



Australian Institute of
Project Management

Nominations and Remuneration Committee Charter

DOCUMENT CONTROL CERTIFICATE

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Version 1.0	21/01/2021	First Draft
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Definitions and Meanings

Board Charter	The governance structure and outline procedures that determine the running of the Board of the Company.
Business Judgement	“Business judgement” means any decision to take or not to take action in respect of a matter relevant to the business of the Company.
Chair of the Board	A Director of the company elected by the Board of Directors as the Chair of the Board of the Company.
Chief Executive Officer	The senior executive responsible for the day-to-day management of the Company and the Institute it manages.
Company	Is the legal entity of AIPM and as such must follow the rules and regulations as imposed upon it by the Corporations Act.
Constitution	The AIPM Constitution is the overarching document that defines the structure and purpose of the AIPM.
Director	A natural person appointed or elected to the office of Director of the company in accordance with this Constitution and, where appropriate, includes an alternate Director and any Director who is in office as at 17 December 2020.
Elected Director	A Director elected in accordance with rule 8.5 of the Constitution.
Institute	Is the operational side of AIPM and its governance is reflected in the Constitution of the AIPM and in the Institute Charter.
Material Conflict of Interest	A Material Conflict of Interest is one where the independence of a Director can be questioned and as such will be asked to not take part in discussions and Board resolutions.
Member	A paid up subscriber to AIPM.
Quorum members.	At least 51% of the eligible committee

1. Introduction

The purpose of this Charter is to document the objectives, responsibilities, and administration of the Nominations and Remuneration Committee (“the Committee”) which are delegated to the Committee by the company’s Board (“the Board”).

The hierarchy of documents is:

- Constitution of the AIPM
- By Laws
- Board Charter
- Committee Charters
- Policies
- Procedures and Guidelines

2. Structure and Skills

2.1. Purpose

The Committee is appointed by the Board and assists the Board in fulfilling its oversight responsibilities relating to:

- the selection of individuals to stand for election as Directors at meetings of members;
- the selection of individuals to be appointed to the Board as Appointed Directors or under a casual vacancy;
- Ensuring New Director Induction is undertaken and specifically Directors have clear understanding of their roles and duties and operation of the Board;
- The selection and appointment of the CEO in association with the Chair of the Board and agree CEO remuneration and basis for performance based payments (if applicable);
- To review and make recommendations of the capacity of the Company to pay Directors
- To review the remuneration of C-suite staff, and make recommendations on remuneration to the Board, considering performance and achievement of Board-endorsed strategic and operating plans;
- Review and agree basis for assessing CEO and C-Suite performance

The Committee provides assurance that the Board has appropriate composition, size and commitment to discharge its responsibilities and duties. The existence of the Committee does not imply the fragmentation or diminution of the role of the Board.

2.2. Authority

The Board has authorised the Committee, within the scope of their duties and responsibilities set out in this charter to:

- perform the activities required to address its responsibilities and make recommendations to the Board;

- select, engage, and approve fees within the Delegated Authority set by the Board for any professional advisers that the Committee may require to carry out its duties;
- require attendance by specified personnel at meetings as appropriate, with such attendance enforced by the Board; and
- have unrestricted access to management, employees and information it considers relevant to its responsibilities under this charter.

2.3. *Membership*

The Committee shall comprise at least three, and not more than five, members from the board and shall be elected directors.

Committee member rotation is encouraged.

Committee Chair

The Board shall nominate a Committee Chair (Chair). The Chair shall chair the meetings of the Committee and set its agendas. Should the Chair be absent from a meeting, the Committee Members present must appoint a Chair for that particular meeting.

2.4. *Meetings*

The Committee must meet as required, but not less than twice per year. Participants may attend by video conference and/or teleconference. The Chair or any Committee Member may call a meeting of the Committee. Committee Members shall declare any conflict of interest before the commencement of each meeting.

2.5. *Meeting Attendance*

Any person may be invited by the Chair to attend meetings of the Committee as an observer, but not necessarily for the full duration of the meeting. In general, the CEO, Company Secretary and CFO are invited to attend the Committee meetings.

Each invitee must undertake to keep the relevant communications of the proceedings of the Committee meeting confidential, including in accordance with clause 2.7 below.

2.6. *Quorum and Voting*

A quorum must consist of more than half of the members of the Committee. The Chair shall not have a second or casting vote.

2.7. *Minutes*

The Committee Secretary or delegate must prepare the minutes of the Committee within seven (7) working days. After the Chair has given preliminary approval, the draft minutes are circulated to all Committee members and the other Directors.

Unless otherwise required by law or the Constitution, all deliberations, notes, minutes and decisions of the Committee are confidential, and the Committee shall not disseminate or

disclose any such information to any individual or party, other than to the Board as per this Charter, unless otherwise directed by the Board.

2.8. Education

The Board is responsible for providing new Committee members with an appropriate induction program, ensuring clarity and understanding of Directors roles and duties and ongoing educational opportunities to assist them in their role on the Committee.

2.9. Reviews

The Committee will review at least annually this Committee charter and recommend to the Board for approval any appropriate amendments.

3. Duties and Responsibilities

In assisting the Board in fulfilling their responsibilities, the duties of the Committee are to:

3.1. Board composition and succession planning for Directors

- Establish criteria for the selection of new Directors to serve on the Board.
- Annually evaluate and analyse skills and knowledge of the Board and identify skills gaps and recommend actions to address any gaps.
- Review and make recommendations regarding the composition and size of the Board in order to ensure the Board has the requisite expertise and its membership consists of persons with sufficiently diverse and independent backgrounds to assist in the achievement of the Company's vision and goals.
- Research and identify for the Board appropriate candidates for consideration as Directors, as part of succession planning. In identifying candidates for membership on the Board, the Committee may take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialisation, relevant technical skills, diversity, and the extent to which the candidate would fill a present need on the Board.
- Review and assess nominees for director positions on the Board.
- Recommend that the Board fill Appointed Director positions or casual vacancies with candidates identified by this Committee.
- Recommend to the Members that they elect candidates identified by this Committee at Board elections.
- Review and make recommendations to the full Board whether Directors should stand for re-election and consider matters relating to the retirement of Directors, including enforcing term limits.
- Conduct all necessary and appropriate inquiries into the backgrounds and qualifications of possible candidates.
- Consider questions of independence and possible conflicts of interest of Directors.

3.2. *Performance review*

- Oversee the performance evaluation process of the Board (including the Chair and Directors).
- Conduct or organise annual review of the Board's performance against the strategic plan and Board Charter, and present findings to the Board.
- Annually review and assess each other Board sub-committee performance against that sub-committee's objectives, and present findings to the Board.
- Set performance criteria and conduct performance review of CEO and C-Suite level management at least annually, recommending any actions or outcomes to the Board
- Annually review management remuneration and performance payments (if applicable) including relevant market benchmarks and recommend to the Board appropriate adjustments

3.3. *Training and education*

- Ensure timely and relevant induction training for new Directors.
- At least annually ensure all Directors have reviewed and acknowledged their duties and understanding of the operation of the Board and its Committees
- Recommend any relevant continuing professional development for Board members.

3.4. *Board requests*

- Perform any other duty or undertaking that the Board may request from time to time.

3.5. *Reporting*

- Following each meeting, the Committee Chair or delegate will report to the Board on the Committee meetings regarding all relevant matters and appropriate recommendations in a written report (with supporting material) for noting or approval by the Board. The Chair will attend and be available to answer questions regarding the annual report at the AGM.

4. Nominations Committee Annual Agenda

	Scheduled meetings			
Structure and skills				
Review Nominations Committee charter and Annual Agenda				
Establish number of meetings for forthcoming year				
Chairperson to establish meeting agenda and required attendees				
Perform an evaluation assessment on the Committee's and individual Member's performance				
Board composition and succession plan for Directors				
Skill gaps review				
Possible candidates identified				
Performance Review				
Establish evaluation process				
Conduct evaluation				
Training				
Review induction process				
Review Director education needs				
Reporting				
Maintain minutes and report to the Board				