



### Purpose of Charter

The People, Culture and Remuneration Committee Charter (**Charter**) governs the operations of the People, Culture and Remuneration Committee (**Committee**). The Committee has been established by the Board of the Company (**Board**) to assist it in fulfilling its responsibilities in relation to key people issues including diversity and inclusion, governance of company culture and remuneration of employees and Directors. The purpose of the Committee is to assist the Board by:

- a) reviewing the Company's Diversity and Inclusion Policy, measurable objectives for achieving diversity and inclusion and progress against these objectives;
- b) monitoring and evaluating the culture of the organisation (culture being the collective behaviours driven by a set of norms and values that directly impact decision making) in line with the values of the Company, including ensuring the values of the Company are embedded in people frameworks and programs;
- c) providing advice and recommendations to the Board in relation to remuneration packages of senior executives, Non-Executive Directors and Executive Directors, including total fixed remuneration, bonus, equity-based awards and termination payments;
- d) regularly reviewing the Company's remuneration framework to ensure that it continues to align to:
  - i) business objectives in a manner that is consistent with the long-term sustainability of the Company; and
  - ii) a broad range of stakeholder interests over the long-term (for example, customer, community, regulator, investor interests);
- e) reviewing and providing recommendations to the Board in relation to the Company's talent acquisition, retention, learning and development and termination policies and / or practices;
- f) considering those aspects of the Company's remuneration policies and packages, including equity-based incentives, which should be subject to shareholder approval.

This Charter will be made available on the Company's website.

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### Membership

The Committee members will be appointed by the Board. The Committee will consist of:

- a) at least three members;
- b) only Non-Executive Directors; and
- c) a majority of independent Directors.



The Committee will be chaired by an independent Director.

The Company Secretary or such other person as nominated by the Committee will be the secretary of the Committee.

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### Meetings

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 two months prior to each annual general meeting of the Company.

Special meetings of the Committee may be convened as required. The Chair of the Committee, through the Company Secretary, will call a meeting of the Committee if requested by any Committee member, the Chair of the Board, the Chief Executive Officer and Managing Director or the Company Secretary.

Non-Executive Directors who are not Committee members may attend the Committee meetings at any time. The Chief Executive Officer and Managing Director and the Chief People and Culture Officer may attend all Committee meetings by standing invitation but may be asked to leave the meeting at any time. The Committee may invite other persons, including executives of the Company and internal specialists or external advisors, to attend Committee meetings, if considered appropriate by the Chair of the Committee.

A quorum for any meeting of the Committee will be two Committee members, of whom at least one must be an independent Director.

The Chair of the Committee will determine the meeting agenda after appropriate consultation.

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### Reporting

The Committee will regularly report to the Board on all matters relevant to the Committee's role and responsibilities.

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.



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.

The Committee will ensure that the Board is made aware in a timely manner of any people, culture and remuneration issues (including gross employee misconduct) which may significantly impact upon the Company.

The Committee must review and make a recommendation to the Board to approve:

- a) the details to be published in the Company's Remuneration Report or any other statutory report or document with respect to the activities and responsibilities of the Committee; and
- b) 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).

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### Responsibilities

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

- a) ***Diversity and Inclusion***
  - i) developing measurable objectives to achieve gender diversity for the Board, senior executives and the workforce generally in accordance with the Company's Diversity and Inclusion Policy;
  - ii) monitoring, reviewing and reporting to the Board at least annually on the Company's performance in respect of gender diversity and other diversity dimensions in accordance with the Company's Diversity and Inclusion Policy;
  - iii) reviewing the Company's Diversity and Inclusion Policy every two years (or more regularly if required) to assess the effectiveness of the policy and make recommendations to the Board as to any strategies required to address Board diversity;
  - iv) reviewing and making recommendations to the Board on remuneration by gender;
  - v) reviewing skills, and other diversity dimensions, 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;
  - vi) developing best practice through active engagement externally with experts in this area; and
  - vii) 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.

b) ***Company Culture***

- i) ensuring organisational culture is aligned with the Company's purpose, values and act in lawfully, ethically and responsibly and that the culture that drives decisions and actions that lead to better outcomes for our customers and stakeholders;
- ii) people and culture trends and metrics; and
- iii) other relevant people and culture matters identified from time to time, or as requested by the Board.

c) ***Performance***

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

d) ***Succession Planning***

- i) 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.

e) ***Other Key People Policies and Practices***

- i) undertaking a review of key people policies and practices as they relate to talent, learning and development, employee engagement and any other people programs, policies or initiatives that may be relevant at the time.

f) ***Remuneration***

- i) regularly reviewing and making recommendations to the Board with respect to the Company's 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 Directors with the appropriate skills, qualifications and experience;
  - enables the Company to attract, retain and motivate employees with the appropriate skills,



- qualifications and experience;
  - 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 (including behaviours) and remuneration;
  - drives alignment between the Company's Management and its shareholders; and
  - has regard to prevailing market conditions;
- ii) 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;
- g) ***Remuneration of Non-Executive Directors***
- i) making recommendations as to the remuneration framework for Non-Executive Directors, including any policies and practices regarding minimum shareholding requirements for Directors;
  - ii) ensuring that incentives for Non-Executive Directors do not conflict with their obligation to bring an independent judgement to matters before the Board;
  - iii) 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;
- h) ***Employee Benefits and Other Policies***
- i) making recommendations to the Board with respect to the implementation and operation of equity-based incentive plans and other employee benefit programs;
  - ii) regularly reviewing the Company's recruitment, retention and termination policies;
- i) ***Equity, Short-Term and Long-Term Incentive Plans***
- i) 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;
  - ii) 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;



j) ***Shareholder Approval***

- i) 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;

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### Reference Documents

In performing its functions and responsibilities the Committee will have regard to, and comply with each of the following:

- a) the *Corporations Act 2001* (Cth);
- b) the ASX Listing Rules;
- c) the Corporate Governance Principles and Recommendations [4th ed] of the ASX Corporate Governance Council; and
- d) the Company's Constitution.

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### Other

The Committee is authorised to engage, at the Company's expense, outside legal or other independent professional advice or assistance on any matters within its terms of reference.

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.

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.

The Committee may, in its discretion, delegate all or some of its responsibilities to a sub-committee. This Charter will be reviewed every two years or more frequently as required.



## People, Culture and Remuneration Committee Charter

### More Information

A copy of the People, Culture and Remuneration Committee Charter is also available on the corporate governance section of OFX's website at: <https://www.ofx.com/en-au/investors/corporate-governance/>

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<b>Author:</b>	Company Secretary
<b>Reviewed by:</b>	OFX Group Limited Board
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