

NOMINATION AND REMUNERATION COMMITTEE CHARTER

1. PURPOSE AND SCOPE

This Charter outlines the role, responsibilities, composition and processes of the Nomination and Remuneration Committee (**Committee**) being a committee of the Board of Directors (**Board**) of Ruralco Holdings Limited (**Ruralco**).

2. ROLE OF THE COMMITTEE

The role of the Committee is to assist the Board in discharging its responsibilities in relation to:

- composition, performance, diversity and succession of the Board and Board committees, appointment and independence of Directors, and the appointment, succession and performance the Managing Director and Chief Executive Officer (**MD/CEO**), Company Secretary and other senior management, and
- the remuneration strategies, policies and practices of the Ruralco Group and the remuneration arrangements for the Directors, MD/CEO, Company Secretary and senior management, employee equity plans and remuneration disclosures.

SENIOR MANAGEMENT

'Senior management' refers to the executives who report directly to the MD/CEO and any other members of the management team the Board or the Committee determines should be subject to its supervision

REMUNERATION

Where relevant to the role, 'remuneration' includes fixed annual remuneration, short-term and long-term incentives, equity-based payments, benefits, pensions, superannuation and arrangements on cessation of employment

3. RESPONSIBILITIES OF THE COMMITTEE – NOMINATIONS AND BOARD PERFORMANCE

Without limiting its scope, the duties and responsibilities of the Committee in relation to nomination and Board performance are as follows:

3.1 BOARD COMPOSITION, SUCCESSION AND INDEPENDENCE

Review and make recommendations to the Board on the appropriate size and membership of the Board and its Committees (including the Chairs), including by facilitating the process for identifying suitable candidates to fill Board vacancies.

Consider Board and Committee succession plans (including the succession of the Chair) to ensure an appropriate mix of skills, experience, expertise and

diversity is maintained, having regard to the tenure of non-executive Directors.

Assess and recommend to the Board for approval the appropriate mix of skills, experience, expertise and diversity required on the Board, and assess the extent to which they are represented on the Board (including through a Board skills matrix).

Establish and recommend to the Board for approval policies and processes for the identification, selection and election of suitable candidates for appointment to the Board, including the setting of criteria by which the Directors are appointed (and re-elected) and ensuring that appropriate checks are undertaken before appointing a person, or putting forward to shareholders a candidate for election, as a Director.

Establish and recommend to the Board for approval policies in respect of the terms of appointment of non-executive Directors.

Assess and report to the Board, at least annually, on the independence of non-executive Directors against the Board's independence criteria and ensure the conclusions of the annual independence assessment (together with any other relevant information) are included in the disclosures made in the annual report.

3.2 BOARD PERFORMANCE AND DEVELOPMENT

Oversee and co-ordinate the annual performance review process for the Board as a whole, the operation of Board Committees and the performance of individual non-executive Directors, including the Chairs of the Board and each Board Committee, and where required assist the Chair of the Board in the review of individual Director performance.

Monitor and review the time commitment required by non-executive Directors to attend to Board matters having regard to the Director's commitments to Ruralco and others.

Oversee the implementation of a Director induction program and ensure there are appropriate continuing education opportunities for Directors to develop and maintain the skills and knowledge required to perform effectively their role at Ruralco, and identify, assess and (where appropriate) develop plans to enhance Director competencies.

3.3 MD/CEO APPOINTMENT, SUCCESSION PLANNING AND PERFORMANCE AND COMPANY SECRETARY PERFORMANCE

Review succession plans for the MD/CEO. Make recommendations to the Board regarding the appointment, reappointment and, if necessary, the termination of the MD/CEO's employment.

If the position of MD/CEO becomes vacant:

- Determine the appropriate strategy and oversee the process for the selection of suitable candidates for appointment of a new MD/CEO; and
- Review the qualifications, skills and experience of potential candidates for the role of MD/CEO.

Monitor, review and make recommendations to the Board on the key accountabilities including corporate goals and objectives and the appropriate performance measures for the MD/CEO.

Monitor the performance of the MD/CEO and at least annually undertake a formal review of the MD/CEO's performance against agreed performance scorecard measures considering the MD/CEO's compensation and entitlement to performance-based remuneration and report findings and recommendations to the Board.

Monitor, review and make recommendations to the Board on the key accountabilities including the appropriate performance measures for the Company Secretary.

Monitor the performance of the Company Secretary and at least annually undertake a formal review of the Company Secretary's performance against agreed measures and report findings and recommendations to the Board.

3.4 SENIOR MANAGEMENT SUCCESSION, CAPABILITY AND TALENT DEVELOPMENT

Review and make recommendations on the succession plans for senior management and talent development plans for senior management.

Review the capability of critical executive roles, together with Ruralco's overall capability needs.

Review the types of tools utilised by Ruralco for succession planning, and talent and capability development across the Group.

3.5 BOARD DIVERSITY AND DIVERSITY ACROSS THE RURALCO GROUP

Review, report on, and make recommendations to the Board on, Ruralco's policy in relation to Board diversity, including performance against the measurable objectives set for achieving Board diversity (including diversity across gender, gender identity, age, physical abilities, ethnicity, marital or family status, religious beliefs, cultural or socio-economic background and sexual orientation).

Review and make recommendations to the Board on Ruralco's strategies to facilitate greater diversity in management and leadership roles and new ways to entrench diversity as a cultural priority across Ruralco.

Assess annually achievement against diversity objectives including representation of women at all levels of the organisation and assess the effectiveness of related initiatives designed to identify, support and develop talented women with leadership potential.

4 RESPONSIBILITIES OF THE COMMITTEE – REMUNERATION

Without limiting its scope, the duties and responsibilities of the Committee in relation to remuneration are as follows:

4.1 REMUNERATION STRATEGIES, POLICIES AND PRACTICES

Review and make recommendations to the Board in relation to the Group's overall remuneration strategies, policies and practices in the context of Ruralco's purpose, values, strategic objectives and risk appetite, including the process for measurement and assessment of performance and for ensuring the framework successfully aligns the interests of senior management and Directors with those of shareholders, at all times taking into account the guidelines in the ASX Corporate Governance Council's Principles and Recommendations.

Monitor the effectiveness of the Group's overall remuneration framework in delivering on its intent and achieving Ruralco's remuneration strategies, including by ensuring that individual and team reward is aligned with business performance in the short, medium and long term and that the framework is transparent, consistent with broader market practice (when benchmarked against Ruralco's peers) and rewards the creation of value for shareholders.

Consider the outcome of the annual shareholder advisory vote on the adoption of the remuneration report and feedback of key stakeholders when reviewing Ruralco's remuneration strategies, policies and practices.

Review the recruitment, retention and termination policies and employment terms of senior management and ensure that MD/CEO and senior management remuneration packages involve a balance between fixed and incentive pay to reflect short, medium and long-term performance objectives appropriate to Ruralco's goals and circumstances.

Oversee the process of setting robust performance measures and targets that encourage superior executive performance and ethical behaviour.

Oversee and monitor compliance with the Group's mandatory shareholding policy for non-executive directors and the minimum shareholding guidelines for senior management.

4.2 REMUNERATION FOR DIRECTORS

Monitor, review and make recommendations regarding the remuneration of non-executive Directors, including whether there is any gender or other inappropriate bias in remuneration of Directors and taking into account commitments required of each Director and the guidelines in the ASX Corporate Governance Council's Principles and Recommendations.

Seek confirmation that all associated governance, accounting, legal, approval and disclosure requirements in relation to Director remuneration are satisfied.

4.3 REMUNERATION FOR THE MD/CEO, COMPANY SECRETARY AND SENIOR MANAGEMENT

Review and make recommendations on the terms and conditions of the MD/CEO's employment contract (including any subsequent new or varied contracts with the MD/CEO), and annually review and make recommendations on the MD/CEO's remuneration arrangements, including the level of remuneration, superannuation arrangements, and the appropriate mix of fixed and variable components in the remuneration structure to reflect short, medium and long-term performance objectives appropriate to Ruralco's values, risk appetite, goals and circumstances and taking into

account legal and corporate governance principles.

Agree the policy for authorising claims for expenses made by the MD/CEO.

Working with the MD/CEO, review at least annually and make recommendations on the Company Secretary's remuneration arrangements with due consideration to legal and corporate governance principles.

Working with the MD/CEO, review and make recommendations on the performance and remuneration of relevant senior management, including the level of remuneration, superannuation arrangements, and the appropriate mix of fixed and variable components in the remuneration structure to reflect short medium and long-term performance objectives appropriate to Ruralco's values, risk appetite, goals and circumstances.

Oversee the performance review process for senior management and review their key accountabilities and performance measures, and make relevant recommendations to the Board.

Review and approve any non-routine remuneration arrangements which the Chair refers to the Committee.

4.4 EMPLOYEE EQUITY AND CASH INCENTIVE PLANS

Review and make recommendations on the design of all cash incentive plans of the Group and all employee equity plans involving equity in Ruralco or in its controlled entities, in each case for which Board approval is required.

Monitor the implementation of all employee equity plans involving equity in Ruralco for which Board approval is required.

Where shareholders have approved an equity based executive remuneration plan, ensure that payment is made in accordance with the thresholds set in that plan.

Exercise all powers, authorities, discretions and decisions relating to Ruralco's equity plans that are delegated to it by the Board and, in certain circumstances, make offers to employees under those plans.

4.5 REMUNERATION DISCLOSURES

Oversee the preparation and content of the annual remuneration report to ensure that it meets regulatory and legal disclosure requirements, and recommend the report to the Board.

4.6 OTHER

Approve the appointment of remuneration consultants as required by law and perform any other duties and undertaking or oversee any specific projects as the Board may from time to time request.

5 COMMITTEE COMPOSITION AND CONDUCT

The Committee, including the Committee Chair (who must be an independent Director), is appointed by the Board.

The Committee will be comprised solely of non-executive directors, with a minimum of three non-executive Directors appointed at any time and with a majority being independent Directors.

Committee members are bound by Ruralco's **Code of Conduct** and **Related Party and Conflicts of Interest Policy**.

6 COMMITTEE MEETINGS

The Committee is to hold a minimum of four meetings per annum. The Committee Chair must call a Committee meeting if requested by the Chair of the Board and will decide if a meeting is required if the request is made by another Committee member. The quorum for Committee meetings is two persons.

The Committee Chair may request the attendance of a Director, any Ruralco Group employee or any external advisor at a Committee meeting, and those attendees may participate in Committee discussions, but they may not vote.

The Chair of the Board and each Director who is not a Committee member has a standing invitation to attend Committee meetings.

At the next Board meeting following a Committee meeting, the Committee will report on the outcomes of that Committee meeting and make its recommendations for Board consideration.

7 ACCESS TO MANAGEMENT AND ADVICE

The Committee members have complete, free and unfettered access to senior management, and to any other relevant internal and external party and information. Committee members may make enquiries, and request such information they consider desirable or necessary, to fulfil their responsibilities and support informed decision-making, in each case as the members see fit. Committee members may access management, and may make requests for information, through the Chair, the MD/CEO or the Company Secretary.

The Committee has authority to engage independent advisers, including external advisers and consultants where necessary to assist in the selection process of suitable candidates, at Ruralco's expense, as the Committee determines necessary to carry out its duties.

8 REVIEW OF COMMITTEE PERFORMANCE AND CHARTER

With the assistance of the Board, the Committee undertakes an annual assessment of its performance, including against the requirements of its Charter.

The Board will review the contents and adequacy of this Charter at least annually.

Approved by the Board on 17 April 2019