

# REMUNERATION AND NOMINATION COMMITTEE CHARTER

## CORPORATE POLICY

Imdex Limited ACN 008 947 813



The board of directors of Imdex Limited (Company or Imdex) has approved the following terms of reference for the Remuneration and Nomination Committee (the Committee). This Committee has the authority to review, on behalf of the board of directors (Board), matters arising in relation to the remuneration of directors and senior management and the composition, renewal and performance of the Board and senior management.

### 1. OBJECTIVES

---

The objectives of the Committee will be to assist the Board in:

- (a) determining executive remuneration policy;
- (b) determining the remuneration of executive directors;
- (c) reviewing and approving the remuneration of senior management;
- (d) reviewing and approving all equity based plans;
- (e) identifying and screening specific candidates for nomination (including by the use of external consultants);
- (f) recognising the value of diversity to both the Board and the Company;
- (g) ensuring there is an appropriate Board succession plan in place;
- (h) ensuring the regular review of performance of the Board and its members;
- (i) developing an appropriate training and development program for directors;
- (j) overseeing management's succession planning including the Managing Director and his or her direct reports; and
- (k) having reference to the "Procedure for the Selection and Appointment of New Directors", the "Procedure for the Evaluation of the Board, Committees and Individual Directors" and the "Diversity Policy"

### 2. COMPOSITION

---

- 2.1 Committee members will be appointed by the Board and will consist of at least three members, a majority of whom are non-executive directors
- 2.2 The secretary of the Committee shall be the Company Secretary of Imdex. The Committee shall be chaired by an independent director.

### 3. MEETINGS

---

- 3.1 The Committee shall meet as frequently as required but not less than two times a year. The Secretary will be required to give reasonable notice of a meeting. Other officers of the Group or external persons may be invited to attend Committee meetings.
- 3.2 The Chairperson will call a meeting of the Committee if so requested by any Committee member, any Director or the Auditors. The Chairperson of the Committee shall report the findings and recommendations of the Committee to the Board after each Committee meeting.
- 3.3 The quorum for a meeting is two members.

- 3.4 The Company Secretary, in conjunction with the Chairperson of the Committee, is responsible for preparation of the agenda for each meeting and must circulate the agenda and Committee papers to all members and attendees prior to each meeting.
- 3.5 The Company Secretary is to attend all Committee meetings and is responsible for ensuring that proper minutes are taken. The minutes will be included in the papers for the next Board meeting following the Committee meeting.

## **4. REMUNERATION FUNCTIONS AND RESPONSIBILITY**

---

The Committee shall exercise its remuneration functions by:

### **4.1 Executive Remuneration Policy**

- (a) Make recommendations to the Board with respect to appropriate remuneration and incentive policies for executive directors and senior executives which:
  - (i) motivate executive directors and senior executives to pursue long term growth and success of the Company within an appropriate control framework;
  - (ii) demonstrate a clear correlation between key performance measures and remuneration; and
  - (iii) align the interests of key leadership with the long term interests of the Company's shareholders.
- (b) Review and approve the Group's policy for determining executive remuneration including, but not limited to, retirement benefits and compensation payments, and any amendments to that policy proposed from time to time by management
- (c) Review the on-going appropriateness and relevance of the executive remuneration policy and other executive benefit programs
- (d) Consider whether to seek shareholder approval of the executive remuneration policy
- (e) Oversee the implementation of this remuneration policy

### **4.2 Executive Directors and Senior Management**

- (a) Consider and make recommendations to the Board on the remuneration for the Managing Director and any other Executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the executive remuneration policy. The Committee will need to determine whether any shareholder approvals are required
- (b) Review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) for Senior Management

### **4.3 Executive Incentive Plans**

- (a) Review and approve the design of all executive incentive plans
- (b) Review and approve the total proposed payments from each executive incentive plan
- (c) Ensure that targets for performance based remuneration are aligned with the Company's short, medium and long term performance objectives and should be consistent with its circumstances, purpose, strategic goals, values and risk appetite.

### **4.4 Equity Based Plans**

- (a) Review and approve the design of all equity based plans
- (b) Keep all plans under review in the light of legislative, regulatory and market developments
- (c) For each equity based plan, determine each year whether awards will be made under that plan

- (d) Review and approve total proposed awards under each plan
- (e) In addition to considering awards to Executive Directors and Senior Management, review and approve proposed awards under each plan on an individual basis for executives as required under the rules governing each plan or as determined by the Committee
- (f) Review, approve and keep under review performance hurdles for each equity based plan
- (g) Ensure that targets for performance based remuneration should be aligned to the Company's short, medium and long term performance objectives

#### 4.5 Non-executive Director Remuneration

Review and approve the remuneration for non-executive directors seeking approval from Shareholders as required

## 5. NOMINATION FUNCTIONS AND RESPONSIBILITY

---

The Committee shall review and make recommendations to the board in relation to:

- (a) Board succession planning generally
- (b) Induction and continuing professional development programs for directors
- (c) Development and implementation of a process for evaluating the performance of the board, its committees and directors
- (d) Process for recruiting a new director including evaluating the balance of skills, knowledge, experience, independence and diversity on the board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
- (e) The appointment and re-election of directors
- (f) Ensuring there are plans in place to manage the succession of the Managing Director and other senior executives.

## 6. APPROVALS

---

The Committee must approve the following prior to implementation:

- (a) changes to the remuneration or contract terms of executive directors and senior management; and
- (b) termination payments to executive directors or senior management.

## 7. OTHER MATTERS

---

The Committee shall:

- (a) examine any other matters referred to it by the Board; and
- (b) act honestly and exercise the degree of care and diligence expected of a reasonable person.

## 8. RIGHTS IN OBTAINING INFORMATION FROM MANAGEMENT

---

The Committee has the authority to seek any information it requires from any officer or employee of the Imdex Group and such officers or employees shall be instructed by the Board to respond to such enquiries. The Committee is authorised to take such independent professional advice as it considers necessary.

## **9. DECISION MAKING**

---

Where any Committee member has a contrary view to a Committee decision, that view is to be reported to the Board.

## **10. REVIEW OF CHARTER**

---

This Charter will be reviewed by the Committee, or the Board at its discretion, from time to time, to ensure that it continues to reflect the letter and spirit of all applicable laws and regulations and Imdex's commitment to its staff and the community but not less than once every (3) years.

## **11. RELATED DOCUMENTS:**

---

- Procedure for the Selection and Appointment of New Directors
- Procedure for Evaluation of the Board, Committees and Individual Directors
- Diversity Policy