

Safety & People Committee

1. Establishment and membership

- 1.1. The Board has established the Safety & People Committee (**Committee**) under section 26 of the *Government Trading Enterprises Act [2023]* (WA) (**Act**).
- 1.2. The Committee has adopted its own rules and procedures that are the same as those adopted by the Board from time to time (**Board Rules**), except as expressly varied by these terms of reference, and to the extent that they are not fixed under the Act.
- 1.3. In addition to the membership criteria set out in the Board Rules:
 - (a) the Committee will be comprised of directors and may also include any person who is not a director or members of staff of the Corporation provided that there are not less than three non-executive directors, a majority of whom are independent directors;
 - (b) the Committee Chair must be an independent non-executive director; and
 - (c) the Board Chair may not chair the Committee.
- 1.4. A meeting of the Committee cannot proceed unless the number of members of the Committee present who are directors exceeds the number of members present who are not and there must be at least two out of four member directors present.
- 1.5. A record of the current members of the Committee is maintained by the Company Secretary¹.

2. Purpose

The Committee's purpose is to assist the Board in discharging its fiduciary and corporate governance responsibilities in relation to:

Safety

- 2.1. providing strategic oversight on the Safety, Health and Environment Policy and the Sustainability Policy;
- 2.2. identifying and reviewing the corporation's workplace (including operational and psycho-social) safety and health objectives; and
- 2.3. identifying and reviewing the corporation's environmental and other sustainability performance aimed at ensuring compliance, minimising the impact on the environment and leaving a lasting social, economic and environmental legacy for the community;

People

- 2.4. providing strategic oversight on the People Management Policy;
- 2.5. monitoring the staff culture of the corporation;
- 2.6. assisting the Board in establishing and monitoring compliance of the corporation's remuneration and human resources governance framework, including management policies, retention processes strategies and practices;

¹ EDM 33361957

- 2.7. addressing high and extreme enterprise risks and related mitigation plans regarding human resources matters as referred by the Board or by the Audit and Risk Committee (**ARC**) via the Board;
- 2.8. addressing unsatisfactory internal audit outcomes in relation to human resources matters as referred by the Board or the ARC via the Board;
- 2.9. assisting the Board to oversee the succession planning for the members of executive management; and
- 2.10. attending to any other matter or perform any function referred to the Committee by the Board.

3. Powers

- 3.1. Subject to any resolution of the Board, the Committee is required to make recommendations to the Board and does not have any executive powers to commit the Board or Western Power to the implementation of those recommendations.
- 3.2. Notwithstanding clause 3.1, the Committee has the authority to approve the minutes of its meetings without the endorsement of the Board.
- 3.3. The Committee may by resolution, institute any special investigations (including requesting management or external consultants to provide information or access to records) and consult independent experts (at the corporation's cost) if it considers it necessary to fulfil its purposes and/or to carry out its duties, and to make recommendations to the Board arising from such investigations. The Committee Chair must approve the financial expenditure for any such investigation or expert.

4. Duties

The Committee has the following duties:

4.1 Corporate governance

- (a) Review compliance with the corporation's human resources management policies and systems.
- (b) Review compliance with the corporation's safety, health, environment and sustainability policies and systems.

4.2 Safety, health, environmental and sustainability management

- (a) Promote a proactive safety, health, environment, and sustainability culture within the corporation.
- (b) Consider the impact on the corporation of external developments in trends and significant incidents, in relation to safety, health, environment, and sustainability matters.
- (c) Review and as required make recommendations to the Board in relation to the corporation's environment management policies and systems to ensure that they will enable the corporation to achieve its environment commitment of sustainable environmental management for the corporation's staff, contractors, and community.
- (d) Review and monitor the adequacy of and the adherence to the safety, health, environment and sustainability frameworks and systems.
- (e) Review and as required make recommendations to the Board in relation to the corporation's work health and safety performance and its work health and safety management policies and systems to ensure that they will enable the corporation to achieve its safety commitment of ensuring safe outcomes for the corporation's staff, contractors and community.
- (f) Monitor the safety, health, environmental and sustainability performance of the corporation and provide guidance on measures to improve performance in these areas.

- (g) Monitor the adequacy of proactive safety, health and environment operational systems and processes for the reporting of hazards, risks, and incidents (actual or potential).
- (h) Receive reports and address mitigation plans regarding high and extreme risks in relation to safety, health, environment and sustainability matters.
- (i) Receive reports from the Internal Audit function on safety, health, environment and sustainability matters that forms part of the final audit plan approved by the Board.

4.3 Human resources management

- (a) Review, monitor and as required make recommendations to the Board on the effectiveness of the corporation's key human resources management frameworks, policies and systems and other terms and conditions of service (including in relation to remuneration, recruitment, retention and termination) of the corporation's staff, to ensure that they are prudent and will allow the corporation to achieve its strategic objectives.
- (b) Review and as required make recommendations to the Board on employment contracts and industrial relations performance.
- (c) Review that there is sufficient reporting to the Committee and/or Board and effective staff evaluations are performed to enable the Board to monitor the development and implementation of key strategies aimed at improving the corporation's culture, executive development, succession and career planning practices. Monitor how the business and key management are adhering to the corporation's culture and behavioural standards.
- (d) Make recommendations to the Board in relation to the corporation's culture, diversity and inclusion outcomes.
- (e) Receive reports and address mitigation plans regarding high and extreme risks in relation to human resources matters referred by the Board or the ARC.
- (f) Receive reports from the Internal Audit function and address unsatisfactory internal audit outcomes in relation to human resources matters referred by the Board or the ARC via the Board that form part of the final audit plan approved by the Board.
- (g) Attend to any other matter or perform any function referred to the Committee by the Board.

4.4 Staff (other than the CEO)

- (a) Ensure that there is an effective performance evaluation system.
- (b) Oversee compliance with:
 - (i) minimum standards of merit, equity and probity applicable to the management of the corporation's staff (as per section 21 of the *Electricity Corporations Act 2005* (WA) (**EC Act**)); and
 - (ii) the corporation's code of conduct (as per section 31 of the EC Act).
- (c) Review, make recommendations to the Board (as required) and oversee implementation of the corporation's remuneration policies, including performance incentive schemes (if any) and ensure superannuation arrangements are aligned with the corporation's purpose, values, strategic objectives and risk appetite.
- (d) Make recommendations to the Board in relation to the appointment or removal of a Company Secretary.

4.5 Legal and compliance

- (a) Without limiting its scope, the Committee will, in conjunction with the Board, the ARC and management: monitor the Corporation's compliance with all relevant legal obligations and internal policies and procedures, relating to people, safety, health, environment and sustainability laws.
- (b) Review results and reports of people, safety, health, environmental and sustainability related assurance activities that reflect the multiple lines of defence used by the corporation.
- (c) 'Officers' of the corporation have a positive duty of due diligence under the Work Health and Safety (WHS) legislation. This requires them to take reasonable steps to ensure compliance by the corporation with its WHS obligations. The Committee will monitor the corporation's compliance with WHS obligations, will keep the Board updated on WHS developments including officers' due diligence obligations and review and make recommendations to the Board on training and other activities to facilitate compliance with these obligations.

4.6 Other

- (a) The Committee shall examine any other matters referred to it by the Board.

4.7 Accountability to the Board

- (a) Review the Committee's terms of reference in accordance with clause 6 and report any recommended changes to the Board.
- (b) Report regularly to the Board on its activities by way of a verbal report at Board meetings from the Committee Chair, as necessary, and the provision to the Board of a copy of the minutes of each Committee meeting.
- (c) Prepare any additional reports for the Board as requested by the Board.

5. Meetings

- 5.1 The Committee will meet for a minimum of two times annually or as frequently as required.
- 5.2 The Committee Chair may convene a special meeting at any time. The place and time of a special meeting will be decided by the Committee Chair.
- 5.3 The following persons who are not members of the Committee may attend Committee meetings as invitees (but will not have a vote at Committee meetings):
 - (i) Chief Executive Officer;
 - (ii) General Counsel and Company Secretary or their nominated representatives;
 - (iii) Executive Manager People; and
 - (iv) any other person approved by the Chair of the Committee.

6. Review

- 6.1. Unless review and amendment is required sooner, these Terms of Reference will be reviewed at least once in every three year period or as required. Committee members may at any time submit to the Committee Chair proposed changes to these Terms of Reference for consideration.
- 6.2. All amendments endorsed by the Committee Chair must be submitted to the Committee for endorsement and subsequently to the Board for approval, prior to taking effect.

Approval history

Version	Approved by	Approved on	Resolution no.	Notes
1.	Board	13/06/2023	126/2023/BD	Approved by the Board following the restructuring of the existing Board Committees to form the following two new Committees: (a) Safety & People Committee; and (b) Governance Committee.