

# Nomination and Remuneration Committee Charter

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Qube Holdings Limited

ACN 149 723 053

## 1. Overview

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### 1.1 Purpose

This Charter sets out the role, responsibilities, membership and operation of the Nomination and Remuneration Committee (**Committee**) of Qube Holdings Limited (**Qube**) in respect of Qube and its controlled group of entities (**Qube** or the **Group**).

### 1.2 Role

The role of the Committee is to provide oversight of Qube's people and culture reporting, strategies and performance and to undertake the functions of each of the remuneration committee and the nomination committee set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (as amended and applicable).

### 1.3 Objectives

The objectives of the Committee are to assist the Qube board of directors (**Board**) in fulfilling its corporate governance responsibilities for the Group in regard to:

- (a) People and culture reporting, strategies and performance, including:
  - (i) diversity and inclusion;
  - (ii) the Managing Director and Senior Executive succession planning;
  - (iii) well-being initiatives;
  - (iv) psychosocial hazards and incidents;
  - (v) workplace sexual and gender-based harassment; and
- (b) remuneration matters, including:
  - (i) aligning Qube's remuneration policies with Qube's purpose, values, strategic objectives and risk appetite as set by the Qube Board;
  - (ii) the remuneration framework for Non-Executive Directors;
  - (iii) the remuneration and incentive framework, including any proposed equity incentive awards for the Managing Director, the executive Key Management Personnel other than the Managing Director (**Executive KMP**) and all executives that report directly to the Managing Director (**Senior Executives**);
  - (iv) recommendations and decisions (as relevant) on remuneration and all incentive awards for the Managing Director and other Senior Executives; and
  - (v) strategic human resources policies; and
- (c) nomination matters, including:
  - (i) Board appointments, re-elections and performance;

- (ii) Succession planning;
- (iii) Directors' induction programs and continuing development;
- (iv) Committee membership;
- (v) endorsement of Senior Executive appointments; and
- (vi) diversity obligations.

## **2. Membership**

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### **2.1 Structure**

- (a) The Committee is appointed by the Board in accordance with Clause 6.16 of the Qube Constitution.
- (b) The Committee is to consist of:
  - (i) at least three members; and
  - (ii) only Non-Executive Directors,  
**(Committee Members)**.
- (c) The Chair of the Committee is to be appointed by the Board. The Committee may appoint an interim Chair to fill a casual vacancy pending Board appointment.
- (d) The Company Secretary will be the secretary of the Committee.
- (e) The Committee may appoint independent expert external advisers on terms determined by the Committee to assist it in performing its duties.

### **2.2 Term**

- (a) Committee Members will be appointed for an initial term of up to 2 years with the appointment being subject to regular review.
- (b) The appointment of a Committee Member will cease if that person ceases to be a director of Qube, if that person resigns from the Committee, or as otherwise determined by the Board.

### **2.3 Fees**

Committee Members are entitled to receive remuneration as determined from time to time by the Board.

## **3. Meetings**

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### **3.1 Convening Meetings**

The Committee is to meet as requested by the Committee Chair, but not less than once a year. If required, additional meetings may be requested through the Committee Chair by any Committee Member or the Company Secretary.

### **3.2 Quorum**

A quorum for a Committee meeting is 2 Committee Members.

### **3.3 Attendance at meetings**

- (a) Directors who are not Committee Members may attend meetings at the invitation of the Committee Chair.
- (b) The Managing Director, appropriate Qube management and any external adviser are to attend such portion of each meeting as requested by the Committee Chair. The Managing Director is not to be present when the Committee discusses issues relating to the Managing Director.
- (c) The Company Secretary is to attend Committee meetings, or to otherwise receive an update from the Chair on proceedings of Committee meetings, to ensure minutes are taken of each meeting.

### **3.4 Report**

- (a) The Committee will report on its meetings to the Board.
- (b) The Committee will annually review and report to the Board on the diversity objectives established by the Qube Group.
- (c) Recommendations of the Committee are to be referred to the Board for approval.
- (d) The Committee Chair must attend Qube's Annual General Meeting and be available to respond to any shareholder questions on the Committee's activities and areas of responsibility.

## **4. Authority**

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### **4.1 Seek Information**

The Committee is authorised by the Board to seek any information it requires from any employee of the Qube Group in order to perform its duties and all employees must comply with such requests.

### **4.2 Use of Consultants**

In connection with its duties, the Committee is empowered to select, set the terms of reference and appoint such consultants or other advisers as the Committee considers necessary or appropriate, at Qube's expense.

### **4.3 Remuneration Policies and Practices**

The Committee may seek advice from individuals on remuneration policies and practices, but no individual should be directly involved in deciding their own remuneration.

### **4.4 No Executive Powers**

The Committee shall have no executive powers with regard to its findings and recommendations.

## 5. Responsibilities and Duties – People and Culture

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The Committee is responsible for providing oversight of Qube's people and culture reporting, strategies and performance and making recommendations to the Board in respect of:

- (a) Qube's workforce planning and industrial relations activities to ensure alignment with Qube's purpose, values, strategic objectives and risk appetite as set by the Board;
- (b) Qube's diversity and inclusion strategies, initiatives, targets and Workplace Gender Equality Agency reporting;
- (c) senior executive succession planning and broader talent development initiatives;
- (d) employee wellbeing initiatives;
- (e) psychosocial safety and psychosocial hazards and incidents; and
- (f) workplace sexual and gender-based harassment and incidents.

The Committee is responsible for reviewing any incidents reported in line with Qube's Diversity Policy, Code of Conduct and Ethics, Whistleblower Policy or Workplace Behaviour Policy on issues within its remit.

## 6. Responsibilities and Duties – Remuneration Matters

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### 6.1 General Responsibilities

The Committee is responsible for reviewing, monitoring and making recommendations (referred to in section 6.4) to the Board in respect of the:

- (a) Qube Group remuneration and incentive framework (including ensuring a consistent strategy for, and application of, performance-based measures and the setting of targets) applying to the Managing Director and Senior Executives; and
- (b) associated strategies, systems, policies and processes implemented across Qube's workforce, and reported on, by Qube management.

### 6.2 Responsibilities – Long Term Incentive (LTI) Plan

- (a) **Committee** - The Committee will, subject to approval by the Board of the Qube Group (as recommended by the Committee), approve:
  - (i) the general LTI terms and conditions; and
  - (ii) LTI target and maximum opportunity for the Managing Director, Executive KMP and all other Senior Executives.
- (b) **Managing Director** - The Managing Director will determine LTI target and maximum opportunity for direct reports to the Senior Executives and any other executives and employees, subject to endorsement by the Committee.

- (c) **Committee** - Where ever the LTI Plan utilises a relative total shareholder return measure (rTSR), review and approve annually the comparison peer group for the rTSR measure.

### 6.3 Responsibilities – Short Term Incentive (STI) Plan

- (a) **Committee** - The Committee will:
  - (i) subject to approval by the Board of the Qube Group, (as recommended by the Committee), approve the framework for the STI performance scorecard determining the principles and guidelines for performance measures and their weightings within the STI Plan;
  - (ii) set performance-based measures (financial and non-financial) and targets (e.g. setting Key Performance Indicators) under the STI Plan, based on the Managing Director's recommendation, for all Senior Executives; and
  - (iii) determine performance outcomes and approve awards under the STI Plan for the Executive KMP.
- (b) **Committee Chair** - The Chair of the Committee will determine performance outcomes and approve awards under the STI Plan for the Senior Executives other than the Executive KMP.
- (c) **Board Chair** - The Chair of the Board will set performance-based measures and targets, determine performance outcomes and approve awards under the STI Plan for the Managing Director.
- (d) **Managing Director** - The Managing Director will determine performance outcomes and approve awards under the STI Plan for direct reports to the Senior Executives.
- (e) **Senior Executives** - The Senior Executives will determine performance outcomes and approve awards under the STI Plan for all other executives and employees in their respective functional areas, subject to final approval by the Managing Director.

### 6.4 General Remuneration Recommendations

The Committee will review and make recommendations to the Board on remuneration matters, including:

- (a) reviewing, monitoring and recommending changes to the remuneration and incentive framework (including incentive plans, the equity plan framework, the Equity Plans Discretions Exercise Matrix and any diversity considerations) for the Managing Director and Senior Executives;
- (b) the remuneration of Non-Executive Directors;
- (c) the fixed remuneration levels and incentive awards for the Managing Director;
- (d) approval of pools of annual grants of equity and any other individual equity offers to the Managing Director, Senior Executives and other executives; and

- (e) the remuneration report to be included in the annual report and financial statements.

## **6.5 Reliance**

Committee Members are entitled to rely on Qube management for matters within their responsibility and on the expertise of external professionals. Committee Members may assume the accuracy of the information provided by such persons, so long as the Committee Members are not aware of any reasonable grounds upon which such reliance or assumption may not be appropriate.

## **6.6 Remuneration and Incentive Framework**

The Committee's objectives in determining the remuneration and incentive framework, policies and practices are to:

- (a) ensure the framework, policies and practices are aligned with Qube's purpose, values, strategic objectives and risk appetite as set by the Board;
- (b) motivate the Managing Director and Senior Executives to pursue the long-term growth and success of the Qube Group;
- (c) demonstrate a clear relationship between performance and remuneration;
- (d) involve an appropriate balance between fixed and incentive remuneration, reflecting the short and long-term performance objectives of Qube;
- (e) differentiate between higher and lower performers through the use of a performance management framework; and
- (f) be compliant with all relevant laws and regulations and have regard to shareholder expectations.

## **6.7 Remuneration for Non-Executive Directors**

In assisting the Board, the Committee will review and make recommendations to the Board on remuneration for Non-Executive Directors (including fees, travel and other benefits). In making its recommendations, the Committee should take into account the following guidelines:

- (a) Non-Executive Directors should be remunerated by way of fees — in the form of cash, non-cash benefits, superannuation contributions or salary sacrifice into equity;
- (b) Non-Executive Directors should not participate in schemes designed for remuneration of Executives;
- (c) Non-Executive Directors should not receive options or bonus payments;
- (d) Non-Executive Directors should not be provided with retirement benefits other than statutory superannuation and certain travel entitlements which are usual in the logistics industry and are disclosed in the Annual Report; and
- (e) the Minimum Shareholding Guideline as approved by the Committee and the approved Non-Executive Directors fee pool.

## **6.8 Remuneration for the Managing Director and Senior Executives**

- (a) In assisting the Board, the Committee will review and make recommendations to the Board on the remuneration and incentives awards for the Managing Director.
- (b) The Committee will review and approve the remuneration and incentive awards for Senior Executives, including in respect of:
  - (i) fixed remuneration levels (including superannuation) and short and long-term incentive awards;
  - (ii) any termination payments (which are to be agreed in advance and include provisions in case of early termination); and
  - (iii) offers of equity under Board approved employee equity plans. Any issue of Qube shares and offer of rights made to the Managing Director are to be placed before shareholders for approval.

## **6.9 Other executives**

The Managing Director and other Senior Executives (as relevant) will review the remuneration of all other executives not otherwise specified in this Charter.

## **6.10 Human Resources Policies**

The Committee will review strategic human resource policies and practices for Qube.

## **6.11 Other**

The Committee will consider any other remuneration matters referred to the Committee by the Board.

# **7. Responsibilities and Duties – Nomination Matters**

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## **7.1 Selection, Appointment, Re-election and Performance of Directors**

- (a) In assisting the Board in the appointment, re-election and performance of Directors, the Committee will:
  - (i) assess the necessary and desirable competencies of Directors;
  - (ii) assess that Directors have the appropriate mix of competencies to enable the Board to discharge its responsibilities effectively;
  - (iii) assess that a Director's external commitments are not such that they might prevent the Director from properly discharging their duties to Qube;
  - (iv) develop Board succession plans so that an appropriate balance of skills, experience, expertise and diversity is maintained;
  - (v) make recommendations to the Board relating to the appointment, re-election and retirement of Directors;



- (vi) review the time commitment required from Non-Executive Directors and whether Directors are meeting that commitment; and
  - (vii) ensure that regular performance reviews are conducted of the Board and its Committees.
- (b) In reviewing the composition and performance of the Board, the Committee will consider the term served by Non-Executive Directors so that, over time, new Directors are appointed to challenge existing approaches and to incorporate new ideas and energy.
- (c) In selecting and recommending the appointment of new Directors, the Committee will:
- (i) adopt a skills matrix to identify any deficient competencies in the skills and experience of the Board;
  - (ii) assess candidates with regard to the diversity objectives of the Qube Group;
  - (iii) engage external consultants where necessary to assist in the selection process of suitable candidates; and
  - (iv) recommend candidates who have the appropriate range of skills, experience and expertise that will best complement Board effectiveness.
- (d) In addition, any candidate must confirm that they have the necessary time to devote to their Qube Board position. In support of this confirmation, the candidate must provide the Committee with details of other commitments and an indication of time involved.

## **7.2 Induction and Continuing Development of Directors**

- (a) The Committee should ensure each new Director undertakes an induction program which enables them to gain an understanding of:
- (i) the logistics industry and the Qube Group's operations;
  - (ii) the Qube Group's financial, strategic, operational and risk management position;
  - (iii) the purpose, culture and values of the Qube Group;
  - (iv) their rights, duties and responsibilities and those of Qube management;
  - (v) Board and Committee meeting arrangements, including the role of Board Committees; and
  - (vi) constructive and respectful relations between Board members, and between the Board, Qube management and other stakeholders.
- (b) The Committee will review that Directors have access to appropriate continuing education to update and enhance their skills and knowledge (including key developments in Qube and within the logistics industry).

### **7.3 Committee Membership**

When it is considered appropriate, the Committee is to review the composition of Committees and submit recommendations to the Board for changes to those Committees.

### **7.4 Senior Executive Appointments**

The Committee is to review and endorse recommendations made by the Managing Director for Senior Executive appointments.

### **7.5 Other**

The Committee will consider any other nomination matters referred to the Committee by the Board.

## **8. Committee Performance**

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To determine whether it is functioning effectively, the Committee will:

- (a) periodically review this Charter; and
- (b) ensure that an evaluation of its performance is undertaken annually, which may occur in conjunction with a Board evaluation process;
- (c) Identify opportunities for continual improvement.