

REMUNERATION COMMITTEE CHARTER V2020.1

1. Purpose and authority

1.1 Purpose

The purpose of this Remuneration Committee Charter is to specify the authority delegated to the Remuneration Committee ("**Committee**") by the board of directors of humm group limited (the "**Company**") ("**Board**") and to set out the role, responsibilities, membership and operation of the Committee.

1.2 Authority

The Committee is a committee of the Board established in accordance with the Company's constitution and authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this charter and under any separate resolutions of the Board granted to it from time to time.

2. Role of the Committee

The Committee assists and advises the Board on remuneration policies and practices for the Board, the chief executive officer ("**CEO**"), the chief financial officer, senior management and other persons whose activities, individually or collectively, affect the financial and reputational soundness of the Company. The policies and practices are designed to:

- (a) enable the Company to attract, retain and motivate directors, executives and employees who will create value for shareholders;
- (b) be fair and appropriate having regard to the performance of the Company and the relevant director, executive or employee; and
- (c) comply with relevant legal requirements.

3. Committee Responsibilities

3.1 General

The Committee is responsible for developing, reviewing and making recommendations to the Board on:

- (a) the ongoing appropriateness and relevance of the remuneration framework for the chairperson and the non-executive directors (including the process by which any pool of directors' fees approved by shareholders is allocated to directors);
- (b) the Company's policy on remuneration for the CEO and senior management, any changes to the policy and the implementation of the policy (including any shareholder approvals required);
- (c) the total remuneration packages for the CEO and senior management (including base pay, incentive payments, equity based awards, superannuation and other retirement rights, employment contracts), any changes to remuneration packages and recommending proposed awards after performance evaluation procedures;
- (d) the remuneration framework for non-executive employees;
- (e) the Company's recruitment, retention and termination policies for the CEO and senior management and any changes to those policies;
- (f) incentive schemes, if appropriate, for the organisation, CEO and senior management;
- (g) equity based plans, if appropriate, for the CEO, senior management and other employees;
- (h) superannuation arrangements for directors, senior executives and other employees; and
- (i) monitoring and providing input to the Board regarding:
 - i. legislative, regulatory or market developments likely to have a significant impact on the Company and legislative compliance in employment issues;
 - ii. the remuneration trends across the Company; and

- iii. the progress and outcomes of any enterprise agreement (or other structural arrangements) negotiations and the related communications of them;
- (j) gender pay equity;
- (k) major changes to employee benefits structures in the Company;
- (l) remuneration structures relating to sustainability, environmental, social or governance issues and outcomes.

3.2 Incentive schemes and equity based remuneration

For any incentive schemes or equity based plans which are adopted, the Committee is responsible for:

- (a) reviewing their terms (including any eligibility criteria and performance hurdles for equity based plans);
- (b) overseeing their administration (including compliance with the prohibition on entering into hedging arrangements associated with the Company's securities as set out in the Trading Policy and applicable laws that restrict participants from hedging the economic risk of their security holdings);
- (c) considering whether shareholder approval is required for the schemes or plans and for any changes to them; and
- (d) ensuring that payments and awards of equity are made in accordance with their terms and any shareholder approval.

3.3 Structure of remuneration

In fulfilling these responsibilities, the Committee will ensure that:

- (a) a clear distinction is maintained between the structure of non-executive directors' remuneration and that of executive directors and senior management;
- (b) a proportion of executive directors' and senior management's remuneration is structured in a manner designed to link rewards to corporate and individual conduct and performance (reflecting short-term and long-term performance objectives appropriate to the Company's circumstances and goals);
- (c) any engagement of a remuneration consultant is approved by the Board or the Committee, and the remuneration consultant must report its recommendations directly to either or both of the members of the Board (other than an executive director) or members of this Committee;
- (d) the Committee and the Board are satisfied with the arrangements put in place to ensure that any remuneration recommendation made by the remuneration consultant is made free from undue influence from any member of the key management personnel to whom the recommendation relates; and
- (e) the Committee will provide the Board with sufficient information to facilitate the Board in making informed decisions about the Committee's recommendations.

3.4 Reporting and disclosure

The Committee will liaise with the Audit Committee and Risk and Compliance Committee in relation to the Company's remuneration related reporting in the financial statements and remuneration report required by the Corporations Act.

The Committee will approve an annual remuneration report containing information on the Company's remuneration policy and practices and make recommendations to the Board for the inclusion of the remuneration report in the Company's annual report.

The Committee will ensure that all applicable governance, accounting and legal requirements regarding disclosure of remuneration, in all forms, are complied with and that the Remuneration Report is audited.

The Committee chairperson will attend the Company's annual general meetings and be prepared to respond to any shareholder questions on the Committee's activities.

4. Delegation

The Committee may delegate any of its powers and responsibilities as the Committee thinks appropriate for the administration of director, senior executive and employee share, option or other plans, to senior management.

5. Membership

5.1 Composition and size

The Committee will consist of:

- (a) only non-executive directors;
- (b) a majority of independent directors; and
- (c) at least three members.

The term of service of Committee members will be reviewed by the chairperson from time to time, with a view to rotating members periodically, but without losing the continuity of experience and knowledge gained by the members of the Committee.

Appointments and resignations are decided by the Board.

5.2 Chairperson

The chairperson of the Committee must be an independent non-executive director. The chairperson of the Committee is appointed by the Board. If, for a particular Committee meeting, the Committee chairperson is not present within 10 minutes of the nominated starting time of the meeting, the Committee may elect a chairperson for the meeting.

5.3 Secretary

The company secretary is the secretary of the Committee.

5.4 Commitment of Committee members

Committee members must devote the necessary time and attention for the Committee to carry out its responsibilities.

At the first Committee meeting after their appointment and when the Board reviews Committee membership, each Committee member must confirm that they are able to devote sufficient time and attention to the Committee for the coming year.

Committee members must be available to meet with external bodies if requested to do so in accordance with relevant laws, regulations or other standards.

6. Committee meetings and process

6.1 Meetings

Meetings and proceedings of the Committee are governed by the provisions in the Company's constitution regulating meetings and proceedings of the Board and committees of the Board in so far as they are applicable and not inconsistent with this charter.

Committee members may attend meetings in person or by electronic means.

6.2 Frequency and calling of meetings

The Committee will meet as frequently as required to perform its functions. The chairperson must call a meeting of the Committee if requested by any member of the Committee, the external auditor, the internal auditor or the chairperson of the Board.

6.3 Quorum

Two independent directors constitute a quorum for meetings of the Committee.

6.4 Attendance by management and advisers

The Committee chairperson may invite the CEO, chief financial officer, other senior managers, directors who are not members of the Committee and external advisers to attend meetings of the Committee. The Committee may request management and/or others to provide such input and advice as is required.

The Committee may invite the internal or external auditors to meet, either in camera or with management present.

Unless specifically invited by the Committee, no employee (including any executive director) should attend that part of a meeting where their remuneration is discussed.

6.5 Conflicts

No individual member of the Committee will participate in the determination of their own remuneration.

6.6 Notice, agenda and documents

The chairperson of the Committee determines the meeting agenda after appropriate consultation. The Committee secretary will distribute the notice of meeting, the agenda of items to be discussed and any related documents to all Committee members and other attendees before each proposed meeting of the Committee.

6.7 Minutes

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

The chairperson of the Committee, or 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.

At the discretion of the chairperson of the Committee and members of the Committee, any relevant matters deemed to be of significant importance should be referred to the Board for its consideration and attention.

6.8 Access to information and advisers

The Committee has access to the resources necessary to discharge its duties and responsibilities, including engaging counsel, accountants or other experts as it considers appropriate. This may include requesting management or engaging external remuneration consultants to provide information to the Committee.

7. Committee's performance evaluation

The Committee will review its performance from time to time, or whenever there are major changes to the management structure of the Company.

The performance evaluation will have regard to the extent to which it has met its responsibilities in terms of this charter.

8. Review and publication of Charter

The Board will review this charter at least every two years, or more often if required, to ensure it remains up to date and relevant to the Company's needs. The Charter may be amended by resolution of the Board.

The Charter will be available on the Company's website and its key features included in the annual report.

Document change history

Who owns this Charter?	Version	Approved by:	Date
Company Secretary	2019.1	Board	Nov 2006 May 2014 April 2019
Company Secretary	2020.1	Board	April 2020
Company Secretary	2021.1	Co Sec (name change only)	January 2021