

Remuneration and Nominations Committee Charter

BOARD

This charter assists the Board in fulfilling its responsibilities with respect to Corporate Governance and oversees our People Capital, Environment, Social and Governance matters and all remuneration matters and nomination and succession planning processes with Kina.

Owner: Company Secretary
Level: Level 1 – Board
Version: 1.7
Effective: 27 November 2015

CONTENTS

1. PURPOSE	3
2. RESPONSIBILITIES	4
3. COMMITTEE AUTHORITY	6
4. MEMBERSHIP; QUORUM; SECRETARY	6
5. COMMITTEE MEETINGS	7
6. REVIEW OF CHARTER	8
7. POLICY ADMINISTRATION	9

This Charter outlines the purpose and responsibilities of the Remuneration and Nomination Committee of Kina Group Limited.

1. PURPOSE

The purpose of RNC is to fulfil its responsibilities with respect to human resource policies, Environment, Social and Governance (ESG) policies, remuneration matters and nomination and succession planning processes within the Company.

The primary function of the Remuneration and Nomination Committee (RNC) is to assist the Board to carry out the following activities:

- To have coherent remuneration and people management policies and practices which are aligned with the Company's purpose, values, strategic objectives and risk appetite and which enable the Company to attract, motivate and retain capable and talented directors, executives and employees and create a safe place to work;
- fairly and responsibly remunerates directors, executives and employees having regard to the performance of the Company and best market practices;
- deliver on its overall people strategy, having due regard to the Company's succession planning, talent management, diversity, performance management and employee relations policies;
- provide a framework that allows the Board to align remuneration and risk management and encourage behaviour that supports Kina's core values which is a part of the risk management framework
- have clarity around its cultural expectations and processes in place to monitor, measure and report on the achievement of agreed cultural outcomes, and take appropriate steps to remedy issues identified;
- have clarity around its diversity expectations and processes in place to monitor, measure and report on achievement of agreed diversity outcomes, and take appropriate steps to remedy issues identified; and
- have appropriate practices and processes in place to measure, monitor and report on its social and broader community impact as part of its ESG aspirations and obligations

The RNC is responsible for satisfying itself that the remuneration arrangements of the following persons is not contrary to the long-term financial soundness of Kina Group.

- Responsible Persons as defined by BPNG BPS320 Fit and Proper;
- Personnel whose role is primarily risk and financial control; and,
- any other person or group of persons* who receive significant performance based remuneration and either individually or collectively may make decisions that may affect the financial soundness of Kina

Its establishment is to assist in ensuring that Kina Group comply with:

- a) its obligations as a finance institution, as documented in all of the BPNG Prudential Standards and Other regulators in the jurisdictions we operate.
- b) Our Strategy and Values;
- c) Our Risk Management Strategy & Framework;
- d) The Credit Risk Appetite Statement and resultant specific policies;
- e) our Code of Conduct;
- f) our policies and procedures and;
- g) all other relevant laws, regulations, codes, regulations, and industry and organizational standards.

2. RESPONSIBILITIES

The RNC is responsible for ensuring that the Company's human resource, remuneration and incentive policies and practices are aligned to its values and business objectives and performance and demonstrate a clear relationship between overall Company performance, executive performance and remuneration.

Executive Remuneration and Performance

- Review and recommend to the Board the remuneration framework that shall apply to the Managing Director (CEO) and Senior Executive Team.
- Review and recommend to the Board annually the remuneration of the CEO including the payment of any bonuses or incentives.
- Review and recommend to the Board annual performance targets for the organisation and the CEO, including the monitoring of performance against those targets in considering performance targets that may be set, or measuring performance against these targets, the Board will make appropriate adjustment for risk.
- remuneration may be adjusted for non-financial measures such as compliance with risk management and internal audit frameworks, management of staff, adherence to corporate values, behaviour or decisions from which litigation consequences may arise or where administrative, civil or criminal actions are taken against the organisation
- Review and recommend to the Board the terms of employment contract for the CEO.
- Make recommendations to the Board on the application of any forfeiture or clawback in relation to performance based remuneration of the CEO or Senior Executive Team in accordance with the rules of the applicable incentive or equity plan.
- Engage, on behalf of the Board as and when required, "remuneration consultants" to provide "remuneration recommendations" as those terms are defined in the Australian Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011, for key management personnel.

Talent Management

- Review the Company's recruitment, retention and termination policies and procedures for executives and senior management and approve any changes.
- Review processes for the identification and development of high potential employees.
- Conduct annual succession planning discussions in respect of the CEO and the Senior Executive Team.
- Review strategies and policies for people management including remuneration programs, performance management processes and career and skills development initiatives.

Employee Incentive Plans

- Review the operation and effectiveness of Employee Incentive Plans, including the performance hurdles applying to each plan, and assess the cultural impact of such plans.
- Regularly review the ongoing appropriateness of all Employee Equity Plans, having regard to legislative, regulatory and market developments.

Strategic Initiatives

- Oversight the effective operation of the Company's strategic human resources policies and initiatives.

Non-Executive Directors' Remuneration

- Review the structure and level of non-executive directors' remuneration annually and make recommendations to the Board.

Board and Director Performance

- Assess the collective skills required to effectively discharge the Board's duties having regard to the Company's performance, financial position and strategic direction.
- Assist the Board to develop a skills matrix setting out the skills, expertise, experience and diversity that the Board currently has and is looking to achieve in the future.
- Periodically review the composition, functions and responsibilities and size of the Board.
- Develop and implement a process for the evaluation of the performance and effectiveness of the Board as a whole, Board committees and individual non-executive directors and assist the Board to make a recommendation to shareholders in relation to the re-election of non-executive directors

External Reporting

- Review and recommend to the Board the annual Remuneration Report

"Fit and Proper" Appeals

- Oversee the administration of the "Fit and Proper" requirements of the BPNG Prudential Standard BPS310 Corporate Governance - Fit and Proper Requirements.
- Consider appeals against the determination of the initial decision maker on tests for fitness and probity to hold Responsible Person positions.
- Recommend to the Board where the RNC considers an appeal should be sustained.

Board Nominations

Review and consider the structure and balance of the Board and make recommendations to the Board regarding appointments and re-elections. In particular, the Remuneration and Nominations Committee will:

- regularly review the structure, size and composition (including the skills, knowledge, experience, expertise and diversity) of the Board and to make recommendations regarding any changes;
- formulate renewal and succession plans for directors and the Chair, taking into account the future strategic direction of the Kina Group and the environment in which it will operate;
- evaluate the balance of skills, knowledge, experience, expertise and diversity represented on the Board, identify any current gaps or future needs and develop specifications for the next appointments to the Board in order to strengthen the Board's ability to work cohesively, and disclose those specifications in a Board skills matrix;
- identify, and nominate for Board approval, candidates to fill board vacancies arising from scheduled retirement or unanticipated events;
- undertake the appropriate checks on candidates for the Board (including checks concerning the person's character, qualifications and experience, education, criminal record, bankruptcy history and independence as a director) and provide that information, where material and relevant, to shareholders before recommending a candidate for appointment or re-election;
- make recommendations to the Board with respect to:
 - the re-appointment of any non-executive director at the conclusion of their specified term of office;
 - the re-election by shareholders of any director under the retirement by rotation provisions of the Company's Constitution;
 - the degree of independence of any director;
 - whether a director qualifies as a non-executive director; and
 - whether a candidate for appointment passes the "Fit and Proper" test;

- require that the Company enters into a written agreement with each new Board member which sets out the terms of their appointment;
- require that a formal position description is in place for each director appointed to the board
- Oversee the completion of appropriate and adequate professional development for each director and ensure a suitable evidentiary record of development activities is maintained.
- require that all new directors undergo formal induction and/or orientation to facilitate their ability to discharge their responsibilities; and
- Consider any other matters pertaining to Board nomination or succession referred to the Committee by the Board.

Succession Planning - CEO and Senior Management

- Make recommendations to the Board regarding the succession planning process for, the CEO and the CEO's direct reports.

Diversity

- review on an annual basis:
 - the effectiveness of the Diversity Policy, its objectives and the strategies outlined therein; and
 - the division of responsibilities and accountability for developing and implementing diversity initiatives across the organisation;
- provide a report to the Board on the outcomes of its review, including any recommendations for changes to the Policy strategies, and the way in which they are implemented; and
- review the gender composition of the Company as a whole (including the board) and report its findings to the Board.

3. COMMITTEE AUTHORITY

- Review and approve, having regard for the recommendation of the CEO the remuneration of the Senior Executive Team and any other direct reports to the CEO, including the payment of any bonuses or incentives
- Review and approve having regard for the recommendation of the CEO the annual performance targets for members of the Senior Executive Team, including the monitoring of performance against those targets.
- Review and approve, having regard for the recommendation of the CEO, the key terms of Senior Executive Team employment contracts.

4. MEMBERSHIP; QUORUM; SECRETARY

Membership

- The Committee shall comprise of members who are non-executive directors with a majority being independent directors.
- The Committee membership and Chair shall be appointed and approved by the Board.
- All Members of the committee shall have the appropriate specialized knowledge of human resource/remuneration matters, succession and organizational development.

Permanent members shall comprise of the

- Committee Chair
- Directors appointed to the committee as members
- Managing Director (CEO)

The Executive responsible for People and Culture* (or any other delegate approved by Committee resulting to organisational changes) will attend the meeting. However, they will not be a formal (or voting member)

Other executives who are responsible for areas of management including (but not limited to) ESG, Risk or Finance may be asked to attend.

Quorum

- Each meeting shall proceed with a quorum (2 members) of committee members present. A quorum shall be set at a majority of those being present or available by telephone or through electronic means.
- Failure to achieve a quorum will result in the meeting being postponed to a suitable later date.
- A valid decision of the meeting requires a majority vote of those members attending where a quorum is present.

Committee Secretary

- The Committee Secretary will be the Company Secretary.
- All material to be considered by the Committee members at formal meetings shall be distributed beforehand (5 business days) by the Committee Secretary.
- Members shall provide any documents to the Committee Secretary at least five (5) working days prior to a meeting to enable timely distribution.

5. COMMITTEE MEETINGS

Meetings

- The Committee will meet as often as it deems necessary or appropriate noting it is considered a minimum requirement that the Committee shall meet at least two (2) times a year.
- The Committee shall also meet as required or necessary to discuss matters of an urgent nature.
- Committee meetings can be held via telephone or through electronic means.

Agendas

- An agenda of standing items for discussion will be drawn up and may be altered by the RNC as it deems fit. The operating rhythm can be changed based on business priorities and sequenced to other committee rhythms or reporting requirements

Minutes

- Minutes of each Committee meeting shall be prepared by the Secretary and ratified by a subsequent RNC.
- Action Items are to be issued to RNC within 48 hours of meeting.
- Minutes of the meeting are to be issued to the Chair within 48 hours and distributed to members within one (1) week of the sitting.
- Minutes are not to be distributed outside Committee membership.

Reporting by Committee Chair

- Following each meeting, the Committee Chair shall report on the Committee's activities, discussions, and decisions to the Board.

Attendees at Committee Meetings

- No one other than members of the Committee shall be entitled to attend meetings of the Committee but the Committee may invite other non-executive directors to attend. Senior management must attend the meetings of the Committee when requested to do so by the Committee.
- Other Representatives of management may be invited to attend part or all of any meeting of RNC.

Conflicts

Conflict of Interests needs to be duly considered by all members

- Members must declare any actual or potential conflicts of interest, which may exist or might reasonably be thought to exist in regard to any matter before RNC.
- RNC may require a member to be absent while any issue relating to that conflict is discussed or voted upon.

RNC members need to acknowledge that they may receive or originate confidential information. Such information must be treated in compliance with Kinas Confidentiality and Privacy Program and retained within the organisation. In particular, information must

- NOT be released to others outside of the proper ambit of committee member's duties, and
- NOT be used for the personal benefit of directors, officers or employees of Kina or for the personal benefit of others.

6. REVIEW OF CHARTER

This Charter shall be reviewed by the Owner annually under the Risk Management Framework (or at any time required by the Board or Board Committee) with a summary being submitted to RNC and Board Risk Committee detailing the results of risk assessment and whether there are any updates required.

Every three years, the full Charter must be submitted to the Board Risk Committee for Board Endorsement.

All Amendments and Approvals are maintained by the Risk Compliance Team in the Policy & Procedure Change Document Register.

7. POLICY ADMINISTRATION

Policy Administrator	Executive Responsible for People and Culture
Policy Owner	Company Secretary
Effective Date	27 October 2025
Date of Last Review	01 April 2023
Next Scheduled Review	30 April 2024
Regulator (If Applicable)	Bank of PNG
Compliance Mechanism	Annual Review process via RNC certification plus 2-year mandatory risk review and re-endorsement.
Approval Body	Board via RNC
Document Approval History	<p>Version 1.0 – Board approved on 27/10/2015</p> <p>Version 1.1 – Board approved on 06/12/2016</p> <p>Version 1.2 – Board approved on 12/12/2017</p> <p>Version 1.3 – Board approved on 29/04/2018</p> <p>Version 1.4 – Board approved on 30/08/2019</p> <p>Version 1.5 – Board approved on 23/06/2020</p> <p>Version 1.6 – Board approved on 22/06/2021</p>
Related Policies	<p>Board Charter</p> <p>Board Renewal Policy</p> <p>Board Risk Charter</p>

		Board Audit Charter Policy Hierarchy Model
Supporting Procedures Guidelines	or	n/a