

Executive Committee

Terms of Reference



Executive Committee Terms of Reference

Purpose	<p>The purpose of these Terms of Reference is to clarify the roles and responsibilities of the Executive Committee and its members as the senior managers of SMEC Holdings Limited and its subsidiary companies.</p>
Scope	<p>This procedure covers the following:</p> <ul style="list-style-type: none"> • Role • Authority • Membership and Attendees • Duties and Responsibilities • Review and Assess Senior Appointments • Meetings Procedure • Access to Information and Continuing Education • Review of Terms of Reference • Reporting
Role	<p>The role of the Executive Committee (the Committee) is to assist the Chief Executive Officer/Managing Director (MD) in the performance of his duties to the Board of SMEC Holdings Limited (the Company) and in his role as an officer of the Company.</p>
Authority	<p>The Committee’s authority to act is conferred by the Board of the Company in these Terms of Reference and/or by the Boards delegation of authority in the Instrument of Delegation from time to time.</p> <p>The Committee shall have primary authority for the management of the Company’s operations and strategic policy implementation, subject to policies and procedures approved by the Board of Directors.</p> <p>The authority of the Committee shall not extend to matters which have been expressly reserved to the Board of Directors of the Company (the “Board”) or the shareholders (refer to SMEC Holdings Limited Constitution and SMEC Holdings Limited Board Charter).</p>
Membership and Attendees	<p>The Committee will consist of the MD, Group Finance Director, Director of Strategy and Business Development, Chief Operating Officer Australia and New Zealand, Chief Operating Officer South Asia, Chief Operating Officer Asia Pacific, Chief Operating Officer Africa, CEO GMC Global and the Director Corporate Affairs.</p> <p>The Committee members shall be appointed by the MD. The Chairperson will be the MD, or in his absence, his nominee.</p> <p>Any other person may attend meetings of the Committee at the invitation of the MD or delegated Chairperson.</p>

<p>Duties and Responsibilities</p>	<p>The duties and responsibilities of the Committee are as follows:</p> <ol style="list-style-type: none"> 1. Overseeing, implementing and reviewing the Boards approved Strategic Plan including: <ul style="list-style-type: none"> - Making recommendations to the Board in relation to the objectives and strategy for the SMEC Group of Companies - Agreeing and implementing policy guidelines for business divisions based on the Company's Strategic Plan - The successful execution of the Company's Strategic Plan - Reporting to the Board on progress against the Strategic Plan 2. Overseeing, implementing and reviewing the annual business planning cycle and budget preparation process including: <ul style="list-style-type: none"> - Developing and reviewing business plans and budgets for each division to ensure that they substantially align with the Boards approved strategic plan - Presenting SMEC's divisional business plans and budgets to the Board for approval - Monitoring the Company's performance against the approved business plans and budgets - Taking action to ensure successful achievement of business plans and budgets - Reporting to the Board on progress 3. Safeguarding the integrity of financial reporting systems and ensuring accurate and timely advice to the Board or the Audit Committee on all of the Company's financial matters. At a minimum the Committee will: <ul style="list-style-type: none"> - Review monthly financial statements - Analyse key financial data by division, subsidiary and functional group (including YTD financial trends, overheads, WIP, Lockup, debtors analysis, debt write off levels, opportunities and new work won levels) - Establish performance benchmarks and review by exception - Assess the profitability of the divisional and functional groups (including SMEC's subsidiary companies) and instigate actions and amendments to operations where necessary - Examine and review the Company's treasury activities (including investments, divestments financing arrangements and major capital expenditure proposals) and make recommendations to the Board in relation to those which are material either by nature or cost 4. Assess the operational performance of the business including: <ul style="list-style-type: none"> - Assessing and monitoring projects that have the ability to materially impact the financial performance of the company - Ensuring the timely delivery of significant projects - Ensuring a high degree of quality in design of underperforming or significant projects - Analysing project activity - Ensuring high level of quality in marketing and proposals 5. Assess company structure and corporate vehicles used (i.e. joint ventures) to deliver services including:
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	<ul style="list-style-type: none"> - Reviewing the organisational structure of the SMEC Group of Companies and making recommendations to the Board in respect of any material changes - Making recommendations to the Board to ensure appropriate levels of authority are delegated to Senior Management throughout the SMEC Group of Companies <p>6. Ensuring the provision of adequate management development and succession and recommendation and implementation of appropriate remuneration structures within business divisions including:</p> <ul style="list-style-type: none"> - Determine remuneration for all staff excluding those Executive Directors and Committee members. To avoid perceived conflict of interest, these will be dealt with by the Board based on recommendations made by the Remuneration Committee - For clarity, the Committee is responsible for reviewing and making recommendations to the Remuneration Committee on the Company's Remuneration Policy as necessary - For clarity, the Committee is responsible for reviewing and making recommendations to the Nominations Committee on Succession Planning and Policy as necessary <p>7. Ensuring the control, co-ordination and monitoring of risk and internal controls and making timely recommendations to the Board in respect of any material matters including:</p> <ul style="list-style-type: none"> - Identifying, assessing, monitoring and taking steps to prevent or mitigate any business risks and/or potential legal action threatened or pending - Monitoring and ensuring compliance with legal and regulatory requirements within the Divisions - Ensuring ongoing compliance with Occupational Health, Safety and Rehabilitation legislation, standards and codes of practice. At a minimum the Committee will consult with staff in accordance with statutory obligations to ensure that OHS&R continues as a part of core business - Ensuring continuing certification to ISO 9001 and ISO 14001 where appropriate. At a minimum the Committee will promote the benefits to the organisation of commitment to the Quality Environmental & Safety Management System <p>8. Developing and making recommendations to the Board in respect of corporate policy generally including:</p> <ul style="list-style-type: none"> - Monitoring and ensuring compliance with SMEC's practices, policies and procedures as required.
Committee Meetings Procedure	<p>The Committee shall meet at least eight times a year, preferably seven to ten days prior to the Board meeting. The Committee will meet on any other occasion as often as the MD deems necessary.</p> <p>A quorum shall consist of four Committee members.</p>

<p>Role of the Secretary</p>	<p>A Secretary to the Committee will be appointed by the MD.</p> <p>The Secretary is responsible for the preparation and distribution of the meeting agenda and associated documents and keeping copies of all materials put before the Committee.</p> <p>The Secretary shall also be responsible for keeping and distributing the minutes of Committee meetings and circulating them to Members within seven days of the date of the meeting.</p>
<p>Review of Terms of Reference</p>	<p>The Committee will review the continuing relevance of these Terms of Reference on an annual basis. Where changes are deemed necessary they will be submitted to the Board for approval.</p>
<p>Reporting</p>	<p>The MD or delegated Chairperson of the Committee shall report to the Board, immediately following a Committee meeting, on any key decisions or policy matters considered or made by the Committee.</p> <p>The minutes of any Committee meeting will be provided to the Board at the subsequent Board meeting.</p>