

# REMUNERATION AND NOMINATION COMMITTEE CHARTER

SEPTEMBER 2020



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## 1. ROLE OF THE COMMITTEE

The role of the Remuneration and Nomination Committee (**Committee**) is to assist the Board of Directors (**Board**) in establishing policies and practices which:

- (a) enable Metals X to attract capable Directors and employees who achieve operational excellence and create value for shareholders; and
- (b) reward employees fairly and responsibly, regard being had to the results of the Metals X Group, individual performance and general remuneration conditions.

## 2. DUTIES

### 2.1 GENERAL DUTIES

The Committee will:

- (a) review and make recommendation to the Board on the Company's remuneration policies, including short-term incentives, long term incentives and equity awards;
- (b) oversee the formulation and review of the Company's organisational development, and succession planning for the Executive Director (ED)/Managing Director (MD)/Chief Executive Officer (CEO) and senior executives;
- (c) consider whether, and if so when, shareholder approval of aspects of the remuneration policy is required; and
- (d) ensure that the Company meets its disclosure obligations in respect of remuneration matters as required under the ASX Listing Rules and the Corporations Act.

### 2.2 DIRECT REPORTS TO THE EXECUTIVE DIRECTOR/MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

The Committee will have the power to approve, or if it considers appropriate, review and refer to the Board for final decision:

- (a) the appointment and the removal of executives who report directly to the ED/MD/CEO; and
- (b) the specific remuneration (including base pay, incentive payments, bonuses, equity awards, superannuation, retirement rights, termination payments, services contracts) of the direct reports of the ED/MD/CEO.

### 2.3 EXECUTIVE DIRECTORS/MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

The Committee will review and make recommendations to the Board on:

- (a) the specific remuneration (including base pay, incentive payments, bonuses, equity awards, superannuation, retirement rights, termination payments, services contracts) of the ED/MD/CEO and any other Executive Directors;
- (b) the criteria for, and the evaluation of, the performance of the ED/MD/CEO; and
- (c) succession plans.

### 2.4 EMPLOYEE EQUITY-BASED PLANS

The Committee will:

- (a) monitor and make recommendations to the Board in respect of the design and implementation of all equity-based plans, including performance hurdles and incentive pool amounts vesting terms and company contributions (if any);
- (b) review these plans at least annually; and
- (c) in relation to each equity-based plan, consider from time to time whether awards should be made under it and the amount thereof.

## **2.5 REMUNERATION OF NON-EXECUTIVE DIRECTORS**

The Committee will:

- (a) review annually the compensation of the Chairman and non-executive Directors and for that purpose obtain external advice either directly or through management on market practice for the remuneration of Directors;
- (b) consider whether there are circumstances in which compensation or additional remuneration may be appropriate in the case of any particular Director;
- (c) ensure that the total remuneration paid to Directors each year inclusive of superannuation contributions does not exceed the fee ceiling limit approved by shareholders in general meeting; and
- (d) ensure that the remuneration of Directors and disclosure relating to that remuneration complies with the requirements of the ASX Listing Rules and the Corporations Act.

## **2.6 NOMINATION DUTIES**

The Committee will:

- (a) develop and regularly review a policy on Board structure;
- (b) develop criteria for Board membership;
- (c) identify and screen specific candidates for nomination;
- (d) ensure that an appropriate induction and orientation program is in place;
- (e) make recommendations to the Board with respect to committee membership;
- (f) ensure that an appropriate Board succession plan is in place;
- (g) ensure that the performance of the Board and its members is regularly reviewed;
- (h) develop, with the directors, an appropriate training and development program;
- (i) oversee management's succession planning, including the ED/MD/CEO and his/her direct reports
- (j) assist the Chairman in advising directors about their performance and possible retirement; and
- (k) review the policy in respect of tenure, remuneration and retirement of directors.

## **2.7 OTHER DUTIES**

The Committee will:

- (a) at least annually review this Charter and will then consider whether any changes are appropriate;
- (b) participate in an annual review of its performance and effectiveness;
- (c) review the Company's annual Remuneration Report to ensure it complies with the ASX Principles of Good Corporate Governance and Best Practice Recommendations;
- (d) review all reporting by the Company of its remuneration policies and practices including valuations applied to equity plans; and
- (e) undertake any other duties and activities that the Board may consider appropriate.

## **3. SECRETARY**

The Company Secretary shall be the secretary of the Committee.

## **4. MEMBERSHIP**

The Committee will consist of at least 3 Non-Executive Directors (with a majority of independent Directors) unless there are less than three Non-Executive Directors in which case it may consist of two members. One of the members will chair the Committee.

The Committee may invite the ED/MD/CEO or any Executive or any other individual to attend a meeting as they consider appropriate.

## **5. MEETINGS**

### **5.1 MEETING FREQUENCY**

The Committee will meet as frequently as required but not less than once each year.

Any member of the Committee or the Secretary to the Committee may call a meeting of the Committee.

### **5.2 QUORUM**

Two members of the Committee must attend to form a quorum.

### **5.3 COMMITTEE AGENDA AND PAPERS**

Committee agendas should be settled by the Chairman in conjunction with the Secretary, and Committee papers should be provided to Committee members sufficiently far in advance of scheduled meetings to permit adequate preparation.

### **5.4 PROFESSIONAL ADVICE**

The Committee may have access where necessary to professional advice from external advisers, and may meet with external advisers without management being present.

## **6. REPORTING**

The Committee Chairman will:

- (a) report to the Board on the proceedings of each Committee meeting (to the next Board meeting); and
- (b) attend the Annual General Meeting and be available to respond to any shareholder questions on the Committee's activities and areas of responsibility.

## **7. ASSESSMENT**

At least once each year the Committee and the Board will review the performance of the Committee, including the performance of individual Committee members.

At least once each year the Committee will review this Charter and make recommendations to the Board in relation to any proposed change to this Charter.