



E M L
empowering your payments

Remuneration and Nomination Committee Charter

1. Purpose

The purpose of the Remuneration and Nomination Committee (**Committee**) is to assist the Board of EML Payments Limited (**EML**) in fulfilling its responsibilities for corporate governance and oversight of EML's remuneration and nomination policies and practices which enable it to attract and retain senior management of the EML group (comprising the Chief Executive Officer (**CEO**), the CEO's direct reports and such other individuals as the Committee determines from time to time (**Senior Management**)) and appropriately align their interests with those of key stakeholders.

2. Authority

- (a) The Committee is established by, and reports to the Board.
- (b) The Committee is authorised to perform activities within the scope of responsibilities set out in this Charter and to make appropriate recommendations to the Board.
- (c) The Committee will have unrestricted access to EML's Senior Management and Company records as required.
- (d) The Committee is authorised to obtain any independent legal or other professional advice that it considers necessary to execute its functions.

3. Composition

- (a) The Committee will comprise a minimum of three non-executive directors, the majority of whom are independent.
- (b) Appointments and revocations of appointments to the Committee will be determined by the Board. No executive directors will be appointed to the Committee.
- (c) The Chair of the Committee will be an independent director, appointed by the Board from the Committee's members.
- (d) The composition of the Committee will be reviewed annually by the Board and the Committee to ensure an appropriate balance of expertise, skills and experience.
- (e) The Company Secretary of the Board will be the Secretary of the Committee

4. Meetings

- (a) The Committee will meet at least once annually or as frequently as is required to undertake its role effectively.
- (b) Any Committee member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee.
- (c) A quorum for any meeting will be at least two Committee members.
- (d) The Committee may invite any executive director, Senior Management or external adviser to attend part or all of any meeting.
- (e) Copies of Committee papers and reports, together with minutes of each Committee meeting, will be circulated to all directors.

5. Conflicts of Interest

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to have a real or perceived conflict of interest they will be excused from Committee discussions on the issue where a conflict exists.

6. Duties and Responsibilities

The Committee's key responsibilities and functions are to make recommendations and assist the Board in the discharge of its responsibilities in relation to the Group's:

- (a) Remuneration policies, including developing and maintaining the policies and frameworks that guide and govern Senior Management remuneration decisions, practices and outcomes, keeping in mind the need to:
 - to align remuneration policy with the achievement of group strategy and objectives;
 - to attract, retain and motivate skilled directors and Senior Management;
 - to provide an equitable remuneration framework, providing a reasonable balance between fixed, short-term and long-term remuneration components; and
 - to align remuneration to individual and group performance, including incentive programs that are challenging and are linked to the creation of value for shareholders.
- (b) Remuneration generally, including:
 - evaluating and approving the remuneration packages (including fixed remuneration, short term and long term incentives and any other benefits or arrangements) of the CEO, executive directors and other members of Senior Management;
 - evaluating and approving the remuneration arrangements for non-executive directors;
 - monitoring compliance with the non-executive remuneration pool as established by the Constitution, or as subsequently amended by shareholders, and recommending any changes to the pool; and
 - engagement of remuneration consultants.

- (c) Short and long term incentive plans, including:
- plan terms and conditions, including amendments;
 - performance hurdles, if any;
 - invitations to participate in offers and the terms of participation; and
 - achievement of performance hurdles (if any) and the final level of any payments, grants or allocations.
- (d) Recruitment, retention and termination policies.
- (e) Diversity policy, including:
- assessing and reporting to the Board on the effectiveness of diversity objectives, and monitoring and reporting to the Board on the achievement of diversity targets on an annual basis;
 - making recommendations to the Board in relation to the objectives for achieving gender diversity, and the initiatives and strategies to support those objectives; and
 - including gender diversity objectives in Board recruitment, Board performance evaluation and succession planning processes.
- (f) Performance evaluation processes, including:
- developing and implementing plans for identifying, assessing and enhancing competencies of Senior Management; and
 - ensuring that the performances of each Senior Manager is evaluated at least annually
- (g) Succession planning in relation to Senior Management and the Board so as to ensure an appropriate balance of skills, experience and expertise is maintained.
- (h) Board composition and performance, considering:
- the appropriate size, composition and diversity of the Board;
 - the appropriate criteria (necessary and desirable skills and experience) for the appointment of directors;
 - recommendations for the appointment, re-election and removal of directors;
 - the terms and conditions of appointment to and retirement from the Board;
 - the need to evaluate of the Board's performance; the Board, its committees and directors at least annually;
 - development and implementation of plans for identifying, assessing and enhancing director competencies;
 - the Board's access to continuing education to update and enhance their skills and knowledge; and
 - the time non-executive directors are expected to devote to EML's affairs and whether directors are meeting that requirement.
- (i) Induction of new directors, including ensuring that an effective induction program is available to new directors to ensure that they understand their responsibilities and the business activities of the Group.

The Committee must also oversee remuneration related disclosures required in annual statutory reporting, and provide advice to the Board on the approval of those disclosures.

7. Vacancies and New Appointments

- (a) When a Board vacancy arises for any reason or the Board decides a new director is required with particular skills, the Committee must prepare a list of candidates considering:
- what may be appropriate for EML and the Group;

- the skills, expertise and experience required;
- the mix of those skills, expertise and experience with those of the existing directors; and
- the perceived compatibility of the candidates with the Group and with the existing directors.

(b) Potential candidates to be appointed as directors should then be considered by the Board, with advice from an external consultant if the Board considers this to be appropriate. Persons appointed in this manner continue in office only until the next AGM and are then eligible for election.

8. Reporting

The Chair of the Committee will report the findings and recommendations of the Committee to the Board at its next meeting.

9. Reviews

- (a) The Committee will review its performance on an annual basis. The review may be conducted as a self-assessment and will be coordinated by the Chair.
- (b) The Committee will review this Charter annually to ensure that it remains consistent with the Committee's objectives and responsibilities, current law and best practice. Amendments to the Charter, other than miscellaneous updates, are to be approved by the Board.

Adopted by the Board of EML Payments Limited on 15 November 2016.