

A decorative graphic consisting of a large red teardrop shape on the left, with a blue line and a red line that curve and step up to the right, ending in horizontal lines. The background is a dark blue gradient.

Remuneration and Nomination Committee Charter

Payright Limited

Remuneration and Nomination Committee Charter

1. Introduction

This Charter is established by the Board of Payright Limited and governs the operations, roles and responsibilities, composition, and the structure and membership requirements of the Remuneration and Nomination Committee.

2. Committee role

The role of the Committee is to assist the Board to carry out its responsibilities in relation to:

- oversight of remuneration practices;
- review of the composition and competencies of the Board and its Committees;
- evaluation of the performance of the Board, its Committees and individual Directors;
- ensuring proper succession plans are in place for consideration by the Board; and
- monitoring and assessing overall performance in relation to safety and sustainability.

3. Committee composition and operations

3.1 Membership

The Committee will comprise only of Board Members (and, if practical a majority of independent non-executive Directors). Committee members are appointed and removed (if necessary) by the Board.

The Committee will be of sufficient size, independence and technical expertise to discharge its mandate effectively and will comprise at least three members, including at least one independent Director. The Board must ensure that the Committee has an appropriate diversity of membership to avoid entrenching cognitive biases. The Board will also appoint a Chair of the Committee (Committee Chair), who must be an independent non-executive director and not the Chair of the Board.

If a member ceases to be a Director, then they automatically cease to be a member of the Committee. A member may cease to be a member of the Committee if they give reasonable notice in writing to the Committee Chair or the Committee Chair gives notice in writing that the person is to cease to be a member of the Committee.

3.2 Meetings

- (a) The Committee will meet often enough to undertake its role effectively being at least four times each calendar year. Special meetings may be convened by the Committee Chair at the request of a member, external auditors, or the Chair of the Board.
- (b) Meetings must be minuted.
- (c) The Committee may invite additional attendees to its meetings (including, staff, the CEO, CFO, Chief People Officer or external parties) as deemed necessary, whether on a permanent or ad hoc basis.
- (d) A quorum for the Committee is two members.
- (e) The Committee will meet in closed session at least annually to assess management's effectiveness.

3.3 Authority

The Committee has the authority to:

- (a) Investigate any matter brought to its attention and obtain any information it deems relevant (including full access to all books and records and facilities of the Company);
- (b) seek any information it requires from employees, management or external parties;
- (c) interview internal and external auditors (with or without management present); and
- (d) seek advice from external consultants or specialists where the committee considers that necessary or appropriate.

If the Committee considers it necessary to seek advice from external consultants or specialists (Remuneration Consultant) in relation to making a remuneration recommendation, then the Committee must approve the Remuneration Consultant prior to entering into a contract with them. The Committee must ensure that they comply with any provisions of the *Corporations Act 2001* (Cth) that related to the engagement of remuneration consultants to advise on the remuneration packages to be awarded to key management personnel.

3.4 Secretary

The Company Secretary, or other person as nominated by the Board, will be the Committee Secretary, reporting to the Committee Chair for the purpose of providing administrative support to the operations of the Committee.

The Committee Secretary will attend all Committee meetings and, in conjunction with the Committee Chair, must prepare an agenda to be circulated to each Committee member prior to each meeting of the Committee. The Committee Secretary must also take meeting minutes and include them (or arrange for them to be included) in the board papers for the next Board meeting after the Committee meeting.

4. Committee responsibilities

4.1 Business context

Committee members will ensure they individually and collectively understand the Company's structure, business including business model and controls sufficiently to adequately assess the risks faced by the Company and the measures in place to address them.

4.2 Remuneration of Directors and senior executives

The Committee will review and make recommendations on:

- (a) the Company's remuneration framework, including its remuneration policy, having regard to:
 - (i) its desire to attract, retain and motivate high quality directors and senior executives and staff;
 - (ii) the need to motivate Directors and senior executives to pursue the long-term growth and success of the Company in a manner that is consistent with the Company's values, stakeholder requirements and risk appetite;
 - (iii) ensuring incentives for non-executive Directors do not conflict with their obligation to bring independent judgement to matters before the Board;
 - (iv) its commercial interest in controlling Company expenses;
- (b) the process by which any pool of Directors' fees approved by security holders is allocated to Directors;
- (c) the remuneration packages to be awarded to Directors and senior executives;
- (d) any equity-based remuneration plans for senior executives and other employees;
- (e) superannuation arrangements for Directors, senior executives and other employees;
- (f) whether there is any gender or other inappropriate bias in remuneration for Directors, senior executives or other employees.

No member of the Committee may participate in any decision with respect to his or her position or remuneration.



4.3 Size and composition of the Board

The Committee will:

- (a) regularly review the size and composition of the Board and make recommendations to the Board with regard to any appropriate changes;
- (b) provide advice to the Board with respect to the necessary and desirable competencies of Directors;
- (c) make recommendations to the Board for the appointment and removal of Directors;
- (d) in a timely manner, make recommendations to the Board as to whether or not Directors, whose term of office is expiring, should be proposed for re-election at the Company's next Annual General Meeting (AGM).

4.4 Recruitment, appointment, and re-election of Directors

The Committee will review and make recommendations on:

- (a) the process for selection, appointment and re-election of Directors, including evaluating the balance of skills, knowledge, experience, independence and diversity of the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
- (b) identifying individuals who may be qualified to become Directors, having regard to such factors as the Committee considers appropriate, including judgement, skill, diversity, experience with business and other organisations of a comparable size, the interplay of the candidate's experience with the experience of other Board members, the extent to which the candidate would be a desirable addition to the Board and any Board Committee, and the Corporate Governance Principles and Recommendations (4th edition) of the ASX Corporate Governance Council (the Guidelines);
- (c) identifying Directors qualified to fill vacancies on Board committees and making recommendations to the Board accordingly, having regard to such factors as the Committee considers appropriate, including the terms of reference of the particular Board committee the Director's experience, the interplay of the Director's experience with the experience of other Committee members and the Guidelines;

4.5 Director induction training, continuing professional development and performance

The Committee will review and make recommendations on:

- (a) the induction program for new Directors,
- (b) whether there is a need for existing Directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively;
- (c) regularly reviewing whether Directors have the requisite skills, knowledge and familiarity with the Company and its operating environment in order to fulfil their role on the Board;
- (d) in conjunction or collaboration with the Board, developing procedures for the annual evaluation of the performance of the Board, each Board Committee and individual Directors, comparing their performance with the requirements of the Board Charter, this Charter, other relevant Board Committee Charters and the reasonable expectations of individual Directors.

4.6 Succession planning

The Committee will review and make recommendations on Board succession planning, ensuring that the Board is of an appropriate size and that there is an appropriate balance of skills, knowledge, experience, independence, diversity and expertise on the Board.

The Committee will ensure that there are succession plans in place to manage the succession of the joint CEOs and other senior executives and that these are reviewed at least bi-annually.



4.7 Safety and sustainability

The Committee will review and make recommendations on:

- (a) the policies and processes for monitoring and assessment of compliance with best practice workplace health and safety obligations and environmental and sustainability matters;
- (b) aiming to be an employer of choice.

4.8 Reporting

- (a) The Chair of the Committee must report the findings and recommendations of the Committee to the next Board meeting following each meeting of the Committee.
- (b) The minutes of all Committee meetings will be circulated to members of the Board by the Committee Secretary.
- (c) The Chair of the Committee must submit an annual report to the Board summarising the Committee's activities during the year and the Committee's significant results and findings.
- (d) The Committee must approve:
 - (i) the details to be published in the Company's Annual Report or any other statutory report or document with respect to the activities and responsibilities of the Committee; and
 - (ii) any statement on the Company's remuneration policy and executive compensation disclosures that may be required by law or other regulatory requirements (including any such statement to be included in the Company's Annual Report).

5. Committee performance

The Committee will evaluate its performance annually to determine whether it is functioning effectively in accordance with this Charter and with regard to best practice. The Board will evaluate the Committee's performance as it considers appropriate.

6. Review

The Committee must review and reassess this Charter annually and obtain the approval of the Board for any amendments to the Charter. The Board will also review this Charter annually.

This Charter can only be amended with the approval of the Board.

