

1 Purpose and authority

- (a) This Charter provides an overview of the Committee's key responsibilities and functions, which are to oversee: the Company's:
 - (i) remuneration framework and policies;
 - (ii) succession planning for key management personnel (**KMP**); and
 - (iii) People and Culture strategies and policies.
 - (b) The Committee has powers to investigate matters, with full access to Vulcan's books, records, operations, and people and has the authority to engage external advisers as necessary to carry out these duties.
 - (c) The Committee is established in accordance with Vulcan's constitution (**Constitution**) and assists the board (**Board**) to fulfil its statutory and regulatory responsibilities
 - (d) The Committee has authority and power to exercise the role and responsibilities set out in this Charter and granted under separate resolutions of the Board, which are made from time to time.
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2 Membership of the Committee

The Committee should to the extent practicable comprise of:

- (a) at least 3 members;
- (b) only non-executive directors;
- (c) a majority of independent directors; and
- (d) an independent director as Chair.

The Board may appoint additional directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

3 Role and responsibilities

3.1 Remuneration

The Committee is responsible for reviewing and making the following recommendations to the Board in relation to remuneration:

- (a) arrangements for the CEO and other executive members of KMP;
- (b) short term incentive performance targets and bonus payments for the CEO and executive KMP;
- (c) whether offers are to be made under the employee equity incentive plans in respect of a financial year, including the terms;
- (d) major changes to the Company's employee equity incentive plans;
- (e) remuneration by gender;
- (f) remuneration arrangements for the Chair and non-executive directors of the Board (including fees, travel and benefits);

The Committee is also responsible for:

- (g) overseeing the process for shareholder approvals in relation to remuneration arrangements (i.e. increases to fee caps).
- (h) taking appropriate action to ensure that the Committee, Board and management have sufficient information and external advice to make informed decisions regarding remuneration.
- (i) Review and facilitate stakeholder engagement in relation to the Company's remuneration policies and practices.

3.2 Nomination

The Committee's responsibilities in relation to nominations are:

- (a) assisting the Board to develop a Board skills matrix and using this to identify potential gaps;
- (b) making recommendations to the Board on its size and composition, having regard to Board succession plans, the Board skills matrix and diversity objectives.
- (c) overseeing succession planning for the other executive KMP members and making recommendations to the Board.
- (d) reviewing and recommending criteria to the Board for director nomination and Board membership, including:
 - (i) re-election of directors (noting that a Committee member must not be involved in making recommendations to the Board in respect of themselves); and
 - (ii) assisting the Board to identify qualified individuals for nomination to the Board, in accordance with 5.1 below.
- (e) reviewing the directors who are seeking re-election in light of their independence, performance review, the Company's succession plans and any other relevant factors.
- (f) assisting the Board in evaluating performance of the Board, its Committees and individual directors at least annually.

- (g) ensuring processes are in place to support director induction and periodically reviewing the need for existing directors to undertake professional development.

3.3 People and culture

The Committee's responsibilities in relation to people and culture are:

- (a) instilling and continually reinforcing a culture across the organisation of acting lawfully, ethically and responsibly.
- (b) articulating and disclosing the Company's principles and ethos.
- (c) reviewing and recommending the development and implementation of people and culture strategies to the Board.
- (d) reviewing the Company's Code of Conduct, communicating its importance to employees and ensuring the Committee is informed of any material breaches.
- (e) in accordance with the Diversity Policy, developing and recommending measurable objectives for achieving gender diversity to the Board and, on an annual basis, reviewing the effectiveness by:
 - (i) assessing the Company's measurable objectives and progress towards achieving them; and
 - (ii) reporting to the Board any changes to the strategies or the way in which the objectives are implemented.
- (f) on an annual basis:
 - (i) reviewing the gender proportions of the Board, in senior executive positions and at all levels of the Group; and
 - (ii) submitting a report to the Board outlining these findings and if applicable, providing the Board with the Company's most recent indicators as required by the *Workplace Gender Equality Act 2012* (Cth).
- (g) Overseeing and monitoring the Company's Whistleblower Policy and ensuring the Committee is informed of any material incidents.

4 Remuneration policy

- (a) The Committee should have regard to the following:
 - (i) ensuring the Company's remuneration structures are equitable and aligned with the long-term interests of the Company, its shareholders and Company policies;
 - (ii) attracting and retaining skilled executives;
 - (iii) structuring short and long term incentives that are challenging and linked to sustainable shareholder returns; and
 - (iv) ensuring any termination benefits are justified and appropriate.
- (b) No executive should be directly involved in determining their own remuneration
- (c) The Committee must have regard to legal and regulatory requirements at all times and notify the Board as appropriate.

5 Selection and appointment of new directors

5.1 Policy

Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:

- (a) the skills, experience, expertise and personal qualities that will complement the Board and promote diversity, having regard to:
 - (i) the Board skills matrix;
 - (ii) the Board's diversity objectives; and
 - (iii) the existing composition of the Board;
- (b) the capability of the candidate to devote the necessary time and commitment to the role;
- (c) potential conflicts of interest, and independence; and
- (d) the results of background checks in relation to the proposed director (i.e. character, experience, education, criminal record).

6 Review

The Board will, at least once in each year, review the membership and Charter of the Committee to determine its adequacy and may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.

7 Administrative matters and procedures

The proceedings of the Committee will be conducted in accordance with provisions set out in Attachment A.

Meetings

The Committee will meet at least three times annually or as often as the Committee members deem necessary in order to fulfil their role.

Quorum

The quorum is at least 2 members.

Secretary

The Company Secretary, or his or her delegate, must attend all Committee meetings as minute secretary.

Convening and notice of meeting

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee, of every meeting of the Committee. However, there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

Independent advice

The Committee may seek the advice of the Company's auditors, solicitors or other independent advisers, consultants or specialists as to any matter relating to the powers, duties or responsibilities of the Committee.

Any engagement with third-parties will be in a manner that ensures the engagement and any advice received is independent.

Attendance by non-Committee members

Non-committee members, including other Non-executive Directors and members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.

However, no employee should be present when their own remuneration is being discussed.

Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee Chair, be distributed to members of the Committee and other members of the Board.

All minutes of the Committee must be entered into a minute book maintained for that purpose and be available for inspection by any Director.

Reporting

It is intended that a report of the actions of the Committee and a copy of the minutes of the Committee meeting or both will be included in the Board papers for the next Board meeting following a meeting of the Committee.

The Committee Chair will, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All Directors may, within the Board meeting, request information of members of the Committee.