



**Version 5.1**

# **Remuneration Committee Charter**

**August 2023**

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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 the organizational activity of the Company and its controlled entities (together, the “Group”) within the scope of its remit by 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 (“**CEO**”) and the Managing Director’s (“**MD**”) employment and remuneration
2. The remuneration of Group executives, including Key Management Personnel (“**KMP**”) (in consultation with the CEO)
3. The engagement and remuneration of Non-Executive Directors
4. The Group’s policy with respect to incentives and employee retention
5. The Group’s remuneration practices, including ensuring there is no gender or other bias

## Responsibilities

### THE CHIEF EXECUTIVE OFFICER (CEO) AND MANAGING DIRECTOR (MD)

The Committee is responsible for recommending to the Board:

- the remuneration and terms of employment of the CEO [and MD];
- reviewing the CEO’s and MD’s performance against key performance indicators (“**KPIs**”) to determine the annual bonus components;
- ensuring the CEO and MD succession plans are regularly reviewed to maintain alignment to the Group’s strategic direction; and
- ensuring the CEO and MD undertake 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;
- Board succession planning strategies and resolutions to any issues that may arise;
- strategies to address Board diversity, including determining whether there is any gender or other bias in remuneration for Directors; and
- 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 for senior executives, equity-based incentive plans and other employee benefit programs;
- the Group's superannuation arrangements;
- incentive payments based on a performance review of senior executives in conjunction with the CEO and MD, 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 Group'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 the MD's, CEO's and Group executives' remuneration to ensure remuneration is aligned with market standards;
- ensuring incentives are effective in retaining existing employees and attract new talent to the Group;
- ensuring remuneration practices align the MD's 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 Group'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 Committee's role as described in this Charter with full access to all books, records and facilities of the Group;
- request 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 third-party professional advice as it determines necessary to carry out its duties; and
- ensure the attendance of Group officers at meetings as it deems 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. 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 may 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 of 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 Committee members have an understanding of the industry in which the Group operates; and
- at least one Committee 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 Committee meeting commencing each Committee 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 Committee member is responsible for declaring the possible conflict to the Chair at the opening of the Committee meeting.

### MEETING FORMALITIES

- The Chair will convene meetings of the Committee as necessary;
- A quorum for a meeting will be formed when at least 50% of the Committee members are present;
- Matters will generally be decided by consensus or, if a consensus cannot be reached, by a majority of votes from the Committee members present;
- The number of meetings is to be determined by the Chair to permit the Committee to fulfil its obligations but shall not be less than four each year;
- Notice will be given to every Committee member before every Committee meeting. There is no minimum notice period and no requirement that each Committee member acknowledges receipt of such notice 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 periodically and report to the Board to ensure that it meets best practice standards, complies with the ASX Corporate Governance Principles and Recommendations and meets the needs of the Company. The Charter may only be amended by resolution of the Board.

Approved by the Board

August 2023



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