



REMUNERATION AND NOMINATION COMMITTEE CHARTER



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1. PURPOSE OF CHARTER

The Remuneration and Nomination Committee (the RN Committee) is a Committee of the Board of Directors (the Board) of Nambawan Super Limited (NSL) and is subject to the control and direction of the Board. The role of the Committee is to assist the Board to achieve its objectives to ensure that NSL:

- has a Board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- has remuneration policies and practices designed to attract and retain high quality Directors and Senior Executives who will create value for members;
- rewards Senior Executives fairly and responsibly having regard to the performance of the Fund, the performance of the Executive and market pay conditions generally.

2. AUTHORITY

The Committee is established in accordance with *Clause 20.13* of the Company's Constitution and *Paragraphs 19, 22 and 23* of the Bank of Papua New Guinea *Superannuation Prudential Standard 7/2012*. The Committee has the authority and power to exercise its responsibilities set out in this Charter and under any separate resolutions of the Board that may be handed down to it from time to time.

3. FUNCTIONS AND RESPONSIBILITIES

The Committee's primary role is to review and make recommendations to the Board on the following matters:

- remuneration framework, including board policies and strategies, related to recruitment, remuneration, selection, termination, diversity, for Senior Management and Board;
- the performance and succession of the Chief Executive Officer, Deputy Chief Executive Officer and Directors (on an annual basis);

- the necessary and desirable competencies, commitment and characteristics for Board membership and extent to which those competencies, commitment and characteristics are represented on the Board;
- succession planning to maintain an appropriate balance of skills, experience and expertise on the Board and for Senior Executive roles;
- induction and continuing professional development for Directors (including Trainee Directors);
- evaluation of the performance of the Board, its Committees and Directors;
- the appointment and re-election of Directors, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board
- the appointment of the Chief Executive Officer and the Company Secretary;
- developing and implementing strategies aimed at improving NSL's culture and consistent with the NSL's *Nambawan Way* values;
- NSL's Code of Conduct and other material designed to guide the Directors, executives and other employees as to:
 - compliance with legal and other obligations;
 - the ethical standards and practices necessary to maintain confidence in the NSL and the Fund's integrity;
 - the responsibility and accountability of individuals for reporting and investigating reports of unlawful and unethical practices; and
 - the behavior expected of them and NSL's corporate culture and values generally.
- policies and processes for compliance with workplace health and safety obligations and environmental and sustainability matters;
- review the results of staff feedback surveys;
- doing any other thing that the Board considers appropriate in the context of this Charter.

In carrying out its duties, the Committee will have regard to any guidelines approved by the Board. The Committee shall recommend to the Board any changes to these guidelines which it considers to be necessary or appropriate.

4. MEMBERSHIP

4.1 Composition and Size

- (a) The Committee shall be comprised of a minimum of three suitably qualified and experienced Directors. The Board may nominate an independent member.
- (b) NSL employees are excluded from being members of the Remuneration and Nomination Committee. Members of NSL Management may attend meetings of the Committee by invitation.
- (c) At least one member of the Committee must have experience of remuneration and nomination policies and practices.

4.2 Commitment of Committee Members

Committee Members are expected to devote the necessary time and attention for the Committee to carry out its responsibilities. At the first Committee Meeting after their appointment and when the Board reviews the Committee membership, each Committee Member must confirm that they are able to devote sufficient time and attention to the Committee for the coming year.

5. CONFLICT OF INTEREST

To meet the fiduciary obligations, members must declare any conflicts of interest, whether actual, potential, apparent, or likely to arise, and manage those in consultation with the Chair. In relation to specific agenda items of Committee meetings, real, potential, or apparent conflicts of interest are to be advised at the beginning of each Committee meeting. A register of conflicts of interest will be maintained by the Secretariat. Committee members (and other attendees) must, at the start of the meeting, declare any conflicts of interest whether actual, potential, or perceived. The Chair of the Committee must require the conflicted person to leave the room while the remaining members determine whether the conflicted person is entitled to attend the meeting for the discussion.

6. CHAIRPERSON

- (a) The Chairperson of the Committee must be an independent Director and be a person other than the Chairperson of the Board.
- (b) The Chairperson must not be the Chairperson of any other Board Committee.
- (c) The Chairperson of the Committee will be appointed by the Board. Where, for any particular Committee Meeting the Committee Chairperson is not present within 15 minutes of the nominated starting time of the Meeting, the Committee may elect a Chairperson for the Meeting.



7. SECRETARY

The Company Secretary is the Secretary of the Committee.

8. COMMITTEE MEETING & PROCEDURES

8.1 Meetings

The Committee shall determine the frequency of meetings, but it would be expected that as a minimum, meetings would be held at least quarterly.

8.2 Proceedings

- (a) The Committee shall meet as often as deemed necessary by the Chairperson but not less frequently than four (4) times per year.
- (b) Decisions of the Committee require a majority vote of members who are present.

Minutes of Committee Meetings will be recorded in a minute book maintained for that purpose and be open all times for inspection by any Director.

8.3 Quorum

A quorum for a meeting of the Committee shall be two (2) members who are directors.

8.4 Attendance by Management and Advisors

The Chief Executive Officer, Executive Managers and Advisors are expected to be available to attend each scheduled Meeting of the Committee, if called upon to do so.

The Committee Chairperson may also invite Directors who are not members of the Committee, other senior managers and external advisors to attend Meetings of the Committee. The Committee may request management and/or others to provide such input and advice as is required.

8.5 Agenda

The Committee Chair will determine the meeting agenda after appropriate consultation.

8.6 Access to Information and Advisors

The Chairperson of the Committee is to receive copies of all reports submitted by the external auditor to management, and reports from the internal auditor to management.

The Committee has the authority to:

- (a) require management or others to attend Meetings and to provide any information or advice that the Committee requires;
- (b) access NSL's documents and records;
- (c) obtain the advice of special or independent counsel, accountants or other experts, without seeking the approval of the Board or Management; and
- (d) access management, internal and external auditors.

8.7 Minutes

- (a) The Secretary will keep minute books to record the proceedings and resolutions of its Meetings.

9. REPORTING

The Chairperson of the Committee will table minutes of Meetings to the Board and advise on any material matters arising out of the Committee Meetings. All Directors may within the Board meeting request information of members of the Committee.

10. RIGHT TO OBTAIN EXPERT ADVICE

The Committee is entitled to obtain the advice of expert advisers or engage appropriately qualified consultants to provide recommendations where it considers necessary to carry out its duties.

11. REVIEW

The Board will, at least once every two (2) years review the membership and Charter of the Committee to determine its adequacy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives and best practice.

Where necessary the Committee may make recommendations to the Board in relation to the Committee's membership, functions or otherwise.

The Charter is to be made available on the NSL's intranet and the key features of the Remuneration for Directors, Executives & Board Appointed Committee Policy published in the Annual Report and website.

12. Document Control


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Document Approvals

Approved by (name)	Title	Signature	Date
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Reginald Monagi	NSL Board Chairman		17/07/2021
			