



Remuneration and Human Resources Committee Charter

Vicinity Centres

May 2020

Remuneration and Human Resources Committee Charter

1. Purpose

- 1.1 The purpose of the Committee is to assist the Board in fulfilling its corporate governance responsibilities in relation to:
- the remuneration framework;
 - the remuneration and performance of the CEO and members of the Executive Committee, and remuneration of non-executive directors;
 - remuneration disclosures;
 - organisational culture; and
 - key people-related strategies, policies and programs, including in relation to talent management, diversity and inclusion and employee wellbeing.
- 1.2 The Committee will primarily fulfil these responsibilities (and any other matters, powers or responsibilities delegated to the Committee by the Board from time to time) by carrying out the activities outlined in the Responsibilities section of this Charter.

In this Charter:

Board means the Boards of the Company, the Responsible Entity and VFRE.

CEO means Chief Executive Officer and Managing Director

Company means Vicinity Limited ACN 114 757 783.

EESP means the Employee Exempt Security Plan.

LTIP means the Long-term Incentive Plan.

Responsible Entity means Vicinity Centres RE Ltd ACN 149 781 322, the responsible entity of the Trust.

STIP means the Short-term Incentive Plan.

Trust means Vicinity Centres Trust ARSN 104 931 928.

VFRE means Vicinity Funds RE Ltd ACN 084 098 180, the responsible entity of the Wholesale Funds managed by Vicinity.

Vicinity means the Company, the Trust, the Responsible Entity, VFRE and each of their respective controlled or managed entities.

2. Composition

- 2.1 The Committee must comprise at least three members, a majority of whom are independent non-executive Directors.
- 2.2 The Committee Chairman must be an independent non-executive director who is not the Chairman of the Board.
- 2.3 At least one member of the Risk and Compliance Committee will be a member of the Committee to assist with the sharing of relevant information between the two Committees.
- 2.4 Committee membership and the Committee Chairman will be determined by the Board from time to time. Committee members may withdraw from membership by written notification to the Board.
- 2.5 The Secretary of the Committee will be the Company Secretary, unless otherwise determined by the Committee.

3. Meeting Procedures

- 3.1 The Committee will meet at least four times a year or more frequently as required.
- 3.2 The provisions of the Company's Constitution dealing with Directors' meetings and written resolutions apply to meetings of the Committee.
- 3.3 The quorum for meetings of the Committee will be two members.
- 3.4 If the Committee Chairman is absent from any Committee meeting, the Committee members present at that meeting will appoint one of their number to be Chairman of that meeting.

4. Advice and Resourcing

- 4.1 The Committee has free and unfettered access to Vicinity management, human resources personnel, independent remuneration consultants or advisers and external auditors, and any other relevant internal or external party and information, to the extent necessary to perform its role. The Committee may meet with those persons with or without management being present. These persons also have direct access to the Committee.
- 4.2 The CEO and Chief People and Culture Officer have a standing invitation to attend all Committee meetings and will be provided with relevant meeting materials.
- 4.3 All Directors have access to relevant meeting materials (including minutes or written resolutions of the Committee which Directors may inspect at any time) and may attend Committee meetings.
- 4.4 The CEO and other members of the Executive Committee are excluded from attending and participating in discussions impacting their own remuneration.
- 4.5 The Committee may initiate special investigations as it sees fit, or as directed by the Board, in relation to matters set out in this Charter, or any other matter referred to the Committee by the Board.

5. Responsibilities

The responsibilities of the Committee are as follows:

5.1 Remuneration framework

- 5.1.1 Regularly monitor and review the remuneration framework and make recommendations to the Board as required, ensuring that:
 - a. it promotes behaviours that support Vicinity's values, strategy and risk appetite;
 - b. it demonstrates a clear relationship between business performance, individual performance and remuneration;
 - c. it encourages a culture that appropriately mitigates against financial and non-financial risks; and
 - d. all payments made and processed through the payroll and equity-based payments are aligned with current governance, legal and regulatory requirements.

5.2 Remuneration and performance

- 5.2.1 Review and recommend for approval by the Board the CEO's remuneration arrangements, including performance objectives and outcomes.
- 5.2.2 Review recommendations from the CEO and approve the Executive Committee's remuneration arrangements, including performance objectives and outcomes.
- 5.2.3 Review and recommend for approval by the Board the remuneration arrangements for non-executive directors and the maximum aggregate level of fees.
- 5.2.4 Review superannuation arrangements for directors, the Executive Committee and other employees.
- 5.2.5 Review and recommend minimum security holding policies for non-executive directors and the Executive Committee for approval by the Board.
- 5.2.6 Approve the engagement of remuneration consultants to directly support the Committee as and when required.

5.3 Incentive plans

- 5.3.1 Review and recommend for approval by the Board any new, or material amendments to, equity or cash-based employee incentive plans. Approve any immaterial amendments to these plans.
- 5.3.2 Review and recommend for approval by the Board annually the overall STIP payments.
- 5.3.3 Review and recommend for approval by the Board annually the LTIP and EESP offers.
- 5.3.4 Review and recommend for approval by the Board any vesting outcomes under the LTIP.
- 5.3.5 Review and approve adjustments to employee equity vesting outcomes or eligibility to receive short-term or long-term incentive payments, including but not limited to, where vesting conditions have not been met, or subject to relevant clawback provisions.

5.4 Remuneration disclosure

- 5.4.1 Review and recommend the Remuneration Report for approval by the Board.

5.5 Organisational culture and human resources strategy

- 5.5.1 Oversee implementation of the human resources strategy.
- 5.5.2 Oversee people-related strategies, policies and programs to support enterprise objectives, including in respect of talent and succession management, attraction and retention, performance management, diversity and inclusion, culture and engagement programs and employee wellbeing.
- 5.5.3 Review and recommend objectives for achieving gender diversity for approval by the Board and monitor whether there is any gender or other inappropriate bias in remuneration.
- 5.5.4 Review and provide recommendations to the Board on actions the Committee considers necessary to instil, or reinforce, the desired organisational culture, with matters relating to risk culture to be referred to the Risk and Compliance Committee.
- 5.5.5 Monitor and review any material breaches of the Code of Conduct and associated consequences.

6. Interaction with the Board and other Committees

- 6.1 The Committee only has responsibility for matters set out in the Board Charter that are included in section 5 of this Charter or additional responsibilities or powers that are delegated to the Committee by the Board from time to time. The Committee's role does not extend to any of the responsibilities set out in the Charters of the Audit Committee and the Risk and Compliance Committee.
- 6.2 The Committee will, in discharging its duties, seek to co-ordinate its activities with the other Board Committees where appropriate, including but not limited to receiving updates or reports from the Risk and Compliance Committee Chairman and Audit Committee Chairman on issues that are relevant to the Committee, in particular any risk, conduct, compliance, financial or internal control matter that may be relevant to the determination of variable remuneration outcomes for the CEO and members of the Executive Committee.

7. Reporting

- 7.1 The Committee Chairman will provide a verbal report of the considerations of the Committee to the Board at the next Board meeting following a meeting of the Committee (including any approvals granted outside a meeting of the Committee) and including recommendations on any specific decisions or actions the Board should consider.
- 7.2 Any significant issues or material risks to Vicinity that the Committee becomes aware of will be notified to the Board. Material legal and regulatory requirements, including any securityholder approvals which are required in respect of remuneration matters, should also be notified to the Board.

8. Performance and Charter Review

- 8.1 The Board or Committee will assess the Committee's performance annually as part of the Board evaluation process having regard to the principles and requirements of this Charter and any relevant findings and agreed actions will be considered by the Board in a timely manner.
- 8.2 The Committee will review the Committee Charter at least every two years or earlier if deemed necessary by the Committee or Board and will recommend proposed amendments to the Board for approval.