

# PEOPLE COMMITTEE CHARTER

Coca-Cola Amatil Limited

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## Charter

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## PEOPLE COMMITTEE CHARTER

11 April 2019  
Coca-Cola Amatil Board of Directors  
Group Company Secretary  
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1  
4/12/2017

**CCA**  
COCA-COLA  
AMATIL

# 1 INTRODUCTION

1.1 This Charter defines the purpose, authority and responsibility of Coca-Cola Amatil Limited's (Amatil's) People Committee (Committee).

# 2 PURPOSE

2.1 The Committee's purpose is to review, approve and in specific cases make recommendations to the Board regarding Amatil's people strategy, frameworks and practices.

# 3 DEFINITIONS

3.1 For the purposes of this Charter:

- **Board Oversight Roles** are the Group Managing Director, direct reports and their direct reports; and
- **Key Management Personnel** has the meaning given to it by Accounting Standard AASB 124 issued by the Australian Accounting Standards Board.

# 4 RESPONSIBILITIES

## 4.1 Leadership development and succession planning

4.1.1 On a regular basis, the Committee reviews the leadership capability, development and succession plans for Board Oversight Roles, and oversight of our future leader pipeline.

## 4.2 Diversity & Inclusion

4.2.1 The Committee approves Amatil's overall approach to diversity & inclusion and Amatil's measurable objectives.

4.2.2 Each year the Committee will:

- 4.2.2.1 review and report to the Board on the effectiveness of Amatil's approach to diversity & inclusion and the achievement of the agreed measurable objectives; and
- 4.2.2.2 consider the findings of Amatil's pay equity review to ensure no bias exists by gender and report the findings to the Board.

## 4.3 Culture and employee engagement

4.3.1 The Committee:

- 4.3.1.1 reviews the outcomes of surveys relating to employee engagement across Amatil; and
- 4.3.1.2 supports the Board with oversight of Amatil's culture.

## **4.4 Group Managing Director and direct reports – appointment, remuneration and employment terms, and performance outcomes**

### **4.4.1 Appointments**

- 4.4.1.1 The Committee approves the appointment of the direct reports to the Group Managing Director.
- 4.4.1.2 The appointment of the Group Managing Director requires approval by the Board.

### **4.4.2 Remuneration and employment terms**

- 4.4.2.1 The Committee reviews the remuneration arrangements for the Group Managing Director and direct reports. This includes setting and annually reviewing remuneration, participation in incentive plans, key employment terms, termination arrangements and any changes to these arrangements.
- 4.4.2.2 The Committee:
  - a. approves these items for the direct reports to the Group Managing Director; and
  - b. makes recommendations to the Board for approval regarding the Group Managing Director.

### **4.4.3 Annual performance objectives and incentive plan outcomes**

- 4.4.3.1 In terms of annual performance objectives and annual incentive plan outcomes, the Committee:
  - a. reviews and approves for the direct reports to the Group Managing Director
  - b. reviews and recommends to the Board for approval regarding the Group Managing Director.

## **4.5 Performance & Reward for Board Oversight Roles**

### **4.5.1 Performance & reward strategy and framework**

- 4.5.1.1 The Committee reviews and recommends to the Board for approval the performance & reward strategy and framework for the Board Oversight Roles.

### **4.5.2 Incentive plans**

- 4.5.2.1 The Committee reviews and recommends to the Board for approval the design of all incentive plans in which the Group Managing Director participates in.
- 4.5.2.2 If a discrete incentive plan is put in place for a Board Oversight Role (excluding the Group Managing Director) the Committee reviews and approves it.
- 4.5.2.3 The Committee reviews and recommends to the Board for approval the Amatil and business financial targets and payment schedules, and the achievement of those targets upon conclusion of the performance period.

## **4.6 Amatil Equity Plans**

- 4.6.1 The Committee reviews and recommends to the Board for approval any matters related to the Amatil equity plans in which the Group Managing Director participates in, but otherwise approves the remainder.
- 4.6.2 Each year, this includes the Board or Committee (as appropriate):
  - 4.6.2.1 approves the offers and the terms of the offers to be made under the Amatil equity incentive plans;
  - 4.6.2.2 approves any changes required to the plan rules of any of the Amatil equity incentive plans; and
  - 4.6.2.3 approves any equity plan vesting that requires an assessment or approval (i.e. that is not automatic).

## **4.7 Employee Performance & Reward**

### **4.7.1 Employee performance & reward strategy**

4.7.1.1 The Committee has oversight of the performance and reward strategies in place across Amatil.

### **4.7.2 Remuneration review budget**

4.7.2.1 The Committee approves the annual remuneration review budgets to be used by each business in the annual review of remuneration.

## **4.8 Director remuneration**

4.8.1 The Committee reviews and makes recommendations to the Board regarding the structure and amount of non-executive Director remuneration.

## **4.9 Superannuation**

4.9.1 The Committee reviews and approves any material changes to the Group's approach to superannuation.

## **4.10 Remuneration Report**

4.10.1 The Committee reviews and recommends to the Board for approval the annual Remuneration Report.

# **5 MEMBERSHIP**

5.1 The membership of the Committee must consist of:

5.1.1 at least three non-executive Directors, a majority of whom are independent Directors; and

5.1.2 an independent Director as the Committee Chairman.

5.2 The Chairman and members of the Committee will be appointed by the Board. A member may withdraw from membership by written notification to the Chairman of the Board.

# **6 MEETINGS**

6.1 The Committee will meet at a minimum of four times per annum. The Committee can also meet on such other occasions as deemed necessary by the Chairman.

6.2 A quorum for meetings will be two members. If a quorum is not present the Meeting is adjourned to such place and time as the Chairman decides.

6.3 Should the Chairman be absent from any meeting of the Committee, the members of the Committee present at that meeting shall appoint one of their number to be Chairman of that meeting.

- 6.4 The Company Secretary of the Board (or his or her nominee) will be Company Secretary of the Committee. The Company Secretary, in conjunction with the Chairman of the Committee and other members of management (as appropriate), will prepare an agenda which will be circulated to the members prior to each meeting.
- 6.5 Directors who are not Committee members may attend all or part of a Committee meeting.

## **7 REPORTING**

- 7.1 The Chairman of the Committee will report the findings, approvals and recommendations of the Committee to the Board at its next meeting. Minutes of each meeting will be circulated to the Board.

## **8 EXTERNAL ADVICE**

- 8.1 The Committee has access to internal and external resources, and may seek the advice of Amatil's auditors, solicitors or such other independent advisers, consultants or specialists as to any matter pertaining to the powers or responsibilities of the Committee, where the Committee considers such advice necessary or appropriate.
- 8.2 With respect to external remuneration consultants, the Committee will as required:
- 8.2.1 engage remuneration consultants and receive any advice and/or remuneration recommendations from them with respect to the setting of Key Management Personnel remuneration;
  - 8.2.2 take into account any potential conflicts of interest when remuneration consultants are selected and ensure that their terms of engagement regulate their level of access to, and require their independence from, Amatil's management; and
  - 8.2.3 set parameters for the interaction between remuneration consultants and management.

## **9 REVIEW OF COMMITTEE PERFORMANCE & CHARTER**

- 9.1 The performance of the Committee is evaluated every two years and in accordance with the process set out in the Board Charter
- 9.2 The Committee reviews and assesses the adequacy of the Committee Charter annually and makes recommendations to the Board for consideration and approval.