

Performance Management Policy and Procedure

Purpose

RightShip aims for excellence in performance. We support our employees to achieve success by creating a positive environment in which you can operate effectively, achieve success and satisfaction in your work and contribute effectively to our strategic and operational goals.

RightShip provides a comprehensive and transparent Performance Management Policy and Procedure to support effective performance and encourage excellence while dealing fairly with Unsatisfactory Performance, Misconduct or Serious Misconduct.

This Policy and Procedure outlines RightShip's approach to:

- Annual Performance Reviews, individual development and recognising and rewarding star performers;
- ensuring all employees meet our performance and conduct expectations;
- managing Unsatisfactory Performance;
- addressing instances of Misconduct or Serious Misconduct;
- disciplinary action that RightShip may take to address performance or conduct issues, including any failure to comply with an employee's obligations under any of RightShip's policies and procedures.

RightShip seeks to promote effective and timely communication of performance and conduct issues and to encourage counselling in appropriate circumstances.

The preferred outcome of performance and conduct management will always be improved performance and behaviour, and we will use the process set out in this policy and procedure to encourage employees to ensure that their performance and conduct meets the standards expected by RightShip.

Scope

This Policy and Procedure applies to all RightShip employees.

The terms of this Policy and Procedure do not form part of an employee's contract of employment and the policy and procedure may be varied, replaced or terminated at any time without notice at RightShip's discretion.

Nothing in this Policy and Procedure alters a US employee's at-will employment status in any way (US employees should review their offer letter for more information regarding at-will employment).

Guiding principles

The aim of this Policy and Procedure is to effectively manage and deliver a supportive and proactive approach to performance management that is fair and effective.

Performance comprises two components:

- an employee's capability to fulfil the requirements of the position; and
- an employee's conduct while undertaking the requirements of the position.

To operate effectively in any position, an employee must:

- have the required knowledge, skills, abilities, experience and qualifications; and
- be prepared to behave in an appropriate manner, to follow instructions and use skill and care while working.

Definitions

The definitions relevant to this Policy and Procedure are set out in the Appendix: Definitions.

Probation

All new employees employed in a permanent or fixed-term role will undergo a probationary period of three (3) months' during which time suitability for the position will be assessed. During the probationary period appropriate goals will be agreed between the employee and their manager, which will be based on the requirements of the position. RightShip may decide to extend a probationary period for a further three (3) months' if required. Any such extension will be agreed in writing with the employee.

Confirmation of permanent appointment rests with the relevant manager.

A probationary period is not required for a fixed-term employee on a second or subsequent appointment in a position with the same or similar duties. Completion of the probationary period will not alter a US employee's at-will employment status in any way (US employees should review their offer letter for more information regarding at-will employment).

Responsibilities

Managers must:

- model appropriate standards of behaviour;
- assess employee performance and provide feedback;

- take steps to educate and make themselves aware of their obligations under this Policy and Procedure;
- intervene quickly and appropriately when they become aware of unacceptable conduct; and
- act fairly to resolve issues and to enforce workplace behavioural standards

All employees must:

- not engage in misconduct; and
- take responsibility for fulfilling the requirements of their position.

Annual Performance Review

The Annual Performance Review (APR) applies to all permanent/fixed term full-time and part-time RightShip employees.

The purpose of the APR is to:

- ensure alignment between the performance and development of individual employees, departmental plans and priorities and RightShip's strategic plan; and
- promote communication between an employee and their manager. Through APR conversations direction, feedback and support can be given, goals for individual employees can be set and development needs can be identified.

Individual development

Individual development at RightShip plays a significant role in attracting, developing and retaining talent. Individuals need to continue to learn and expand their capability to be effective in their work.

RightShip recognises that increased organisational effectiveness is generated when the capabilities of individual employees are enhanced and they can better understand, and keep improving, the ways in which RightShip works.

Identifying individual development opportunities is a responsibility shared by each employee and their manager. Managers are encouraged to allow access to relevant development activities.

Recognising High Performance

RightShip acknowledges that organisational success and achieving strategic goals depends on our employees.

Managers are encouraged to recognise and reward employees who demonstrate sustained exceptional performance and behaviours that support our company values.

Recognising and rewarding the performance and behaviours of our team can help build a culture of high performance, embed RightShip's values and increase employee

engagement. Aside from the incentive scheme, rewards and recognition can take the form of providing stretch opportunities for further development or seeking appropriate platforms for employees to showcase their achievements (ex townhalls).

Performance and Misconduct Management Procedure

General

Performance and conduct issues are highly specific and RightShip's response will depend on the circumstances of each case and the nature of the particular issues. RightShip reserves its discretion to use any or all of the measures outlined in this Policy and Procedure that may be necessary to effectively manage individual performance and conduct issues. RightShip will comply with its obligations under relevant laws, but is not required to follow any particular process, or combination of processes, contained in this Policy.

Investigations and suspension

When conducting any investigation referred to in this Policy, RightShip may form the view that it is necessary to suspend or otherwise limit an employee's engagement with the company in order to conduct an efficient investigation.

In these circumstances, RightShip may do any of the following:

- suspend an employee from duties for a period and direct them not to attend the workplace in accordance with applicable laws;
- direct an employee not to communicate with fellow employees or other persons related to an investigation;
- appoint an external party to conduct the investigation;
- direct an employee to provide or otherwise assist the investigation; and/or
- direct an employee to maintain the confidentiality of the investigation.

Support person

Any request for a support person to be present during a meeting convened under this Policy and Procedure will be considered by RightShip and will not be unreasonably refused.

A support person's role is only to support the employee during the meeting; they cannot act as an advocate for the employee, inappropriately interrupt the meeting or speak on the employee's behalf.

Unsatisfactory Performance

Initial performance discussion

When a manager has concerns about an employee's performance, the manager should meet with the employee and attempt to address any potential Unsatisfactory Performance as efficiently as possible.

When meeting with the employee, the manager should do any of the following as may be necessary in the circumstances:

- clearly identify the standards of performance expected of the employee in their position;
- provide the employee with specific examples of any Unsatisfactory Performance;
- provide the employee with an opportunity to respond to the issues raised and provide any additional information that they feel is relevant;
- identify the ways in which the employee can improve their performance to meet the standards expected by RightShip;
- discuss what training, support and mentoring (including coaching) has been and can reasonably be made available to the employee;
- agree on a reasonable timeframe and action plan for the employee to improve their performance and meet the standards expected by RightShip; and
- document the discussion and keep a copy on RightShip's records.

Managing Unsatisfactory Performance

Where an employee fails to improve their performance to an acceptable standard after initial discussions with their manager, or where an employee's Unsatisfactory Performance is sufficiently serious at first instance to justify more significant action, RightShip may follow the process set out below.

Before initiating this process, managers need to involve the appropriate person at RightShip (from the Human Resources Team) who will provide guidance on the appropriate steps to be taken in the circumstances.

Unsatisfactory Performance meeting

The manager should ask the employee to attend a meeting to discuss their Unsatisfactory Performance. At this meeting, the manager should:

- clearly identify the standards of performance expected by RightShip of the employee in their position;
- provide the employee with specific examples of any Unsatisfactory Performance;
- confirm the previous steps taken by RightShip to assist the employee improve their performance, if any;
- provide the employee with an opportunity to respond to the issues raised and provide any additional information that they feel is relevant;
- identify strategies to enable the employee to meet the standards of performance expected by RightShip, including any training and/or support that RightShip can reasonably provide;

- set measurable performance goals to be achieved by the employee and reasonable timeframes for compliance;
- explain the way that the employee's performance against these standards will be measured; and
- inform the employee that any continued Unsatisfactory Performance may result in further disciplinary action, up to and including termination of their employment.

The manager and member of the Human Resources team should document these discussions and keep a record on the RightShip's files.

The manager and the member of the Human Resources team should consider the matters discussed with the employee and any additional information provided by the employee. RightShip can then decide whether to take any of the following actions that may be relevant in the circumstances:

- issue a formal written warning to the employee regarding their Unsatisfactory Performance;
- place the employee on a performance improvement plan;
- otherwise monitor the employee's performance and arrange further meetings with the employee to discuss;
- termination of employment, either with notice or by summary dismissal (as set out below).

Formal written warning

RightShip may give an employee a formal written warning where:

- the employee's Unsatisfactory Performance has not improved within a reasonable period of time following an Unsatisfactory Performance meeting; or
- the employee's Unsatisfactory Performance is sufficiently serious to justify a formal written warning at first instance.

Continued Unsatisfactory Performance

Where an employee's Unsatisfactory Performance continues after RightShip has issued a formal written warning, the manager should arrange a further meeting with the employee.

RightShip can take any of the following actions that it deems necessary in the circumstances:

- issue a further formal written warning;
- issue a final written warning;
- if the employee's Unsatisfactory Performance is of a particularly serious nature, take further disciplinary action up to and including termination of employment; or
- termination of employment, either with notice or by summary dismissal (as set out below).

Where an employee's Unsatisfactory Performance is sufficiently serious at first instance, RightShip may issue a first and final warning to the employee.

Suspension

RightShip may suspend an employee from work at any time, pending an investigation or review, where an employee's Unsatisfactory Performance involves a suspected breach of RightShip's policies, Code of Conduct or procedures.

Termination of employment

RightShip may terminate an employee's employment in any of the following circumstances:

- RightShip has issued at least one formal written warning and the employee continues to engage in Unsatisfactory Performance;
- RightShip has issued a final written warning or a first and final written warning, and the employee continues to engage in Unsatisfactory Performance; or
- the employee's Unsatisfactory Performance is sufficiently serious to provide a basis for termination of employment, either with notice or summary dismissal.

Note: US employees are employed with RightShip “at-will.” RightShip has the sole discretion to take any disciplinary action against a US employee, up to and including termination, at any time and for any reason, with or without cause, and without adhering to these Policy and Procedures.

Misconduct

Investigation

Where an employee is alleged to have engaged in Misconduct, RightShip may conduct an appropriate investigation into the allegation and determine whether further action is required.

RightShip may arrange a meeting with the employee to discuss the issues and provide the employee with an opportunity to respond and provide further information. RightShip may provide advance notice to the employee of the nature of the meeting and any attendees.

RightShip may conduct further investigations and gather further information where it believes it is necessary to do so (including from other sources, such as witnesses or other employees).

RightShip will endeavour to conduct any investigations discreetly and maintain confidentiality, so far as is reasonably practicable.

Determination and further action

RightShip will conclude any investigation into alleged Misconduct on the basis of the information made available to it during the investigation.

RightShip will inform the employee of any determination as soon as is reasonably practicable, including details of any consequences and disciplinary action to be taken.

Depending on the nature and seriousness of the alleged Misconduct, RightShip may consult further with the employee before reaching its determination or taking any further action. In this meeting, RightShip may give the employee an opportunity to respond to matters raised in the investigation and any findings or preliminary determinations. However, any responses given by the employee will not necessarily change RightShip's determination and any proposed disciplinary action.

Summary of possible disciplinary outcomes

Where an employee is found to have engaged in Misconduct, RightShip may do any of the following that it determines necessary in the circumstances:

- provide the employee with informal feedback, guidance or counselling;
- provide the employee with training or education on appropriate conduct and workplace behaviour;
- clearly identify the standards of conduct expected by RightShip;
- provide the employee with guidance on the ways that they can improve their conduct to meet the standards expected by RightShip;
- set measurable goals for conduct and workplace behaviour to be achieved by the employee;
- place the employee on a formal performance improvement plan;
- issue verbal or written warnings to an employee; and/or
- termination of employment, either with notice or by summary dismissal.

The number and nature of any warnings will depend upon the severity of the Misconduct and may include formal written warnings, final warnings, and first and final warnings.

Where RightShip issues a warning to an employee, it aims to ensure the employee is aware of:

- the standards of conduct expected by RightShip;
- the specific conduct and workplace behaviours that the employee is required to achieve and the timeframes within which they must achieve them; and
- the potential consequences of any further failure to meet the standards of conduct expected by RightShip, including further disciplinary action up to and including termination of employment.

Suspension

RightShip may suspend an employee from work at any time as part of its investigation into any allegations of Misconduct.

Gross/Serious Misconduct

To maintain the high standards of conduct and workplace behaviour expected by RightShip, and to protect its employees and contractors from unacceptable workplace

behaviour, the Company may need to take immediate action to address instances of Serious Misconduct.

Where it becomes aware of allegations of Gross/Serious Misconduct by an employee, RightShip will conduct an appropriate investigation in the form set out above in relation to Misconduct.

Notwithstanding anything else in this Policy and Procedure, RightShip reserves its right to terminate immediately an employee's employment without notice, where they have engaged in Gross/Serious Misconduct. This includes an employee who has engaged in a single instance of Serious Misconduct that justifies summary dismissal.

An employee dismissed for Gross/Serious Misconduct will not be entitled to any notice of termination or payments in lieu of notice, and may be disentitled to other benefits.

Practical issues related to managing Misconduct/disciplinary meetings/processes

Taking a break

Taking a break during a Misconduct related meeting may be helpful for a number of reasons including:

- to consider the employee's response prior to making any decision;
- to diffuse any tension in a difficult meeting; and
- to seek further advice and any additional support.

Taking a break may also provide an opportunity for the employee and his/her support person (if any) to privately discuss any issue.

Dealing with meeting delays

- It is lawful and reasonable for RightShip to direct an employee to attend a meeting at a time when they would ordinarily be scheduled to work.
- If an employee fails or refuses to attend a scheduled meeting, it will usually be appropriate to re-schedule the meeting and give the employee a further opportunity to attend. The employee can be informed that they are expected to attend and that if they do not a decision will be taken/made on the relevant issue or issues without their contribution.

Employee resignation during a Misconduct/disciplinary meeting

- An employee may resign from his or her employment at any time.
- It is important that any decision to resign is made voluntarily and not under duress.
- Where an employee resigns during a Misconduct or disciplinary meeting the person conducting the meeting will confirm the employee's decision, make a

note of the resignation and ask the employee to provide notice of their resignation in writing.

Escorting an employee out of the workplace

- In certain circumstances where an employee's employment is terminated (including situations where an employee becomes angry, emotional or abusive) an employee may be escorted out of the workplace.
- In such cases, the employee will be permitted to remove their personal belongings from the workplace under reasonable supervision.
- In some cases, the employee may prefer to return to the workplace out of hours to collect their personal belongings. RightShip will support any such request where practicable.

It may be necessary to arrange a separate meeting with the employee to collect items belonging to RightShip such as keys, security card, electronic equipment or company documents.

Consequences of non-compliance

Any employee found to be in breach of this policy/procedure may be subject to appropriate disciplinary action, up to and possibly including termination of their employment or relationship with RightShip.

References

RightShip documents

- Dispute Resolution Policy.
- Equal Employment Opportunity and Anti-Discrimination, Harassment, Bullying and Victimisation Policy.
- RightShip Code of Conduct.

Policy ownership and review

This Policy is owned by the Chief Executive Officer.

This Policy requires the annual approval of the RightShip Board of Directors.

Procedural Version Control

No.	Date approved	Date effective	Section amended	Authorised by
1	October 2020	October 2020	Initial release	CEO

2	February 2023	February 2023	Combined Performance Management Policy and Procedure into one policy	CEO
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Appendix: Definitions

Term	Definition
Unsatisfactory Performance	Arises where employees fail to perform their duties, tasks or responsibilities to the standard required by RightShip.
Misconduct	<p>Includes:</p> <ul style="list-style-type: none">• disobeying a lawful and reasonable direction of RightShip;• failing to act in accordance with any of RightShip's policies or procedures; and• any conduct which is improper, inappropriate or does not meet the standard required by RightShip.
Gross/Serious Misconduct	<p>Includes any conduct involving:</p> <ul style="list-style-type: none">• repeated or persistent Misconduct;• dishonesty, theft, fraud, assault, violence or threats of violence;• harm or imminent harm (or the possibility of harm) to others;• gross negligence or incompetence in the performance of an employee's duties;• refusal to carry out a lawful and reasonable direction from RightShip;• threatening or damaging RightShip's reputation or financial viability,• bullying, harassment or discrimination;• any crime or civil wrong that, in the reasonable opinion of RightShip, may seriously impact an employee's ability to perform the duties of their position;• a serious risk to RightShip's reputation, good will, viability or profitability; or• any other conduct which amounts to a serious breach of the employee's employment contract or RightShip's policies and procedures.