



Sierra Rutile

People and Nomination Committee Charter

Sierra Rutile Holdings Limited

ACN 613 822 165

Adopted by the Board with effect from 27 July 2022

1 Introduction

- (a) The Board of directors (**Board**) of Sierra Rutile Holdings Limited (the **Company**) has established a People and Nomination Committee (the **Committee**).
- (b) This Charter sets out the specific responsibilities delegated by the Board to the Committee and the Committee's objectives, authority, responsibilities, composition and operation.

2 Committee Membership

- (a) The Committee must consist of:
 - (1) only non-executive directors;
 - (2) a minimum of three members, a majority of whom are independent; and
 - (3) an independent director as Chair.
- (b) Members and the Chair of the Committee will be appointed by the Board.

3 Role and Responsibilities

3.1 Overview

- (a) The overall purpose of the Committee is to assist the Board by:
 - (1) overseeing the Company's overall remuneration strategy and its application to the directors, senior executives and employees as a whole;
 - (2) overseeing succession planning for the Chief Executive Officer (**CEO**) and other senior executives;
 - (3) overseeing the Company's approach to Board composition and evaluation and Board succession; and
 - (4) overseeing the Company's diversity strategy, policy and practices.
- (b) The Committee will assist the Board by advising the Board and making appropriate recommendations in relation to aspects within its responsibilities. The Committee does not make decisions on behalf of the Board unless such authority in respect of any matter is expressly delegated by the Board.
- (c) The Committee will consider any matters or issues referred to it by other Committees that are relevant to its responsibilities.

3.2 Remuneration and people

The responsibilities of the Committee include:

- (a) overseeing the undertaking of appropriate background checks in the selection of the Chief Executive Officer (**CEO**);
- (b) reviewing on a regular basis executive succession planning for the CEO;

- (c) overseeing the undertaking of appropriate checks and upon the CEO's recommendation, ratifying the appointment of and where appropriate the removal of, and evaluating the performance of senior executives reporting to the CEO;
- (d) determining and recommending to the Board for approval, the remuneration arrangements, terms of employment and other benefits for the CEO and other senior executives reporting to the CEO;
- (e) overseeing the undertaking of appropriate checks before appointing a director or putting forward to shareholders a candidate for election as a director, including checks as to the person's character, experience, education, criminal record and bankruptcy history;
- (f) reviewing and recommending to the Board the remuneration arrangements for the Chair and the non-executive directors, including fees, travel and other benefits;
- (g) in consultation with the CEO, reviewing and approving the annual remuneration review applying generally across the Company;
- (h) ensuring the Company's remuneration framework, policies and practices support the Company's strategic objectives and long-term financial soundness and promotes behaviours that align with its purpose, values and risk appetite;
- (i) reviewing remuneration by gender and approving strategies or changes to address any pay bias;
- (j) reviewing and facilitating shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices;
- (k) overseeing and administering (where appropriate, through its delegate) the Company's executive and employee incentive arrangements, including:
 - (1) reviewing and approving short term incentive strategy, performance measures and bonus payments;
 - (2) reviewing and approving the total target reward, including short and long term incentives, for the CEO and other senior executives (with the CEO's input for other executives);
 - (3) considering the outcomes of incentive awards for employees other than senior executives; and
 - (4) ensuring that both positive and negative risk behaviours are reflected in remuneration outcomes for participants;
- (l) reviewing major changes and developments in the Company's:
 - (1) remuneration policies, superannuation arrangements, employment practices and industrial relations strategies; and
 - (2) remuneration, recruitment, retention and termination policies and procedures for senior executives;
- (m) overseeing the preparation of the Remuneration Report and making recommendations to the Board as to its adoption in the annual Directors' Report;
- (n) ensuring senior executives do not participate in the portion of any meeting at which their senior executive remuneration or its structure are discussed;
- (o) approving the appointment of remuneration consultants for the purposes of the Corporations Act 2001, and ensuring any advice obtained is provided directly to the Committee;
- (p) reviewing succession plans for the CEO and other senior executives and identifying potential candidates; and

- (q) monitoring the development of key strategies and remuneration policies aimed at improving the organisation's culture, executive development, succession and career planning practices.

3.3 Board Composition and Evaluation

In relation to Board composition and evaluation the responsibilities of the Committee include:

- (a) assisting the Board to develop and review a Board skills matrix setting out the mix of knowledge, experience, qualifications, backgrounds, diversity and other dimensions that are necessary for effective company governance and leadership;
- (b) reviewing existing directors' backgrounds against this matrix for the purposes of development and succession;
- (c) reviewing and recommending to the Board the size and composition of the Board and potential director appointments, including:
 - (1) reviewing Board succession plans and the succession of the Chair having regard to the objective that the Board comprise directors from a broad range of backgrounds with diverse skills, expertise, experience and gender;
 - (2) making recommendations for the re-election of directors, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves; and
 - (3) assisting the Board as required to identify individuals who are qualified to become Board members;
- (d) assisting the Board as required in relation to the performance evaluation of the Board, its committees and individual directors, other than executive directors;
- (e) overseeing the regular assessment of, and making recommendations to the Board as to, the independence of each director and associated disclosures.

3.4 Code of Conduct and equal opportunity

The responsibilities of the Committee include:

- (a) reviewing the Company's compliance with equal employment opportunity and anti-discrimination legislation; and
- (b) monitoring compliance with the Company's Code of Conduct and receiving information regarding any material breaches of the Code and actions taken by management in relation to such breaches.

3.5 Diversity

The responsibilities of the Committee include, on an annual basis:

- (a) approving the Company's measurable diversity objectives with regard to the composition of the Board, the senior executive team workforce;
- (b) assessing both the objectives and the Company's progress against them, including considering the results of any gender pay equity audits undertaken during the year, and approving any changes to the diversity objectives or strategies; and
- (c) reviewing the relative proportion of women and men on the Board, in the senior executive team and in the general workforce, and submitting a report to the Board that outlines the Committee's findings or, if applicable, providing the Board with the Company's most recent indicators as required by the *Workplace Gender Equality Act 2012*.

4 Committee process

4.1 Meetings

- (a) It is intended that the Committee will meet at least twice a year. Meetings may be requested by any member of the Committee.
- (b) A quorum for the Committee is two members.
- (c) Directors who are not members of the Committee have a standing invitation to attend Committee meetings.
- (d) The Chair may invite members of senior executives or other persons to attend meetings as appropriate.

4.2 Secretarial

The Company Secretary or their delegate will be the secretary of the Committee and will be responsible for the minutes of the meeting.

4.3 Reporting to the Board

- (a) The Committee Chair will report to the Board after each Committee meeting and will make recommendations to the Board as appropriate.
- (b) A copy of the minutes of the Committee will also be provided to the Board with the Board papers.
- (c) The Committee will also consider if any material matters arising out of the Committee meeting should be advised to any other Committee and, if so, recommend to the Board that this occurs.

4.4 Access to Information and Independent Advice

- (a) The Committee is to have access to adequate internal and external resources, including the right to interview management and obtain information upon request.
- (b) The Committee may seek the advice of the Company's auditors, solicitors or other independent advisers as to any matter pertaining to the powers, duties or responsibilities of the Committee as required.

5 Review Process

The Board will periodically review the membership and Charter of the Committee to determine their adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, Charter, functions or otherwise.