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# OFX Group Limited

## Remuneration and Nomination Committee Charter

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<b>Reviewed by:</b>	<b>Remuneration and Nomination Committee</b>
<b>Approved by:</b>	OFX Group Limited Board

# OZFOREX GROUP LIMITED (the COMPANY)

## REMUNERATION AND NOMINATION COMMITTEE CHARTER

### Purpose

1. The Remuneration and Nomination Committee Charter (**Charter**) governs the operations of the Remuneration and Nomination Committee (**Committee**). The Committee has been established by the board of the Company (**Board**) to assist it in fulfilling its responsibilities in relation to attracting and retaining experienced Directors, Management and employees and to set fair and responsible remuneration. The purpose of the Committee is to assist the Board by:
  - providing advice and recommendations to the Board in relation to remuneration packages of senior executives, non-executive Directors and executive Directors, equity-based incentive plans and other employee benefit programs;
  - reviewing and providing recommendations to the Board in relation to the Company's recruitment, retention and termination policies;
  - reviewing the Company's superannuation arrangements;
  - reviewing succession plans of senior executives and executive Directors;
  - recommending individuals for nomination as members of the Board and its committees;
  - ensuring the performance of senior executives and members of the Board are reviewed at least annually;
  - considering those aspects of the Company's remuneration policies and packages, including equity-based incentives, which should be subject to shareholder approval; and
  - monitoring the size and composition of the Board and considering strategies to address Board diversity and the Company's performance in respect of the Company's Diversity Policy.
2. This Charter will be made available on the Company's website.

### Membership

3. The Committee members will be appointed by the Board. The Committee will consist of:
  - at least three members;
  - only non-executive directors; and
  - a majority of independent directors.
4. The Committee will be chaired by the chair of the Board or an independent Director.
5. The secretary of the Company Secretary or such other person as nominated by the Board will be the secretary of the Committee.

### Meetings

6. The Committee will meet as often as necessary, but must meet at least twice a year and one of those meetings must take place at least 2 months prior to each annual general meeting of the Company.

7. Special meetings may be convened as required. The Chair of the Committee, through the Secretary, will call a meeting of the Committee if so requested by any Committee member, the chair of the Board, the Chief Executive Officer or Managing Director or the Company Secretary.
8. The Committee may invite other persons, including internal specialists or external advisors, to attend meetings, if considered appropriate by the Chair of the Committee.
9. A quorum for any meeting of the Committee will be 2 members, of whom at least one must be an independent Director.
10. The Chair of the Committee will determine the meeting agenda after appropriate consultation.

### **Reporting**

11. The Committee will regularly report to the Board on all matters relevant to the Committee's role and responsibilities.
12. The Chair of the Committee will report and as appropriate make recommendations to the Board after each meeting of the Committee on matters dealt with by the Committee.
13. The proceedings of all meetings will be minuted and these will be included in the papers for the next Board meeting after each Committee meeting.
14. The Committee will ensure that the Board is made aware of any remuneration, retention, succession, learning and development, and/or gross employee misconduct which may significantly impact upon the Company in a timely manner.
15. The Committee must review and make a recommendation to the Board to approve:
  - 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
  - any statement on the Company's remuneration policy or disclosure of executive compensation that may be required by law or other regulatory requirements (including any such statement to be included in the Company's Annual Report).

### **Responsibilities**

16. In addition to any other matters which may be delegated to the Committee by the Board (including special investigations), the Committee is responsible for:

#### ***Remuneration***

- regularly reviewing and making recommendations to the Board with respect to an appropriate remuneration policy including retirement benefits and termination payments (if any) for senior executives and executive Directors ensuring that such a policy:
  - enables the Company to attract and retain high quality Directors;
  - enables the Company to attract, retain and motivate valued employees;
  - encourages senior executives and executive Directors to pursue the growth and success of the Company without rewarding conduct that is contrary to the Company's values and risk appetite;
  - demonstrates a clear relationship between performance and remuneration; and
  - has regard to prevailing market conditions;

- regularly reviewing and making recommendations to the Board regarding the remuneration packages of senior executives and executive Directors, including (as appropriate) fixed, performance-based and equity-based remuneration, reflecting short and long-term performance objectives appropriate to the Company's circumstances and goals;

#### ***Remuneration of non-executive Directors***

- making recommendations as to the remuneration framework for non-executive Directors;
- ensuring that incentives for non-executive directors do not conflict with their obligation to bring an independent judgement to matters before the Board;
- ensuring that fees paid to non-executive Directors are within the aggregate amount approved by shareholders and making recommendations to the Board with respect to the need for increases to this aggregate amount at the Company's annual general meeting;

#### ***Employee benefits and other policies***

- making recommendations to the Board with respect to the implementation and operation of equity-based incentive plans and other employee benefit programs;
- regularly reviewing the Company's recruitment, retention and termination policies;

#### ***Equity, short term and long-term incentive plans***

- reviewing the appropriateness and structure of and making recommendations to the Board in relation to the Company's long-term, short-term and equity incentive plans;
- reviewing and making recommendations to the Board with respect to employee participation in equity based incentive plans, terms of offer, performance measures, vesting conditions, determinations in respect of vesting and dealing with forfeited and unvested equity;

#### ***Superannuation***

- regularly reviewing and providing advice to the Board in relation to the Company's superannuation arrangements;

#### ***Nomination and succession planning***

##### ***Senior executives and executive Directors***

- reviewing succession plans of senior executives and executive Directors on a regular basis to maintain an appropriate balance of skills, experience and expertise in the management of the Company and providing advice to the Board accordingly;

##### ***Board***

- reviewing Board succession plans on a regular basis to maintain an appropriate balance of skills, experience and expertise on the Board and providing advice to the Board accordingly;

##### ***New Directors***

- developing a policy and procedures for the selection and appointment of Directors;
  - 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 ed) of the ASX Corporate Governance Council (**Guidelines**);

- ensuring that an effective orientation and induction program for new Directors is in place, and regularly reviewing its effectiveness;

#### ***Board Committees***

- 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;

#### ***Size and composition of the Board***

- regularly reviewing the size and composition of the Board and making recommendations to the Board with regard to any appropriate changes;
- providing recommendations to the Board with respect to the necessary and desirable competencies of Directors;
- making recommendations to the Board for the appointment of Directors;
- in a timely manner, making recommendations to the Board whether or not Directors, whose term of office is expiring, should be proposed for re-election at the Company's next AGM;

#### ***Performance***

- developing and implementing a plan for identifying, assessing and enhancing competencies of senior executives and executive Directors;
- ensuring that the performance of each senior executive and executive Director is evaluated at least annually;

#### ***Board***

- considering and articulating the time required to fulfil the role of chair of the Board and non-executive Director;
- developing and implementing a plan for identifying, assessing and enhancing Director competencies;
- establishing procedures for the Committee to oversee the evaluation of the performance of the Board, its committees and each individual Director including an assessment of whether each Director has devoted sufficient time to their duties. A performance assessment of the Board, its committees and individual Directors will be completed at least annually to determine whether they are functioning effectively;

#### ***Shareholder approval***

- considering those aspects of the Company's remuneration policies and packages, including equity-based incentives, which should be subject to shareholder approval and making recommendations to the Board accordingly;

### ***Diversity***

- developing measurable objectives to achieve gender diversity for the Board, senior executives and the workforce generally in accordance with the Company's Diversity Policy;
- monitoring, reviewing and reporting to the Board on the Company's performance in respect of gender diversity in accordance with the Company's Diversity Policy;
- reviewing the Company's Diversity Policy at least annually to assess the effectiveness of the policy and make recommendations to the Board as to any strategies required to address Board diversity;
- reviewing and reporting to the Board at least annually on the relative proportion of women and men at all levels of the business;
- reviewing and making recommendations to the Board on remuneration by gender;
- reviewing skills, ethnic and other perspectives, as well as decision making approaches, to ensure there is a good balance of perspectives and experiences brought to problem solving amongst Global Executive Team and Board members, and require that this is developed across the Group;
- developing best practice through active engagement externally with experts in this area; and
- review and make recommendations to the Board on whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees.

### **Other**

17. The Committee is authorised to engage, at the Company's expense, outside legal or other professional advice or assistance on any matters within its terms of reference.
18. The Committee is authorised to seek any information it requires from any officer or employee of the Company and such officers or employees shall be instructed by the Board of the Company employing them to respond to such enquiries.
19. No member of the Committee may participate in any decision or vote with respect to his or her position or remuneration in which they have a material personal interest. However, with the prior consent of Committee members, that member may remain present in the meeting. In the event that the Chair of the Committee has a material personal interest in a matter for discussion, the Chair will hand over the chair of the Committee meeting to an independent Director to facilitate discussion and move and vote on a resolution at the meeting.
20. The Committee may, in its discretion, delegate all or some of its responsibilities to a sub-committee.
21. This Charter will be reviewed at least annually.

Approved by the Board on 17 February 2020.