

# Remuneration and Nomination Committee Charter

McMillan Shakespeare Group of Companies



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## 1. Introduction

The Remuneration and Nomination Committee (the **Committee**) is a committee of the Board of Directors (**Board**) of McMillan Shakespeare Limited and is subject to the control and direction of the Board.

## 2. Role of the Committee

The role of the Committee is to assist the Board to achieve its objectives to ensure that the Company:

- has a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- has coherent remuneration policies and practices to attract and retain high quality directors and senior executives who will create value for shareholders;
- observes the remuneration policies and practices;
- rewards senior executives fairly and responsibly having regard to the performance of the Group, the performance of the executive and market pay conditions generally.

## 3. Membership of the Committee

The membership of the Committee shall consist of a minimum of three non-executive Directors and be chaired by the Chairperson of the Board or a non-executive Director. If the Committee is chaired by the Chairperson of the Board, a separate chair should be appointed if and when the Committee is dealing with the appointment of a successor to the Chairperson. For the avoidance of doubt, if the Chairperson of the Board is a member of the Committee, the Chairperson is permitted to attend meetings dealing with the appointment of a successor to the Chairperson.

Executive Directors shall not be entitled to be a member of the Committee but may be required to attend meetings to provide information and advice.

Membership shall be reviewed periodically and re-appointment to the Committee is not automatic. Appointments and resignations are decided by the Board.

## 4. Functions and Responsibilities

The Committee's primary role is to review and make recommendations to the Board on the following matters:

- overall remuneration policies and strategies;
- senior executive remuneration structures (including share plan, share options and other benefits) and service contract (noting that the remuneration of the senior executives reporting directly to the Managing Director are to be approved by the Committee and ratified by the Board);
- remuneration and incentive schemes for executive directors;
- superannuation arrangements in place for directors and employees including review of the nominated superannuation fund;
- non-executive Director remuneration levels including the process by which the pool of directors fees approved by shareholders is allocated to directors;

- recruitment, retention and termination policies and procedures for senior executives and senior management;
- the performance of the Managing Director and Chief Executive Officer and any other executive Directors (on an annual basis);
- whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees;
- the relative proportion of women and men in the workforce at all levels of the Group;
- the necessary and desirable competencies and characteristics for Board membership and regularly assess the extent to which those competencies and characteristics are represented on the Board;
- succession planning to maintain an appropriate balance of skills, experience and expertise on the Board;
- induction and continuing professional development for directors;
- the development and implementation of a process for evaluating the performance of the Board, its committees and directors;
- the process for recruiting a new director including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board;
- the appointment and re-election of directors;
- the appointment of the chief executive officer;
- the time required from a non-executive director and whether directors are meeting that requirement;
- that plans are in place to manage the succession of the CEO and other senior executives;
- developing and implementing strategies aimed at improving the organisation's culture and diversity, consistent with the organisation's values;
- the Group's Code of Conduct and other material designed to guide the Directors, executives and other employees as to:
  - compliance with legal and other obligations;
  - the ethical standards and practices necessary to maintain confidence in the Group's integrity;
  - the responsibility and accountability of individuals for reporting and investigating reports of unlawful and unethical practices; and
  - the behaviour expected of them and the Group's corporate culture and values generally.
- setting policies and processes for compliance with workplace health and safety obligations and environmental and sustainability matters;

- review the results of staff feedback surveys;
- doing any other thing that the Board considers appropriate in the context of this Charter.

In carrying out its duties, the Committee will have regard to any guidelines approved by the Board. The Committee shall recommend to the Board any changes to these guidelines which it considers to be necessary or appropriate.

## **5. Review**

The Board will, at least once in each year, review the membership and Charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, functions or otherwise.

## **6. Administrative Matters**

### **6.1. Meetings**

The Committee shall determine the frequency of meetings, but it would be expected that as a minimum meetings would be held at least quarterly.

### **6.2. Quorum**

Two Directors shall constitute a quorum for meeting of the Committee.

### **6.3. Convening and notice of meeting**

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee, of every meeting of the Committee, at the member's advised address for service of notice (or such other pre-notified interim address where relevant). However, there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

### **6.4. Agenda**

The Committee Chair will determine the meeting agenda after appropriate consultation.

### **6.5. Reporting**

The Committee chair will prepare a report of the actions of the Committee to be included in the Board papers for the Board meeting next following a meeting of the Committee.

The Committee Chair will also, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All directors will be permitted, within the Board meeting, to request information of the Committee, Chair or members of the Committee.

## **7. Right to obtain expert advice**

The Committee is entitled to obtain the advice of expert advisers or engage appropriately qualified consultants to provide recommendations where it considers necessary to carry out its duties.