



People and Culture Committee Charter

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Integrity

Innovation

Spirit of Co-Operation

In Tune

Passion

OUR VALUES, OUR STANDARD

Purpose

The People and Culture Committee is a formally constituted committee including four members of the Board designed to assist the Board to ensure that the Company fulfils its remuneration and appointments responsibilities. The Committee will also assist the Board with its Director appointment process.

Objectives

The objectives of the Committee are to:

1. To gain assurance that LIC has an appropriate focus on organisational learning and development;
2. Review annual organisational development and learning strategies and plans;
3. Review annual training budget;
4. Review annual training spend vs budget;
5. Review succession plans for the Senior Leadership Team;
6. Own the Board Development and Action Plan;
7. Monitor organisational culture to ensure alignment with the organisational aspiration and values;
8. Approve annual payment of management STIs; and
9. Provide recommendations to the Board for approval on:
 - (a) The employment, review and performance management of the CE;
 - (b) Remuneration Policy for CE and Senior Leadership Team (or as per the Delegated Authorities Policy for remuneration increments outside the pay band);
 - (c) the Board's Development and Action Plan ensuring Directors have an active focus on their professional development;
 - (d) keeping the main Board informed of initiatives for identifying farmer elected Directors; and
 - (e) Company policy on:
 - i. The attraction and retention of senior management; and
 - ii. People policies in the areas of Employment Relations, Remuneration and Employee Benefits.

Composition

1. The Committee is comprised of a maximum of four directors and will include at least one Appointed Director.
2. The Committee members are appointed and removed by the Board.
3. The Chairperson of the Committee is not to be the Chairperson of the Board.
4. All Directors of the Board are entitled to attend any meeting of the People and Culture Committee except where they are conflicted for personal reasons.
5. The Committee will invite members of management and any other persons or advisors as it considers necessary to attend meetings of the Committee. The CE and CPO are invited to attend all meetings of the Committee except when conflicted for personal reasons.

Meetings

1. A quorum for the purposes of this Committee will be three members of the Committee.
2. Committee meetings may be conducted by way of telephone or video conference.
3. The Committee will meet at least 3 times per year, having regard to when Senior Leadership Team remuneration is due for review, and in line with the Company's remuneration and Delegated Authority Policy.
4. Any member of the Committee or the CE may request a meeting of the committee at any time if they consider it necessary.
5. The Committee may invite members of the Senior Leadership Team or other persons or advisers to provide information and advice as it considers necessary.
6. Minutes are to be kept for each meeting. The Committee will appoint an appropriate secretary.
7. Reasonable notice of meetings (five working days where possible) along with an agenda is to be provided to members of the Committee and the CE. Note that an agenda will also be provided to Board Members prior to the Committee meeting.
8. If the Chairperson is unable to attend a meeting, they must delegate that responsibility to another Committee member with the approval of the Board Chairperson.

Authorities

The Committee does not take action or make decisions on behalf of the Board unless specifically mandated by minuted resolution of the Board.

The Committee recommends all remuneration matters requiring a decision to the Board.

The Committee agrees that management can proceed with authorising policies that sit within the People & Performance group. The exception to this would be if there was a material change proposed. All policies covered by this agreement are outlined in the table below.

Policy	Approver	Authoriser	Last Review Date	Next Review Date
People & Culture Committee Charter	People and Culture Committee	Board	May 2024	November 2027
Directors Allowance and Claims for Reimbursement Policy	People and Culture Committee	Board	July 2023	April 2025
Shareholder Reference Group and Honoraria Committee Remuneration and Claims for Reimbursement Policy	People and Culture Committee	People and Culture Committee	May 2022	April 2025
Terms of Reference Honoraria Committee	Honoraria Committee	People and Culture Committee	July 2024	April 2027
Diversity and Inclusion Policy	Employee Experience Manager	Chief People Officer	December 2023	December 2025
Domestic Violence Policy	Employee Experience Manager	Chief People Officer	December 2022	December 2024
Drug and Alcohol Policy	People & Performance Manager	Chief People Officer	November 2023	November 2025
Employee Benefits Policy	Employee Experience Manager	Chief People Officer	December 2023	December 2025
Employment Relations Policy	People & Performance Manager	Chief People Officer	May 2023	July 2024
Leave Entitlement Policy	Employee Experience Manager	Chief People Officer	August 2023	December 2024
Organisation & Personal Development Policy	Organisational Development Manager	Chief People Officer	March 2024	March 2026
Recruitment Policy	Employee Experience Manager	Chief People Officer	May 2023	June 2025
Remuneration Policy	People and Culture Committee	Board	March 2023	April 2025
Termination Policy	Chief People Officer	Chief Executive	March 2023	May 2025

The Committee is authorised by the Board, at the expense of the Company, to obtain outside information and advice and to consult with management and executive search consultants or outside advisers with relevant expertise, as it thinks necessary to carry out its duties and responsibilities.

Responsibilities

Subject to 'Authorities' above, the Committee is responsible for:

1. Recommending to the LIC Board recruitment and termination decisions for the CE.
2. Setting and reviewing the performance objectives and incentive targets for the CE.
3. Recommending remuneration adjustments for the CE following performance reviews against objectives and incentive targets.
4. Reviewing and recommending terms of employment for the CE (in line with the Delegated Authority policy).
5. Reviewing and approving creation of any new Senior Leadership Team positions reporting to the CE. Any replacement positions, as per the Delegated Authority Policy, the CE can appoint without the approval of the Committee.
6. Recommending remuneration adjustments for members of the Senior Leadership Team if they are outside of the salary band or if the position is a new addition to the team.
7. Reviewing LIC's remuneration position against market movement and trends, and to recommend the total overall remuneration adjustments for all Company Employees.
8. Recommending changes in provision of employee benefits, including but not limited to:
 - (a) Superannuation
 - (b) Health insurance
 - (c) Other benefits as may be indicated from time to time
9. Reviewing and recommending the Remuneration Policy.
10. Reviewing and recommending to the Board, bonus and incentive payments for all LIC Employees.
11. Ensuring that the Company's Remuneration Policy and procedures comply with relevant legislation and the NZ Stock Exchange Listings Rules (covering things such as salary band reporting requirements), noting that LIC's Honoraria Committee is charged with reviewing the remuneration paid to Directors of LIC and members of the LIC Shareholder Reference Group.
12. The People and Culture Committee and/or Board resolutions will act as a mechanism / delegated authority for which the CE, CFO and/or CPO are able to effect action on these resolutions.
13. To review the succession plans for the Senior Leadership Team at six monthly intervals.
14. On request from the Board to assist in the search for appointed Directors.
15. Approving specified policies.
16. Undertake other responsibilities from time to time as requested by the Board.

Reporting and Accountability

Following meetings of the Committee, the Chairman of the Committee will report the Committee's recommendations, findings and activities to the Board.

Minutes of all Committee meetings will be circulated to members of the Board.

Extracts of Committee minutes as appropriate, are to be made available to members of Senior Leadership Team and other Employees as the Board directs in order to properly execute the Board's instructions or for management to carry out their functions.

The Committee, Board, and the CE will review the Committee's performance against the objectives and responsibilities in these Terms of Reference this Charter every three years.

The Board will review the Committee's Charter every three years (or sooner out of cycle when required).

APPENDIX 1

Review Dates

Next Review Date	Next Approval Date	Next Authorisation Date
November 2027	December 2027	December 2027

Review Frequency

3 Yearly (or between as required)

Sponsor

Chief People Officer

Signatures

Author: Chief People Officer	Approved by: People and Culture Committee	Authorised by: Board of Directors
Name: Roz Urbahn Date: May 2024	Name: People and Culture Committee Date: 16 May 2024	Name: Board of Directors Date: 18 July 2024

Amendment and Review History

Date	Author	Issue Status	Reason for Issue / Re-Issues
15/05/24	Roz Urbahn	V1.22	<p>Agreed to change the name of the Committee to People and Culture Committee.</p> <p>Two updates made to the Objectives section:</p> <p>a) Objective 1 to be amended from “Approve Organisational Learning and Development approaches for LIC” to “To gain assurance that LIC has an appropriate focus on organisational learning and development”.</p> <p>b) Objective 7 to be amended from “Monitor organisational culture” to “Monitor organisational culture to ensure alignment with the organisational aspiration and values”.</p>

Date	Author	Issue Status	Reason for Issue / Re-Issues
28/09/22	Gill Brennan (Governance Advisor)	V1.21	<p>Updated to:</p> <ul style="list-style-type: none"> • clarify the objectives of the Committee • to reflect role and role title changes • align with NZX Code of Corporate Governance recommendations on attendance at Committee meetings and the need for a remuneration policy to cover directors (note LIC has an Honoraria Committee instead) • include all policies approved or authorised by the Committee • Note that the Committee is primarily concerned with the succession plans for members of the SLT and will regularly reviews those plans.
26/04/19	Gill Brennan (Company Secretary)	V1.20	<ul style="list-style-type: none"> • Ahead of LIC's migration to the main board of the NZX, re-named as a Charter (previously Terms of Reference), Changes made only reflect the document being a Charter.
15/07/2018	Roz Urbahn	V1.19	<ul style="list-style-type: none"> • Under 'Meetings' the following sentence has been added: Reasonable notice of meetings (5 working days where possible) along with an agenda is to be provided to members of the Committee and the CE. Note that an agenda will also be provided to Board Members prior to the Committee meeting.
18/07/2018	Roz Urbahn	V1.18	<ul style="list-style-type: none"> • Under "Objectives" the following sentence has been added: <i>Ownership of the Board Development and Action Plan</i>
19/01/2017	Patrick Brus	V1.17	<ul style="list-style-type: none"> • Removal of double up of Resolution under Authorities section with the following text being added: "On the 27 April 2011 and 24 September 2014, the Board resolved (resolutions number 2138 and 2528 respectively) that the Committee could approve Policies as specified below:" • Updated the list of policies the Remuneration & Appointments Committee authorise

*Note amendment and review history has been shortened to include most recent update only

Reviewers List

Recipient	Department	Position
Roz Urbahn	People & Performance Group	Chief People Officer
David Hazlehurst	Support Services	Chief Financial Officer
David Chin	CE	Chief Executive
Marise Winthrop	Support Services	General Counsel

Distribution List

Date	Recipient	Department	Position
July 2024	People and Culture Committee	N/A	People and Culture Committee
July 2024	All shareholders (via the LIC website)	N/A	N/A

File Path

Once this Policy has been Authorised and Published, it will be located as follows:

Resources section of Diligent

LIC Website – Corporate Governance page

Associated Documents

- Delegated Authorities Policy
- LIC Board Charter

Glossary

Term	Definition
Board	The Board of Directors of Livestock Improvement Corporation Limited
CE	The Chief Executive of Livestock Improvement Corporation Limited
Company	Livestock Improvement Corporation Limited and its subsidiaries together or individually, as the context applies
CFO	The Chief Financial Officer of Livestock Improvement Corporation Limited
CPO	The Chief People Officer for Livestock Improvement Corporation Limited
Employee	An employee of LIC and /or its subsidiaries
LIC	Livestock Improvement Corporation Ltd
Senior Leadership Team	The CE, the CE's direct reports, and the CEs of wholly owned subsidiaries of LIC.
Subsidiary	Any company where LIC holds at least a 50% investment
The Committee	The People and Culture Committee