



**Oil Search**



# **People and Nominations Committee Charter**

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Oil Search Limited and its subsidiaries

## Document Control

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### Document Details

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### Revision and Approval Record

Section	Revision	Date	Reason for issue	Owner	Approver	Endorsed
NA	1	7/12/2015	Annual Review	People and Nominations Committee	People and Nominations Committee	Board
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3. Composition	3	20/10/2016	Annual Review	People and Nominations Committee	People and Nominations Committee	Board
4. Role of the Committee	4	13/12/2016	Committee Review	People and Nominations Committee	People and Nominations Committee	Board
2. Duties and Responsibilities	5	18/10/2017	Committee Review	People and Nominations Committee	People and Nominations Committee	Board
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3. Composition	7	12/12/2018	Annual review by Board, including adding reference to Independent Committee Members at Section 3	People and Nominations Committee	People and Nominations Committee	Board



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## 1. Role of Committee

The People and Nominations Committee provides advice and recommendations to the Board regarding Directors, executives and other employees with the objective that the Group:

- a) has coherent human resource and remuneration policies and practices informed by market best practice which are observed and which enable it to attract, retain and motivate the talent necessary to create value for shareholders;
- b) fairly and responsibly rewards Directors, executives and other employees having regard to the performance of the Group, the general pay environment and the individual performance of each executive and employee; and
- c) Complies with all relevant legal and regulatory provisions.

The People and Nominations Committee also:

- a) Provides advice and recommendations to the Board regarding the skills needed and available to the Board to discharge its duties and add value to the Group.
- b) Considers, and recommends to the Board, plans and candidates for non-executive director and senior executive succession.
- c) Reviews and oversees the implementation of the Group Code of Conduct.
- d) Reviews and oversees the key processes employed to identify and develop key talent across the Group.
- e) Oversees the establishment and monitoring of strategies to promote diversity and inclusion, sets objectives on diversity and reviews achievements against those objectives.

Ultimate responsibility for the Group's remuneration, recruitment, retention, termination, diversity, talent management and other employment policies rests with the Board.

## 2. Duties and responsibilities

### 2.1 Employee Remuneration Policies

Review the ongoing appropriateness and competitiveness of the Group's policies and practices on employee remuneration and benefit programmes, including those for determining remuneration levels and other benefits, and make recommendations to the Board concerning any proposed amendments.

Oversee the implementation of remuneration and benefit policies within the Group.

Consider and make recommendations to the Board on the entire remuneration for each Executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the executive remuneration policy.

Review and approve and report to the Board on the proposed remuneration (including incentive awards, equity awards and service contracts) of all executives remunerated under the Senior Executive remuneration policy, and any other direct reports of the CEO.

Review and recommend to the Board budgets for annual remuneration rewards to staff.

### 2.2 Employee Incentive Plans (Including Equity Based Plans)

Review and make recommendations to the Board on the design of all employee incentive plans.

Review and make recommendations to the Board on the total proposed rewards under each employee incentive plan.

Review and make recommendations each year to the Board on performance measures required for the implementation of incentive plans.

Consider and make recommendations to the Board on whether Oil Search should submit new proposed equity based incentive plans including material amendments to existing plans to Shareholders for approval. Except as required by law, it is not Oil Search's practice to ask shareholders to approve specific allocations under equity based incentive plans.

### 2.3 Recruitment, Retention, Talent Management and Termination

Review the ongoing appropriateness and competitiveness of the Group's recruitment, retention, talent management and termination policies and procedures for Executive Directors, executives and other employees and make recommendations to the Board regarding any proposed amendments.

Oversee the implementation of these recruitment, retention, talent management and termination policies and procedures within the Group.

Aid the CEO in seeking the support of the Board for any new Senior Executive appointment by ensuring that the CEO's preferred candidate is first interviewed by at least two non-Executive Directors (normally the Chairman of the Board and the Chairman of the People and Nominations Committee) with a third Director to join the interview where appropriate (for example the Chairman of the Audit Committee for a financial position).

Propose to the Board the appointment of new non-executive directors and contracts for new executive directors.

Approve terms and conditions and contracts for any new executives to be remunerated under the Senior Executive remuneration policy.



## 2.4 Non-Executive Director Remuneration

Review and provide recommendations to the Board regarding remuneration of non-executive Directors.

## 2.5 Board Composition and Skills

Assess the skills required to competently discharge the Board's duties, having regard to the strategic direction of the Group.

Assess the size, composition and skill mix of the Board and whether they meet the requirements as identified.

Make recommendations to the Board on the means by which skill levels of existing non-executive Directors can be enhanced.

On request of the Board, establish processes for the identification of suitable candidates for appointment to the Board.

Having regard to the skills required and the skills represented, and on the request of the Board, evaluate potential Board candidates and recommend a shortlist of individuals to the Board.

Prepare, review and update on a regular basis Directors' education and skills enhancement programme.

## 2.6 Board & Senior Executive Succession

Prepare and update on a regular basis Board and senior executive succession plans. A report to the Board on these plans is to be prepared and submitted at least once per year.

## 2.7 Diversity & Inclusion

Oversee the establishment and monitoring of strategies and policies to promote diversity and inclusion.

Oversee the implementation of policies and procedures which foster the development of local citizen talent.

Establish measurable objectives to increase the diversity mix of the workforce and the Board, with particular emphasis given to the representation of diverse nationalities and women in management roles and on the Board.

Assess the measurable diversity and inclusion objectives and progress against achievement of those objectives at least annually.

## 2.8 Other

Review the Group Code of Conduct and the effectiveness of its implementation once per year.

Review and approve the "Remuneration Report" before its inclusion in the Annual Report.



### 3. Composition

The People and Nominations Committee will consist of at least three non- executive members of the Board of directors.

In addition to the non-executive members of the Board of directors, the Committee will from time to time have Independent Committee Members.

Committee Members are determined by the Board from time to time in accordance with clause 21.12 of the Company's Constitution. The Chair of the Committee is elected by and from within the Committee in accordance with clause 21.13(c) of the Company's constitution.

## 4. Meetings

The committee will meet at least three times each year.

Any People and Nominations Committee member may call a meeting of the committee.

A notice confirming the date, time, venue and agenda must be forwarded to each member of the committee at least a week prior to the date of the committee meeting. The notice must include all relevant supporting papers for the agenda items to be discussed.

The Chairman of the committee will report the deliberations of each meeting of the Committee to the subsequent Board meeting.

Where practicable, copies of agreed minutes of the committee will be circulated to all Directors. The quorum consists of three committee members present in person or by telephone or video link.

The committee may invite any executive management team members or other individuals to attend meetings of the committee as the committee sees appropriate.





## 5. Resources

The committee will have unlimited access to senior management and may seek any information it considers necessary to carry out its duties.

The committee may engage external advisors as appropriate, subject to such engagements being in compliance with the relevant provisions of the Corporations Act 2001.



## 6. Duration

This charter will be reviewed annually by the Committee and the Board.