



# **Remuneration & Performance Committee Charter**

**July 2021**

# Contents

1. PURPOSE	3
This Charter sets out the role, composition, procedures and authority of the Remuneration Committee ("Committee") of Steadfast Group Ltd ("SGL").	3
2. COMMITTEE	3
3. COMMITTEE MEMBERSHIP	4
4. MEETINGS	4
5. AUTHORITY	5
6. REPORTING	6
The Committee shall regularly update the Board about matters relevant to the Committee's role and responsibilities and make appropriate recommendations.	6
7. EVALUATION AND REVIEW	6
8. REMUNERATION	6
The Committee shall attend to the following matters in relation to Chairman, Director, MD & CEO and direct reports of the MD & CEO:	6
9. REVIEW AND PUBLICATION OF Committee CHARTER	7
[to be updated]	

## **1. INTRODUCTION**

This Charter sets out the role, composition, procedures and authority of the Remuneration & Performance Committee ("Committee") of Steadfast Group Ltd ("SGL").

## **2. COMMITTEE**

### **2.1 Purpose**

The purpose of the Committee is to formulate the overall remuneration framework of SGL, review the performance of senior management, approve the allocation of incentives by reference to the remuneration framework, recommend to the Board a remuneration report for inclusion in the directors' report and engage with proxy holders and investors in relation to the remuneration framework of SGL and the remuneration report, as more particularly articulated in clause 2.2 below.

### **2.2 Roles & Responsibilities**

The roles and responsibilities of the Committee are to review and make recommendations to the Board in relation to:

- (a) SGL's remuneration framework including the process by which any pool of directors' fees approved by security holders is allocated to directors;
- (b) the remuneration packages to be awarded to senior executives, including by regular market benchmarking;
- (c) the short term incentive scheme (STI) and long term incentive scheme (LTI) for senior executives and other employees (STEIP) to ensure they remain appropriate and aligned with the interests of the Group;
- (d) key performance indicators and performance reviews of senior executives;
- (e) whether or not the hurdles for allocation of awards pursuant to the STI, LTI and STEIP have been met and recommending awards pursuant to the STI and LTI
- (f) whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees;

- (g) an annual review of the Committee Charter to ensure that it remains consistent with Board objectives, responsibilities and relevant standards of corporate governance;
- (h) the Remuneration Report to be included in the Annual Report to shareholders.

The Chair of the Committee is responsible for liaising with proxy advisers and key shareholders in relation to the Remuneration Report.

## **2.3 Objectives**

The Committee's objectives are to promote good governance by:

- (a) Ensuring a transparent procedure for the selection and appointment of direct reports to the MD & CEO; and
- (b) Ensuring the remuneration policies are designed to attract and retain Senior Management and staff and that their remuneration is aligned to the continuous growth in value for shareholders.

## **3. COMMITTEE MEMBERSHIP**

### **Structure**

The Committee shall comprise of at least three (3) non-executive Directors of the Board (the majority of who are independent) and no Executive Directors. The Chair of the Committee will be an independent non-executive Director of the Board but not the Group Chairman. The Board will also determine the period for which they hold office.

The Group Chairman and MD & CEO will be invited to all Committee meetings but the MD & CEO may be excluded on discussion relating to the MD & CEO.

## **4. MEETINGS**

### **4.1 Quorum**

- (a) Two (2) members of the Committee shall constitute a quorum;
- (b) A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

### **4.2 Frequency**

The Committee shall meet not less than three times a year and at such other times as the Chair of the Committee or the Group Chairman shall require.

**4.3 Notice of Meetings**

- (a) Meetings of the Committee shall be called by the Company Secretary or at the request of any Committee member;
- (b) Unless otherwise agreed, notice of each meeting of the Committee confirming the venue, time and date, together with the agenda or items to be discussed, shall be sent to each member of the Committee and any other person required to attend, no fewer than five (5) business days prior to the date of the meeting;
- (c) The Chairman of the Board and the MD & CEO shall have the right to address any meeting of the Committee. Others may be called upon or permitted to speak by prior arrangement with the Chair of the Committee.

**4.4 Minutes of Meetings**

- (a) The Company Secretary shall minute Committee meetings, including the names of those in attendance;
- (b) Minutes of Committee Meetings shall be circulated to all members of the Committee and, upon request, to all members of the Board;
- (c) All decisions of the Committee by way of review, recommendation or evaluation must be properly and accurately recorded in the minutes.

**4.5 Annual General Meeting**

The Chair of the Committee shall attend any Annual General Meeting and be prepared to respond to any shareholder queries on the Committee's activities.

**4.6 Other**

If the Chair of the Committee is unable to act due to absence, illness or any other cause, the Chair of the Committee may appoint another Committee member to act as the Chair of the meeting.

**5. AUTHORITY**

- (a) With prior notice being given to the Group Chairman and/or MD & CEO, the Committee is authorised by the Board to seek any information it requires from any employee of SGL in order to perform its roles and responsibilities.
- (b) In connection with and fulfilment of its duties and with the consent of the Group Chairman, the Committee is duly authorised by the Board to:

- (i) Engage at SGL's expense, any outside legal or other third party to provide advice, reports or surveys and shall be authorised to do so in a manner that ensures the engagement is independent;
  - (ii) Secure the attendance of external advisers at its meetings;
  - (iii) Obtain reliable, up-to-date information about the nomination and remuneration of Directors, the MD & CEO and direct reports of the MD & CEO in other entities similar to SGL.
- (c) The Committee shall ensure that there are proper procedures to manage actual or potential conflicts of interest arising in relation to advisers.

## **6. REPORTING**

The Committee shall regularly update the Board about matters relevant to the Committee's role and responsibilities and make appropriate recommendations including a briefing by the Chair at each Board meeting following a Committee meeting

## **7. EVALUATION AND REVIEW**

### **7.1 Performance**

The Committee shall:

- (a) Evaluate its own performance (both of individual members and collectively) on an annual basis having regard to its functions, roles, responsibilities and work to determine whether it is functioning effectively and has discharged its responsibilities as set out in this Charter. The results of this evaluation will be reported to the Board.
- (b) Obtain feedback from the Board on the effectiveness of the Committee.

## **8. REMUNERATION**

The Committee shall attend to the following matters in relation to Group Chairman, Deputy Chairman, Directors, MD & CEO and direct reports of the MD & CEO:

- (a) Conduct regular reviews and make annual recommendations to the Board on the remuneration of these positions (including, the process by which any pool of directors' fees approved by security holders is allocated to directors);
- (b) Balance the following matters when setting remuneration:
  - a. Its desire to attract and retain high quality directors and to attract, retain and motivate senior executives;

- b. The need to ensure that the incentives for executive directors and other senior executives encourage them to pursue the growth and success of SGL without rewarding conduct that is contrary to SGL's values or risk appetite;
  - c. The need to ensure that the incentives for non-executive directors do not conflict with their obligation to bring an independent judgment to matters before the Board;
  - d. The implications for its reputation and standing in the community if it is seen to pay excessive remuneration to directors and senior executives; and
  - e. Its commercial interest in controlling expenses.
- (c) Ensure that there is a formal, rigorous and transparent process for developing its remuneration policy and for fixing the remuneration packages of directors and senior executives;
- (d) Have regard to the suggested guidelines for executive and non-executive remuneration set out in Box 8.2 of the ASX Corporate Governance Council Corporate Governance Principles & Recommendations 4<sup>th</sup> edition;
- (e) Ensure that no member of the Committee or advisor to the Committee is involved in any decisions relating to their own remuneration. Where the Committee or an advisor to the Committee is required to consider the remuneration of its members or itself (in the case of an advisor), then the matters must be disclosed and the Committee's powers are limited to providing recommendations only to the Board. It is noted that when the membership of the Committee consists of all non-executive directors, it is appropriate for the Committee to make their own remuneration, acting as a Committee. This paragraph is to be read subject to the foregoing;
- (f) The Committee will work with the MD & CEO to ensure that key remuneration practices are embedded within SGL and its subsidiaries;
- (g) The Head of People & Culture will ensure that all matters that are confidential to the Committee are not communicated to the MD & CEO or other employees of SGL.

## 9. REVIEW AND PUBLICATION OF Committee CHARTER

The Committee shall review the Charter annually and discuss any required changes with the Board. The Board may, in its discretion, adjust or exclude a specific requirement of this charter from time to time, either generally or on a case by case basis. This charter may be amended, ceased or replaced, by resolution of the Board.

This Charter shall be available on SGL's website. Key features will be published in the corporate governance statement.