

# REMUNERATION AND NOMINATION COMMITTEE CHARTER

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## 1 Introduction

The Remuneration and Nomination Committee (**Committee**) is a committee of the Horizon Board. This Charter sets out the roles and responsibilities, composition and operation of the Committee.

## 2 Remuneration and Nomination policy statement

Horizon is committed to nomination principles and a remuneration framework that:

- attracts individuals with diverse yet complementary skills and experience in directorial roles to oversee the Company's strategy and operations and enhance its performance;
- attracts, motivates and retains skilled persons in key management roles to meet the Company's operational needs; and
- aligns performance with shareholder value.

## 3 Duties and responsibilities of the committee

The responsibilities of the Committee include the following:

### **[a] Remuneration and contracts of employment**

- [i] Reviewing and making recommendations to the Board with respect to the Company's remuneration principles, framework and policy for Directors and senior executives to promote the attraction and retention of valued employees and the long-term growth and success of the Company.
- [ii] Reviewing and making recommendations to the Board regarding the remuneration packages of executive Directors and senior executives, including incentive arrangements, ensuring consistency with the Company's remuneration policy.
- [iii] Reviewing and making recommendations to the Board the terms of employment for the chief executive officer and other senior executives.
- [iv] Reviewing and making recommendations to the Board regarding the remuneration of non-executive directors.
- [v] Ensuring that fees paid to non-executive Directors are within the aggregate amount approved by securityholders and making recommendations to the Board with respect to the need for increases to this aggregate amount at the company's annual general meeting.

## **[b] Incentive plans, employee benefits and superannuation**

Reviewing and making recommendations to the Board with respect to Company incentive schemes, including the implementation and operation of equity-based incentive plans, bonus plans and other employee benefit programs including:

- [i] reviewing and making recommendations to the Board of any annual payments to be made under executive incentive plans, and
- [ii] reviewing from time to time of the Company's superannuation arrangements for its employees.

## **[c] Performance**

Reviewing and making recommendations to the Board of performance targets for the chief executive officer and other senior executives including:

- [i] Facilitating the review and making recommendations to the Board regarding performance assessment of the chief executive officer.
- [ii] Reviewing the performance assessment processes for senior executives.
- [iii] Facilitating the evaluation of the performance of the Board and each director including an assessment of whether each director has devoted sufficient time to their duties.

## **[d] Succession plans**

Reviewing succession plans for the chief executive officer and senior executive team on a regular basis to maintain an appropriate balance of skills, experience and expertise in the management of the Company and providing advice to the Board accordingly.

Reviewing Board succession plans on a regular basis to maintain an appropriate balance of skills, experience and expertise on the Board and providing advice to the Board accordingly.

## **[e] Policies**

Reviewing the Company's recruitment, retention and termination policies.

## **[f] Board and Committee Nomination**

Reviewing and making recommendation to the Board on the company's policies and procedures for the selection, appointment, and re-election of directors including:

- [i] advising the Board on directorship and Committee appointments, retirement and removal, with particular reference
  - a. to the size of the Board;
  - b. the mix of skills, experience and other qualities of existing directors;
  - c. the necessary and desirable competencies of Board members; and
  - d. shareholder composition.
- [ii] review and making recommendation to the Board on the terms of appointment of Directors.
- [iii] ensuring that an effective orientation and continuing education program for Directors is in place.

## **[g] Diversity**

Reviewing and making recommendation to the Board of the Company's Diversity Policy:

- [i] Reviewing and making recommendation to the Board of measurable objectives to achieve gender diversity in accordance with the Company's Diversity Policy.
- [ii] monitoring, reviewing and reporting to the Board on the Company's performance in respect of gender diversity in accordance with the Company's Diversity Policy.

#### **[h] External Remuneration and Nomination reporting**

Reviewing and making recommendation to the Board of the details to be published in the Company's Annual Report or any other statutory report or document with respect to the activities and responsibilities of the Committee.

Reviewing and making recommendation to the Board regarding any statements on the Company's remuneration policy, executive compensation and remuneration consultant disclosures that may be required by law or other regulatory requirements (including any such statement to be included in the Company's Annual Report).

## **4 Composition**

The Committee will endeavour to consist of:

- [i] at least three members;
- [ii] only non-executive directors;
- [iii] a majority of independent directors; and
- [iv] an independent director as Chair, who is not the Chair of the Board.

## **5 Meetings**

The Committee shall meet often enough to undertake its role effectively, being at least once each year and as frequently as required to fulfil its role.

A quorum for any meeting will be two members or any greater number as determined by the Board.

The Committee may invite such other persons to attend its meetings as it considers appropriate and seek any information which will help it fulfil its responsibilities.

The Company Secretary will be appointed secretary of the Committee and will take minutes of all meetings held and keep records of all reports and recommendations made by the Committee.

The Committee shall regularly report to the Board and Committee meeting minutes will be provided to the Board.

The Committee shall ensure that the Board is made aware of remuneration and nomination matters which may significantly impact upon the Company in a timely manner.

## 6 Review

The Committee will review the Charter annually to provide assurance that it remains consistent with the Committee's authority, objectives and responsibilities.

Amendments to the Charter are to be approved by the Board.

The Committee will make an evaluation of its performance annually to determine whether it is functioning effectively by reference to current best practice.