



**Version 5.0**

# **Remuneration Committee Charter**

**June 2022**

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## Role and Responsibilities

### Role

The Remuneration Committee (**Committee**) is a committee of the Board of Directors (**Board**) of Hansen Technologies Limited (**Company**). The Board established the Committee's responsibilities pursuant to the Company's Board Charter. The Committee is not a policy-making body, nor does it have substantive executive function. However, it assists the Board in developing Board policy and monitoring organizational activity of the Company and its controlled entities (together, the **Group**) within the scope of its remit and making recommendations to the Board for resolution.

*The role of the Committee is to review and make recommendations to the Board, with reference to the Company's Remuneration Policy, on:*

1. The Chief Executives Officer's employment and remuneration
2. The remuneration of Group executives, including KMP (in consultation with the Chief Executive Officer)
3. The engagement and remuneration of Non-Executive Directors
4. The Group's policy with respect to incentives and staff retention
5. The Group's remuneration practices, including ensuring there is no gender or other bias

## Responsibilities

### THE CHIEF EXECUTIVE OFFICER (CEO)

The Committee is responsible for recommending to the Board:

- the remuneration of the CEO, including the terms of the employment contract, as well as:
  - reviewing the CEO's performance against key performance indicators to determine the annual bonus components;
  - ensuring a succession plan exists for the CEO and the plan remains aligned to the Group's direction; and
  - ensuring the CEO undertakes relevant professional development aligned to the strategic direction of the Group.

### THE NON-EXECUTIVE DIRECTORS

The Committee is responsible for recommending to the Board:

- the remuneration of the Non-Executive Directors and the process by which any pool of Directors' fees approved by shareholders is allocated to Directors as well as:
  - Board succession issues and planning

- strategies to address Board diversity including whether there is any gender or other bias in remuneration for Directors;
- in conjunction with the Company Secretary, the induction of new Directors and continuing professional development programs for all Directors.

## **INCENTIVES AND STAFF RETENTION**

The Committee is responsible for recommending to the Board:

- the structure of remuneration packages of senior executives, equity-based incentive plans and other employee benefit programs;
- the Company's superannuation arrangements;
- incentive payments based on a performance review of senior executives in conjunction with the CEO, which should take place at least annually;
- those aspects of the Company's remuneration policies and packages, including equity-based incentives, which should be subject to shareholder approval; and
- strategies to address diversity and the Company's performance in respect of the Company's Diversity Policy, including whether there is any gender or other bias in remuneration for senior executives.

## **THE COMPANY'S REMUNERATION PRACTICES**

The Committee is responsible for:

- performing an annual review of CEO and Group Executive remuneration to ensure remuneration is aligned with the market in which the Group operates;
- ensuring incentives offered will retain existing and attract new talent to the Group;
- ensuring remuneration practices align the CEO's and executives' financial interests with those of Company shareholders and encourages pursuit of the growth and success of the Group in a manner that aligns to the Group's cultural strategies, values and risk appetite; and
- ensuring remuneration practices align with the Company's Diversity Policy and that there is no gender or other bias in the Group's remuneration practices.

## Authority

The Board authorises the Committee, within the scope of its responsibilities, to:

- investigate any matter within the ambit of the role of the Committee as described, which is brought to its attention with full access to all books, records and facilities of the Group;
- seek any information it requires from any Group employee (and all employees are directed to co-operate with any request made by the Committee) or external parties;
- obtain outside professional advice as it determines necessary to carry out its duties; and
- ensure the attendance of Group officers at meetings as it thinks appropriate.

## Membership & Structure

### COMPOSITION

The Committee will consist of at least three Directors, and usually no more than five members of the Board. The majority of members of the Committee should be independent. The term of appointment of Committee members who are Directors will coincide with their Board tenure unless otherwise determined by the Board.

### CHAIR

The Chair of the Committee (**Chair**) is appointed by the Board. The Chair must be an independent, non-executive Director and cannot be the Chair of the Board. If, for a Committee meeting, the Chair is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect an alternate Chair for that meeting.

### SECRETARY

The Committee will have a secretary, which is to be the Company Secretary, or such other person as nominated by the Board (**Committee Secretary**).

The Committee Secretary will attend all Committee meetings.

The Committee Secretary, in conjunction with the Chair, must prepare an agenda to be circulated to each Committee member prior to each meeting of the Committee.

The Committee Secretary will keep minutes proceedings and resolutions of all meetings. The minutes will be distributed to all Committee members after the meeting and ratified by members in attendance/discussion and signed by the Chair.

### TECHNICAL EXPERTISE

The Committee must be structured so that:

- all members have an understanding of the industry in which the Group operates; and

- at least one member has experience in the field of executive remuneration and the methods used to incentivize, retain and align the executive to the Company's shareholder base.

## Meetings

### CONFLICT OF INTEREST

Prior to a meeting commencing each member should consider the items on the agenda and determine if they are conflicted in anyway. Should a conflict of interest be thought to exist each member is responsible for declaring the possible conflict to the Chair at the opening of the meeting.

### MEETING FORMALITIES

- The Chair will convene meetings of the Committee as necessary;
- A quorum for a meeting will consist of at least 50% of the members of the Committee;
- Matters will generally be decided by consensus or, if a consensus cannot be reached, by a majority of votes from the members present;
- The number of meetings is to be determined by the Chair in order to permit the Committee to fulfil its obligations but shall not be less than four each year;
- Notice will be given to every member of the Committee of every meeting of the Committee. There is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held; and
- Non-Committee members, including members of management and external consultants may attend meetings at the invitation of the Chair.

### MINUTES

The Committee Secretary will keep minute books to record the proceedings and resolutions of meetings of the Committee.

### REPORTING TO THE BOARD

The Chair, or its delegate, will report to the Board after each Committee meeting.

Minutes of Committee meetings will be included in the papers for the next Board meeting after each Committee meeting.

The Chair will, if requested, provide a brief oral report to the Board as to any material matters arising out of the Committee meeting at the relevant Board meeting. All Directors may, within the Board meeting, request information of members of the Committee.

## Performance Evaluation

The Committee will review its performance from time to time and whenever there are major changes to the management structure of the Group. The performance evaluation will have regard to the extent to which the Company has met its responsibilities in terms of this Charter.

## **REVIEW**

The Committee will review this Charter annually and report to the Board any changes it considers should be made to ensure ongoing compliance with legislation, the ASX Corporate Governance Principles and that it continues to meet the needs of the Company. The Charter may only be amended by resolution of the Board.

Approved by the Board

June 2022



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