



Make a *Difference*

People and Remuneration Committee Charter

June 2020



1. ROLE OF THE COMMITTEE

- 1.1 The People and Remuneration Committee (Committee) of the Board of Ricegrowers Limited trading as SunRice and its related bodies corporate (“Company” or “Group”) has been established to assist the Board in discharging its responsibilities on a range of matters relating to:
- 1.1.1 Remuneration Strategy and Framework.
 - 1.1.2 People Policy, including diversity and inclusion, employee engagement, organisational culture, talent management, training and development and succession planning for the Chief Executive Officer (CEO) and direct reports to the CEO.
 - 1.1.3 Remuneration arrangements and Incentive Plans for the CEO and their direct reports.
 - 1.1.4 Performance Management.
 - 1.1.5 Equity Plans for Employees and Non-Executive Directors (NEDs).
- 1.2 In carrying out its role the Committee will oversee people and remuneration practices so that they:
- 1.2.1 Are aligned to the Group’s remuneration policy and do not reward conduct that is contrary to the Group’s purpose, values, strategic objectives and risk appetite.
 - 1.2.2 Support Group performance and long term success.
 - 1.2.3 Are aligned with the Group’s corporate governance practices and comply with legal and regulatory requirements.
 - 1.2.4 Encourage behaviours which appropriately mitigate against operational, financial, non-financial, regulatory and reputational risks.
- 1.3 Receive updates from and provide input into other Board Committees on material financial and non-financial risks or other matters relevant to the determination of remuneration outcomes for the CEO and direct reports to the CEO or other decisions within the responsibility of the Committee.
- 1.4 The Board has delegated authority to the Committee to fulfil its responsibilities as set out in the Section entitled Responsibilities of the Committee of this Charter and may make other delegations to the Committee from time to time.

2. ACCESS TO INFORMATION AND INDEPENDENT ADVICE BY THE COMMITTEE

The Committee have access through the Committee Chair, to:

- 2.1 Independent professional advice they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions.
- 2.2 Management, including the Group Risk Manager and Group Internal Audit Manager to seek explanations and information, if required.
- 2.3 If the Chair of the Board consents, the Group will pay a Committee members’ costs of seeking independent professional advice (including from remuneration experts), with the brief agreed by the Chair and Company Secretary. That consent may not be unreasonably withheld or delayed. Copies of the advice must be made available to, and for the benefit, of all Board members, unless the Chair of the Board agrees otherwise. The engagement and any advice received will be independent of Management.

- 2.4 The Committee will approve the appointment of any remuneration consultants for the purposes of the Corporations Act 2001 (Cth) and will adopt protocols relation to engagement of and communications with remuneration consultants.
- 2.5 The General Manager People and Culture is responsible for the preparation, presentation and integrity of the information provided to the Committee to support decision making, and the effective oversight of the people, remuneration and performance frameworks and practices, by the Committee.

3. MEMBERSHIP

- 3.1 The members of the Committee and the Chairman of the Committee will be appointed by the Board.
- 3.2 The Committee shall comprise of at least three (3) NED
- 3.4 The Company Secretary shall be the Secretary of the Committee, if in attendance, otherwise the General Manager, People and Culture shall act as Secretary.

4. ROLE OF THE CHAIR

- 4.1 The Committee Chair must not be the Chair of the Board.
- 4.2 The Committee Chair is responsible to lead the Committee and oversee the processes for the Committee's performance of its role in accordance with this Charter.
- 4.3 The Committee Chair will attend and be available to answer questions regarding the Remuneration Report at the Annual General Meeting of the Company.
- 4.4 The Committee Chair has responsibility to:-
- 4.4.1 Foster an open, inclusive and, where appropriate, challenging discussion by the Committee.
 - 4.4.2 Set the agenda with the General Manager People and Culture and the Company Secretary, ensuring that appropriate time and attention is devoted to matters within the responsibilities of the Committee.
 - 4.4.3 Liaise with the General Manager People and Culture to ensure the Committee has the information necessary to enable effective decision-making.

5. MEETINGS

- 5.1 The Committee Chair shall call meetings as necessary, typically four times per year.
- 5.2 The presence of one half of the members of the Committee will constitute a quorum.
- 5.3 All NEDs are entitled to attend meetings of the Committee where there is no conflict of interest and with the prior consent of the Committee Chair.
- 5.4 Notice of the 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.
- 5.5 Employees and/or advisors may be invited to attend meetings.
- 5.6 Members should use their best endeavours to attend every meeting of the Committee which may be by telephone or videoconference, if appropriate.

5.7 The Committee may meet with representatives of external consulting firms, without management present, as required.

5.8 In the absence of the Chair of the Committee or appointed delegate, the members shall elect one of their number as Chair for that meeting. The Chair has a casting vote in addition to a deliberative vote.

6. REPORTING

6.1 Minutes of the Committee meetings are made available to all Directors.

6.2 The Committee Chair will provide verbal reports on Committee business at the relevant Board meeting and will consider if any material matters arising out of Committee Meetings should be advised to other Committees.

7. ROLES AND RESPONSIBILITY

7.1 Remuneration Strategy and Framework

7.1.1 Review and recommend to the Board the Group's remuneration strategy and framework and policies for NED's, the CEO and senior executives. Seek to ensure the strategy, framework and policies:-

7.1.1.1 Are aligned with the Group's purpose, values, strategic objectives and risk appetite and promote the culture of the Company.

7.1.1.2 Are informed by market practice and trends and legislative and regulatory requirements.

7.1.1.3 Attract and retain high quality NED, CEOs and senior executives.

7.1.1.4 Recognise and reward performance that is aligned with long term stakeholder interests.

7.1.1.5 Protect and enhance the Company's reputation and standing in the community.

7.1.1.6 Align grower, shareholder and employee interests.

7.1.2 Review and recommend to the Board the remuneration arrangements, including performance objectives and outcomes, at least annually for the CEO and the direct reports to the CEO, following an assessment of performance, as well as any termination arrangements.

7.2 People Policy

7.2.1 Review and monitor diversity and inclusion policies, frameworks and strategies across the Group.

7.2.2 Review and monitor executive talent management and development programs applicable to CEO direct reports and other critical roles.

7.2.3 Oversee and review the succession plan for CEO direct reports and other critical roles.

7.2.4 Review and monitor people strategies designed to attract, retain, develop and motivate employees, and consider their effectiveness, including by reviewing the implementation and

progress thereof and considering if they are consistent with the Group's values and desired organisational culture.

- 7.2.5 Monitor staff attrition rates and review and assess the effectiveness of staff retention strategies.
- 7.2.6 Review remuneration by gender and oversee the implementation of strategies to address any identified gaps.
- 7.2.7 Review and monitor engagement action plans arising from the Group's employee engagement survey, including progress reports, and monitor their effectiveness.
- 7.2.8 Review reports on, and develop and monitor and test initiatives to observe organisational culture and provide recommendations to the Board on actions that the Committee considers necessary to instill, or reinforce, the desired organisational culture (with matters relating to risk culture referred to the Finance, Risk and Audit Committee).
- 7.2.9 Consider any other matter relating to organisational culture, as requested by the Board or other Board Committees.
- 7.2.10 Recommending measurable diversity objectives to the Board (other than Board objectives recommended by the Nomination Committee) and monitor progress against those objectives.
- 7.2.10 Reviewing and monitor the Group's mandatory Shareholding Policy.

7.3 Remuneration and Incentive Plans

- 7.3.1 Review and make recommendations to the Board for approval regarding the fees payable to NEDs, within the shareholder approved fee pool limit.
- 7.3.3 Review and recommend to the Board for approval the following:
 - 7.3.3.1 Performance management frameworks, variable remuneration plans and employee share plans.
 - 7.3.3.2 Fixed and variable remuneration arrangements of the CEO and CEO's direct reports.
 - 7.3.3.3 The annual fixed remuneration budget and discretionary variable remuneration pool.
- 7.3.4 Delegate power for the operation and administration of Company incentive plans to management (as appropriate).
- 7.3.5 Oversee the Company's compliance obligations in relation to the remuneration of NED and senior executives.
- 7.3.6 Review superannuation arrangements, including receiving reports from the Superannuation Policy Committee, as well as any significant changes to group wide benefits.

7.4 Performance Management

7.4.1 Review and recommend to the Board for approval:-

7.4.1.1 Performance management frameworks.

7.4.1.2 Performance measures and outcomes, following an assessment of performance, for the CEO and direct reports to the CEO.

7.4.2 Assist the Chairman of the Board in the annual performance review of the CEO.

7.5 Equity Plans

7.5.1 Review and recommend to the Board for approval the design of employee (including the CEO) and NED equity plans.

7.5.2 Approve non-material amendments to existing employee and NED equity plans including any operational and compliance-related changes.

7.5.3 Review and recommend to the Board for approval adjustments to employee equity vesting outcomes, including but not limited to, where vesting conditions have not been met or in relation to a risk or misconduct matter.

7.5.4 Monitoring the progress of performance hurdles under equity-based long-term variable remuneration arrangements and/or incentive plans.

7.6 Remuneration Report

7.6.1 Oversee management's preparation of the annual remuneration report for inclusion in the Group's annual report, and recommend the report to the Board for approval.

7.6.2 Consider the outcome of the shareholder vote on the Remuneration Report and recommend actions to the Board for approval and oversee and monitor the implication of action plans.

7.8 Review of the Committee Charter

7.8.1 The Committee will review the Charter periodically (and at least every two years) and recommend any amendments to the Board for approval.

7.9 Evaluating Performance of the Committee

7.9.1 The Committee will evaluate its performance every second year against the requirements of this Charter and report the results to the Board.

7.10 Other

7.10.1 The Committee will perform any other responsibilities as may be delegated to it by the Board from time to time.