



Oliver's Real Food Limited  
ACN 166 495 441

# 2020 REMUNERATION & NOMINATION COMMITTEE CHARTER

# Contents

1	PURPOSE	1
2	MEMBERSHIP	1
3	AUTHORITY AND POWERS	2
4	MEETINGS	2
5	RESPONSIBILITIES – SENIOR EXECUTIVE REMUNERATION AND PERFORMANCE REVIEW FUNCTION	3
6	RESPONSIBILITIES – BOARD NOMINATIONS FUNCTION	4
7	REPORTING TO THE BOARD	5
8	COMMITTEE REVIEW	5

**OLIVER'S REAL FOOD LIMITED ACN 166 495 441****1 PURPOSE**

**1.1 The Remuneration and Nomination Committee (Committee) is a committee of the Board of Oliver's Real Food Limited ACN 166 495 441 (Group or the Company) with the specific powers delegated as set out in this Charter in accordance with the Group's constitution and Board Charter.**

**1.2 The overall role of the Committee is to:**

- (a) review and make recommendations to the Board on remuneration packages and policies related to the Directors and senior executives;
- (b) ensure that the remuneration policies and practices are consistent with the Company's strategic goals and human resources objectives;
- (c) review and make recommendations in relation to the composition and performance of the Board and its Committees;
- (d) ensuring that effective induction and education procedures exist for new Board appointees and key executives;
- (e) ensure that Directors and senior management are remunerated fairly and responsibly; and
- (f) ensure that adequate succession plans are in place (including for recruitment and appointment of Directors and management).

1.3 The Committee does not relieve any Directors of their responsibilities for these matters.

**2 MEMBERSHIP**

**2.1 Unless the Board determines otherwise, the Committee will comprise at least three non- executive Directors a majority of whom must be independent. The Chairman will be an independent non-executive Director. Only non-executive Directors may be members of the Committee.**

**2.2 The Committee members must be proposed by the Chairman of the Board and approved by the Board.**

**2.3 Members of the Committee must have an appropriate level of understanding of:**

- (a) the principles of corporate governance, including knowledge of the Australian Securities Exchange (ASX) Corporate Governance Council's Principles and Recommendations;
- (b) the Company's businesses and organisation structure;
- (c) the functions of the Board and the various roles and responsibilities of Directors and other key executive positions;
- (d) Company management, at a senior management level;
- (e) the disclosure requirements under the Corporations Act 2001 (Cth) and the ASX Listing Rules in respect to executive and Director remuneration; and
- (f) the complexities involved in negotiating and determining executive remuneration packages.

**2.4 A member of the Committee may, with the approval of the Committee Chairman and at the Group's expense, attend seminars or training courses in respect of issues related to the functions and responsibilities of the Committee.**

**2.5** Cessation as a Director of the Board automatically terminates appointment as a member of the Committee.

**2.6** The Committee Secretary will be a Company Secretary of the Company or the Company Secretary's nominee.

### **3 AUTHORITY AND POWERS**

**3.1** The Committee has authority to:

- (a) investigate any activity within its Charter and any matters specifically requested by the Board;
- (b) delegate authority to subcommittees;
- (c) obtain outside legal or other independent professional advice as necessary to assist the Committee in the proper exercise of its powers and responsibilities, with the cost to be borne by the Group.

**3.2** The Committee has unrestricted access to company records and any other document, report, material or information in the possession of an employee or external adviser of the Group. The Committee, as appropriate, has unrestricted access to all staff or external advisers of the Group.

### **4 MEETINGS**

**4.1** The Committee will meet regularly, at the times determined by the Committee Chairman, but not less than two scheduled times a year.

**4.2** A member of the Committee may request that a meeting of the Committee be convened at any other time.

**4.3** A quorum shall be any 2 members.

**4.4** The Committee may invite anyone it regards as appropriate to attend a meeting of the Committee.

**4.5** Board members may attend any meeting of the Committee.

**4.6** Should the Chairman of the Committee be absent from the meeting, the members of the Committee present at the meeting have the authority to choose one of their number to chair that particular meeting.

**4.7** The Committee Secretary will distribute in advance of a meeting the Committee agenda and any related papers to each member of the Committee and any other persons determined by the Committee.

**4.8** Where a member has a conflict of interest in a matter, the Committee Secretary will provide the person with notice of the matter but, unless the other members of the Committee determine otherwise, will not provide that person with papers in relation to that matter.

**4.9** The Committee Secretary will prepare minutes of meetings and have them approved by the Chairman. Minutes of meetings shall be confirmed at the next meeting of the Committee.

## 5 RESPONSIBILITIES – SENIOR EXECUTIVE REMUNERATION AND PERFORMANCE REVIEW FUNCTION

### 5.1 The Committee has the following specific responsibilities with respect to the senior executive and performance review functions delegated to it by the Board:

- (a) Policies and structures:
- (i) reviewing and recommending to the Board arrangements for the executive Directors and senior executives, including any unusual contract terms, annual remuneration and participation in the Company's short and long term incentive plans. In fulfilling this role, the Committee will have regard to the Company's remuneration policy to ensure that the structure of the remuneration package:
    - A. is market related and appropriate for the responsibilities of the role;
    - B. recognises and rewards performance; and
    - C. provides a balance between fixed and incentive pay, which in turn motivates that person, as part of management, to pursue the long term growth and success of the Company within an appropriate control framework;
  - (ii) reviewing and approving the general remuneration framework for employees of the Company, including administration and operation of the Company's short and long term incentive plans, performance targets and bonus payments for senior management and other employees, and including remuneration by gender;
  - (iii) reviewing and approving the Company's remuneration, recruitment, retention, succession and termination policies and procedures for senior management including reviewing and approving major changes and developments in the Company's remuneration, recruitment, retention, succession and termination policies for senior management;
  - (iv) reviewing and approving major changes and developments in the Company's superannuation arrangements, personnel practices and industrial relations strategies;
  - (v) reviewing and recommending to the Board major changes and developments to the Company's employee equity incentive plans (if any);
  - (vi) determining whether offers are to be made under any or all of the Company's employee equity incentive plans (if any) in respect of a financial year;
  - (vii) reviewing and recommending to the Board the remuneration arrangements for the Chairperson and the non-executive Directors of the Board, including fees, travel and other benefits. The remuneration packages of non-executive Directors should generally be fee based and the Committee must ensure that:
    - A. there is a clear distinction between the structure of non- executive Directors' and executive Directors' remuneration; and
    - B. non-executive Directors do not:
      - a) participate in remuneration schemes designed for executive Directors; or
      - b) receive options, bonus payments or retirement benefits other than statutory superannuation without the approval of the Company's shareholders or otherwise in compliance with the ASX Listing Rules;
  - (viii) making recommendations to the Board regarding the remuneration framework for Directors, including in relation to:
    - A. the level of fees payable to each non-executive Director with the maximum aggregate level of remuneration approved by shareholders;
    - B. any changes to the maximum aggregate level of remuneration approved by shareholders;
    - C. the manner in which fees may be taken; and
    - D. any other applicable arrangements, including for example, fees in relation to retirement benefits, payment of fees for special exertions, Director expense claims and ad hoc Committee fees;

- (ix) ensuring that the Board and management have available to them sufficient information and external advice to ensure informed decision-making regarding remuneration; and
- (x) in respect of external advice on remuneration-related matters:
  - A. engaging remuneration consultants and receiving any advice and/or recommendations from them with respect to the setting of executive remuneration;
  - B. considering any potential conflicts of interest when remuneration consultants are selected and ensuring that their terms of engagement regulate their level of access to, and require their independence from, management;
  - C. setting parameters for the interaction between remuneration consultants and management; and
  - D. where appropriate, communicating the recommendation of any remuneration consultant to persons within the Company.
- (b) Monitoring and review:
  - (i) monitor, review and report to the Board, at least annually, the relative proportion of women and men in the workforce at all levels of the Company and remuneration by gender;
  - (ii) monitoring and reviewing the remuneration and incentive programs established by the Board and making recommendations to the Board as to any desirable changes and any payments arising thereto; and
  - (iii) monitoring and reviewing the setting of remuneration to ensure that no Director is responsible for appraising his or her own performance or solely responsible for recommending his or her own level of remuneration for Board approval.

## 6 RESPONSIBILITIES – BOARD NOMINATIONS FUNCTION

### 6.1 The Committee has responsibility for the following Board nomination functions:

- (a) reviewing and recommending to the Board the size and composition of the Board, including reviewing Board succession plans and the succession of the Chairperson and Chief Executive Officer;
- (b) assisting the Board in the appointment, election, re-election and performance of Directors (subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of himself or herself) and in performing this role the Committee will:
  - (i) consider general principles of Board diversity;
  - (ii) assess the necessary and desirable competencies of Directors;
  - (iii) assess that Directors have the appropriate mix of competencies to enable the Board to discharge its responsibilities effectively;
  - (iv) develop Board succession plans so that an appropriate balance of skills, experience, expertise and diversity is maintained;
  - (v) make recommendations to the Board relating to the appointment, election, re-election, performance and retirement of Directors;
  - (vi) review the time commitment required from non-executive Directors and whether Directors are meeting that commitment; and
  - (vii) schedule regular Board performance reviews.
- (c) assisting the Board as required in relation to the performance evaluation of the Board, its committees and individual Directors, and in developing and implementing plans for identifying, assessing and enhancing Director competencies;
- (d) implementing an induction program that enables new Directors and executives to gain an understanding of:
  - (i) the Company's financial, strategic, operational and risk management position;
  - (ii) their rights, duties and responsibilities; and
  - (iii) the role of any Board committees;

- (e) no less than on an annual basis, reviewing and making recommendations to the Board about the development, implementation and effectiveness of board diversity policies; and
- (f) when it is considered appropriate, the Committee is to review the composition of other committees established by the Board and submit recommendations to the Board for changes to those committees.

## **7 REPORTING TO THE BOARD**

### **7.1 The Committee reports to the Board.**

**7.2 The Committee shall consider at each meeting whether any significant matters should be brought to the attention of the Board. The Committee will endeavour to raise these matters in a form and timeframe that assists the Board to discharge its duties effectively.**

**7.3 The Committee must provide the Board with advice and recommendations regarding the appropriate material and disclosures to be included in the corporate governance section of the Company's annual report which relates to the Company's nomination policies and procedures, information concerning the Directors and the performance evaluation of the Board.**

**7.4 The following material or a clear cross-reference to the location of the material should be included in the corporate governance statement in the Company's annual report:**

- (a) the names of the members of the Committee and their attendance at meetings of the Committee;
- (b) the existence and terms of any schemes for retirement benefits, other than superannuation, for non-executive Directors; and
- (c) an explanation for the departures from the recommendations.

## **8 COMMITTEE REVIEW**

**8.1 The Committee will perform informal reviews of its membership no less than annually with a view to ensuring it continues to function effectively by reference to current best practice, determine its adequacy for current circumstances, and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.**

**8.2 The Charter will be viewed annually by the Committee. All amendments to the Charter are to be considered and approved by the Board.**