



Nomination and Remuneration Committee charter

Evans Dixon Limited ACN 609 913 457 (Company)

Nomination and Remuneration Committee charter

1 Introduction

- 1.1 The Nomination and Remuneration Committee is a committee of the Board of directors of Evans Dixon Limited ACN 609 913 457 (**Company**).
- 1.2 The Board of the Company (**Board**) established the Nomination and Remuneration Committee under the Company's constitution.
- 1.3 This charter sets out the scope of the Nomination and Remuneration Committee's responsibilities in relation to the Company and its related bodies corporate (**Group**).
- 1.4 The role of the Nomination and Remuneration Committee is not an executive role.

2 Objective

The objective of the Nomination and Remuneration Committee is to help the Board achieve its objective to ensure the Company:

- (a) has a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- (b) has coherent remuneration policies and practices to attract and retain executives and directors who can reasonably be expected to create value for shareholders;
- (c) observes those remuneration policies and practices; and
- (d) fairly and responsibly rewards executives having regard to the performance of the Group, the performance of the executives and the general external pay environment.

3 Nominations – responsibilities

The Nomination and Remuneration Committee is responsible for:

- (a) identifying and recommending to the Board, nominees for membership of the Board including the Group Chief Executive Officer;
- (b) identifying and assessing the necessary and desirable competencies and characteristics for Board membership and regularly assessing the extent to which those competencies and characteristics are represented on the Board;
- (c) establishing processes for identifying suitable candidates for appointment to the Board to ensure an appropriate mix of expertise, experience and succession;
- (d) prepare, review and update on a regular basis director's education and skills enhancement program;

- (e) ensuring succession plans for Board and executives are in place. A report on these plans is to be prepared and submitted to the Board at least once per year; and
- (f) recommending the removal of directors.

4 Performance of directors – responsibilities

- 4.1 The Nomination and Remuneration Committee is responsible for:
- (a) annually reviewing the performance of the Group Chief Executive Officer;
 - (b) establishing processes for evaluating the performance of the Board, both collectively and individually;
 - (c) annually evaluating the performance of the Board, both collectively and individually;
 - (d) regularly reviewing the time required from non-executive directors to perform their functions and assessing whether they are satisfying time requirements; and
 - (e) developing continuing education programmes for directors.
- 4.2 A member of the Nomination and Remuneration Committee must not participate in any review or assessment of their own performance.

5 Remuneration policies and practices

- 5.1 Executive remuneration and incentive policies and practices must be performance based and aligned with the Group's vision, values and overall business objectives.
- 5.2 Executive remuneration and incentive policies and practices must be designed to:
- (a) motivate the directors and management to pursue the Group's long term growth and success;
 - (b) demonstrate a clear relationship between the Group's overall performance and the performance of executives; and
 - (c) comply with all relevant legal and regulatory provisions.

6 Remuneration – responsibilities

- 6.1 In performing its responsibilities in relation to remuneration, the Nomination and Remuneration Committee must give appropriate consideration to the Company's performance and objectives, employment conditions and remuneration relativities.
- 6.2 The Nomination and Remuneration Committee is responsible for:

Executive remuneration and incentive policies

- (a) reviewing, approving and recommending to the Board for adoption executive remuneration and incentive policies and practices;

Executive directors and senior executives

- (b) annually considering, approving and recommending to the Board each executive director's total remuneration (including base pay, incentive awards, equity awards, retirement rights,

- termination payment and terms of engagement) having regard to executive remuneration and incentive policies;
- (c) determining if shareholder approval is needed for any change to remuneration of directors or executives;
 - (d) reviewing and approving, on the recommendation of the Group Chief Executive Officer:
 - (i) the total remuneration (including incentive awards, equity awards and retirement and termination payments);
 - (ii) the terms of engagement; and
 - (iii) any changes to the total remuneration and terms of employment, of direct reports of the Group Chief Executive Officer;
 - (e) recommending to the Board for approval changes to the remuneration or terms of engagement of executive directors before implementation; and
 - (f) preparing for approval by the Board any report on executive remuneration that may be:
 - (i) required by the ASX Listing Rules or the *Corporations Act 2001* (Cth); or
 - (ii) proposed for inclusion in the annual report, and reporting regularly to the Board on those matters;

Executive incentive plans

- (g) reviewing, approving and recommending to the Board for adoption the design of any executive incentive plan;
- (h) reviewing, approving and recommending to the Board for adoption the total proposed payments from any executive incentive plan;
- (i) reviewing, approving and recommending to the Board for adoption the design of any equity based plan;
- (j) reviewing any plan for legislative, regulatory and market developments;
- (k) reviewing, approving and recommending to the Board for approval the total proposed awards under any equity based plan;
- (l) reviewing, approving and recommending to the Board for approval the proposed award to each executive under the rules of any plan or as approved by the Nomination and Remuneration Committee;
- (m) reviewing, approving, recommending to the Board for adoption and keeping under review the performance hurdles for any equity based plan;

Non-executive directors

- (n) reviewing the remuneration of non-executive directors for serving on the Board and any committee (both individually and in total);
- (o) recommending to the Board the remuneration, retirement and termination policies for non-executive directors having regard to market trends and shareholder interests; and

Insurance and indemnities

- (p) reviewing any insurance premiums or indemnities for the benefit of directors and officers.

7 Other responsibilities

The Nomination and Remuneration Committee is responsible for doing anything the Board considers appropriate in the context of this charter.

8 Nomination and Remuneration Committee composition

- 8.1 The Nomination and Remuneration Committee must comprise:
 - (a) at least three directors; and
 - (b) a majority of independent directors.
- 8.2 While the Company will aim to have a Nomination and Remuneration Committee of at least the size and composition outlined in paragraph 8.1 above, this may not always be practicable given the size of the Board and the circumstances of the Group, including the nature of the Group's business. Accordingly, the Board has absolute discretion to determine the appropriate size and composition of the Nomination and Remuneration Committee from time to time.
- 8.3 The Nomination and Remuneration Committee will appoint its chair. The chair of the Nomination and Remuneration Committee must be an independent director.
- 8.4 The Board decides appointments, rotations and resignations within the Nomination and Remuneration Committee having regard to the ASX Listing Rules, the *Corporations Act 2001* (Cth) and the Company's constitution.
- 8.5 A Nomination and Remuneration Committee member may act by their alternate.

9 Nomination and Remuneration Committee meetings

- 9.1 The Nomination and Remuneration Committee will meet as often as it considers necessary.
- 9.2 The quorum for a Nomination and Remuneration Committee meeting is two members of the Committee.
- 9.3 Nomination and Remuneration 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. A member who is not physically present but participating by technological means is taken to be present.
- 9.4 A notice of each meeting confirming the date, time and venue and agenda shall be forwarded to each member of the committee, generally no later than one week prior to the date of the meeting. The notice will include relevant supporting papers for the agenda items to be discussed.
- 9.5 The Nomination and Remuneration Committee may pass or approve a resolution without holding a meeting in accordance with the procedures (so far as they are appropriate) in clause 77 of the Company's constitution or equivalent.
- 9.6 The Nomination and Remuneration Committee may invite anyone it considers appropriate to attend Nomination and Remuneration Committee meetings.
- 9.7 The Nomination and Remuneration Committee must keep minutes of its meetings and shall report these regularly to the Board.

10 Access to information and independent advice

- 10.1 The Nomination and Remuneration Committee may seek any information it considers necessary to fulfil its responsibilities.
- 10.2 The Nomination and Remuneration Committee has access to management to seek explanations and information from management, at the Company's cost.
- 10.3 The Nomination and Remuneration Committee may seek professional advice from employees of the Group and from appropriate external advisers, at the Company's cost. The Nomination and Remuneration Committee may meet with external advisers without management being present.

11 Review and changes to this charter

- 11.1 The Nomination and Remuneration Committee will review this charter annually or as often as it considers necessary.
- 11.2 The Board may change this charter from time to time by resolution.