



# Remuneration Committee Charter

## 1. Introduction

- 1.1 The Remuneration Committee (Committee) is a committee established by the Board of Directors of Washington H. Soul Pattinson and Company Limited (WHSP).
- 1.2 This Charter sets out the role and responsibilities, composition and structure of the Committee.

## 2. Definitions

- 2.1 In this Charter the following terms have the meanings shown:
  - **'Board'** means the Board of Directors of WHSP.
  - **'Chair'** means Chair of the Committee.
  - **'Committee'** means the Remuneration Committee.
  - **'Director'** means a director of WHSP.
  - **'Secretary'** means the Secretary to the Committee.
  - **'Senior Executives'** means the CEO, CFO and Company Secretary of WHSP.
  - **'Non-executive Director'** means a Director who is not employed in an executive capacity by WHSP.
  - **'WHSP'** means Washington H. Soul Pattinson and Company Limited.

## 3. Role and Responsibilities

- 3.1 The role of the Committee is to make recommendations to the Board with regard to the following:
  - Remuneration of Non-executive Directors.
  - Remuneration of Executive Directors.
  - Remuneration of Senior Executives.
  - Compliance with statutory obligations regarding remuneration related disclosures.
  - Policies and reporting with respect to any employee incentive programs.
  - Policies and reporting with respect to any employee equity programs.
  - Any other matters referred to it by the Board.
- 3.2 The Committee is to review remuneration arrangements as follows and determine whether any significant matters should be brought to the attention of the Board.

Remuneration arrangements are to:

- provide incentives for sound and effective risk management and the longer-term financial soundness of the Company; and
- be consistent with best practices and based on long-term achievements.

Remuneration arrangements are **not** to:

- create incentives for management to pursue greater profitability by relaxing risk controls; or
- result in differences in remuneration which are based on gender.

3.3 The Committee has no delegated authority from the Board to determine the remuneration of Directors or employees.

## 4. Composition and Structure

4.1 The members and the Chair of the Committee will be appointed, removed and/or replaced by the Board.

4.2 The Committee will consist of:

- only Non-executive Directors;
- at least three members;
- a majority of independent Directors (as determined by the Board); and
- an independent Director (as determined by the Board) as Chair.

4.3 The Company Secretary or their nominee will act as the Secretary to the Committee.

## 5. Authority and Access

5.1 The Committee is authorised by the Board to perform any activities required to discharge its responsibilities.

5.2 The Committee has unrestricted access to Company officers and executives, including requiring their attendance at Committee meetings.

5.3 The Committee has no delegated authority from the Board to determine the remuneration of Directors or employees.

## 6. Meetings

6.1 The Committee is to meet as often as required and at least once each year.

6.2 Meetings will be called by the Secretary at the request of the Chair of the Committee or the Chair of the Board.

6.3 A quorum will comprise two members of the Committee.

6.4 Members of the Board who are not members of the Committee and others may attend meetings at the invitation of the Chair. In doing so the Chair is to ensure that the requirements of 4.2 above are not effectively breached.

6.5 Executive Directors and other employees (including the Secretary) are not to be present when their remuneration is being considered or when other remuneration, which may have a bearing on their remuneration, is being considered.

6.6 The Secretary will keep minutes of proceedings and resolutions of the Committee together with copies of Committee papers.

- 6.7 A meeting of the Committee can be held in person, by telephone, by teleconference or by other electronic means or any combination thereof, so long as a quorum of members can hear the proceedings of the meeting at all times.

## **7. Reporting**

- 7.1 The Committee reports to the Board and Committee meeting minutes will be provided to the Board for noting.
- 7.2 The Committee will provide the Board with sufficient information to allow informed decision making.

## **8. Access to Advisers**

- 8.1 The Committee shall have the authority to appoint and set the terms of engagement of advisers as required for the Committee to carry out its responsibilities.
- 8.2 If the Committee engages expert advisers on matters pertaining to the remuneration of Directors or key management personnel, those advisers are to provide their advice directly to the Committee, independent of management.

## **9. Review**

- 9.1 The Committee is to periodically review this Charter to keep it up to date with the responsibilities and objectives of the Committee.
- 9.2 Amendments to this Charter are to be made by the Board.

## **10. Publication**

- 10.1 This Charter is to be made available on WHSP's web site.

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