



## NOMINATION AND REMUNERATION COMMITTEE

### TERMS OF REFERENCE

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#### **1. Purpose**

- 1.1 The purpose of the Nomination and Remuneration Committee is to assist the Board in ensuring that the Company retains an appropriate organisational structure, size and balance of skills to support its strategic objectives and values. It will also ensure that Board nominations are undertaken in a diligent, transparent and justifiable manner.
- 1.2 The Committee assists the Board in meeting its responsibilities regarding the determination, implementation and oversight of senior remuneration arrangements to enable the recruitment, motivation and retention of senior staff generally. It will ensure that remuneration is externally benchmarked, reasonable, fair and responsible.
- 1.3 The Committee oversees arrangements for senior appointments (including selection processes) and succession planning.
- 1.4 The Committee also assists the Board by reviewing and making recommendations in respect of the remuneration policies and framework for all staff and ensuring that Board member positions are filled with appropriately skilled and experienced individuals to suit and advance the Company's interests.

#### **2. Authority**

- 2.1 The Committee is an advisory committee of the Board, from which it derives its authority, and to which it regularly reports.
- 2.2 The Committee has delegated authority from the Board in respect of the functions and powers set out in these Terms of Reference. It must circulate its minutes to the Board as soon as practicable after each meeting, ideally alongside its recommendations.
- 2.3 The Committee has authority to investigate any matter within its Terms of Reference and to obtain such information as it may require from any officer or employee of the Company.

#### **3. Membership**

- 3.1 The Committee will have at least three members, each of sufficient independence and expertise to enable the Committee to conduct its duties effectively.
- 3.2 The Committee members and the Chair will be appointed by the Board.
- 3.3 The Committee Chair does not have a casting vote.

- 3.4 The Committee will invite senior executives of the Company to meetings when requiring input on management performance and salary packages.
- 3.5 In connection with its duties, the Committee is empowered to select, set the terms of reference and appoint such consultants or other advisers as the Committee consider necessary or appropriate, at the Company's expense.
- 3.6 No attendee will participate in discussion or decisions relating to their own remuneration.

#### **4. Duration of appointments**

- 4.1 Unless otherwise determined by the Board, the duration of appointments of members of the Committee (including the Chair) will be for a period of up to three years, however this period may be extended by the Board for an additional period of two years.

#### **5. Removal or Resignation**

- 5.1 A member may at any time resign from the Committee.
- 5.2 The Board may remove a member of the Committee where the member has not acted in accordance with these Terms of Reference or the policies and procedures of the Company.

#### **6. Meetings**

- 6.1 The Committee will meet as frequently as required but not less than once a year.
- 6.2 The Chair is required to call a meeting of the Committee when requested to do so by the Board, a Committee member, the Chief Executive Officer or the Company Secretary.
- 6.3 The Committee may participate in a meeting by means of any technology that gives the members a reasonable opportunity to participate.

#### **7. Secretary**

- 7.1 The Secretary of the Committee will be the Company Secretary.
- 7.2 The Secretary of the Committee will be responsible, in conjunction with the Chair of the Committee, for determining the agenda for each meeting.

#### **8. Minutes of Meetings**

- 8.1 The Secretary of the Committee will be responsible for keeping and circulating the minutes of Committee meetings.
- 8.2 Minutes, agenda and supporting papers will be made available to any Director upon request to the Secretary, providing no conflict of interest exists.

#### **9. Quorum and Resolutions**

- 9.1 A quorum will comprise any two Committee members.
- 9.2 Should the Chair be absent from any meeting, and there are at least two members still present, the members of the Committee present will appoint one of their number to be Chair of that meeting.
- 9.3 The Committee may pass resolutions by circular resolution.

9.4 Recommendations are determined on a majority of votes of those present and entitled to vote. Any member has one vote. There is no deadlock mechanism; in the event of a tied vote, both recommendations must be presented to the Board.

#### **10. Assessment and Evaluation of the Committee**

10.1 The Board will regularly evaluate the effectiveness of the Committee, including conducting a performance evaluation of the Committee against the requirements of the Committee Terms of Reference every two years.

#### **11. Review of Terms of Reference**

11.1 The Committee will review its Terms of Reference annually, when it is required to do so by the Board, or when it sees fit to do so.

11.2 If the Committee considers that changes are required to the Terms of Reference, it will make appropriate recommendations to the Board.

#### **12. Confidentiality**

12.1 Committee members will receive or have access to confidential, sensitive and personal information. They acknowledge they must only use or disclose such information to the extent necessary to satisfy their duties and responsibilities.

12.2 If there is uncertainty as to whether any information is confidential, such information is deemed confidential and not within the public domain.

12.3 Committee members must safeguard the confidentiality of any information received by adopting and maintaining reasonable precautions.

12.4 Committee members must not make any press or other announcements or releases in connection with any deliberations, outcomes or decisions of the Committee.

#### **13. Conflicts of Interest**

13.1 Committee members must not place themselves in a position of conflict of interest whereby their obligations to satisfy their duties and responsibilities are compromised, potentially compromised or perceived to be compromised.

13.2 No individual may use their position, their authority or any information received to obtain an advantage for themselves or detriment for others.

13.3 Committee members must comply with the Company's *Conflict of Interest Policy*.

13.4 Committee members warrant they have no undeclared actual, potential or perceived conflicts of interest, and undertake to promptly notify any future conflicts of interest to the Chair as soon as they become apparent.

13.5 Committee members must not compromise their professional judgment because of bias, conflict of interest or the undue influence of others. In such circumstances, they must not continue performing their duties and promptly notify the Chair and the Company as appropriate.

## **14. Nominations**

### **14.1 The Committee will:**

- 14.1.1 oversee and support a formal, rigorous and transparent approach to senior appointments in the Company, including considering and making recommendations regarding appointments to leadership roles, as defined by the Board;
- 14.1.2 advise on the process for appointment of the CEO;
- 14.1.3 through the Chair of the Committee, conduct the annual performance review of the CEO and oversee the review of the executive team;
- 14.1.4 oversee the maintenance of an effective framework for succession planning, including reviewing and commenting on proposals for succession planning for senior leadership roles;
- 14.1.5 ensure the Company meets its diversity obligations in respect of Board and senior executive appointments;
- 14.1.6 establish a transparent and formal procedure for identification and nomination of individuals qualified to become Board members and run a process for the Board and Board Committees to identify candidates it considers appropriate for appointment, including recommending to the Board whether the Board should support the re-election of any Director required to retire in accordance with the terms of the Constitution;
- 14.1.7 review and approve appointments on the Board, including making recommendations to the Board on the selection criteria for nomination of candidates of non-executive directors and the time commitment and contribution required of non-executive directors; and
- 14.1.8 implement and oversee a Directors' induction program and continuing development for Directors.

## **15. Remuneration**

15.1 The purpose of the Committee with regard to its remuneration role is to make recommendations on the remuneration packages of the CEO and senior executives of the Company, with the overall objective of motivating and appropriately rewarding performance.

### **15.2 The Committee will:**

- 15.2.1 ensure that the Company maintains remuneration, equity and incentive policies and practices that are competitive, equitable and will attract and retain good people;
- 15.2.2 advise on the remuneration package for the CEO;
- 15.2.3 annually review and recommend to the Board for approval, the remuneration package of the CEO and senior executive employees reporting to the CEO based on performance;
- 15.2.4 agree benchmarks against which salary reviews are to be made for staff employed by the Company;
- 15.2.5 review and recommend to the Board the recruitment, retention and termination policies and procedures for the CEO, and senior executives reporting to the CEO;
- 15.2.6 approve pools of annual grants of equity and any other individual equity offers to senior executives and other employees;
- 15.2.7 advise the Board on performance based measures (financial and non-financial), targets and performance outcomes under incentive plans for the Directors and senior executives;
- 15.2.8 review annually and recommend to the Board, the remuneration packages of the Chair and independent Directors, particularly having regard to required workloads; and
- 15.2.9 provide the Board with quality assurance concerning the integrity of the Company's remuneration policies.

**16. Other responsibilities**

- 16.1 The Committee will perform other functions as requested by the Board.
- 16.2 The duties and responsibilities of a member of the Committee who is also a member of the Board are in addition to those duties undertaken as a member of the Board.
- 16.3 Despite anything in these Terms of Reference, the Committee must ensure compliance with all applicable Constitutional, regulatory or legal requirements associated with remuneration matters.