

# Remuneration and Nomination Committee Charter

**Frontier Digital Ventures Limited**

ACN 609 183 959

Adopted by the Board on 2<sup>nd</sup> August 2016

Amended by the Board on 26 November 2019

## **1 Membership of the Committee**

---

The Committee should consist of:

- only non-executive directors;
- a minimum of 2 members, due to the size and composition of the Board (in reaching this decision the Board is conscious of ASX's Corporate Governance Principles and Recommendation of three members);
- a majority of independent directors; and
- an independent director as chair.

The Board may appoint such additional directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

Non-committee members, including members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee chair.

The Company Secretary must attend all Committee meetings as minute secretary.

## **2 Administrative matters**

---

### **2.1 Meetings**

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will normally meet annually

### **2.2 Quorum**

The quorum is at least 2 members.

### **2.3 Convening and notice of meeting**

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee of every meeting of the Committee at the member's advised address for service of notice (or such other pre-notified interim address where relevant), but there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

### **2.4 Chair**

In the absence of the Committee chair, the Committee members must elect one of their number as chair for that meeting. The chair does not have a casting vote.

## 2.5 Access to resources and independent advisers

The Committee is to have access to adequate internal and external resources. The Committee may seek the advice of the Company's auditors, solicitors or other independent advisers (including external consultants and specialists) as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee, as the Committee may require.

## 2.6 Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee chair, be presented at the next Board meeting. All minutes of the Committee must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

## 2.7 Reporting

It is intended that the Committee chair will prepare a report of the actions of the Committee to be included in the Board papers for the Board meeting next following a meeting of the Committee. The report may include provision of meeting agendas, papers and minutes of the Committee.

The Committee chair will also, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All directors will be permitted, within the Board meeting, to request information of the Committee chair or members of the Committee.

# 3 Role and responsibilities - nomination

---

The responsibilities of the Committee are as follows:

- (a) Assist the Board to develop 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.
- (b) Review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chair of the Board and CEO, having regard to the Board skills matrix and the objective that the Board comprise directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender.
- (c) Review and recommend to the Board the composition and membership of the Board, including:
  - making recommendations for the re-election of directors, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves; and
  - assisting the Board identify qualified individuals for nomination to the Board in accordance with the policy outlined in section 4.
- (d) Assist the Board as required in relation to the performance evaluation of the Board, its committees and individual directors.
- (e) Review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time.
- (f) Review the Board Charter on a periodic basis, and recommend any amendments for Board consideration.

- (g) Ensure that processes are in place to support director induction programs and provide continuing professional development opportunities for directors and regularly review the effectiveness of these processes.
- (h) In accordance with the Diversity Policy, develop and recommend to the Board measurable objectives for achieving gender diversity and, on an annual basis, review them and recommend any changes to the Board.
- (i) On an annual basis, review the effectiveness of the Diversity Policy by:
  - (1) assessing the Company's progress towards the achievement of the measurable objectives and any strategies aimed at achieving the objectives; and
  - (2) reporting to the Board recommending any changes to the measurable objectives, strategies or the way in which they are implemented.
- (j) In accordance with the Diversity Policy, on an annual basis, review the relative proportion of women and men on the Board, in senior management positions and in the workforce at all levels of the Group, if applicable, provide the Board with the Company's most recent indicators as required by the *Workplace Gender Equality Act 2012*.

## **4 Policy, procedure and disclosure of the selection and appointment of new directors**

---

### **4.1 Policy**

Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:

- the skills, experience, expertise and personal qualities that will best complement Board effectiveness (including having regard to the Board skills matrix);
- the existing composition of the Board, having regard to the factors outlined in the Diversity Policy and the objective of achieving a Board comprising directors from a diverse range of backgrounds;
- the capability of the candidate to devote the necessary time and commitment to the role (this involves a consideration of matters such as other Board or executive appointments); and
- potential conflicts of interest, and independence.

### **4.2 Procedure**

- (a) Detailed background information in relation to a potential candidate should be provided to all directors.
- (b) The identification of potential director candidates may be assisted by the use of external search organisations as appropriate.
- (c) Appropriate checks should be undertaken before appointing a person, or putting forward to shareholders a candidate for election, as a director. This process may be assisted by the use of external organisation as appropriate.
- (d) An offer of a Board appointment must be made by the Chair of the Board only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.

- (e) All new Board appointments should be confirmed by letter in the standard format as approved by the Board or the Committee from time to time.

## **5 Re-election of directors**

---

Each year, the Committee will review each of the directors who are seeking re-election in light of their independence, the result of their performance review, the Company's succession plans and any other factor considered relevant to the director's contribution to the Board. On the basis of its review, the Committee will make a recommendation to the Board regarding whether to support the director's re-election.

## **6 Role and responsibilities - remuneration**

---

The responsibilities of the Committee are as follows:

- (a) Review and recommend arrangements for the executive directors (including the CEO) and the executives reporting to the CEO, including contract terms, annual remuneration and participation in the Company's short and long term incentive plans.
- (b) Review and approve short term incentive strategy, performance targets and bonus payments for the CEO and the executives reporting to the CEO.
- (c) Review and recommend to the Board major changes and developments in the Company's remuneration, recruitment, retention and termination policies and procedures for senior management.
- (d) Review and recommend to the Board major changes and developments in the remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Group.
- (e) Review and recommend to the Board the senior management performance assessment processes and results as they reflect the capability of management to realise the business strategy.
- (f) Review and recommend to the Board major changes and developments to the Company's employee equity incentive plans.
- (g) Recommend to the Board whether offers are to be made under any or all of the Company's employee equity incentive plans in respect of a financial year.
- (h) Oversee the operation of the Company's employee equity incentive plans in place from time to time.
- (i) Review and recommend to the Board the remuneration arrangements for the Chair of the Board and the non-executive directors of the Board, including fees, travel and other benefits.
- (j) Approving the appointment of remuneration consultants for the purposes of the *Corporations Act 2001* (Commonwealth).

- (k) Be satisfied that the Committee, the Board and management have available to them sufficient information and external advice to ensure informed decision-making regarding remuneration.
- (l) Review and recommend to the Board the remuneration report prepared in accordance with the *Corporations Act 2001* (Commonwealth) for inclusion in the annual directors' report.
- (m) Review and facilitate shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices.

## **7 Remuneration policy**

---

- (a) In discharging its responsibilities, the Committee must have regard to the following policy objectives:
  - to ensure the Company's remuneration structures are equitable and aligned with the long term interests of the Company and its shareholders and having regard to relevant Company policies;
  - to attract and retain skilled executives;
  - to structure short and long term incentives that are challenging and linked to the creation of sustainable shareholder returns; and
  - to ensure any termination benefits are justified and appropriate.
- (b) In the discharge of the Committee's responsibilities, no executive should be directly involved in determining their own remuneration.
- (c) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.

## **8 Reporting**

---

The following material shall be included in the corporate governance statement and/or the Company's Annual Report as appropriate:

- details of the Company's remuneration policy;
- the names of the members of the Committee and their attendance at Committee meetings;
- the existence and terms of any schemes for retirement benefits (other than statutory superannuation) for non-executive directors; and
- any other information relating to the Company's remuneration policy and arrangements as required from time to time by the Corporations Act, the Listing Rules of the Australian Securities Exchange or any other relevant legislation.

## **9 Review**

---

The Board will, on a regular basis, review the membership and charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.