terms of Reference is reviewed at least annually.
- d) The Committee will ensure its performance is assessed annually. This may take the form of a self-assessment process.