



Remuneration and Nominations (RAN) Committee Terms of Reference Summary

AUSCOAL Superannuation Pty Ltd: ABN 70 003 566 989
Mine Superannuation Fund: ABN 16 457 520 308

1. Introduction

The RAN Committee plays a key role in assisting the Board of the Trustee, throughout its controlled entities, with its responsibilities in ensuring policies on remuneration and related matters are fair and responsible. The RAN Committee through its Nominations functions also plays a key role in assisting the Board of the Trustee with its responsibilities in regard to the selection, appointment and re-appointment of Director roles and the selection and appointment of the CEO and on request, Senior Executive roles for the Group.

The responsibility for these functions remains with the full Board of Directors, even though they may reasonably rely upon the information reported to it by the RAN Committee.

2. Objectives of the Committee

The RAN Committee is a Committee of the Board that provides Directors with a forum to consider and evaluate issues relating to remuneration, organisational structure and associated matters, workplace health and safety, workplace relations and other people related matters in accordance with the terms of reference contained herein. The RAN Committee assists the Board in ensuring the Group through its Board and Senior Executive Team, has the effective skills and competencies to enable the Board to adequately discharge its responsibilities and duties through the implementation and oversight of a Director, CEO and Senior Executive role recruitment and appointment process.

The development and implementation of policies in relation to these terms of reference is to be undertaken in consultation with the Chief Executive Officer of the Trustee (CEO).

The objectives of the RAN Committee are to ensure:

- i) The remuneration of Nominated Persons and remuneration under Nominated Contracts is fair and reasonable and that remuneration determination and associated policies and principles for staff of the Trustee and its subsidiaries are applied consistently and equitably;
- ii) The objectives and structure of remuneration for Nominated Persons and under Nominated Contracts complies with the requirements of APRA Prudential Standard SPS510 'Governance';
- iii) Executive job responsibilities are defined and documented;
- iv) Appropriate nominations processes are utilised to ensure adequate levels of and appropriately skilled prudent persons are available to meet Board and organisational requirements.

3. Composition of the Committee

The RAN Committee consists of at least three (3) Directors as permanent members including the Board Chair. All Committee appointments must be made by the Board.

The Board Chair is not permitted to chair the RAN Committee unless the Board Chair is the only Independent Director (as defined by the SIS Act) on the Board.

4. Duties and Responsibilities of the Committee

The functions of the RAN Committee are to receive reports, review matters and make recommendations to the Board relating to the following areas of responsibility:

4.1 Duties Prescribed by Prudential Standard SPS 510 - Remuneration Policy and Remuneration Determinations

- Make recommendations to the Board in relation to approval of the framework and policy (Remuneration Policy) for fair and responsible remuneration for Nominated Persons and under Nominated Contracts in accordance with the requirements for the Policy set out in Prudential Standard SPS 510.
- Make recommendations to the Board in relation to its review of the Remuneration Policy including making a regular assessment of its effectiveness and compliance with the requirements of Prudential Standard SPS 510.
- Make annual recommendations to the Board in relation to approval of the remuneration of persons covered by the Remuneration Policy and for fair and responsible remuneration for employees of the Trustee and its subsidiaries not already covered by the Policy.
- Oversee activities to ensure the Policy is adhered to by the Management of the Trustee and its subsidiaries in practice.
- In relation to additional people whose activities the Committee believes may affect the financial soundness of the Company's business operations, make annual recommendations to the Board in relation to approval of remuneration of those persons, as well as any other person specified by APRA.

4.2 Nominations Functions - Board, CEO and Senior Executive Role Candidate Searches, Recruitment and Role Statements

- Develop and/or enhance Board related role statements to meet organisational requirements and recommend same to the Board for approval;
- Review CEO and Senior Executive role statements before new candidate searches are undertaken to ensure they are appropriate and commensurate with organisational requirements;
- Undertake due diligence on search agencies/service providers or develop a process to be used in the search for new Board related, CEO and Senior Executive roles, conduct the searches for Board members and the CEO and when requested by the CEO or the Board, for new Senior Executives;
- Review nominations received from candidates for Director, CEO and Senior Executive roles against the agreed criteria, guidelines and specific role requirements;
- In respect of Director re-appointments, review role statement requirements and Director competencies and make recommendations to the Board on same after taking into consideration the Board's renewal principles and APRA's requirements outlined in SPS510 in this regard;
- Recommend preferred candidates for appointment to new Board related, CEO and when requested by the CEO or the Board, Senior Executive roles to the Board.

4.3 Other duties

- Undertake other duties in respect of people related policies and functions as requested by the Board from time to time.

5. Powers of the Committee

- The Committee has authority to call on Management of all entities within the Group of companies to provide information and attend Committee meetings for the purposes of these terms of reference.
- The Committee has free and unfettered access to risk and financial control personnel where it considers this necessary to carry out its duties.
- The Committee may obtain independent professional advice and may appoint an external specialist in an advisory capacity where it considers this necessary to carry out its duties, subject to delegated authority limits.

6. Committee Meetings

The RAN Committee will hold at least one (1) meeting per annum. Special meetings may be convened as required.

7. Reporting

The RAN Committee reports its findings, decisions, endorsements and any recommendations to a regular meeting of the Board of Directors. The minutes of each RAN Committee meeting are to be included in the papers of the next available Board meeting for review by Directors. The agenda and supporting papers of each RAN Committee meeting are made available to all Directors.

8. Fitness of Committee Members

The Fitness and Propriety Policy of the Trustee applies to RAN Committee members.

9. Regulator Contact

Members of the RAN Committee must be available to meet with APRA on request.