



Make a *Difference*

# Remuneration Committee Charter

21 February 2019



## 1. PREAMBLE

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- 1.1 In accordance with its Charter, the Board of Ricegrowers Limited (“SunRice”) has established the Remuneration Committee (“the Committee”) to assist it in reviewing and making recommendations on the overall direction and determination of SunRice’s strategies in respect of remuneration, benefits and compensation, recognition of executive and employee performance, talent management, succession planning diversity and inclusion, and executive development matters.
- 1.2 The Board requires that each Board Committee must have its own Charter addressing matters relevant to each Committee’s composition, responsibilities and administration. It is also required that each Committee’s Charter is approved by the Board and reviewed by the Committee at least every two years.
- 1.3 The scope of the Committee’s role extends from Non-Executive Directors through executive management and to all employees of SunRice.

## 2. PURPOSE

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- 2.1 The Committee is to assist the Board in ensuring that SunRice adopts and implements remuneration and compensation policies which:
  - 2.1.1 attract, retain and motivate high calibre Executives and Directors so as to encourage enhanced performance and as a consequence facilitate in the attraction and retention of high performing employees;
  - 2.1.2 are consistent with human resource needs, meet statutory requirements and adhere to SunRice’s policies and procedures;
  - 2.1.3 motivate Directors and Management to pursue the long-term growth and success of SunRice within an appropriate control framework; and
  - 2.1.4 demonstrate a clear relationship between key executive performance and remuneration, compensation and benefits.

## 3. AUTHORITY

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- 3.1 The Committee is authorised by the Board to:
  - 3.1.1 perform activities within the terms of its Charter;
  - 3.1.2 seek such information as it requires from any external party or, through executive management, any employee;
  - 3.1.3 obtain the assistance of suitably qualified external parties, where it is considered necessary, to carry out its responsibilities; and
  - 3.1.4 refer matters to, seek clarification and/or seek advice from other Board Committees as appropriate.

## 4. ORGANISATION

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### 4.1 Membership

- 4.1.1 The members of the Committee and the Chairman of the Committee will be appointed by the Board.
- 4.1.2 The Committee shall comprise of at least 3 Non-Executive Directors.
- 4.1.3 The quorum will be 2 Non-Executive Directors.
- 4.1.4 The duties and responsibilities of a member of the Committee are in addition to any held as a member of the Board.
- 4.1.5 The Company Secretary shall be the Secretary of the Committee, if in attendance; otherwise the General Manager, Human Resources shall act as Secretary.

### 4.2 Meetings

- 4.2.1 Only Committee members are entitled to attend meetings.
- 4.2.2 Other Board members may attend meetings with reasonable notice and the approval of the Chairman of the Committee and may request copies of Committee papers, but shall not be entitled to vote.
- 4.2.3 Employees and/or advisors may be invited to attend meetings but shall not be entitled to vote.
- 4.2.4 The Chairman of the Committee shall call meetings as necessary, but not less than twice per year.
- 4.2.5 A Notice of Meeting, the agenda, and supporting documentation for each meeting must be given to each member of the Committee and the Secretary of the Committee within a reasonable time for each meeting.
- 4.2.6 Decisions at a meeting of the Committee shall be determined by a majority of votes of the members present and voting. The Chairman of the Committee shall have a casting vote in addition to a deliberative vote.
- 4.2.7 Minutes of meetings shall be circulated to all Members after approval by the Chairman of the Committee.
- 4.2.8 Members should use their best endeavours to attend every meeting of the Committee. Attendance may be in person, or by telephone or videoconference, if appropriate.
- 4.2.9 The Committee may meet with representatives of external consulting firms, without management present, as required.

## 5. ROLES AND RESPONSIBILITIES

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- 5.1 The responsibility of the Committee is to provide an oversight of the SunRice Group's broad remuneration strategy, plans, policies and practices, with a view to assisting the Board to ensure that:
  - 5.1.1 the level and composition of remuneration of executives and Directors is sufficient and reasonable and, in the case of senior executives is linked to Group and individual performance;
  - 5.1.2 the integrity of the SunRice Group's remuneration strategies and practices is safeguarded;
  - 5.1.3 grower, shareholder and employee interests are aligned;
  - 5.1.4 independent reviews of remuneration proposals are undertaken as required; and
  - 5.1.5 the SunRice Group complies with relevant legislative requirements.
- 5.2 The duties of the Committee shall include reviewing and, where appropriate, making recommendations to the Board on remuneration, compensation and benefits, including:
  - 5.2.1 executive remuneration policies;
  - 5.2.2 the remuneration packages of executives including short and long term remuneration targets and outcomes, including performance targets;
  - 5.2.3 employment contracts of executives;
  - 5.2.4 incentive policies and schemes;
  - 5.2.5 termination payments for executives;
  - 5.2.6 executive and Board development programs;
  - 5.2.7 superannuation arrangements including receiving reports from the Superannuation Policy Committee;
  - 5.2.8 the consistency of the SunRice Group's remuneration and diversity policies, recruitment practices, training and development processes with strategic goals and People and Performance initiatives;
  - 5.2.9 the terms and conditions of appointment of Directors, including the retirement allowances and remuneration framework for Directors; and



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- 5.2.9.1 SunRice's Diversity and Inclusion strategy, including remuneration by gender.
- 5.3 Review of the Committee Charter
  - 5.3.1 The Committee will review the Committee Charter periodically (and at least every two years) and recommend any amendments to the Board for approval.
- 5.4 Evaluating Performance
  - 5.4.1 The Committee will evaluate the performance of the Committee on a collective basis every second year and assess the achievement of the requirements of the Committee Charter and report the results to the Board.
- 5.5 Other
  - 5.5.1 The Committee will perform any other responsibilities as may be delegated to it by the Board from time to time.