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**PEOPLE, DIVERSITY AND COMMUNITY COMMITTEE  
CHARTER**

Version No: V1  
Approved By: WPW Board  
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This Charter sets out the People, Diversity and Community Committee (“the Committee”) objectives, authority, composition, roles and responsibilities, procedures, performance, and reporting and administrative arrangements.

**1. Purpose**

The purpose of the People, Diversity and Community Committee is to assist the Board to oversee its responsibilities and duties in regards to human resource, remuneration, organisational development, diversity and inclusion and community engagement functions.

**2. Scope**

- 2.1 The Committee is formally appointed by the Board and is responsible to the Board.
- 2.2 The Committee has authority to obtain any information it requires from management in order to discharge its duties in line with its responsibilities.
- 2.3 The Committee will review, monitor and recommend to the Board for approval of relevant policies and strategic plans in relation to:
  - 2.3.1 Remuneration, recruitment, retention and termination policies
  - 2.3.2 Organisational culture and employee engagement
  - 2.3.3 Executive performance and remuneration
  - 2.3.4 Diversity and inclusion
  - 2.3.5 Community engagement and customer satisfaction
- 2.4 The responsibilities of the Committee may be revised or expanded in consultation with or at the request of the Board.
- 2.5 The Committee Charter is subservient to the Board Charter; i.e. the Board Charter is the overarching Charter that provides direction to the Board and Committees and each Committee must comply firstly with the Board Charter, and then with the Committee Charter. If in any case the Committee Charter is silent on any matter, the Board Charter presides. In any case of confusion or contradiction, the Board Charter presides.
- 2.6 The Committee does not hold any delegated decision making authority and must defer to the Board on all matters requiring a decision.
- 2.7 The Committee may obtain expert advice where appropriate following consultation with the Chair of the Board.

**3. Composition and Term**

- 3.1 The Committee will include at least three members, two of whom must be non-executive Directors.
- 3.2 The Committee must include a majority of non-executive Directors.
- 3.3 The Board will appoint the members of the Committee.
- 3.4 Appointment to the Committee will be for a period as determined by the Board and members will be progressively rotated to maintain continuity.
- 3.5 The duties and responsibilities of members of the Committee are in addition to those duties set out for a Director of the Board.
- 3.6 The Chair of Board will appoint the Chair of the Committee noting that the Committee Chair:
  - 3.6.1 Shall be a non-executive director of the Board;
  - 3.6.2 Shall be appointed Chair for a period no longer than 24 months;



- 3.6.3 Can not be the Chair of the Board; and
- 3.6.4 Where the Committee Chair is not present at a Committee meeting, the Committee must appoint a member of the Committee to preside as Chair.
- 3.7 The members, taken collectively, will have a broad range of skills and experience relevant to the operations of WPW.
- 3.8 Membership will be reviewed periodically but at least once every two years.
- 3.9 An annual review of the Committee will be undertaken which shall be incorporated with the annual performance review of the Board.

#### **4 Responsibilities**

The responsibilities of the Committee are as follows:

##### **4.1 Recruitment, Remuneration & Performance Management**

- 4.1.1 Oversee the recruitment of the MD.
- 4.1.2 Ensure that WPW's remuneration, recruitment, retention and termination policies, as well as the incentive policies, practices and performance indicators are aligned to WPW's vision, values and overall business objectives.
- 4.1.3 Ensure that WPW's remuneration, recruitment, retention and termination policies for Managing Director ("MD") and Government Senior Executive Remuneration Panel ("GSERP") contracted executives comply with government policy.
- 4.1.4 Review the MD's performance outcomes and associated performance indicators as recommended by the Chair of the Board including annual bonus components.
- 4.1.5 Review the MD's remuneration within the terms of the employment contract and GSERP conditions as recommended by the Chair of the Board.
- 4.1.6 Review the senior executives' performance and key performance indicators, including the MD's recommendations on annual bonus components.

##### **4.2 Diversity and Inclusion**

- 4.2.1 Oversee the Corporation's performance against WPW's current Diversity and Inclusion Plan and the associated legislative and policy requirements regarding diversity and inclusion as set by the Victorian Government.
- 4.2.2 Make recommendations to the Board regarding the measurable objectives for diversity and inclusion, including gender, cultural and ethnic diversity across WPW.

##### **4.3 Organisational Culture and Employee Engagement**

- 4.3.1 Ensure the robustness and alignment of the performance appraisal system with the Corporation's policies and strategies.
- 4.3.2 Monitor training, education and development programs and policies for the MD and senior executives.
- 4.3.3 Monitor the organisational engagement and annual engagement survey results and satisfy the Board that the culture, engagement and work environment are appropriate and safe for all employees.

##### **4.4 Enterprise Bargaining**

- 4.4.1 Provide oversight of the Enterprise Agreement relating to matters of strategic significance.



**4.5 Community Engagement and Customer Satisfaction**

- 4.5.1 Consider and review WPW's key customer service and stakeholder engagement strategies to ensure consistency with vision, strategic direction and the expectations of WPW's customers and community stakeholders.
- 4.5.2 Consider and provide guidance on emerging customer and community issues and policy development.
- 4.5.3 Review customer service performance and community engagement activities against objectives and targets, including key performance indicators.
- 4.5.4 Review customer and community insights, including annual customer satisfaction surveys, and provide guidance on how trends are addressed and managed.
- 4.5.5 Review performance against regulatory targets identified in the 2018 Essential Services Commission Price Determination.

**5. Meetings**

- 5.1 The Committee is to meet not less than twice a year.
- 5.2 Additional or ad-hoc meetings can be held where the Board Chair or Committee Chair deems necessary.
- 5.3 Meetings of the Committee may be held face-to-face or by any technological means by which members can participate in a discussion.
- 5.4 A quorum will be two members.
- 5.5 Meeting agendas and supporting documentation will be provided in line with the protocol for the production of Board papers.
- 5.6 The proceedings of all meetings will be minuted to reflect work done by the Committee to address its roles and discharge its responsibilities.
- 5.7 Minutes shall be approved by the Committee and signed by the Committee Chair.
- 5.8 Committee members will declare any conflicts of interest at the commencement of each Committee meeting.

**6. Reporting**

- 6.1 The Committee reports to the Board on all matters within its Charter and provides advice and recommendations to facilitate decision-making by the Board and management.
- 6.2 The Chair of the Committee will report to the Chair of the Board as necessary.

**7. Performance**

- 7.1 All members of the Committee are required to take appropriate and timely action to ensure they have the requisite understanding of the water industry to enable them to discharge their responsibilities.
- 7.2 New members will be inducted to the Committee by the Managing Director and the Committee Chair.

**8. Review**

This Charter is to be reviewed by this Committee every two years. This Charter will continue in operation until replaced by a subsequent version or rescinded.