

# Governance, Remuneration and Nomination Committee Charter

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Dalrymple Bay Infrastructure Limited

Reviewed by the Board on 24 August 2021

## 1 Committee Composition

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The Governance, Remuneration and Nomination Committee (the **Committee**) must consist of:

- only non-executive directors;
- a majority of independent directors;
- an independent director as chair; and
- a minimum of three members of the Board of Dalrymple Bay Infrastructure Limited (the **Board**, the **Company**).

The Board may appoint additional non-executive 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.

All non-executive directors have a standing invitation to attend Committee meetings and have access to Committee papers, subject to conflicts. Other 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.

## 2 Role and Responsibilities

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### 2.1 Governance

The responsibilities of the Committee in respect of governance are as follows:

- (a) reviewing the Company's Corporate Governance Statement and recommending it to the Board for approval.
- (b) reviewing and considering the Group's compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations and other applicable governance requirements.
- (c) monitoring significant developments in law and practice related to corporate governance and making recommendations to the Board regarding the Company's corporate governance framework, practices and processes.
- (d) Consider with management (and, if required the internal and/or external auditor) the Company's main corporate governance policies and practices, and compliance with those policies.

### 2.2 Remuneration

The responsibilities of the Committee in respect of remuneration are as follows:

- (a) Review and recommend to the Board employment and remuneration arrangements for the Chief Executive Officer (**CEO**), including contract terms, annual remuneration and participation in the Company's incentive plans.
- (b) On the recommendation of the CEO, review and recommend to the Board employment and remuneration arrangements for other members of the senior executive team, including contract terms, annual remuneration and participation in the Company's incentive plans.

- (c) Conduct regular reviews of, and monitor the implementation of, the Company's remuneration framework to confirm it:
- encourages and sustains a culture aligned with the Company's values;
  - supports the Company's strategic objectives and long-term financial soundness; and
  - is aligned with the Company's risk management framework and risk appetite.
- (d) Review and recommend to the Board major changes and developments in the Company's policies and procedures related to remuneration, recruitment, retention, termination and performance assessment.
- (e) Review and recommend to the Board major changes and developments in the remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Company.
- (f) Review and recommend to the Board major changes and developments in relation to the Company's employee incentive plans (including equity plans).
- (g) Oversee the operation of the Company's employee incentive plans in place from time to time and recommend to the Board whether offers are to be made under any of the Company's employee incentive plans (including equity plans) in respect of a financial year.
- (h) Review and recommend to the Board the terms of any incentive offers made to the CEO and other members of the senior executive team (including short term and long term awards), including any applicable performance targets and the relevant award opportunities.
- (i) Assess and make recommendations to the Board on incentive award outcomes for the CEO and other members of the senior executive team based on performance against the applicable performance targets and any other factors that the Committee determines to be relevant (including whether the Board should consider exercising any discretion).
- (j) Review and recommend to the Board the aggregate value of award opportunities and the aggregate value of award outcomes being made based on performance for all employees.
- (k) Look to ensure that risk behaviours and outcomes and any other relevant factors are reflected in the executive remuneration outcomes.
- (l) Review and make recommendations to the Board on strategies or changes to achieve fair and equitable remuneration.
- (m) Review and recommend to the Board the remuneration arrangements for the Chair and the non-executive directors of the Board, including fees, travel and other benefits.
- (n) Review and recommend to the Board the appointment of remuneration consultants for the purposes of the *Corporations Act 2001* (Cth).
- (o) Review and recommend to the Board the remuneration report prepared in accordance with the *Corporations Act 2001* (Cth) for inclusion in the annual directors' report.
- (p) Review and facilitate securityholder and other stakeholder engagement in relation to the Company's remuneration policies and practices.

- (q) Review and recommend to the Board for approval any proposed consultancy arrangements with a director, senior executive or a related party of a director or senior executive.

## 2.3 Nomination

The responsibilities of the Committee in respect of nomination are as follows:

- (a) Assist the Board to develop and regularly review its board skills matrix setting out the mix of skills, expertise, experience 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 Chairman, 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 criteria for nomination as a director and the membership of the Board more generally, including:
  - (1) 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
  - (2) assisting the Board to identify qualified individuals for nomination to the Board, in accordance with the policy outlined in section 4.
- (d) Review succession plans for the CEO and other members of the senior executive team and identify and recommend to the Board candidates for the position of CEO and other members of the senior executive team where required, following background checks on these candidates being undertaken.
- (e) Assist the Board in relation to the performance evaluation of the Board, its Committees and individual directors.
- (f) Monitor that processes are in place to support director induction and ongoing education and regularly review the effectiveness of these processes.
- (g) Overseeing the regular assessment of, and making recommendations to the Board as to, the independence of each director and associated disclosures.
- (h) In accordance with the Company's Diversity Policy, develop and recommend to the Board measurable objectives for achieving diversity (including gender diversity) in the composition of the Board, senior executives and workforce generally, and, on an annual basis, assess the Company's progress in achieving those objectives and recommend any changes to the Board.
- (i) Annually review and report to the Board on the relative proportions of women and men on the Board, in senior executive positions, and across the whole workforce.

## 3 Remuneration Policy and Practice

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- (a) Executive remuneration and incentive policies and practices must be performance based and aligned with the Company's purpose, values, strategic objectives and risk appetite.

- (b) Executive remuneration and incentive policies and practices must be designed to:
- (1) attract and retain skilled executives;
  - (2) motivate executives to pursue the Company's long term growth and success, without rewarding conduct that is contrary to the Company's values or risk appetite;
  - (3) demonstrate a clear relationship between the Company's overall performance and the performance of executives;
  - (4) appropriately incentivise positive risk behaviour and improved customer outcomes, encourage sound risk management of both financial and non-financial risks, and discourage unnecessary and excessive risk taking;
  - (5) allow for proper adjustments to be made, including where risk and compliance failures occur; and
  - (6) ensure any termination benefits are justifiable and appropriate.
- (c) In the discharge of the Committee's responsibilities, no executive should be directly involved in determining their own remuneration.
- (d) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any securityholder approvals which are necessary to obtain.

## 4 Director Appointment and Re-election

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### 4.1 Policy for director selection

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 and promote Board diversity having regard to:
  - the Board skills matrix; and
  - the existing composition of the Board;
- 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 for director selection

- (a) The Committee should prepare and consider a description of the role and capabilities required for a particular appointment in light of the balance of skills, knowledge, experience, independence and diversity on the Board.
- (b) Detailed background information in relation to a potential candidate should be provided to all directors.
- (c) The identification of potential Director candidates may be assisted by the use of external search organisations as appropriate.

- (d) Appropriate checks should be undertaken in relation to all potential candidates. This process may be assisted by the use of external organisations as appropriate.
- (e) An offer of a Board appointment must be made by the Chair only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.
- (f) 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.

### **4.3 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.

## **5 Rights of Access and Authority**

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The Committee has unrestricted access to information it considers relevant to its responsibilities. The Committee has rights of access to management and to auditors (external and internal) without management present, and rights to seek explanations and additional information from both management and auditors.

## **6 Review of Charter**

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The Board will, at least once in each year, 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.

## **7 Administrative Matters**

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The proceedings of the Committee will be conducted in accordance with provisions set out in Attachment 1.

## Administrative Matters

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### **1.1 Meetings**

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

### **1.2 Quorum**

The quorum is at least two members.

### **1.3 Company Secretary**

The Company Secretary, or their delegate, must attend all Committee meetings as minute secretary.

### **1.4 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 Committee member of every Committee meeting. 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.

### **1.5 Independent advice**

The Committee may seek the advice of the Company's auditors, solicitors or other independent advisers, consultants or specialists as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee.

### **1.6 Minutes**

Minutes of meetings of the Committee must be kept by the Company Secretary. All minutes of the Committee must be entered into a minute book maintained for that purpose and be available for inspection by any director.

### **1.7 Reporting**

The Committee Chair will provide a brief oral report to the Board on any material matters arising out of Committee meetings. All directors may, within the Board meeting, request information from Committee members. A copy of the minutes of the Committee will also be provided to the Board with the Board papers. The Committee will also consider if any material matters arising out of Committee meetings should be advised to any other Committee and, if so, ensure that this occurs.