

## Pacific Current Group Limited

ACN 006 708 792

# Remuneration, Nomination and Governance Committee Charter

## 1. Introduction

- 1.1 The Remuneration, Nomination and Governance Committee is a committee of the board of directors of Pacific Current Group Limited (**Company** and, together with its controlled entities, the **Group**) (**Remuneration, Nomination and Governance Committee**).
- 1.2 The Board of directors of the Company (**Board**) have established the Remuneration, Nomination and Governance Committee in accordance with the Company's Constitution.
- 1.3 This Charter sets out the scope of the Remuneration, Nomination and Governance Committee's responsibilities in relation to the Company and the Group.

## 2. Objectives

- 2.1 The objectives of the Remuneration, Nomination and Governance Committee is to assist the Board to ensure that the Company:
  - (a) has a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties and to bring transparency, focus and independent judgment to decisions regarding the composition of the Board;
  - (b) has coherent remuneration policies and practices to attract and retain senior executives and directors who will create value for shareholders;
  - (c) observes those remuneration policies and practices;
  - (d) fairly and responsibly rewards senior executives (**Group Executives**) having regard to the performance of the Group, the performance of the Group Executives and the general external pay environment;
  - (e) achieves its governance objectives in relation to:
    - i) ensuring the Company has appropriate ethical standards and corporate governance policies and practices;
    - ii) issuing an annual Corporate Governance Statement and Appendix 4G; and
    - iii) oversight of the Group's Diversity Policy.

## 3. Remuneration, Nomination and Governance Committee composition

- 3.1 The Remuneration, Nomination and Governance Committee must comprise:
  - (a) at least three directors;
  - (b) all non-executive directors; and
  - (c) a majority of independent non-executive directors.
- 3.2 The Board will appoint the Chairperson and they may be the Chairperson of the Board.
- 3.3 The Remuneration, Nomination and Governance Committee will appoint a Secretary.
- 3.4 The Board decides appointments, rotations and resignations within the Remuneration, Nomination and Governance Committee having regard to the ASX Listing Rules, the ASX *Corporate Governance Principles and Recommendations (3rd edition)* and the Company's Constitution.
- 3.5 Remuneration, Nomination and Governance Committee members may act by their alternate.

# PACIFIC CURRENT GROUP

## 4. Nomination - responsibilities

### 4.1 The Nomination responsibilities of the Remuneration, Nomination and Governance Committee are:

- (a) identifying and recommending to the Board, nominees for membership of the Board including the Chief Executive Officer (**CEO**);
- (b) being responsible for and disclosing a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership. The current board skills matrix is included in the Group's *Corporate Governance Statement*.
- (c) identifying and assessing the necessary and desirable competencies and characteristics for Board membership, including:
  - (i) skills, expertise and background that add to and complement the range of skills, expertise and background of the existing Directors;
  - (ii) diversity; and
  - (iii) the extent to which the candidate would fill a present need on the Board;
- (d) establishing processes for identifying suitable candidates for appointment to the Board to ensure an appropriate mix of expertise, experience and succession;
- (e) ensuring that the Company:
  - (i) develops and discloses a Board appointment process, which includes selection criteria having regard to the skills and experience outlined in the Group's *Corporate Governance Statement* and the selection process for Group Executive positions;
  - (ii) undertakes appropriate checks before appointing a person, or putting forward to its shareholders, a candidate for election, as a Director, including checks as to a candidate's character, expertise, education, criminal record and bankruptcy history;
  - (iii) provides its shareholders with all material information relevant to a decision about whether or not to elect or re-elect a Director (including information regarding independence);
  - (iv) has a written agreement with each Director and Group Executive setting out the terms of his or her employment; and
  - (ix) has, and discloses a summary of the main features of, a program for inducting new Directors and providing appropriate professional development opportunities for continuing Directors to develop and maintain the skills and knowledge needed to perform their role as Directors effectively, particularly in relation to accounting and changes in accounting standards;
- (f) ensuring succession plans for Board and Group Executives are in place;
- (g) recommending the removal of Directors of the Board; and
- (h) any other responsibilities as determined by the Remuneration, Nomination and Governance Committee or the Board from time to time.

## 5. Performance of Directors - responsibilities

### 5.1 The Performance of Directors responsibilities of the Remuneration, Nomination and Governance Committee are:

- (a) establishes and discloses a process for periodically evaluating the performance of the CEO and Group Executives;
- (b) annually reviewing the performance of the CEO and Group Executives;
- (c) establishes and discloses a process for periodically evaluating the performance of the Board, its Committees, the Chairman of the Board and individual Directors;

# PACIFIC CURRENT GROUP

- (d) evaluates the performance of the Board, its Committees, the Chairman of the Board and individual Directors;
- (e) discloses in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with the process set out in clause 5.1(c);
- (f) reviewing whether the Directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and on Board Committees effectively and, where any gaps are identified, considering what training or development could be undertaken to fill those gaps;
- (g) regularly assessing the independence of Directors;
- (h) evaluating the performance of Directors before they stand for re-election; and
- (i) any other responsibilities as determined by the Remuneration, Nomination and Governance Committee or the Board from time to time.

5.2 Members of the Remuneration, Nomination and Governance Committee must not participate in any review or assessment of their own performance.

5.3 After consulting with the other Non-Executive Directors, the Remuneration, Nomination and Governance Committee will arrange for a suitable Non-Executive Director to conduct a performance evaluation of the Chairperson.

## 6. Remuneration policies and practices

6.1 Director and Group Executive remuneration and incentive policies and practices must be performance-based and aligned with the Group's vision, values and overall business objectives.

6.2 Director and Group Executive remuneration, incentive policies and practices must be designed to:

- (a) motivate the Directors and Group Executives to pursue the Group's long-term growth and success;
- (b) demonstrate a clear relationship between the Group's overall performance and the performance of Directors and Group Executives; and
- (c) align the interests of Directors and Group Executives with the creation of value for shareholders.

## 7. Remuneration - responsibilities

7.1 The Remuneration responsibilities of the Remuneration, Nomination and Governance Committee are:

- (a) reviewing and approving Board, Director and Group Executive remuneration and incentive policies and practices in line with relevant legislation and corporate governance principles relating to remuneration practices and employment policies, including the process by which any pool of Directors' fees approved by shareholders is allocated to Directors;
- (b) considering and approving each Executive Director's total remuneration having regard to executive remuneration and incentive policies;
- (c) determining if shareholder approval is needed for any change to remuneration of Directors or Group Executives;
- (d) reviewing and approving, on the recommendation of the CEO, the total remuneration and terms of employment, and any subsequent changes thereto, of direct reports of the CEO;
- (e) reviewing and approving on behalf of the Board, any report on Group Executive remuneration that may be required and reporting to the Board as appropriate;
- (f) reviewing and approving the design and total proposed payments from any Group Executive incentive plan;

# PACIFIC CURRENT GROUP

- (g) reviewing and approving the proposed award to each Group Executive under the rules of any Group Executive incentive plan;
- (h) reviewing and approving and keeping under review the performance hurdles for any Group Executive incentive plan;
- (i) ensuring that if the Company has an Group Executive incentive plan, the Company:
  - (i) has a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) that limit the economic risk of participating in the scheme; and
  - (ii) disclose that policy or a summary of it;
- (j) reviewing the remuneration of Non-Executive Directors for serving on the Board and any Committee (both individually and in total);
- (k) reviewing superannuation arrangements for Directors, Group Executives and other employees;
- (l) assessing whether there is any gender or other inappropriate bias with respect to the remuneration for Directors, Group Executives or other employees;
- (m) recommending to the Board the remuneration, retirement and termination policies for Non-Executive Directors having regard to market trends and shareholder interests;
- (n) ensuring the disclosure of any relevant information required in each Annual Report of the Company; and
- (o) any other responsibilities as determined by the Remuneration, Nomination and Governance Committee or the Board from time to time,

and making recommendations to the Board in relation to the matters above.

## 8. Governance Responsibilities

- 8.1 The Governance responsibilities of the Remuneration, Nomination and Governance Committee are to consider and make recommendations to the Board concerning the:
- (a) Company's governance policies, considering best practice and regulatory developments;
  - (b) Company's measurable objectives for achieving gender diversity; and
  - (c) Corporate Governance Statement for inclusion in the Company's Annual Report or on its website as appropriate.

## 9. Remuneration, Nomination and Governance Committee meetings

- 9.1 The R Remuneration, Nomination and Governance Committee will meet as often as it considers necessary.
- 9.2 The quorum for a Remuneration, Nomination and Governance Committee meeting is two Remuneration, Nomination and Governance Committee members.
- 9.3 Remuneration, Nomination and Governance Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.
- 9.4 The Remuneration, Nomination and Governance Committee may invite anyone it considers appropriate to attend Remuneration Committee meetings.
- 9.5 The Remuneration, Nomination and Governance Committee must keep minutes of its meetings and shall report these regularly to the Board.

# PACIFIC CURRENT GROUP

- 9.6 The Remuneration, Nomination and Governance Committee must disclose at the end of each reporting period the number of times that it met during the period and the individual attendances of its members at those meetings.
10. Minutes of Remuneration, Nomination and Governance Committee meetings
- 10.1 The Remuneration, Nomination and Governance Committee must keep minutes of its meetings.
- 10.2 The Chairperson of the Remuneration, Nomination and Governance Committee will regularly update the Board about the Committee's activities. The minutes of each Remuneration, Nomination and Governance Committee meeting must be included in the papers for the next full Board meeting after each meeting of the Remuneration, Nomination and Governance Committee, except if there is a conflict of interest.
- 10.3 Minutes must be distributed to all Remuneration, Nomination and Governance Committee members, after the Committee Chairperson has approved them.
- 10.4 The agenda and supporting papers are available to all Directors upon request to the Remuneration, Nomination and Governance Committee secretary, except if there is a conflict of interest.
11. Access to information and independent advice
- 11.1 The Remuneration, Nomination and Governance Committee may seek any information that it considers necessary to fulfil its responsibilities.
- 11.2 The Remuneration, Nomination and Governance Committee may seek professional advice from appropriate external advisers, at the Company's cost. The Remuneration, Nomination and Governance Committee may meet with external advisers without Group Executives being present.
12. Review and changes to this charter
- 12.1 The Remuneration, Nomination and Governance Committee will review this charter every two years or as required.
- 12.2 The Board may change this Charter from time to time by resolution.
13. Approved and adopted
- 13.1 This charter was approved and adopted by the Board on 29 November 2018.