



# PEOPLE AND PERFORMANCE COMMITTEE CHARTER

INDEPENDENCE GROUP NL



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## 1. INTRODUCTION

The board of directors (**Board**) of Independence Group NL (**IGO**) has resolved to establish a People and Performance Committee of the Board (**Committee**).

The Board has approved this Charter which prescribes the role and responsibilities, composition, structure and membership requirements for the Committee.

## 2. DEFINITIONS

### 2.1 Key Management Personnel

The term Key Management Personnel (KMP) includes those people having authority and responsibility for planning, directing, and controlling the activities of IGO, either directly or indirectly. KMP includes both IGO's executive and non-executive directors.

### 2.2 Remuneration Consultant

A Remuneration Consultant is a person who is not an employee or officer of IGO and who provides remuneration recommendations for one or more members of the KMP under a contract for services with IGO.

## 3. ROLE

The role of the Committee is to review and assist the Board in developing IGO's remuneration framework including incentives, reward and retention strategies and policies. The Committee is accountable to the Board for its performance.

The specific duties and responsibilities of the Committee are outlined below.

## 4. AUTHORITY

Within the scope of its duties and responsibilities, the Committee is generally authorised to:

- Consult with and seek any information from any director of IGO, any employee of IGO or any external party;
- Obtain (at IGO's expense) financial, legal or other professional advice from external consultants or specialists it considers necessary to assist the Committee in meeting its responsibilities; and
- Require the attendance of any IGO employee at Committee meetings.

## 5. COMPOSITION

Committee members are appointed by the Board for a term considered appropriate by the Board. The Board may appoint additional non-executive directors to the Committee and may remove or replace members of the Committee by ordinary resolution.

The Committee must contain:

- A majority of independent directors; and
- At least three members.

If IGO is included in the S&P/ASX 300 Index at the start of its financial year, the Committee must be comprised solely of non-executive directors for the entire duration of that financial year. Members of the Committee may withdraw from the Committee by notifying the Board in writing.

The Chairman of the Committee (the Committee Chair) must be an independent director and may be the Chairman of the Board. If the Committee Chair is unable to attend a Committee meeting, the Committee members present at that meeting must appoint a Committee member to chair the meeting.

All persons appointed to the Committee must have sufficient professional expertise, knowledge and understanding to allow them to discharge their responsibilities.

## 6. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee are as set out in this section. The Board may (from time to time) delegate other responsibilities and functions to the Committee.

### 6.1 Organisational Development and Culture

The Committee will review and make recommendations to the Board in relation to IGO's policies and practices that support the delivery of strategy through people and culture. This may include, but not limited to the following for KMP and other employees:

- Recruitment and retention;
- Learning and leadership development;
- Performance management;
- Talent management including career pathing and succession planning; and
- Culture shaping and innovation.

### 6.2 Remuneration

The purpose of the Committee is to assist the Board in satisfying its responsibilities to IGO shareholders by:

- Reviewing and making recommendation on remuneration policy for KMP and other employees that:
  - Encourages the pursuit of the growth and success of IGO (both in the short term and over the longer term) without taking undue risks;
  - Provides an appropriate balance between IGO's desire to attract and retain key employees against paying excessive remuneration;
  - Provides an appropriate balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to IGO's circumstances and goals;
  - Motivates employees to pursue the long-term growth and success of IGO;
  - Demonstrates a clear relationship between performance and remuneration; and
  - Ensures that remuneration is aligned with relevant market trends.

- Clearly distinguishing the structure of non-executive remuneration from that of executive directors and senior executives;
- Reviewing and monitoring the ongoing appropriateness and relevance of the remuneration policy;
- Reviewing equity based remuneration plans for KMP and other employees;
- Reviewing and commenting on superannuation arrangements;
  - Reviewing and commenting on remuneration by gender including reviewing whether there is any gender bias or other inappropriate bias in remuneration for directors, senior executives or other employees;
- Appointing Remuneration Consultant(s) for IGO, and receiving, reviewing and considering their recommendation(s), each in accordance with IGO's policy on the use of Remuneration Consultants and the overarching requirements of the Corporations Act 2001 (Cth); and
- When making the above recommendations to the Board:
  - Considering the ASX Corporate Governance Council's guidelines in respect of executive remuneration packages and non-executive director remuneration set out in the ASX Corporate Governance Principles and Recommendations; and
  - Ensuring that both cash and equity-based remuneration is structured in accordance with the thresholds and restrictions under IGO's Constitution, the ASX Listing Rules and the Corporations Act 2001 (Cth).

### 6.3 Executive Directors and KMP

The Committee must:

- Consider and make recommendations to the Board on the remuneration for each executive director and senior executive (including base pay, incentive payments, equity awards, retirement rights, termination payments and service contracts) having regard to remuneration policy; and
- Review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) for each executive director and senior executive.

### 6.4 Non-Executive Directors

The Remuneration Committee must:

- Consider and make recommendations to the Board on the remuneration for each non-executive director (as distinct from the remuneration structures of executive directors and senior executives) having regard to the remuneration policy; and
- Review the on-going appropriateness and relevance of the remuneration policy for non-executive directors.

## 6.5 Remuneration Consultants

If the Board is considering retaining a Remuneration Consultant to provide advice to the Board, the Committee must:

- Ensure that the Remuneration Consultant is sufficiently independent and the Committee has set aside sufficient time to ensure such independence;
- Approve the Remuneration Consultant prior to binding documentation being entered into between IGO and the Remuneration Consultant;
- Receive, review and consider the recommendation(s) of the Remuneration Consultant;
- Review the appointment of the Remuneration Consultant each year having regard to their independence, their competence to provide unbiased advice to IGO, their consultancy fees and any questions of resignation or dismissal; and
- Report to the Board each year on the performance of the Remuneration Consultant.

To the extent an executive director is a member of the Committee, that executive director must excuse himself or herself from, and not participate in, the matters set out above. The Committee must ensure that no executive director is provided with any recommendation(s) from the Remuneration Consultant (whether such executive director is a member of the Committee or otherwise).

## 6.6 Superannuation

The Committee will ensure that IGO carries out its obligations in respect of superannuation, retirement benefits and other related benefits and entitlements.

## 6.7 Annual Reporting

The Committee will:

- Review the remuneration report included in IGO's annual reports and make recommendations to the Board in relation to the remuneration report included in IGO's annual report; and
- Review the remuneration policy disclosures made in the Annual Corporate Governance Statement for consistency with the remuneration principles of the ASX Corporate Governance Principles and Recommendations.

The Company will disclose this Charter on its website and will disclose the following in its Annual Corporate Governance Statement:

- Committee membership;
- The relevant experience and qualifications of each Committee member;
- The number of times the Committee has met during the financial year; and
- The individual attendances of members at Committee meetings.

## 6.8 Termination Payments for KMP

The Committee will review termination payments for KMP to ensure that they are consistent with the law and the rules of any incentive scheme and the remuneration policy, and that any payments are fair to the individual, and to IGO, and that failure is not rewarded and the duty to mitigate loss is fully recognised.

## 7. ADMINISTRATIVE MATTERS

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will meet at least twice each year. A quorum consists of the lesser of two members or a majority of members of the Committee.

The Company Secretary will attend all Committee meetings as minute secretary. All minutes of the Committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

The minutes of a Committee meeting will be included in the papers for the next full Board meeting after each Committee meeting.

The company will disclose this Charter on its website and will disclose the following in its Annual Corporate Governance Statement:

- Committee membership;
- The number of time the Committee has met during the financial year; and
- The individual attendances of members at Committee meetings.

## 8. REPORTING

The Committee must regularly update the Board about its activities and ensure that the Board is aware of any matter relating to the Committee which may significantly impact the affairs of IGO. The Committee will do this by:

- Providing a report of the Committee's activities for inclusion in the Board papers for the next Board meeting following a Committee meeting (this report must include copies of the relevant Committee meeting agenda, papers and minutes);
- If requested, the Committee Chair providing an oral report about any material matters arising out of a Committee meeting; and
- At relevant Board meetings, providing the information that has been requested by a director.

## 9. REVIEW

The Board will, at least once in each year review the membership, performance and Charter of the Committee to ensure it remains consistent with the Board's objective and responsibilities.

## 10. CONTACT DETAILS

If you are in any doubt regarding this Standard, you should contact the Company Secretary at:

Independence Group NL, PO box 496, South Perth, WA 6951

Phone: 08 9238 8300

Email: [contact@igo.com.au](mailto:contact@igo.com.au), Attention: the Company Secretary