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1 Applicability

This Remuneration and Nomination Committee (“**the Committee**”) Charter applies to all members of the Remuneration and Nomination Committee established by the board of directors (**Board**) of **Black Cat Syndicate Limited** ABN 620 896 282 (“**Black Cat**” or “**the Company**”).

2 Role

The role of the Committee is to assist the Board by making appropriate recommendations to the Board on:

Remuneration related:

- (a) the Company’s remuneration framework for Directors;
- (b) remuneration packages for executives;
- (c) incentive and equity-based remuneration plans for senior executives and other employees, including the appropriateness of performance hurdles and total payments proposed to be made to executives;
- (d) superannuation arrangements for Directors, executives and other employees; and,
- (e) remuneration by gender;

Nomination related:

- (f) succession planning generally, including ensuring that there are plans in place to manage the succession of the Managing Director (**MD**) and other executives;
- (g) induction and continuing professional development programs for Directors;
- (h) the development and implementation of a process for evaluating the performance of the Board, its committees and Directors;
- (i) the process for recruiting a new Director; and
- (j) the appointment and re-election of Directors.



3 Composition

The Board will strive to adhere to the following composition requirements for the Committee. However, the Board acknowledges that the size of the Company and composition of the Board may not allow adherence to these requirements from time to time:

- (a) the Committee shall comprise at least three Directors, the majority being independent non-executive Directors;
- (b) the Committee will be chaired by an independent Director who will be appointed by the Board;
- (c) and the Board may appoint such additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution.

The Board will review the composition of the Committee annually to ensure it comprises the appropriate balance of skills, knowledge and experience to be able to discharge the Committee's mandate effectively.

4 Responsibilities

The Committee has the following responsibilities in its duty to make recommendations to the Board:

4.1 Remuneration

- (a) reviewing the Company's Remuneration Policy;
- (b) reviewing executives' remuneration and incentives;
- (c) reviewing the remuneration framework for non-executive Directors, including the process by which the pool of Directors' fees approved by shareholders is allocated to Directors;
- (d) reviewing and making recommendations on incentive compensation plans, including equity based plans;
- (e) reviewing superannuation arrangements for Directors, executives and other employees;
- (f) reviewing termination payments¹;
- (g) reviewing remuneration related reporting requirements, including disclosing a summary of the Company's policies and practices (if any) regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements and a summary of the Company's policies and practices regarding any minimum shareholding ('skin in the game') requirements (if any) for non-executive Directors;
- (h) reviewing whether there is any gender or other inappropriate bias in remuneration for Directors, executives or other employees;
- (i) monitoring compliance with applicable legal and regulatory requirements relevant to remuneration-related matters and any changes in the legal and regulatory framework in relation to remuneration;
- (j) verifying the composition of the Committee is in accordance with this Charter;

¹ Note also the restrictions that apply under sections 200 to 200J of the Corporations Act 2001 (Cth) to termination payments by companies incorporated in Australia (and their associates) to those who hold a managerial or executive office in the company or in a related body corporate.



- (k) reviewing and recommending updates to the Committee Charter; and
- (l) performing such other functions related to this Charter as requested by the Board.

4.2 Nomination

- (a) **Size and composition of the Board:** Regularly reviewing the size and composition of the Board and considering any appropriate changes to the Board and identifying and assessing necessary and desirable skills and competencies using a skills matrix and providing advice on the skills and competency levels of Directors with a view to enhancing the Board, including considering what training or development could be undertaken to fill any gaps identified.
- (b) **Board skills matrix:** Developing and recommending to the Board for approval the board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership for inclusion in the Company's corporate governance statement.
- (c) **Succession planning:** Reviewing any succession plans for the Board, MD and other executives.
- (d) **Induction and continuing professional development:** Developing the Company's induction program and developing the appropriate programs so that Directors have access to ongoing education relevant to their position in the Company.
- (e) **Performance evaluation:** Developing a process for the evaluation of the Board, its committees and individual Directors.
- (f) **Director selection and (re)appointment:** Developing the Company's policy for the selection and (re)appointment of Directors, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment.
- (g) **Diversity:** Making recommendations to the Board as to appropriate measurable objectives for achieving diversity, and annually reviewing those objectives and the Company's progress towards achieving them.
- (h) **Other:** Performing such other functions related to this Charter as requested by the Board.

5 Operations

The Committee meets at least once per year and otherwise as required. Minutes of all meetings of the Committee are kept. The minutes are tabled at each subsequent meeting of the Board. Committee meetings will be governed by the same rules set out in the Company's Constitution as they apply to meetings of the Board.

6 Engaging Remuneration Consultants

A **Remuneration Consultant** is a person: (a) who makes a Remuneration Recommendation under a contract for services with the Company to whose Key Management Personnel the recommendation relates; and (b) who is not an officer or employee of the Company.

Key Management Personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Directors (whether executive or otherwise) of the Company. A **Remuneration Recommendation** is defined in section 9B of the Corporations Act 2001 (Cth) (**Corporations Act**).



If the Company engages a Remuneration Consultant, it is the Committee which is responsible for that engagement.

The Committee will, in accordance with any policies or guidelines set by the Board from time to time:

- (a) ensure that the requirements of Part 2D.8 of the Corporations Act are complied with including:
 - (i) reviewing and approving all remuneration consultancy contracts (as defined in section 206K(1) of the Corporations Act) before they are entered into by the Company; and
 - (ii) ensuring that any Remuneration Recommendation is provided directly to the Committee (excluding any executive Directors on the Committee) and that the Remuneration Recommendation is not provided to a person who is neither a Director of the Company or a member of the Committee;
- (b) put in place arrangements to ensure that a Remuneration Consultant is not unduly influenced by a member or members of Key Management Personnel to whom a Remuneration Recommendation relates;
- (c) ensure that the Company's remuneration report includes the details relating to Remuneration Consultants as required by section 300A(1)(h) of the Corporations Act;
- (d) authorise the distribution of any Remuneration Recommendation by any person other than the Remuneration Consultant beyond the Committee (excluding any executive Directors on the Committee); and
- (e) set policies or guidelines to ensure that the Company meets its obligations under the Corporations Act, including its reporting obligations, in relation to Remuneration Consultants.

7 Authority and Resources

The Company will provide the Committee with sufficient resources to undertake its duties, including providing educational information relevant to the Company, to assist the Committee in fulfilling its duties.

The Committee is authorised to:

- (a) seek any information it requires to perform its duties, from any employee of the Company (but no individual should be directly involved in deciding their own remuneration);
- (b) obtain, at the Company's expense, external legal or other professional advice on any matter within its responsibilities as set out in this Charter; and,
- (c) seek input or advice from external consults or other specialists. For example, the Committee may engage external consultants in its search for a new Director, particularly as a means to increase the presentation of candidates which meet the requirements and objectives of the Company's Diversity Policy.

The Committee has the power to conduct or authorise investigations into any matter within its scope of responsibilities.



8 Reporting

The Chairman of the Committee will report to the Board, at the following Board meeting, on the proceedings of each meeting of the Committee, bringing forward all recommendations of the Committee which require Board approval, and reporting on any actions taken by the Committee.

The Committee must inform the Board of any matter which may significantly impact on Black Cat in a timely manner.

9 Review

This Charter will be reviewed at least annually and updated as required.