



## Remuneration Policy

### 1. Objective

1.1. Steamships Trading Company (Steamships) is committed to ensuring that:

- a. The level and composition of remuneration for all employees is competitive and reasonable and that the relationship between remuneration and performance is clearly defined.
- b. Non-executive Director remuneration is competitive and reasonable for the duties performed.

1.2. The objectives of the Steamships remuneration policy are to:

- a. Attract and retain the talent necessary to create value for shareholders.
- b. Motivate senior executives to pursue the long-term growth and success of the Group.
- c. Reward key management personnel and other employees fairly and responsibly, having regard to the performance of Steamships, the competitive environment and the individual performance of each employee.
- d. Comply with all relevant legal and regulatory provisions.

### 2. General Approach

2.1. Steamships' executive remuneration policy applies to the Managing Director, other executive Directors, and senior executives at the general manager level. It comprises:

- a. Fixed Remuneration.
- b. Incentives.
- c. Salary packaging and other benefits.

2.2. Non-executive Directors are remunerated by way of fees and do not receive options, bonus payments or retirement benefits.

2.3. Remuneration is monitored and reviewed annually by the Board with assistance from the Remuneration and Nomination Committee.

2.4. Incentive-based remuneration is aligned with individual and corporate objectives. Performance against these objectives is evaluated annually following the Board-approved performance evaluation protocol for senior management.

2.5. External remuneration consultants may be engaged by the Remuneration and Nomination Committee on an annual basis to advise on competitive benchmarks for the remuneration of executives and non-executive Directors.

### 3. Executive Remuneration

3.1. Steamships' Executive Remuneration Policy is based upon:

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### 3.2. Fixed Remuneration

- a. Fixed remuneration takes into account Steamships' legal and industrial obligations and labour market conditions and reflects core performance requirements and expectations. It comprises:
  - I. Cash salary.
  - II. A superannuation contribution.
  - III. Nominated benefits.

### 3.3. Incentives

- a. Steamships executives participate in Steamships' incentive plan whereby performance is evaluated against individual and collective key performance indicators aligned with the Group's strategic objectives.
- b. Operational, financial and strategic objectives and key performance indicators are determined at the start of each year. Performance against these objectives is evaluated annually following the Board-approved performance evaluation protocol for senior management.
- c. Rewards are significantly differentiated between average and outstanding performers.
- d. Unit, division and Group performance also influences reward levels.
- e. Steamships do not operate a long-term equity incentive plan.

### 3.4. Salary packaging and other benefits

- a. Steamships provides a range of salary packaging benefits to all executives. These may include, but are not limited to:
  - Accommodation.
  - Business and personal vehicle use.
  - School fees.
  - Medical, life and salary continuance insurance.
  - Annual return air fares.
  - Social club membership.

## 4. Non-executive Director Remuneration

4.1. Steamships' non-executive Director remuneration policy is based on:

- a. Competitive benchmarks for fees paid to non-executive Directors in ASX-listed companies of a similar size and complexity to Steamships.
- b. Responsibilities of non-executive Directors.
- c. Work requirements of individual Directors and the Board.

4.2. Non-executive Directors are remunerated by way of fees.

4.3. Non-executive Directors do not receive options or bonus payments and are not provided with retirement benefits.

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## 5. Remuneration and Nomination Committee

5.1. The Remuneration and Nomination Committee assists the Board by reviewing, monitoring and making recommendations regarding:

- a. The remuneration framework for Non-Executive Directors;
- b. The remuneration and incentive framework for the Managing Director, other executive Directors, and senior executives at the general manager level;
- c. Strategic human resources policies including recruitment, retention and termination policies, the Group Code of Conduct and Diversity Policy;
- d. Performance management programs;
- e. The composition of the Board, Board Committees and senior management team;
- f. Processes for evaluating the performance of the Board, Board Committees, individual Directors and senior management.

5.2. The Remuneration and Nomination Committee must consist of:

- a. At least three Directors.
- b. A Chairman, who is non-executive.

5.3. The Remuneration and Nomination Committee will meet annually or otherwise as directed by the Board.

## 6. Responsibility for Policy

6.1. The Board retains ultimate ownership of the Remuneration Policy and is responsible for its implementation at Board level.

6.2. The Board has delegated responsibility for the implementation of the policy below Board level to the Managing Director, including reporting to the Board on matters of remuneration.

## 7. Policy review

7.1. This policy will be reviewed annually by the Board or more frequently if changes to legal or regulatory requirements dictate.

7.2. The Board may periodically seek independent external advice in relation to the review process.

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