



## Remuneration and Nomination Committee Charter

### 1. Role and Objectives

1.1. The Remuneration and Nomination Committee assists the Board of Steamships Trading Company Ltd (Steamships) in fulfilling its corporate governance responsibilities by reviewing, monitoring and making recommendations regarding:

- a. The remuneration framework for non-executive Directors.
- b. The remuneration and incentive framework for the Managing Director, other executive Directors, and senior executives at the general manager level.
- c. Strategic human resources policies including recruitment, retention and termination policies, the Group Code of Conduct and Diversity Policy.
- d. Performance management.
- e. The composition of the Board, Board Committees and senior management team.
- f. Processes for evaluating the performance of the Board, Board Committees, individual Directors and senior management.

1.2. The Committee objectives are to ensure:

- a. The Group observes clear and effective remuneration, recruitment, retention and termination policies and processes, which enable it to attract and retain the talent necessary to enhance company performance.
- b. The level and composition of remuneration for all employees is competitive and reasonable and that the relationship between remuneration and performance is clearly defined.
- c. The Board has the necessary and desirable mix of skills, experience, expertise and diversity to optimise its contribution to Group performance.
- d. Career development, performance evaluation and nomination processes are robust and effective and aligned with Steamships' longer term strategic agenda.
- e. Human resources policies represent best practice and comply with all ASX and POMSx Listing Rules and corporate governance requirements.

1.3. Ultimate responsibility for the Group's remuneration, recruitment, retention, termination, and other employment policies and practices rests with the Board.

### 2. Duties and Responsibilities

#### 2.1. Non-executive Director Remuneration

In assisting the Board, the Committee will:

- a. Review and provide recommendations to the Board regarding remuneration of non-executive Directors (including fees, travel and any other benefits) having regard for Steamships' Non-Executive Director Remuneration Policy.

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## 2.2. Managing Director, Executive Director and Senior Executive Remuneration

In assisting the Board, the Committee will:

- a. Review and make recommendations to the Board regarding the ongoing appropriateness and competitiveness of Steamships' Executive Remuneration Policy and practices with regards to:
  - I. Steamships' corporate objectives.
  - II. Current corporate governance principles.
  - III. Competitive practice.
- b. Review and make recommendations to the Board on remuneration for the Managing Director, other Executive Directors and for Senior Executives, having regard for Steamships' Executive Remuneration Policy.
- c. Conduct regular reviews of individual executive remuneration packages to ensure they:
  - I. Motivate executives to pursue the long-term growth and success of Steamships.
  - II. Demonstrate a clear relationship between performance and remuneration.
  - III. Involve a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to Steamships' circumstances and goals.
- d. Where the Managing Director and any executive Directors are employed through a "management" agreement then this agreement will be reviewed by the committee and recommendations made to the Board.
- e. Oversee and advise on the setting of robust performance measures and targets that encourage superior executive performance and ethical behaviour.
- f. Review and recommend to the Board budgets for annual remuneration rewards to staff.

## 2.3. Incentive Plans

In assisting the Board, the Committee will:

- a. Review and make recommendations to the Board on the design of all senior executive incentive plans.
- b. Review and make recommendations to the Board on the total proposed rewards under each incentive plan.
- c. Review and make regular recommendations to the Board on performance measures required for the implementation of incentive plans.

## 2.4. Recruitment, Retention and Termination

In assisting the Board, the Committee will:

- a. Review and make recommendations to the Board regarding the ongoing appropriateness and competitiveness of Steamships' recruitment, retention and termination policies with regards to:
  - I. Steamships' corporate objectives;
  - II. Current corporate governance principles;

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### III. Competitive practice.

- b. Oversee the implementation of recruitment, retention and termination policies and make recommendations to the Board regarding any proposed amendments.
- c. Review and approve terms and conditions and contracts for any new executive Directors and senior executives to be remunerated under Steamships' Executive Remuneration Policy.

## 2.5. Board Composition and Skills

In assisting the Board, the Committee will:

- a. Assess the necessary and desirable competencies of Directors, having regard for the strategic direction of the Group.
- b. Advise the Board on its size, composition and the necessary mix of skills, experience and expertise to enable the Board to discharge its responsibilities effectively.
- c. Make recommendations to the Board regarding appropriate measures by which Directors can update and enhance their skills and knowledge, and ensure training and development programs are regularly reviewed and updated.
- d. Assist the Chairman in regularly evaluating the performance of the Board and Board Committees (refer to Board renewal & performance evaluation protocol).
- e.
- f. Provide recommendations regarding the performance of the Board, individual Directors and senior executives.

## 2.6. Senior Executive Succession

In assisting the Board, the Committee will:

- a. On request of the Board, identify and recommend non-executive Director candidates for appointment or re-election to the Board (refer to Board renewal & performance evaluation protocol).
- b. Prepare and regularly update senior executive succession plans in coordination with the Managing Director and report to Board.
- c. On request of the Board, identify and recommend appropriate candidates for senior management roles.

## 2.7. Diversity Policy and Group Diversity Initiatives

In assisting the Board, the Committee will:

- a. Review and provide recommendations to the Board regarding the development of initiatives aimed at promoting diversity.
- b. Review and provide recommendations to the Board regarding the Group Diversity Policy at least annually or more frequently if changes to legal or regulatory requirements dictate.

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### 3. Access to Information, Independent Advice and Continuing Development

- 3.1.** The Committee has the authority to seek any information it requires from any employee of Steamships and all employees must comply with such requests.
- 3.2.** The Committee may appoint independent expert external advisers on terms determined by the Committee to assist it in performing its duties.
- 3.3.** The Committee may take such independent legal, financial, remuneration or other advice as it considers necessary.
- 3.4.** The Committee should understand the Steamships structure and operations and key developments relevant to the Committee and may receive periodic presentations from subject matter experts to assist in achieving such an understanding.

### 4. Composition

- 4.1.** The Committee shall comprise not less than three members.
- 4.2.** The Chairman of the Committee will be a non-executive Director.
- 4.3.** Committee members will be appointed by the Board, who will review each member's tenure from time to time and at least every three years.
- 4.4.** The Chairman of the Committee will be elected by the Board.
- 4.5.** The secretary of the Committee will be Steamships' Company Secretary.

### 5. Meetings

- 5.1.** The Committee will meet annually. Special meetings may be convened as required.
- 5.2.** A quorum for any meeting will be at least two members.
- 5.3.** No individual executive will be permitted to be present when his/her individual remuneration is being discussed.
- 5.4.** The proceedings of all meetings will be minuted.
- 5.5.** The minutes of each meeting will be approved by the Committee Chairman and, where practicable, circulate copies of agreed minutes of the Committee to all Board members.
- 5.6.** Meetings will be held according to a predetermined agenda, which should be distributed in good time along with supporting documents.

### 6. Reporting and Performance Review

- 6.1.** To determine whether it is functioning effectively, the Committee will

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- a. Regularly update the Board about Committee activities and make appropriate recommendations.
- b. Undertake an evaluation of its performance at intervals aligned with the performance review program for the Board, Board Committees and individual Directors.
- c. Review this Charter annually.

## 7. Other Responsibilities

7.1. In assisting the Board, the Committee will:

- a. The Committee will review related strategic human resources policies, including the Group Code of Conduct, and the effectiveness of policy implementation annually.
- b. Perform other oversight functions as requested by the Board.

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