

## **Executive Resource & Compensation Committee Terms of Reference**

### **1.1 Composition**

The Executive Resource & Compensation Committee (ERCC) shall consist of at least three directors, all of whom shall be non-executive Directors and the majority of whom shall be independent.

The ERCC shall be chaired by an independent non-executive Director, and have at least one member who is knowledgeable in the field of executive compensation, failing which the Committee shall have access to expert advice inside and/or outside the Company.

The GCEO may be in attendance at ERCC meetings but shall not attend discussions relating to the review of his/her performance, service terms and remuneration.

### **1.2 Terms of Reference**

The ERCC will ensure that competitive and effective compensation, focused management attention and progressive policies are in place to attract, motivate and retain a pool of talented executives to meet the current and future growth of the Company. This includes an oversight of the Company's culture and human capital health, ensuring:

- Appropriate recruitment, development, retention and succession planning programs are in place; and
- An appropriate Corporate Culture (incorporating inclusion, diversity and ethical health), underpinned by the Core Values, is fostered within the Company.

The ERCC was formed by the Board to carry out the following key duties and responsibilities:

#### **Directors' Fees**

- Recommend policy and guidelines on the compensation of non-executive Directors, for the Board's endorsement before shareholders' approval is sought.

#### **Appointments**

- Recommend, for the Board's approval, the appointment of and promotion into (including service terms and compensation) key positions including the Management Committee and the Company Secretary.

#### **Performance Review**

- Review the performance of Management Committee against objectives aligned to the Annual Operating Plan and balanced scorecard.

## **Compensation**

- Approve executive compensation policy, review its ongoing appropriateness and relevance, implementing changes when required;
- Recommend, for the Board's approval, the compensation and service terms of the Management Committee;
- Approve the compensation of roles at the senior management level and to keep the Board informed of such compensation;
- Recommend, for the Board's approval, any material exceptions to policy;
- Review and recommend the group remuneration framework for the Board's approval.

## **Long Term Incentive Plans**

- Recommend, for the Board's approval, the underlying principles of any share option scheme, performance share plan and any incentive scheme (whether long term or otherwise) which may from time to time be established by the Company (each scheme referred to as "Incentive Scheme").
- Administer and review any share option scheme, performance share plan and any incentive scheme (whether long term or otherwise) which may from time to time be established by the Company (each scheme referred to as "Incentive Scheme"), including the following:-
  - Decide on the rules, regulations, terms and conditions (including but not limited to grant size, exercise price, valuation variables and vesting details) applicable to any Incentive Scheme;
  - Review and approve the policy and guidelines for determining the list of persons eligible to participate in any Incentive Scheme and approve their allocation in accordance with the Incentive Scheme;
  - Deal with such matters relating to or arising under or in connection with any Incentive Scheme from time to time including, where appropriate, alterations to any Incentive Scheme in accordance with the rules thereof;
  - Approve submission on modifications of any Incentive Scheme to seek approval from the SGX, the Australian Stock Exchange, or any other regulatory authorities as may be necessary.

## **Penalties for Disciplinary Cases**

- Recommend, for the Board's decision, penalties for disciplinary cases involving the Management Committee.

## **Succession Planning**

- Periodically review succession planning for the Management Committee in the Company, with a formal review carried out prior to submission of the succession plan to the Board on an annual basis. Review potential internal and external candidates for succession in the light of immediate, medium term and longer-term needs;
- Review, on an annual basis, the development plan for key senior executives;
- If external candidates are to be considered in the event of the replacement of GCEO, the Chairman of the Board will draw upon resources from the ERCC and Corporate Governance and Nominations Committee and lead a special process to identify high calibre individuals capable of delivering to the Company's present and future requirements;

## **Talent Management**

- Review the effectiveness for talent attraction, development and retention, including for emerging and niche capabilities;
- Review the depth of talent within each business unit;
- Review, on an annual basis, the development planning for high-potential talent;
- Review key talent management metrics and effectiveness of talent programs;
- Review policies, actions and progress made to promote the Company's diversity and inclusion objectives.

## **Corporate Culture and Employee Engagement**

- Review results, trends and actions taken to address issues raised from employee engagement and culture surveys;
- Review the sufficiency of the ongoing measures being adopted to improve employee engagement and instill appropriate culture within the Company.

The ERCC is to carry out any other responsibilities as determined by the Board. The ERCC shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.