



**ALCIDION**

## **Remuneration and Nomination Committee Charter**

Alcidion Group Limited

ACN 143 142 410

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Date: 1 May 2023

## Document Revision History

Approval Date	Version	Approved By	Summary of Amendments
24 October 2019	V01	Board	Policy adopted
21 May 2020	V02	Board	Review
17 March 2022	V03	Board	Review
1 May 2023	V04	Board	Review

## Other Policy Details

Key Information	Details
Approval Body	Alcidion Group Limited Board of Directors
Key Stakeholders	Alcidion Group Limited Board of Directors Remuneration and Nomination Committee Executive Leadership Team
Responsibility for Implementation	Chief Executive Officer Group General Counsel
Policy Custodian	Chief People Officer
Next Review Date	1 May 2025
Reference Policies	Statement of Values Diversity Policy

## Legislative and Regulatory Framework

Authority	Law, Resolution or Regulation
ASX Corporate Governance Council	ASX Corporate Governance Principles and Recommendation (2019) (“ <b>ASX Principles</b> ”)
Australian Government	Corporations Act 2001 (Cth) (“ <b>Corporations Act</b> ”)

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## 1 Introduction

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- 1.1 The Remuneration and Nomination Committee (**Committee**) is a committee of the Board of Directors (**Board**) of Alcidion Group Limited ACN 143 142 410 (**Company**).
- 1.2 The Board established the Committee under the Company's Constitution.
- 1.3 This Charter sets out the scope of the Committee's responsibilities in relation to the Company and its controlled entities (**Group**).

## 2 Objectives

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- 2.1 The main objectives of the Committee are to assist the Board in fulfilling its obligations to:
  - (a) enable the Company to attract and retain Executive and Non-Executive Directors who will create sustainable value for shareholders and other stakeholders;
  - (b) have a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
  - (c) fairly and responsibly reward Non-Executive Directors, the Managing Director/Chief Executive Officer (**CEO**) and the CEO's direct reports (**Senior Leadership Team**), having regard to individual and Company performance and the external compensation environment; and
  - (d) comply with all relevant legislation and regulations including its Constitution, the ASX Principles and Corporations Act.

## 3 Committee Membership

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- 3.1 It is intended that:
  - (a) The Committee shall comprise a minimum of three members a majority of whom are Non-Executive independent Directors.
  - (b) The Committee will be chaired by an Independent Director who will be appointed by the Board.
- 3.2 The Board may appoint such additional Non-Executive Directors to the Committee or remove and replace members of the Committee.
- 3.3 The Company Secretary must attend all Committee meetings and will act as Secretary to the Committee, unless otherwise determined by the Committee.

## 4 Proceedings

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- 4.1 The Committee will meet as often as it considers necessary but at a minimum twice per annum and, any member may call a meeting of the Committee.

- 4.2 The quorum for a Committee meeting is two Committee members.
- 4.3 The Committee may invite anyone it considers appropriate to attend Committee meetings.
- 4.4 Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically present in the same place.
- 4.5 The dates, times and venues of each meeting of the Committee will be notified by the Secretary to all members of the Committee as far in advance as possible.
- 4.6 Supporting papers for each meeting of the Committee will be distributed by the Secretary to all members of the Committee as far in advance as possible to the meeting.
- 4.7 Proceedings of the Committee will be governed by the provisions of the Constitution, in so far as they may be applicable.

## **5 Chair**

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- 5.1 In the absence of the Chair, the remaining members will elect one of their number as Chair of the meeting.

## **6 Minutes**

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- 6.1 The Secretary will be responsible for keeping the minutes of its meetings and circulating them to the Chair of the Committee for review, the other Committee members, the other members of the Board and other Committee meeting attendees as appropriate.
- 6.2 Minutes of meetings of the Committee, will be distributed to members as soon as practicable following the meeting and tabled for approval at the next Committee and presented at the next Board meeting.
- 6.3 Minutes, agenda and supporting papers are available to Directors upon request to the Secretary, except it a conflict of interest exists.

## **7 Authority**

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- 7.1 The Committee has full delegated authority from the Board to fulfill its responsibilities as specified in its Duties and Responsibilities (8 and 9). The Committee has the right to access internal resources including having unrestricted access to all employees and all Company records.
- 7.2 The Committee or any member of the Committee is authorised to obtain (at the cost of the Company) independent professional advice, and to secure the attendance of such consultants and advisers that is considered necessary for the proper performance of the Committee's functions under this Charter.

The member should first contact the Chair of the Committee (or in the absence of the Chair, the Secretary) for approval prior to proceeding with procuring that professional advice.

## **8 Duties and Responsibilities - Nomination**

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- 8.1 Without limiting its role, the specific duties and responsibilities of the Committee include the following:
- (a) 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, CEO and Senior Leadership Team, having regard to the skills matrix and the objective that the Board comprise directors with a broad range of skills, expertise, and experience from a broad and diverse range of backgrounds, including gender.
  - (b) Review and recommend to the Board the criteria for the Board appointment and membership, including the necessary and desirable competencies of Board members; and the time expected to be devoted by Non-Executive Directors in relation to the Company's affairs.
  - (c) Assist the Board to develop, disclose and review a skills matrix setting out the mix of skills, experience, knowledge, independence and diversity that the Board currently has or is looking to achieve in its membership.
  - (d) Review and recommend to the Board membership of the Board, including:
    - making recommendations after consideration of the relevant factors contained in this Charter for the re-election of Directors including the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves; and
    - assisting the Board as required to identify individuals who are qualified to become Board members (including in respect of Executive Directors).
  - (e) Assist the Board in relation to the performance evaluation of the Board, its committees and individual Directors, and in developing and implementing plans for identifying, evaluating and enhancing director competencies.
  - (f) Review this Charter on a periodic basis and recommend any amendments for Board consideration.
  - (g) Ensure that an effective Director induction process is in place and regularly review its effectiveness including the need for existing directors to undertake professional development.
  - (h) In accordance with the Company's Diversity Policy, to recommend the Board measurable objectives for achieving diversity targets.

## **9 Duties and Responsibilities - Remuneration**

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- 9.1 Without limiting its role, the specific duties and responsibilities of the Committee include the following:

- (a) Review and recommend arrangements for the CEO and Senior Leadership Team, including contract terms, annual remuneration and participation in the Company's short- and long-term incentive plans and the process with which any pool of directors' fees approved by shareholders is allocated.
- (b) Make recommendations to the Board on the company's overall remuneration framework and monitoring its effectiveness in achieving the company's remuneration strategies.
- (c) Monitor the company's overall remuneration framework, and the remuneration arrangements and outcomes for the CEO and Senior Leadership Team to encourage the company's employees to pursue the company's strategy and success.
- (d) Review and recommend to the Board short term incentive strategy, performance targets and related short term incentive payments for the CEO and Senior Leadership Team.
- (e) Review and recommend to the Board major changes and developments to the Company's employee equity incentive plans.
- (f) Review and recommend to the Board major changes and developments in the Company's remuneration, recruitment, retention and termination policies and procedures for the Senior Leadership Team.
- (g) Review and recommend to the Board the Senior Leadership performance assessment processes and results as they reflect the capability of management to realise the business strategy.
- (h) In respect of the Company's employee equity incentive plan(s) in place from time to time:
  - review and recommend the performance hurdles applicable to eligible employees;
  - review and recommend the proposed terms of, and authorise the making of, offers to eligible employees of the Company, including determining the eligibility criteria applying in respect of an offer, in respect of a financial year;
  - review and recommend, within the parameters of the plans, amendments to the terms of existing plans; and
  - administer the operation of the plans, including but not limited to determining disputes and resolving questions of fact or interpretation concerning the various plans.
- (i) Review and recommend to the Board the annual Remuneration Report prepared in accordance with the regulatory and legal disclosure requirements for inclusion in the annual directors' report.

- (j) Review and recommend to the Board on remuneration arrangements for the Chair of the Board and the non-executive directors of the Board as referred under section 10.2.
- (k) Review and facilitate shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices.

## **10 Non-Executive Directors' Remuneration**

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- 10.1 Shareholders are required by law to approve the maximum aggregate remuneration for Non-Executive Directors.
- 10.2 The allocation of aggregate remuneration for Non-Executive Directors (whether it be for the entire maximum amount or for a lesser amount) will be determined and approved by the Board after review and recommendation by the Committee. When appropriate, any Director or Directors with an immediate conflict of interest will excuse themselves on discussion regarding their own remuneration.
- 10.3 Non-Executive Directors are not permitted to be provided with retirement benefits other than which is permitted by the Corporations Act.

## **11 Reporting**

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- 11.1 The Chair of the Committee (or a person nominated by the Chair of the Committee for that purpose) must report to the Board at its next meeting regarding all material matters relevant to the Committee's duties and responsibilities.
- 11.2 The Board will make available at the end of each reporting period the number of times the Committee met throughout that year and the individual attendances of the members at those meetings.

## **12 Review of this Charter**

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- 12.1 The Remuneration and Nomination Committee Charter will be reviewed at least once every two years or as often as it considers necessary to ensure it remains consistent with the Committee's authority, objectives and responsibilities with the Board approving the amended Charter.