



THE STAR

# **The Star Entertainment Group Limited**

(ABN 85 149 629 023)

## **Remuneration and People Committee Terms of Reference**

21 November 2022

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## **1 Introduction to the Terms of Reference**

### **1.1 General**

The Remuneration and People Committee is a committee of the Board established pursuant to the Company's Constitution.

These Terms of Reference set out the functions and responsibilities of the Remuneration and People Committee and detail the manner in which the Remuneration and People Committee will operate.

### **1.2 Authorities**

The Remuneration and People Committee has the authority and power to exercise the responsibilities set out in these Terms of Reference and under any separate resolutions of the Board granted to the Remuneration and People Committee from time to time.

The Remuneration and People Committee does not have the power or authority to make decisions for or on behalf of the Board, unless specifically authorised to do so under these Terms of Reference or as directed by the Board.

### **1.3 Board approval**

The Board has approved the Remuneration and People Committee Terms of Reference.

The Board may approve updates and amendments to the Remuneration and People Committee Terms of Reference from time to time.

### **1.4 Definitions**

Unless the contrary intention is expressed in these Terms of Reference, the following words (when used in these Terms of Reference) have the meaning set out below:

**Board** means the Board of Directors of the Company from time to time.

**CEO** means the Managing Director and Chief Executive Officer of the Company.

**Committee** means the Remuneration and People Committee of the Board.

**Company** means The Star Entertainment Group Limited (ACN 149 629 023).

**Corporations Act** means the Corporations Act 2001 (Cth).

**Director** means a person appointed as a director of the Company.

**KMP** means key management personnel as defined in the Corporations Act.

**WHS** means work health and safety.

## **2 Role of the Committee**

The role of the Committee is to consider and make recommendations to the Board, on matters relating to human resources (excluding matters relating to the appointment of Non-Executive Directors that are the responsibility of the Board), the contribution and alignment of those matters to the Company's vision and strategic plan, and to assist the Board with its oversight of the Company's strategy, policies, practices and controls relating to matters including:

- employee remuneration, superannuation, and incentive policies and practices (including remuneration of Non-Executive Directors, KMP and direct reports to the CEO);
- minimum shareholding policies for Non-Executive Directors, KMP and direct reports to the CEO;
- employment policies (including diversity in employment);
- WHS arrangements;
- employee engagement, training and talent management (including succession planning); and
- industrial relations.

## 3 Responsibilities of the Committee

### 3.1 Key responsibilities

The responsibilities of the Committee include:

#### ***Employment Policies***

- (a) reviewing and recommending to the Board, appropriate policies relating to recruitment, retention and termination of employees, and remuneration and incentive policies and practices that are aligned to prudent risk management for the Company's long term financial soundness and designed to be competitive and equitable to attract and retain good people;
- (b) monitoring whether employment policies have been applied consistently and appropriately;

#### ***Diversity in Employment***

- (c) reviewing, monitoring and reporting to the Board on the effectiveness of the Company's Diversity and Inclusion Policy and recommending any amendments to the Company's Diversity and Inclusion Policy;
- (d) recommending to the Board the measurable objectives to be set on an annual basis in accordance with the Company's Diversity and Inclusion Policy and annually assessing the Company's progress on achieving those measurable objectives;
- (e) reporting to shareholders on the Company's progress towards achieving its measurable objectives in respect of gender diversity;

#### ***Remuneration Matters***

- (f) reviewing and recommending to the Board, the key performance indicators (both financial and other measures) to monitor the performance of KMP and direct reports to the CEO;
- (g) reviewing and recommending to the Board, the remuneration of KMP and direct reports to the CEO KMP and any other executive or senior manager whose remuneration package is proposed to be outside the Company's Board-approved remuneration framework and policies;
- (h) monitoring the remuneration of KMP and direct reports to the CEO (including the outcome of annual remuneration reviews);
- (i) reviewing and recommending to the Board, the remuneration of the Chair of the Board and Non-Executive Directors;
- (j) reviewing and recommending to the Board the recruitment, retention and termination practices for KMP (from a remuneration perspective);
- (k) reviewing and recommending to the Board the adoption of remuneration arrangements to support achievement of the Company's gender diversity objectives;

- (l) reporting to, or informing the Board or its relevant Committee/s, of any remuneration practices, key performance indicators or related matters that may potentially involve an element of material risk for the Company;
- (m) receiving and considering reports from the Audit Committee in relation to decisions about the Company's financial outcomes (for example, determination of significant items for disclosure in the Company's financial reports) that may have an impact on remuneration or incentive plan outcomes;
- (n) recommending to the Board the appointment of a 'remuneration consultant' (as defined in the Corporations Act), the entry into any 'remuneration consultancy contract' (within the meaning of section 206K of the Corporations Act), and the adoption of any recommendations made by any such remuneration consultant;

### **Superannuation Arrangements**

- (o) reviewing and recommending to the Board the superannuation arrangements applicable to the Company's employees;

### **Remuneration Disclosure**

- (p) developing and reviewing the strategy for shareholder and stakeholder communications in relation to remuneration issues;
- (q) engaging and consulting with stakeholders (including proxy advisors) on remuneration strategies, structure and policies to mitigate the risk of any potential material impact on the Company's reputation;
- (r) overseeing the preparation of, and reviewing the content of the Remuneration Report for inclusion in the Company's Annual Report;
- (s) participating in the planning of the Company's Annual General Meeting to ensure effective communication and discussion of the Remuneration Report, in preparation for the non-binding shareholder vote on the Remuneration Report;
- (t) recommending to the Board employee incentive plans (including option and share plans), and individual equity allocations to relevant eligible employees;
- (u) exercising the powers and responsibilities set out in the plan documentation relating to each incentive plan, and to do any act, matter or thing as may be deemed necessary, advisable or incidental to fulfil those powers and responsibilities;

### **Minimum Shareholding Policies**

- (v) reviewing the minimum shareholding levels for Non-Executive Directors, KMP and direct reports to the CEO, and recommending to the Board any required changes to the relevant Minimum Shareholding Policy;
- (w) monitoring changes to the shareholdings of Non-Executive Directors, KMP and other direct reports to the CEO, and assessing whether the applicable Minimum Shareholding Policy has been satisfied.

### **Employee Engagement & Training**

- (x) reviewing and monitoring the implementation and effectiveness of employee engagement plans and employee training plans;

### **Talent Management (including Succession Planning)**

- (y) reviewing the performance of the CEO and direct reports to the CEO (at least annually), and monitoring the implementation and effectiveness of their succession planning and talent management processes;

### **Industrial Relations**

- (z) reviewing and monitoring the effectiveness of industrial relations plans and their implementation;

### **WHS Arrangements**

- (aa) reviewing and recommending to the Board the Company's WHS Strategy;
- (bb) monitoring material WHS risks and informing the Risk and Compliance Committee of any breaches of WHS arrangements;
- (cc) reporting to the Board on significant WHS risks and matters relevant to the management of material WHS risks, including in relation to material incidents;
- (dd) overseeing compliance with relevant WHS legislation and monitoring the Company's WHS performance;
- (ee) reviewing the effectiveness of the Company's WHS Policy and recommending to the Board any changes required to be made to that policy.

## **3.2 Other responsibilities**

The Committee will perform other duties and responsibilities as requested by the Board or expressly delegated to the Committee from time to time.

The duties and responsibilities of a member of the Committee are in addition to those set out for a member of the Board.

## **4 Composition and Structure of the Committee**

### **4.1 Composition**

The Committee should be of sufficient size, independence and technical expertise to conduct its duties effectively.

The Committee will comprise at least three members appointed by the Board. A majority of Committee members must be independent Non-Executive Directors.

The Board will appoint one of the Committee members as the Chair of the Committee who must be an independent Non-Executive Director.

Other members of the Board are entitled to attend Committee meetings, but will not be entitled to vote on any matter being considered by the Committee.

### **4.2 Removal or resignation**

If a member of the Committee ceases to be a Director, that member ceases to be a member of the Committee. The Board may remove a member of the Committee.

### **4.3 Secretary**

The Secretary of the Committee is the Company Secretary. The Secretary of the Committee will be responsible, in conjunction with the Chair of the Committee, for determining the agenda for each meeting.

## **5 Meetings of the Committee**

### **5.1 Frequency**

The Committee will meet as frequently as required but not fewer than four times a year.

The Committee may call such additional meetings as the Chair of the Committee decides are necessary for the Committee to fulfil its duties.

In addition, the Chair of the Committee is required to call a meeting of the Committee when requested to do so by a Committee member, the CEO, or the Company Secretary.

### **5.2 Minutes of meetings**

The Secretary of the Committee (or his/her authorised delegate) will be responsible for taking the minutes of Committee meetings.

The Secretary of the Committee (or his/her authorised delegate) will circulate minutes of Committee meetings to all Committee members after the Chair of the Committee has given preliminary approval.

The minutes of Committee meetings will be approved by the Committee and signed by the Chair of the Committee.

The Secretary of the Committee must retain for the Company's records, one hard copy of the signed minutes of each Committee meeting (including the respective meeting agendas and supporting papers).

Minutes, meeting agendas and supporting papers shall be made available to any Director upon request to the Secretary, providing no conflict of interest exists and subject to compliance with relevant Company policies (including, but not limited to, the Board Papers Retention Policy).

To the extent practicable, copies of the minutes of each Committee meeting will be included in the papers for the next Board meeting after each meeting of the Committee.

### **5.3 Meeting attendance**

Unless otherwise directed by the Chair of the Committee, the CEO and the Company Secretary will attend each meeting of the Committee.

The Committee may invite other people or employees to attend meetings at its discretion.

The CEO, the Company Secretary and any other invitees do not have any voting rights at any Committee meeting, regardless of the resolution being considered at the meeting.

### **5.4 Quorum, voting and resolutions**

A quorum will comprise any two Committee members.

Should the Chair of the Committee be absent from any meeting, and there are at least two members still present, the members of the Committee present shall appoint one of their number to be Chair of that meeting.

Only Committee members are entitled to vote in relation to any decisions made by the Committee. Each Committee member will have one vote. Questions arising at any meeting of the Committee are decided by a majority of votes. In the case of an equality of votes, the Chair of the Committee meeting has a second or casting vote (except when only two Committee members are eligible to vote on the question).

The Committee may pass resolutions by circulating resolution by adopting the procedures set out in the Company's Constitution.

Members of the Committee will not participate in discussions and will not vote on any issue in respect of which there is an actual or perceived conflict of interest.

## **6 Reporting to the Board**

The Committee will, as is appropriate on a timely basis:

- (a) circulate minutes of Committee meetings to all Directors after each Committee meeting, subject to the existence of any conflict of interest;
- (b) update the Board about Committee activities and make recommendations to the Board as required;
- (c) report to the Board on matters such as:
  - the Company's progress against measurable objectives and targets that are developed, set and agreed with the Board;
  - trends and any material changes to relevant laws and regulations applicable to human resources matters;
  - any other matters which the Committee considers to be material; and
- (d) inform the Board of human resources matters that may significantly impact the financial condition or affairs of the business.

## **7 Independent External Advice**

The Committee may engage an independent external adviser in relation to any Committee matter, at the expense of the Company.

The Chair of the Committee may determine that any external advice may be circulated to the other Directors.

## **8 Access to employees, other persons and resources**

The Committee may:

- (a) access any employee or other individual (including members of management) to ask questions and/or seek explanations and additional information relating to Committee matters;
- (b) access internal and external auditors;
- (c) access all relevant Company records, subject to compliance with relevant Company policies (including, but not limited to, the Board Papers Retention Policy);
- (d) invite any employee or other individual to attend a meeting of the Committee; and
- (e) access the Company's resources to enable the Committee to discharge its duties as the Committee considers appropriate.

## **9 Assessment and Evaluation of Committee**

An evaluation of the Committee's performance against the requirements of the Committee Terms of Reference will be conducted on an annual basis or as considered appropriate by the Chair of the Committee.

The Board will evaluate the effectiveness of the Committee at regular intervals as considered appropriate by the Chair of the Board.



## **10 Access to the Terms of Reference**

The Committee Terms of Reference will be available for viewing by any person on the Company's website or a copy will be sent upon request.

## **11 Review of the Terms of Reference**

The Committee Terms of Reference is subject to review by the Committee and the Board every two years or as required and will be amended as appropriate to reflect current market practice in good corporate governance.