

Charter

People Performance Committee

The People Performance Committee (Committee) is a committee of the Board of Woolworths Group Limited (Board). This charter sets out the responsibilities delegated by the Board to the Committee and the Committee's objectives, authority, responsibilities, composition and operation.

Objectives

The Committee's role is to provide advice and assistance to the Board in relation to people management and remuneration policies for Woolworths to ensure that:

- appropriate human talent is available, either through development or recruitment, and is motivated and supported to pursue the growth and success of Woolworths in alignment with the company's values and culture;
- human capital considerations are central to, and integrated into, Woolworths' business strategy and objectives;
- Woolworths can attract and retain team members who will create sustainable value for stakeholders;
- team members are equitably and responsibly rewarded, having regard to the performance of Woolworths, individual performance and statutory and regulatory requirements, reflecting the Company's culture and values; and
- appropriate performance management, succession planning and development activities and programs are maintained in support of a customer first and team culture.

Authority

The Committee is authorised to perform activities within the scope of the responsibilities set out in this charter and to make appropriate recommendations to the Board.

The Committee will have unrestricted access to Woolworths' senior management and company records as required.

The Committee is authorised to obtain any independent legal or other professional advice that it considers necessary to execute its functions.

Responsibilities

The Committee has the following duties and responsibilities:

People Strategy

- Review Woolworths' people policies and practices to ensure that they are consistent with the Company's business strategy and objectives and support Woolworths' values and culture.

Performance Management, Succession Planning, Development and Retention

- Review principles and policies in relation to the attraction, development and retention of team members, as well as performance management and succession planning, to ensure that appropriately talented people are available, either through development or recruitment, to achieve Woolworths' business strategy and objectives.

Equal opportunity, Diversity and Other Matters

- Review the Company's policies, and performance, to assess the effectiveness of the policies and their compliance with relevant legislative, regulatory and governance requirements including in relation to equal opportunity, sexual harassment, diversity and unfair dismissal.
- Review and, if appropriate, make recommendations to the Board on diversity generally within the Company, measurable objectives for achieving diversity and progress in achieving such objectives.

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- Review and report to the Board on the proportion of women who are employed by the Company and at all levels of the Company, and as appropriate make recommendations to the Board including in relation to remuneration by gender.

Remuneration Policy

- Review and approve Woolworths' remuneration policy to ensure remuneration is competitive in the market and effectively designed to attract, motivate and retain team members.

Short Term Incentive Plans

- Review and approve the structure of incentive plans annually to ensure they are effectively designed to reward the achievement of business and individual objectives equitably and within Woolworths' cost parameters.

Long Term Incentive Plans

- Review the design of long term incentive and equity plans annually to ensure they are effectively designed to meet Woolworths' objectives, are aligned with industry standards and are within Woolworths' cost parameters.
- Approve the categories of team members who will be eligible to participate in employee long term incentive and equity plans.

Group CEO

Review and make recommendations to the Board on:

- remuneration programmes and performance targets for the Group CEO, including specific contracted arrangements, the assessment of individual performance against performance targets;
- termination payments for the Group CEO for consistency with contractual entitlements and the rules of any incentive scheme or policy.

CEO Direct Report Appointment and Remuneration

Review and approve, having regard to the Group CEO's recommendations:

- the appointment of, and remuneration packages for, the CEO's direct reports. Assessments of individual performance against those performance targets; and
- termination payments for the CEO's direct reports for consistency with contractual entitlements and the rules of any incentive scheme or policy.

Remuneration for Non-Executive Directors

Within the maximum amount approved by shareholders, review and make recommendations to the Board on remuneration for the Non-Executive Directors.

Remuneration Report

The Committee will review, and may recommend to the Board for approval, the Remuneration Report contained within the Annual Report.

Superannuation

- Review and make recommendations to the Board in relation to the provision of superannuation to team members.

Compliance

- Assist the Board in its oversight of Woolworths' compliance with applicable legal and regulatory requirements as they relate to each of the Objectives and Responsibilities.
- The Committee will provide oversight, and management is responsible for ensuring that, disclosure meets the requirements of the Corporations Act and the ASX Listing Rules and is in accordance with good corporate governance practices.

Composition

The Committee will comprise a minimum of three directors.

The majority of Committee members will be independent Directors as assessed by the Board in accordance with its policy on the independence of Directors.

The Chairman of the Committee will be an independent director, appointed by the Board

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from the Committee’s members and will not be the Chairman of the Board.

Appointments and revocations of appointments to the Committee will be determined by the Board.

The composition of the Committee will be reviewed annually by the Board and the Committee to ensure an appropriate balance of expertise, skills and experience.

The Company Secretary of the Board will be the Secretary of the Committee.

Meetings

The Committee will meet four times a year and at such additional times as the Committee Chairman or any member of the Committee may request.

A quorum for a Committee meeting will be a majority of Committee members.

Directors who are not members of the Committee will have a standing invitation to attend each Committee meeting, subject to exclusion as deemed appropriate by the Committee Chairman from time to time.

Management and external advisers may be invited by the Chairman of the Committee to attend part or all of any meeting. The Committee may ask management to present at Committee meetings on issues relevant to the Committee’s duties and responsibilities.

Copies of Committee papers and reports, together with minutes of each Committee meeting, will be circulated to all directors.

Reporting Responsibilities and Implementation of Objectives

The Chairman of the Committee or his/her nominee will report to the full Board on the proceedings of the Committee and make appropriate recommendations to the Board for decision.

Review

The Committee will conduct an annual review of its performance and effectiveness by reference to this charter and current best practice.

The Committee will conduct a review of this charter at least every two years. The Committee must refer any recommended changes for decision by the Board.

Date approved:	May 2017
Accountable:	Chief Legal Officer and Company Secretary
Contact:	Company Secretary