



Remuneration and Nomination Charter - Ardiden Limited

Approved by the Board with effect 23 July 2021

Revision history

Rev.	Issued	Description	Prepared	Approved by Board
1.0		Review	Robson	23/7/21
0	26/5/20	Policy created		26/5/20

1. General scope and authority

The Remuneration and Nomination Committee is a Committee of the Board. The Remuneration and Nomination charter sets out the role, composition and responsibilities of the Committee. The Board will review this charter annually to ensure it remains consistent with the Board's objectives and responsibilities.

The Board recognizes that corporate performance is enhanced when there is a Board with the appropriate competencies to enable it to discharge its mandate effectively. The Committee's primary functions are to:

- (a) Identify and evaluate the particular skills, experience and expertise that will best complement the Board's effectiveness given the current activities of Ardiden;
- (b) Review Board succession plans;
- (c) Evaluate the Board's performance;
- (d) Make recommendations for the appointment and removal of directors to the Board;
- (e) Make recommendations to the Board on:
 - (i) executive compensation framework and incentive policies;
 - (ii) the compensation packages of senior management;
 - (iii) the compensation framework for directors.

2. Composition and Term

- 2.1 The Remuneration and Nomination Committee shall consist of not less than two members all of whom shall be non-executive directors and with the majority being independent Directors.
- 2.2 Directors will be appointed to the Remuneration and Nomination Committee for a term of three years or such shorter time as they remain in the office of Director. Directors may serve consecutive terms on the Remuneration and Nomination Committee.
- 2.3 The Remuneration and Nomination Committee shall appoint a Chair of the Committee. The Chair shall be an independent director.
- 2.4 The Company Secretary or another delegated person will undertake the duties of secretariat including distribution of required papers for each meeting, keeping the minutes of meeting of the Committee, and circulating them to Committee members and to the other members of the Board to be ratified by the members in attendance and signed by the Committee Chairman.
- 2.5 A quorum shall be two members. In the absence of the Committee Chair or appointed delegate, the members shall elect one of their number as Chair.
- 2.6 Committee meetings will be held not less than twice a year to enable the Committee to undertake its role effectively.
- 2.7 Decisions will be based on a majority of votes with the Chair having the casting vote.
- 2.8 The Committee may invite any executive management team members or other individuals, including external third parties, to attend meetings of the Committee, as they consider appropriate.

3. Access

- 3.1 Members of the Committee have rights of access to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests. Such access shall be provided on a timely basis.
- 3.2 The Committee may consult independent experts to assist it in carrying out its duties and responsibilities. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

4. Nomination responsibilities

The duties of the Committee in relation to nomination matters include:

- 4.1 Determining the appropriate size and composition of the Board in relation to the activities and financial circumstances of the Company;
- 4.2 Developing selection criteria for candidates in the context of the Board's composition and structure including:
- (a) evaluating candidates skills, knowledge and experience;
 - (b) assessing how candidates can contribute to the strategic direction of the Company;
 - (c) assessing candidates independence; and
 - (d) Board diversity
- 4.3 Ensuring appropriate background checks are undertaken, including checks as to a candidate's character, experience, education, criminal record, and bankruptcy history;
- 4.4 Making recommendations to the Board on the appointment, re-election, retirement and removal of directors;
- 4.5 Developing a Board succession plan and regularly reviewing the plan;
- 4.6 Arranging an annual performance evaluation of the Board, individual Directors and key executives;
- 4.7 Reviewing Directorships in other public companies held by or offered to Directors and senior executives of the Company;
- 4.8 Identifying, assessing, and enhancing director competencies; and
- 4.9 Reviewing induction and continuing professional development programs for Directors.

5. Remuneration Responsibilities

The duties of the Committee in relation to remuneration matters include:

5.1 Executive Remuneration Policy

- (a) Reviewing and approving the Company's recruitment, retention and termination policies and procedures for senior executives;
- (b) Reviewing the on-going appropriateness and relevance of executive remuneration policy and other executive benefit programmes; and
- (c) Ensuring remuneration policies fairly and responsibly reward executives having regard to the performance of the Company, the performance of the executive, and prevailing market remuneration trends.

5.2 Executive Directors and Senior Management

- (a) Making recommendations to the Board on remuneration for executive Directors (including base pay, incentive payments, equity awards, retirement rights, service contracts); and
- (b) Reviewing and approving proposed remuneration (including incentive awards, equity awards and service contracts) for direct reports of the Executive Director.

5.3 Executive Incentive Plan

- (a) Reviewing and approving the design of any executive incentive plans.

5.4 Equity Based Plans

- (a) Reviewing and approving equity-based plans in light of legislative, regulatory and market developments;
 - (i) For each Plan, determining each year whether awards will be made under that Plan
- (b) Reviewing and approving total proposed awards under each Plan; and
- (c) Reviewing, approving, and keeping under review, performance hurdles for each equity-based Plan.

5.5 Ensuring professional indemnity and liability insurance for directors and senior management is in place.

5.6 Reviewing succession plans for senior management and the Board.

5.7 Non-Executive Directors

5.8 Reviewing Non-Executive Director remuneration to ensure Director Fees reflect the time commitment and responsibilities of the role; and

5.9 Reviewing equity-based remuneration to align director interests with the interests of other holders

- (a) Non-Executive Directors generally should not receive options with performance hurdles attached or performance rights as part of their remuneration as it may lead to bias in their decision-making and compromise their objectivity.

6. Approvals

The Committee must approve the following prior to their implementation:

- (a) changes to the remuneration or contract terms of executive Directors and direct reports to the CEO/MD;
- (b) the Plans or amendments to current equity plans or executive cash-based incentive plans;
- (c) total level of awards proposed from equity plans or executive cash-based incentive plans; and
- (d) termination payments to executive Directors or direct reports to the CEO/Managing Director. Termination payments to other departing executives should be reported to the Committee at its next meeting.

7. Review

This policy is reviewed regularly and at least annually.