



# Nomination and Remuneration Committee Charter

## 1. Purpose

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The purpose of the Nomination and Remuneration Committee is to:

- review and make recommendations on Board performance and appointments and Nomination and Remuneration Committee memberships to ensure that the Company has available to it a Board with the appropriate competencies to enable it to effectively discharge its mandate;
- review and recommend appropriate remuneration policies which are designed to meet the needs of the Company and to enhance corporate and individual performance;
- review the Company's compliance with the Diversity Policy and, in particular, ensure the Diversity Policy is implemented in respect of the Board and the process for identifying and selecting new directors; and
- review and make recommendations to the Board on establishing measurable objectives for achieving greater gender diversity throughout the Company and on the Board.

## 2. Structure

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The Nomination and Remuneration Committee shall:

- comprise of at least three members of the Board;
- consist of a majority of independent directors who satisfy the criteria of independence in section 5 of the Board Charter; and
- be chaired by an independent director.

The Nomination and Remuneration Committee may, with the consent of the majority of the members of the Nomination and Remuneration Committee, invite any non-committee members deemed appropriate to attend meetings.

Membership of the Nomination and Remuneration Committee will be reviewed on an annual basis.



### **3. Secretary**

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The Company Secretary shall be appointed secretary of the Nomination and Remuneration Committee. The Chairman shall draw up an agenda, which shall be circulated prior to each meeting to the members of the Nomination and Remuneration Committee.

### **4. Meetings**

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The quorum necessary for the transaction of business will be two members.

The Nomination and Remuneration Committee must meet:

- to consider its recommendations to the Board in respect of re-election of directors on "retirement or rotation";
- at least once a year to consider remuneration matters;
- at least once a year to consider diversity matters; and
- at such other times as the Nomination and Remuneration Committee Chair shall require.

### **5. Authority and resources**

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The Nomination and Remuneration Committee shall have the authority to seek any information it requires from any officer or employee of the Company or its controlled entities and such officers or employees shall be instructed by the Board to respond to such enquiries. The Nomination and Remuneration Committee is authorised to take such independent professional advice or have access to such external resources (including access to external consultants or specialists) as it considers necessary.

The Nomination and Remuneration Committee shall have no executive powers with regard to its findings and recommendations.

The Nomination and Remuneration Committee shall assess its effectiveness periodically and this Charter will be reviewed annually and updated as required.

### **6. Responsibilities**

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#### **6.1 Nomination**

The Nomination and Remuneration Committee's responsibilities include:

- making recommendations to the Board on the necessary and desirable competencies of directors to ensure that the Board has an appropriate mix of



skills, experience, expertise and diversity to enable it to discharge its responsibilities and deliver the Company's corporate objectives;

- at the request of the Board, making recommendations for the appointment and re-election of directors;
- prior to recommending a candidate for appointment to the Board, undertaking checks as to a candidate's character, experience, education, criminal record and bankruptcy history and any other checks it considers appropriate;
- establishing and, at the request of the Board, reviewing induction programs for new directors and continuing education programs for all directors in order to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of:
  - the industry within which the Company operates;
  - the Company's financial, strategic, operational and risk management position;
  - the culture and values of the Company;
  - the rights, duties and responsibilities of the directors;
  - the roles and responsibilities of the Company's senior management and its subsidiaries;
  - the role of the Committees;
  - meeting arrangements; and
  - director interaction with each other, senior executives and other stakeholders;
- regularly reviewing the time commitment required from a non-executive director and whether non-executive directors are meeting this requirement;
- evaluating the performance of the Board, its Committees and directors in line with the processes approved by the Board from time to time;
- developing, implementing and reviewing the Company's succession plans for membership of the Board to ensure:
  - an appropriate balance of skills, experience expertise and diversity; and
  - an appropriate structure and composition of the Board;
- ensuring that all non-executive directors:
  - specifically acknowledge to the Company prior to being submitted for election or re-election that they will have sufficient time to meet what is expected of them; and



- inform the Chairman of the Company and the Committee before accepting any new appointments as directors of other companies;
- making recommendations to the Board in respect of:
  - the re-election by shareholders of any director under the "retirement by rotation" provisions in the Company's Constitution;
  - the re-appointment of any non-executive director at the conclusion of his or her specified term of office;
  - the appointment or re-appointment of any director, senior executive or other officer other than to the positions of Chairman and Managing Director, the recommendation for which would be considered at a meeting of:
    - all the non-executive directors regarding the position of Managing Director; and
    - all the directors regarding the position of Chairman; and
- making recommendations to the Board in respect of the membership and chairmanship of the Audit and Risk Committee.

## **6.2 Remuneration**

The Nomination and Remuneration Committee's responsibilities include:

- determining and agreeing with the Board a framework or broad policy for the remuneration of the Managing Director and such other senior executives as it is designated by the Board to consider. No individual shall be directly involved in deciding his or her own remuneration;
- in determining such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that senior executives of the Company are motivated to pursue the long-term growth and success of the Company within an appropriate control framework and that there is a clear relationship between senior executive performance and remuneration;
- within the terms of the agreed policy, determining the total individual remuneration package of each senior executive ensuring an appropriate balance between fixed and incentive pay including, where appropriate, bonuses, incentive payments and shares or share options to reflect the short and long-term performance objectives appropriate to the Company's circumstances and goals;
- determining the Company's recruitment, retention and termination policies and procedures for senior executives;
- determining the policy for any incentive schemes to be operated by the Company and asking the Board, when appropriate, to seek shareholder approval for such



schemes. The terms of any equity based remuneration schemes shall prohibit entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under these schemes;

- determining the policy for superannuation arrangements for the Company's employees;
- determining a framework or broad policy for the remuneration of the non-executive directors of the Company;
- reviewing and reporting to the Board on the remuneration of directors, senior executives and all employees of the Company based on gender;
- reviewing and approving the corporate governance section of the Company's annual report; and
- ensuring that when conducting its review or making any recommendations to the Board, the Nomination and Remuneration Committee gives regard to:
  - the ASX Corporate Governance Council's guidelines in respect of executive remuneration packages and non-executive director remuneration set out under Recommendation 8.2 of the Third Edition of the ASX Principles; and
  - the need to ensure that both cash and equity-based remuneration is structured in accordance with the thresholds and restrictions under the Company's Constitution, the ASX Listing Rules and the Corporations Act.

### 6.3 Diversity

The Nomination and Remuneration Committee's responsibilities include:

- ensuring that all decisions, frameworks and policies regarding nomination and remuneration are made giving regard to the Company's objectives in respect of promoting and maintaining diversity throughout the Company and on the Board;
- reviewing, developing and making recommendations to the Board and, in particular, establishing measurable objectives to promote and maintain diversity throughout the Company and on the Board;
- on at least an annual basis, reviewing and reporting to the Board on:
  - the Company's progress against the measurable objectives set by the Board for achieving greater gender diversity; and
  - the Company's compliance with the Diversity Policy, and where necessary, making recommendations to the Board on any changes to the Diversity Policy or the measurable objectives for achieving greater gender diversity; and



- ensuring that the Company complies with its obligations under the ASX Principles and that appropriate disclosures are made in the company's annual report, including:
  - disclosure of the Company's measurable objectives for achieving greater gender diversity and the Company's progress towards achieving those measurable objectives; and
  - information regarding the proportion of women employees in the whole organisation, in senior executive positions and on the Board.

#### **6.4 Selection and procedure for nomination and appointment of new directors and re-election of incumbent directors**

- Having regard to its assessment of the necessary and desirable competencies of the Board members, the Nomination and Remuneration Committee will initially prepare a description of the role and capabilities required for a particular appointment.
- The Nomination and Remuneration Committee is responsible for identifying and nominating for the approval of the Board all candidates to fill Board vacancies as and when they arise.
- Prior to nominating a candidate for election to the Board, the Nomination and Remuneration Committee will undertake checks as to the candidate's character, experience, education, criminal record and bankruptcy history and any other checks it considers appropriate.
- When considering new candidates for nomination or appointment to the Board or the re-election of incumbent directors, the Nomination and Remuneration Committee must take into account:
  - the range of skills, experience, expertise and diversity of incumbent directors on the Board to identify the desirable attributes that will best increase the effectiveness of the Board, such as an understanding of:
    - the industry in which MMA operates;
    - the markets in which MMA operates; and
    - accounting, finance and legal matters;
  - the existing structure and composition of the Board and the ability of the new candidate to fit with the existing Board;
  - any candidate's ability to devote the time required for a director to effectively undertake his or her Board responsibilities (and Nomination and Remuneration Committee responsibilities, where relevant);

- the independence of a candidate;
  - any adverse information revealed by checks the Nomination and Remuneration Committee has conducted on a candidate;
  - a candidates depth of understanding of the role of, and legal obligations of, a director; and
  - in the case of the re-election of incumbent directors, the evaluation report for that particular director under Appendix J.
- The Committee will consider whether or not it is appropriate to seek the external advice of search consultants to identify individuals with the skills and experience required by the Board and/or use open advertising in respect of the position.
  - Prior to appointment, preferred candidates:
    - are required to be available to meet with members of the Board;
    - must disclose the nature and extent of other appointments and activities; and
    - must demonstrate that they understand what is expected of them and confirm that they are willing to make the necessary commitments and will have sufficient time to discharge their responsibilities.
  - The Committee must ensure that the re-appointment of directors is not an automatic process.
  - The Committee should ensure that, on appointment, all directors receive a formal letter of appointment or service agreement which clearly sets out what is expected of them in terms of time commitment, Committee membership and involvement outside board meetings.

## **7. Notices of meeting involving the election or re-election of directors**

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Notices of meeting for meetings involving the election or re-election of directors will set out all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a director. This will include:

- biographical details, including their relevant qualifications and experience and the skills they bring to the Board;
- details of any other material directorships currently held by the candidate;
- in the case of a candidate standing for election as a director for the first time:
  - any material adverse information revealed by the checks the Company has conducted on the candidate;

- details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her independence; and
- if the Board considers that the candidate will, if elected, qualify as an independent director, a statement to that effect;
- in the case of a candidate standing for re-election as a director:
  - the term of office currently served by the director;
  - if the Board considers the director to be an independent director, a statement to that effect; and
- a statement by the Board as to whether it supports the election or re-election of the candidate.

## **8. Reporting**

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The Chairman of the Committee should report to the Board, and as appropriate, make recommendations to the Board after each Committee meeting.

The Board requests attendance of the Chair of the Nomination and Remuneration Committee at each AGM to be available to answer shareholder questions about the business of the Committee.