

# **Nomination and Remuneration Committee Charter**

**Authium Ltd**  
(ACN 653 683 286)

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## 1. Purpose

The purpose of this 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.

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. Overview

The ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations (4<sup>th</sup> edition)* (**ASX Principles and Recommendations**) recommend that the Company has formal and rigorous processes for the appointment and reappointment of directors to the Board.

The Committee is established to assist the Board by undertaking the roles, and exercising the responsibilities, set out in this Charter and other assignments as requested by the Board.

The Committee aims to bring transparency, focus and independent judgment to these roles. The Committee will review and make recommendations to the Board on matters relevant to these roles and responsibilities, and as required to satisfy the Corporations Act, ASX Principles and Recommendations and ASX Listing Rule requirements relevant to these roles and responsibilities.

## 3. Role of the Committee

### 3.1. Nomination

The Committee assists and advises the Board on:

- (a) 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) determining board size and balance of skills as the company develops and evolves and becomes more complex as progress is made from project development to full operations;
- (f) the appointment and re-election of directors including with consideration to the appropriate director tenure and length of service for the company; and
- (g) appointment and succession planning for the Managing Director (or such person performing the function of a chief executive officer) and other senior executives,

with the objective of having a Board 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.

### 3.2. Remuneration

The Committee also assists and advises the Board on remuneration policies and practices for the Board, the Managing Director, 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:

- (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 and the interests of shareholders; and
- (c) comply with relevant legal requirements.

### 4. Nomination Responsibilities

The Committee is responsible for:

- (a) **(Board size)** making recommendations regarding the size of the Board which would most encourage efficient decision making; ensuring geographic balance, including directors with Australian residency;
- (b) **(director competencies)** making recommendations regarding the necessary and desirable competencies of directors; current skills ranges include the following: public company experience, financial literacy, accounting, corporate governance and ethics, legal/regulatory, organization and people management, risk management, executive experience, operations experience, project construction experience, logistics, supply chain, sales and marketing, strategic planning, technology, engineering, mergers and acquisitions, mining experience, capital financing, environment, stakeholder relations, global business experience, passion for the company's mission;
- (c) **(skills matrix)** developing a Board skills matrix demonstrating the mix of skills and diversity that the Board currently has or is looking to achieve in its membership against the desirable range of skills;
- (d) **(director recommendations)** developing and reviewing the process for the selection, appointment and re-election of directors, and making recommendations to the Board by:
  - (i) evaluating the balance of skills, experience, independence, knowledge and diversity of directors currently on the Board; evaluating current needs under the circumstances of the short and long term requirements of the business as well as changes in strategy, external environment and anticipated terms of current directors;
  - (ii) in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment within the context of short and longer term business considerations; and
  - (iii) sourcing candidates from the available market including with the possible assistance of a third-party provider, and reviewing recommendations from other sources including current directors, advisors, significant shareholders, management, and industry experts;
  - (iv) assuring that candidates possess both the personal qualities of integrity, courage, curiosity, interpersonal skills, interest in the business and the industry, business acumen, ability and capacity to contribute and the appropriate and necessary competencies and skills as described above and within the skills matrix;

- (v) reviewing the current diversity represented on the board with the backdrop of the Company's Diversity Policy to assist with the sourcing and targeting of candidates;
  - (vi) interviewing and evaluating candidates along with obtaining appropriate checks and references and
  - (vii) putting forward the candidate for appointment and election as a director to the Chairperson, Managing Director, and full board;
- (e) **(providing information)** providing security holders with material information in the Committee's possession relevant to a decision as to whether or not to elect or re-elect a director;
  - (f) **(assessing performance)** implementing a process to evaluate the performance of the chairperson, Board, Board committees, individual directors and senior executives on an annual basis to support governance improvement, efficient board processes and effective decision making and to address issues that may arise from the review;
  - (g) **(assessing time commitment)** 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;
  - (h) **(assessing independence)** assisting the Board in assessing the independence of each non-executive director;
  - (i) **(succession plans)** reviewing Board and senior executive succession plans and processes, including for the Managing Director 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;
  - (j) **(governance matters)** reviewing and making recommendations in relation to any corporate governance issues as requested by the Board from time to time.

## 5. Remuneration Responsibilities

### 5.1. General

- (a) The Committee is responsible for informing itself of market-based, publicly available and relevant competitive remuneration information and developing, reviewing and making recommendations to the Board on:
  - (i) **(directors' fees)** the Company's remuneration framework for directors, including, the process by which any pool of directors' fees approved by shareholders is allocated to directors;
  - (ii) **(senior executives)** the remuneration packages to be awarded to senior executives;
  - (iii) **(bias)** reviewing whether there are any gender or other inappropriate bias in remuneration for directors, senior executives or other employees;
  - (iv) **(policies)** the Company's recruitment, retention and termination policies for the Managing Director and senior executives and any changes to those policies;
  - (v) **(incentive schemes)** incentive schemes, if appropriate, for the Managing Director and senior executives;
  - (vi) **(equity-based programs)** equity-based remuneration plans, if appropriate, for senior executives and other employees;

- (vii) **(superannuation and retirement benefits)** superannuation and retirement benefit arrangements for directors, senior executives and other employees and
- (viii) **(other perquisites)** applying certain other benefits as determined appropriate based upon market and competitive information.

## 5.2. Incentive schemes and equity-based remuneration

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

- (a) **(reviewing)** reviewing their terms (including any eligibility criteria and performance hurdles);
- (b) **(administration)** overseeing their administration (including compliance with applicable laws that restrict participants from hedging the economic risk of their security holdings) and disclosing its policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme;
- (c) **(shareholder approval)** considering whether shareholder approval is required or desirable for the schemes or plans and for any changes to them; and
- (d) **(payments and awards)** ensuring that payments and awards of equity are made in accordance with their terms and any shareholder approval.

## 6. Reporting and Disclosure

- (a) The Committee will:
  - (i) liaise with the Audit and Risk Committee and the Board in relation to the Company's remuneration related reporting in the financial statements and remuneration report required by the Corporations Act;
  - (ii) 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; and
  - (iii) make recommendations to the Board regarding the process for evaluating performance of the Board, its committees and the directors individually.
- (b) The Committee Chairperson will attend the Company's annual general meetings prepared to respond to any shareholder questions on the Committee's activities.

## 7. Delegation

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.

## 8. Membership

### 8.1. Composition and size

Where practicable, the Board will strive to adhere to the following composition requirements for the Committee. If the Committee does not adhere to the following composition requirements, the Board will periodically evaluate the performance and function of the Committee and determine whether it will be appropriate to appoint additional members to the Committee or remove and replace members of the Committee.

The preferred composition of the Committee is:

- (a) at least 3 members;
- (b) a majority of independent directors; and
- (c) a Chairperson, who is an independent director and not the Chairperson of the Board.

The Company will disclose the members of the Committee.

Each member must be free from any interest, business or other relationship which, in the opinion of the Board, could, or could reasonably be perceived to, materially interfere with the exercise of his or her independent judgment as a member of the Committee.

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 Board may appoint additional members to the Committee or remove and replace members of the Committee by resolution.

## **8.2. Chairperson**

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 one of their number as a Chairperson for the meeting. Also, if:

- (a) the Committee Chairperson is the Chairperson of the Board; and
- (b) the appointment of a successor to the Chairperson of the Board is being considered at a Committee meeting,

the Committee members must elect an alternative chairperson for the portion of the meeting concerning the appointment of a successor to the Chairperson.

## **8.3. Secretary**

The Company Secretary is the Secretary of the Committee.

# **9. Committee Meetings and Processes**

## **9.1. 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, by telephone or by electronic means.

The Board will disclose in each annual report the number of times the Committee met throughout that reporting period and the individual attendance of each Committee member at those meetings.

## **9.2. Committee annual plan of work and frequency and calling of meetings**

The Committee will establish an annual plan of work to be performed throughout the year and will meet as frequently as required to undertake its role effectively but at least two times per year to deliver on its objectives. The Chairperson must call a meeting of the Committee if requested by any member of the Committee, the external auditor or the Chairperson of the Board.

### **9.3. Quorum**

Two members constitute a quorum for meetings of the Committee.

### **9.4. 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.

### **9.5. Notice, agenda and material**

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 three business days before the meeting.

### **9.6. Access to information and advisors**

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.

### **9.7. 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.

## **10. Committee's Role in Performance Evaluation**

The Committee will initiate and oversee a review of the performance of the Board, the Committees, the Chairperson of the Board, the Managing Director, the Committee Chairs and Individual Directors annually, or whenever there are major changes to the management structure of the Company, following a board approved process.

The purpose of the performance evaluation is to support governance improvement, efficient board processes and effective decision-making. It is also intended to promote proactive board leadership and productive member interaction. In addition, it will assist and enable ongoing director development with regard to dynamic business, market, and industry trends as well as governance improvements and regulatory developments.

The evaluation process will involve an annual survey of all directors, a one-on-one discussion between the Chairperson of the Board and individual directors, a Committee review of the survey results with the full board, feedback from the Chairperson regarding his conversations with each board member and a full board discussion of the process and results. Periodically the Committee may recommend to the Board an external evaluation from a specialised, experienced service provider.

Evaluation of the Chairperson of the Board's performance will be undertaken by the Chairperson of the Audit and Risk Committee, in consultation with the other Directors.

The Chairperson of the Board will conduct the evaluation of the Managing Director's performance, in consultation with the other non-executive Directors.

The performance evaluation will also have regard to the extent to which each Committee of the board will have met its responsibilities in terms of its 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.

## **11. Review and Publication of Charter**

The Committee will review its charter from time to time 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 and the key features will be published in the annual report or a link provided to the charter or a summary on the website.