



## REMUNERATION AND NOMINATION COMMITTEE CHARTER

### 1. **Role of the Committee**

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

- (a) enables the Company to attract and retain capable directors and employees who achieve operational excellence and create value for shareholders;
- (b) reward employees fairly and responsibly, taking into consideration the results of Atlantic, individual performance and industry remuneration conditions; and
- (c) assist the Board to meet its oversight responsibilities in relation to Corporate Governance practices.

### 2. **Duties**

#### 2.1 Remuneration

The Committee has the following remuneration duties which include reviewing and making recommendations where appropriate to the Board on:

- (a) the remuneration of the Managing Director, any other executive director and the Company Secretary;
- (b) equity-based executive and employee incentive plans;
- (c) non-executive director remuneration;
- (d) recruitment, retention, succession planning, performance measurement and termination policies and procedures for non-executive directors, the Managing Director, any other executive director and the Company Secretary;
- (e) the full disclosure of the levels and processes for setting the remuneration for directors, the Managing Director and senior executives in the Company's public materials including the Annual Report, ASX filings and press releases;
- (f) whether, and if so when, shareholder approval of aspects of the remuneration policy and practice is required; and



## REMUNERATION AND NOMINATION COMMITTEE CHARTER

- (g) ensuring non-executive director remuneration remains within shareholder approved limits.

2.2 In relation to any equity-based remuneration plans the Committee's duties are to:

- (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;
- (b) review these plans in the light of legislative, regulatory and market developments;
- (c) in relation to each equity-based plan, consider each year whether awards should be made under it and the amount thereof; and
- (d) consider whether circumstances exist under which it would be appropriate for the Board to exercise any discretion reserved to it under the rules.

2.3 Nomination

- (a) periodically assess the skills required by the Board, having regard to the Company's current circumstances and to its strategic plans for the future;
- (b) when the Committee considers appropriate, and in any event prior to the retirement of an existing non-executive director, compare the competencies required by the Board with the competencies represented on the Board by its non-executive directors and thereby identify any current or potential future competency gaps;
- (c) when it is necessary to appoint a new non-executive director, to implement a process to identify and evaluate against normally accepted nomination criteria suitable candidates for appointment as non-executive director(s);
- (d) at completion of the above process, to recommend to the Board candidate(s) that the Committee has assessed as being appropriate for appointment;
- (e) recommend processes to annually evaluate the performance of the Board, its committees and individual directors;
- (f) identify each non-executive director who will be required to retire at the next general meeting of shareholders and make recommendations to the Board regarding the Board's support for their re-election, having regard, as a minimum, to performance assessments referred to above; and



## REMUNERATION AND NOMINATION COMMITTEE CHARTER

- (g) prepare and review the Board's succession plan on a regular basis.
- 2.4 New Board members are required to possess the particular skills, experience and expertise that will best complement Board effectiveness at that time.
- In its evaluation of candidates for the Board, the Committee will have regard to normally accepted nomination criteria including:
- (a) the ability to exercise sound business judgment;
  - (b) a position of leadership or prominence in a specified field;
  - (c) absence of conflicts of interest or other legal impediments to serving on the Board;
  - (d) a willingness to devote the required time;
  - (e) availability to attend Board and Committee meetings;
  - (f) appropriate experience and/or professional qualifications; and
  - (g) integrity and moral reputation.
- 2.5 In considering overall Board balance, the Committee will give due consideration to the value of a diversity of backgrounds and experiences among the members, and any existing or impending competency gaps on the existing Board.
- 2.6 When preparing and reviewing the Board succession plan the Committee will consider:
- (a) Board size;
  - (b) director tenure and independence;
  - (c) Atlantic's long term growth strategy and desired Board competencies with regard to this strategy;
  - (d) skills, experience and expertise of existing directors;
  - (e) probable retirement dates for existing directors; and
  - (f) the performance of existing directors.
- 2.7 In relation to other duties:
- (a) at least annually review this Charter and consider whether any changes are appropriate;
  - (b) participate in an annual review of the Committee's performance and effectiveness;
  - (c) review the Company's annual Remuneration Report to ensure the disclosure complies with the ASX Corporate Governance Council's 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.



## REMUNERATION AND NOMINATION COMMITTEE CHARTER

### 3. **Membership**

- 3.1 The Board determines the membership of the Committee.
- 3.2 The Committee will comprise at least two members of the Board, a majority of whom will be independent non-executive directors.
- 3.3 The Board shall appoint one of the independent non-executive directors to serve as the Committee's Chairman.

### 4. **Meetings**

- 4.1 The Committee will meet at least two times annually, and more frequently as it deems necessary.
- 4.2 Representatives of management may be invited to attend part or all of any meeting of the Committee.
- 4.3 Where a matter considered by the Committee is the subject of a conflict of interest for a Director or Committee member, the relevant minutes and/or papers may be withheld from that individual, and they may be requested to withdraw from the meeting during the consideration of that item.
- 4.4 The Committee may meet with external advisers, any executive or other employee, any other non-executive director, and may do so with or without management present.
- 4.5 The Chairman of the Committee will report to the Board (at the next Board meeting) on the proceedings of each Committee meeting, bringing forward all Committee recommendations requiring Board approval.
- 4.6 The Secretary will:
  - (a) in conjunction with the Chairman of the Committee, settle agendas for and arrange meetings of the Committee so as to ensure timely coverage of all the Committee's business;
  - (b) distribute agendas and supporting papers to Committee members sufficiently far in advance of scheduled meetings to permit adequate preparation;
  - (c) keep and distribute minutes of each meeting to Committee members; and
  - (d) circulate copies of the minutes to the remaining Board members upon request.



**ATLANTIC** LTD

*Building a world class  
resources group*

## **REMUNERATION AND NOMINATION COMMITTEE CHARTER**

- 4.7 The quorum for a meeting of the Committee will be a majority of the members and include at least one non-executive director.