

# EMPIRE RESOURCES LTD

## Remuneration and Nomination Committee Charter

### 1. Introduction

This Charter sets out the role, structure and responsibilities of the Remuneration and Nomination Committee established by the Board of Empire Resources Limited (“Empire”). Currently the Board considers that the Company is not currently of a size, or its affairs of such complexity, that the formation of separate or special Remuneration and Nomination Committee is justified at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and ensure that it adheres to appropriate standards.

### 2. Role of the Remuneration and Nomination Committee

The role of the Committee is to make recommendations to the Board, and otherwise to assist the Board with its oversight responsibilities, in relation to:

- recruitment and remuneration strategies and policies in relation to Directors, the Managing Director and senior executives; and
- performance evaluation, and appointments, re-appointments and succession planning, in relation to the Board, its committees, and individual Directors (including the Managing Director).

The ultimate responsibility for, and power to make, company decisions with respect to these matters remains with the full Board.

Empire will provide the Committee with resources and information, including access to management, to enable the Committee to undertake its duties. The Committee is authorised to consult directly with Empire’s external advisers and its external and internal auditors (without management being present), and, on approval from the Chairman of the Board, to obtain independent advice, at Empire’s cost, as it considers necessary or appropriate to fulfil its duties.

### 3. Membership and meetings

The Committee will aim to comprise not less than 3 members, a majority of whom are independent directors.

The Board will appoint the chairman of the Committee. The aim is that the chairman is independent and must not be the chairman of the Board. The chairman will be involved in selection of Committee members and oversee planning and conduct of Committee meetings and presentations to the Board from the Committee.

The Committee may form sub-committees to be responsible for and make recommendations to the Committee or to the Board.

The Committee will meet at least once during each year and otherwise the chairman of the Committee will call meetings as and when necessary or appropriate. Any Committee member may call a meeting of the Committee. The Committee may invite any director, senior manager or other staff member, or external or internal auditor, to attend all or a part of a meeting of the Committee.

A quorum for a meeting of the Committee will be 2 members. All matters will be decided by a majority of votes of members present.

The Company Secretary will be responsible for taking and keeping minutes of Committee meetings and circulating minutes to all Committee members. Minutes will be included in the papers for the next meeting of the Board following the Committee meeting.

The Committee will report to the Board on all actions and recommendations of the Committee and such other matters as required by the ASX Corporate Governance Principles and Recommendations (from time to time).

#### **4. Responsibilities**

The Committee is responsible for matters referred to it by the Board.

##### **Remuneration**

The principal ongoing responsibilities of the Committee relating to remuneration are as follows:

- Assessing the appropriateness of, and making recommendations to the Board on, the nature and amount of remuneration of Directors and senior executives on at least an annual basis by reference to relevant employment market conditions and third party remuneration benchmark reports.
- Reviewing and recommending to the Board remuneration strategies and policies, (including incentive schemes for executives) in relation to Directors, the Managing Director and senior executives.
- If it considers it appropriate, seeking external assistance to confirm ongoing compliance with regulatory requirements.
- Approving the mechanism and rationale for review of Directors' remuneration and advising the Board of any changes to remuneration levels recommended by the Committee, together with the Committee's rationale for any changes.
- Annually seeking external advice as to market positioning of the Managing Director's and any executive director's remuneration components and package and recommending to the Board the total remuneration package for the Managing Director and any executive director for the forthcoming year.
- Overseeing the remuneration of senior executives reporting to the Managing Director, including considering the Managing Director's recommendation for remuneration of senior executives and making a recommendation on this to the Board
- Ensuring that appropriate and required disclosure is made of Directors', the Managing Director's and senior executives' remuneration, in accordance with regulatory requirements and good governance practices.

### **Performance review**

Remuneration arrangements are determined in conjunction with the annual review of performance of Directors, the Managing Director and senior executives. The Committee assists the Board as required with the evaluation of the performance of Directors (including the Managing Director) and assists the Managing Director with the review of performance of the senior executives.

### **Nominations**

The Committee reviews and makes recommendations to the Board on the appointment and retirement of Directors, including justification of the recommendations for appointments and providing details of qualifications and experience. A range of criteria, including experience, professional skills, personal qualities and availability, are considered in connection with appointment of Directors so as to constitute a Board with a desirable mix of skills and diversity.

Non-executive Directors are required to provide details of other commitments and an indication of time involved and, prior to their appointment or being submitted for re-election, to confirm in writing that they will have sufficient time to properly perform their role at Empire.

The Committee regularly considers the time required from a non-executive Director and whether Directors are meeting that requirement.

### **Succession planning**

The Committee regularly considers any succession plans that are in place to ensure that they provide for a mix of skills, experience, expertise and diversity amongst Directors and senior executives.

### **Induction and professional development**

The Committee oversees the induction program for new Directors and considers the training and development needs of Directors, and resources allocated to developing and maintaining Director skills and knowledge, to ensure that the Directors have and maintain the necessary skills and knowledge required to fulfil their role on the Board and its committees effectively.

### **Gender diversity**

The Committee is responsible for recommending to the Board any measurable objectives for achieving gender diversity and annually reviewing those objectives and the entity's progress towards achieving them.

The Committee reviews and reports to the Board at least annually on the relative proportion of women and men in the workforce at all levels of the economic group controlled by Empire.

### **Review**

The Committee will annually review its role and responsibilities and evaluate the effectiveness of its performance. Any recommendations arising from a review will be put to the Board for consideration.

The Committee will review this Charter annually to ensure it is consistent with the Committee's authority, role and responsibilities. Any proposed amendments to this Charter arising from a review will be put to the Board for consideration.