


Mayfield Group Holdings Ltd  
(ACN 010 597 672)

# Nomination and Remuneration Committee Charter



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## **1 Purpose and authority**

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### **1.1 Purpose**

The purpose of this Mayfield Group Holdings Limited (**Company**) Nomination and Remuneration Committee Charter is to specify the authority delegated to the Nomination and Remuneration Committee (**Committee**) by the board of directors of the Company (**Board**) and to set out the role, responsibilities, membership and operation of the Committee.

### **1.2 Authority**

The Committee is a committee of the Board established in accordance with the Company's constitution and authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this charter and granted to it under any separate resolutions of the Board from time to time.

## **2 Role of the Committee**

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### **2.1 Nomination**

The Committee assists and advises the Board on:


- (a) Board succession planning generally;
- (b) induction and continuing professional development programs for directors;
- (c) the development and implementation of a process for evaluating the performance of the board, its committees and directors;
- (d) the 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; and
- (f) ensuring there are plans in place to manage the succession of the Chief Executive Officer (**CEO**) and other senior executives,

to ensure that the Board is of a size and composition conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of the Company as a whole.

### **2.2 Remuneration**

The Committee also assists and advises the Board on remuneration policies and practices for the Board, the CEO, the chief financial officer, senior executives and other persons whose activities, individually or collectively, affect the financial soundness of the Company.

The policies and practices are designed to:


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- (a) enable the Company to attract, retain and motivate directors, executives and employees who will create value for shareholders within an appropriate risk management framework, by providing remuneration packages that are equitable and externally competitive;
  - (b) be fair and appropriate having regard to the performance of the Company and the relevant director, executive or employee;
  - (c) comply with relevant legal requirements; and
  - (d) encourage the creation of an 'Employer of Choice' culture within the Company.

### **3 Nomination responsibilities**

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The Committee is responsible for:

- (a) identifying and making recommendations regarding the necessary and desirable competencies of directors;
- (b) making recommendations regarding the size of the Board so that the size encourages efficient decision making;
- (c) developing and reviewing the process for the selection, appointment and re-election of directors;
- (d) identifying and making recommendations to the Board for the appointment of new Board candidates, having regard to their skills, experience and expertise;
- (e) co-ordinating with the Board to ensure that the Company meets its commitment to becoming a diverse and inclusive workplace;
- (f) identifying ways to promote a culture supportive of diversity including recruitment from a diverse pool of candidates;
- (g) reviewing nomination practices against measurable objectives for achieving gender diversity;
- (h) developing and reviewing induction procedures for new appointees to the Board to enable them to effectively discharge their duties, including increasing their knowledge about the Company and the industry within which the Company operates;
- (i) developing, implementing and reviewing continuing education measures to enhance director competencies and to update and enhance directors' knowledge and skills including on key developments affecting the Company and the industry and environment in which it operates;
- (j) overseeing the development and implementation of a process for the evaluation of the performance the Board, Board committees, and directors individually, using both measurable and qualitative indicators;

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- (k) reviewing the time required to be committed by non-executive directors to properly fulfil their duties to the Company and whether non-executive directors are meeting these requirements;
  - (l) assisting the Board in assessing the independence of each non-executive director;
  - (m) reviewing Board and senior executive succession plans and processes, including for the CEO and other senior executive positions and being conscious of each director's tenure, to maintain an appropriate balance of skills, experience, expertise and diversity; and
  - (n) reviewing the performance of the chairperson and reporting the results of the evaluation to the Board.

## **4 Remuneration responsibilities**

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### **4.1 General**

- (a) The Committee is responsible for developing, reviewing and making recommendations to the Board on:
  - (i) the Company's remuneration framework for directors, including, the process by which any pool of directors' fees approved by security holders is allocated to directors;
  - (ii) the remuneration packages to be awarded to senior executives;
  - (iii) incentive compensation including, equity-based remuneration plans for senior executives and other employees; and
  - (iv) superannuation arrangements for directors, senior executives and other employees.
- (b) The Committee is also responsible for monitoring and providing input to the Board regarding:
  - (i) legislative, regulatory or market developments likely to have a significant impact on the Company and legislative compliance in employment issues;
  - (ii) Company remuneration policies, practices and systems, and the remuneration trends across the Company, including
    - (A) the trends in base pay for senior management relative to that of all Company employees; and
    - (B) remuneration by gender;
  - (iii) major changes to employee benefits structures in the Company; and
  - (iv) as necessary, the perspective of external proxy advisers and shareholders on the remuneration policies, practices and the annual remuneration report of the Company.

## 4.2 Incentive schemes and equity based remuneration

For any incentive schemes or equity based plans which are adopted, the Committee is responsible for:

- (a) reviewing their terms (including any performance hurdles);
- (b) overseeing their administration (including compliance with applicable laws that restrict participants from hedging the economic risk of their security holdings);
- (c) considering whether shareholder approval is required or desirable for the schemes or plans and for any changes to them; and
- (d) ensuring that payments and awards of equity are made in accordance with their terms and any shareholder approval.

## 4.3 Structure of remuneration

In fulfilling these responsibilities, the Committee will ensure that:


- (a) a clear distinction is maintained between the structure of non-executive directors' remuneration and that of executive directors and senior executives;
- (b) a proportion of executive directors' and senior executives' remuneration is structured in a manner designed to link rewards to corporate and individual performance (reflecting short and long-term performance objectives appropriate to the Company's circumstances and goals);
- (c) any engagement of a remuneration consultant is approved by the Board or the Committee and the remuneration consultant must report its recommendation directly to either or both of the members of the Board (other than an executive director) or members of this Committee;
- (d) the Committee and the Board are satisfied with the arrangements put in place to ensure that any remuneration recommendation made by the remuneration consultant is made free from undue influence from any member of the key management personnel to whom the recommendation relates; and
- (e) the Committee will provide the Board with information sufficient to ensure that the Board makes an informed decision in relation to the Committee's recommendations.

## 5 Reporting and disclosure

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The Committee will liaise with the Board in relation to the Company's remuneration related reporting in the financial statements and remuneration report required by the Corporations Act.

The Committee will approve an annual remuneration report containing information on the Company's remuneration policy, practices, attendance at and frequency of Committee meetings and make recommendations to the Board for the inclusion of the remuneration report in the Company's annual report.



The Committee will make recommendations to the Board regarding the process for evaluating performance of the Board, its committees and the directors.

The Committee will ensure that all applicable governance, accounting and legal requirements regarding disclosure of remuneration, in all forms, are complied with.

The Committee chairperson will attend the Company's annual general meetings prepared to respond to any shareholder questions on the Committee's activities.

## **6 Delegation**

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The Committee may delegate any of its powers and responsibilities as the Committee thinks appropriate for the administration of director, senior executive and employee share, option or other plans, to senior management.

## **7 Membership**

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### **7.1 Composition and size**

Due to the size and nature of the Company's activities, the functions of the Committee will be undertaken by the full Board.

Each member is expected to possess adequate remuneration, regulatory and industry knowledge to carry out his or her responsibilities as a member of the Committee.

The term of service of Committee members will be reviewed by the chairperson at least annually, with a view to rotating members periodically, but without losing the continuity of experience and knowledge gained by the members of the Committee.

### **7.2 Chairperson**

The chairperson of the Committee must be an independent non-executive director. The chairperson of the Committee is appointed by the Board. If, for a particular Committee meeting, the Committee chairperson is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a chairperson for the meeting.

### **7.3 Secretary**

The Company secretary is the secretary of the Committee.

## **8 Committee meetings and process**

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### **8.1 Meetings**

Meetings and proceedings of the Committee are governed by the provisions in the Company's constitution regulating meetings and proceedings of the Board and committees of the Board in so far as they are applicable and not inconsistent with this charter.



Committee members may attend meetings in person or by electronic means.

## **8.2 Frequency and calling of meetings**

The Committee will meet as frequently as required to perform its functions. The chairperson must call a meeting of the Committee if requested by any member of the Committee, the external auditor, the internal auditor or the chairperson of the Board.

## **8.3 Quorum**

Two directors constitute a quorum for meetings of the Committee.

## **8.4 Attendance by management and advisers**

The Committee chairperson may invite the CEO, chief financial officer, other senior executives, directors who are not members of the Committee and external advisers to attend meetings of the Committee.

## **8.5 Conflicts**

No member of the Committee will participate in the determination of their own remuneration or the specific remuneration policies that are applicable to them.

## **8.6 Notice, agenda and documents**

Unless otherwise agreed or considered necessary by the chairperson, notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting documentation, will be circulated by the secretary to each Committee member and any other individual invited to attend, not less than seven working days before the meeting.

## **8.7 Minutes**

The secretary will keep minute books to record the proceedings and resolutions of Committee meetings.

The chairperson of the Committee, or delegate, will report to the Board after each Committee meeting. Minutes of Committee meetings will be included in the papers for the next Board meeting after each Committee meeting.


The Committee must refer any matter of significant importance to the Board for its consideration and attention.

## **8.8 Access to information and advisers**

The Committee has direct and unlimited access to all resources necessary to discharge its duties and responsibilities, including engaging counsel, accountants or other experts as it considers appropriate. This may include requesting management or engaging external remuneration consultants to provide information to the Committee.

The Committee also has the authority to conduct or direct any investigation required to fulfil its responsibilities.





## **9** Committee's performance evaluation

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The Committee will review its performance at least annually, or earlier if circumstances dictate, and whenever there are major changes to the management structure of the Company.

The performance evaluation will have regard to the extent to which it has met its responsibilities in terms of this charter.

Committee members must be available to meet with external bodies if requested to do so in accordance with relevant laws, regulations or prudential standards.

## **10** Review and publication of the charter

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The Committee will review its charter annually to keep it up to date and consistent with the Committee's authority, objectives and responsibilities and report to the Board any changes it considers should be made. The charter may be amended by resolution of the Board.

This charter will be available on the Company's website. Key features will be published in:

- (a) either the annual report or on the Company's website; and
- (b) in the Appendix 4G to be lodged with the ASX at the same time as lodgement of the annual report.