

# Remuneration and Human Resources Committee Charter

**Rubicor Group Limited**

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## Remuneration and Human Resources Committee Charter

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### 1. Objectives

The Remuneration and Human Resources Committee (*Committee*) has been established by the board of directors (*Board*) of Rubicor Group Limited (*Company*) and applies to the Company and its subsidiaries (*Group*). Its functions are to support and advise the Board in fulfilling its responsibilities to shareholders, employees and other stakeholders of the Company by:

- (a) endeavouring to ensure that the directors and senior management of the Group are remunerated fairly and appropriately;
- (b) endeavouring to ensure that the Group's remuneration policies and outcomes strike an appropriate balance between the interests of the Company's shareholders, and rewarding and motivating the Group's executives and employees in order to secure the long term benefits of their energy and loyalty; and
- (c) endeavouring to ensure that the human resources policies and practices are consistent with and complementary to the strategic direction and objectives of the Group as determined by the Board.

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### 2. Remuneration Responsibilities

The Committee is required to review and make recommendations to the Board about:

- (a) the general remuneration strategy for the Group, so that it motivates the Group's executives and employees to pursue the long term growth and success of the Group and establishes a fair and transparent relationship between individual performance and remuneration;
- (b) the terms of remuneration for the executive directors and other senior management of the Group from time to time including the criteria for assessing performance;
- (c) the outcomes of remuneration reviews for executives collectively, and the individual reviews for the executive directors, and other senior management of the Group;
- (d) remuneration reviews for executive and non-executive directors;
- (e) changes in remuneration policy and practices, including superannuation and other benefits;
- (f) employee equity plans and allocations under those plans; and
- (g) the disclosure of remuneration requirements in the Company's public materials including Australian Stock Exchange filings and the annual report.

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### 3. Specific remuneration responsibilities

In order to fulfil its remuneration responsibilities to the Board, the Committee will:

**(a) Executive director and senior management remuneration**

- review and evaluate market practice and trends in remuneration matters;
- review and make recommendations to the Board regarding executive and senior management remuneration including, but not limited to, base pay, incentive payments, equity awards and service contracts and identifying any gender based disparities between comparable positions;
- consider whether to seek shareholder approval of the executive remuneration; and
- oversee the implementation of executive and senior management remuneration within the Group.

**(b) Non-executive director remuneration**

- review and establish the level of remuneration, including superannuation and any equity incentives, for non-executive directors. The level of director remuneration is to be set so as to attract the best candidates for the Board while maintaining a level commensurate with boards of similar size and type;
- where necessary recommend that the Board seek an increase in the amount of remuneration for non-executive directors approved by shareholders; and
- the Committee may request management or external consultants to provide necessary information upon which the Board may make its determination.

**(c) Performance review**

- review and report to the Board on the performance of senior management and non-executive directors;

**(d) Short term incentives**

- review, at least annually, and make recommendations regarding short term incentives for management, employees and contractors;

**(e) Employee share, option and other equity based plans**

- review, at least annually, and make recommendations to the Board regarding the design of all equity based plans;
- keep all plans under review in the light of legislative, regulatory and market developments;
- for each such plan, determine each year whether awards will be made under that plan;
- review and make recommendations to the Board regarding proposed aggregate and individual awards under each plan;
- review and make recommendations to the Board regarding the administration and allocation of individual interests in awards which are held in a trust or similar structure; and

- review, make recommendations to the Board and keep under review performance hurdles for each equity based plan.

**(f) Approvals**

Before implementing any of the following proposals the Board will request the Committee to review the proposal and make a recommendation to the Board in relation to it:

- any change to the remuneration or contract terms of the executive directors and any senior management of the Group;
- any amendment to any short term incentive scheme adopted by the Group and allocation of sums under the short term incentive scheme to directors and senior management;
- the design of any new equity or share plan or executive incentive or option plan, or the amendment of any existing equity or share plan or executive incentive or option plan;
- the total level of award proposed from equity or share plans or executive incentive or option plans; and
- any termination payment to the executive directors and any other senior management of the Group. A termination payment to any other departing executive must be reported to the Committee at its next meeting.

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## 4. Human Resource responsibilities

In relation to its human resource function, the Committee is required to:

- (a) review succession planning for the executive directors and other senior management of the Company and provide advice to the Board on progress;
- (b) review the recruitment, retention and termination policies and procedures for senior management;
- (c) develop measurable objectives and strategies to meet the objectives of the Diversity Policy (*Measurable Objectives*);
- (d) monitor progress against the Measurable Objectives on at least a six-monthly basis and report progress to the Board;
- (e) review and report annually to the Board on the proportion of women employees across the whole organisation, at senior management level and at Board level as measured by the EEO statistics extracted from Rubicor's Workforce Profile;
- (f) review the superannuation arrangements for employees; and
- (g) review executive development programs to ensure they are appropriate for the Company's needs.

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## 5. Composition

- (a) The Committee will comprise a minimum of three non-executive directors including, if practicable, a majority of independent non-executive directors.
- (b) The Board will nominate the chairman of the Committee (*Committee Chairman*) from time to time who must be an independent non-executive director.

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## 6. Procedural requirements

- (a) The Committee will meet as often as required to perform its role effectively.
- (b) A quorum of the Committee will comprise two members, one of whom must be the Committee Chairman or, in the absence of the Committee Chairman, another independent director.
- (c) If the Committee Chairman is absent from a meeting and no acting chairman has been appointed, the members present may choose one of them to act as chairman for that meeting.
- (d) Meetings of the Committee may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution.
- (e) Each member of the Committee will have one vote.
- (f) The Committee Chairman will not have a casting vote. If there is a tied vote, the motion will lapse.
- (g) A member of the Committee will not participate in the review of their own performance.
- (h) A member must not be present for discussions at a Committee meeting on, or vote on a matter regarding, his or her election, re-election, or removal.
- (i) A member of the Committee must not be present for discussions on, or vote in a matter regarding, his or her own remuneration or a specific remuneration policy that affects him or her. However a member who is a non-executive director may be present and vote in relation to the remuneration of non-executive directors.
- (j) The Committee may seek such advice from any external parties or professional advice as it may consider necessary or desirable to fulfil its objectives.
- (k) Following each meeting the Committee Chairman will report to the Board on any matter that should be brought to the Board's attention, and on any recommendation of the Committee that requires Board approval or action.
- (l) Minutes of meetings of the Committee will be prepared for approval by the Committee and be circulated to the members of the Board.
- (m) The Company Secretary will provide such assistance as may be required by the Committee Chairman in relation to preparation of the agenda, minutes or papers for the Committee.

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## 7. Annual review

The Committee will prepare and provide to the Board annually:

- (a) a self-evaluation of its performance against its Charter, goals and objectives;
- (b) recommended goals and objectives for the coming year; and
- (c) recommended changes or improvements to its Charter if necessary.

The annual review may be done by way of an oral report to the Board by the Committee Chairman.

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## 8. Revisions of this Charter

This charter of the Committee must be approved by the Board of the Company.

The Committee is responsible for review of the effectiveness of this Charter and the operations of the Committee and to make recommendations to the Board of any amendments.