

Remuneration committee charter

Mortgage Choice Australia Limited

ABN 57 009 161 979

Remuneration committee charter

1. Introduction

- 1.1 The Remuneration Committee is a committee of the board of directors of Mortgage Choice Australia Limited ABN 57 009 161 979 (**Company**).
- 1.2 The board established the Remuneration Committee under the Company's constitution.
- 1.3 This charter sets out the scope of the Remuneration Committee's responsibilities in relation to the Company.
- 1.4 The role of the Remuneration Committee is not an executive role.

2. Objective

The objective of the Remuneration Committee is to help the board achieve its objective of ensuring the Company:

- (a) has coherent remuneration policies and practices to attract and retain executives and directors who will create value for shareholders;
- (b) observes those remuneration policies and practices; and
- (c) fairly and responsibly rewards executives having regard to the performance of the Company, the performance of the executives and the general pay environment.

3. Remuneration policies and practices

- 3.1 Executive remuneration and incentive policies and practices must be performance based and aligned with the Company's vision, values and overall business objectives.
- 3.2 Executive remuneration and incentive policies and practices must be designed to:
 - (a) motivate the directors and management to pursue the Company's long term growth and success; and
 - (b) demonstrate a clear relationship between the Company's overall performance and the performance of executives.

4. Remuneration

- 4.1 In performing its responsibilities in relation to remuneration, the Remuneration Committee must give appropriate consideration to the Company's performance and objectives, employment conditions and remuneration relativities.
- 4.2 The Remuneration Committee is responsible for:

Executive remuneration and incentive policies

- (a) reviewing, approving and recommending to the board for adoption executive remuneration and incentive policies and practices;

Executive directors and senior management

- (b) annually considering, approving and recommending to the board each executive director's total remuneration (including base pay, incentive awards, equity awards, retirement rights and terms of engagement) having regard to executive remuneration and incentive policies;
- (c) determining if shareholder approval is needed for any change to the remuneration of directors or executives; and
- (d) reviewing and approving, on the recommendation of the chief executive officer:
 - (i) the total remuneration (including incentive awards, equity awards, retirement and termination rights);
 - (ii) terms of engagement; and
 - (iii) changes to the total remuneration and terms of employment, of direct reports to the chief executive officer and other senior executives;
- (e) recommending to the board for approval changes to the remuneration or terms of engagement of executive directors before implementation;
- (f) preparing for approval by the board any report on executive remuneration that may be:
 - (i) required by the ASX Listing Rules or the *Corporations Act 2001*(Cth); or
 - (ii) proposed for inclusion in the annual report,and reporting regularly to the board on those matters;

Executive incentive plans

- (g) reviewing, approving and recommending to the board for adoption the design of any executive incentive plan;
- (h) reviewing, approving and recommending to the board for adoption the total proposed payments from any executive incentive plan;
- (i) reviewing, approving and recommending to the board for adoption the design of any equity based plan;
- (j) reviewing any plan for legislative, regulatory and market developments;
- (k) reviewing, approving and recommending to the board for approval the total proposed awards under each equity based plan;
- (l) reviewing, approving and recommending to the board for approval the proposed award to each executive under the rules of any plan or as determined by the Remuneration Committee;
- (m) reviewing, approving, recommending to the board for adoption the performance hurdles for any equity based plan;

Non-executive directors

- (n) reviewing the remuneration of non-executive directors for serving on the board or any committee (both individually and in total);
- (o) recommending to the board the remuneration and retirement policies for non-executive directors having regard to market trends and shareholder interests;

Superannuation

- (p) reviewing superannuation arrangements;

Reimbursement of expenses

- (q) reviewing and monitoring the reimbursement of any expenses incurred by directors and senior executives; and

Insurance and indemnities

- (r) reviewing insurance premiums or indemnities for the benefit of directors and officers.

4.3 A member of the Remuneration Committee must not participate in any review or assessment of their own remuneration.

5. Recruitment and termination

5.1 The Remuneration Committee is responsible for:

- (a) reviewing and recommending to the board for approval termination payments to executive directors before they are implemented; and
- (b) considering and, if appropriate, ratifying termination payments to direct reports of the chief executive officer and other senior executives and members of the senior management team or executive committee.

5.2 Any termination payment to any other departing executive should be reported to the Remuneration Committee at its next meeting.

6. Other responsibilities

The Remuneration Committee is responsible for doing anything the board considers appropriate in the context of this charter.

7. Nomination Committee

The Remuneration Committee will:

- (a) refer anything relating to recruitment, retention and termination policies to the Nomination Committee; and
- (b) work closely with the Nomination Committee in exercising its powers and performing its responsibilities under this charter.

8. Remuneration Committee composition

8.1 The Remuneration Committee must comprise:

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

8.2 The Remuneration Committee will appoint its chairperson. The chairperson of the Remuneration Committee must be an independent director.

8.3 The Remuneration Committee will appoint a secretary.

8.4 The board decides appointments, rotations and resignations within the Remuneration Committee having regard to the ASX Listing Rules, the *Corporations Act 2001 (Cth)* and the Company's constitution.

8.5 A Remuneration Committee member may act by their alternate.

9. Remuneration Committee meetings

9.1 The Remuneration Committee will meet as often as it considers necessary.

9.2 The quorum for a Remuneration Committee meeting is [two] Remuneration Committee members.

9.3 Remuneration Committee meetings may be held by any technological means allowing members to participate in discussions even if all of them are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.

9.4 The Remuneration Committee may pass or approve a resolution without holding a meeting in accordance with the procedures (so far as they are appropriate) in section 248A of the *Corporations Act 2001* (Cth).

9.5 The Remuneration Committee may invite anyone it regards appropriate to attend Remuneration Committee meetings.

10. Minutes of Remuneration Committee meetings

10.1 The Remuneration Committee must keep minutes of its meetings.

10.2 Minutes of each Remuneration Committee meeting must be included in the papers for the next full board meeting after each Remuneration Committee meeting.

10.3 Minutes must be distributed to all Remuneration Committee members, after the Remuneration Committee chairperson has approved them.

10.4 Minutes, agenda and supporting papers are available to directors upon request to the Remuneration Committee secretary, except if there is a conflict of interest.

11. Reporting to the board

The Remuneration Committee chairperson must report the Remuneration Committee's findings to the board after each Remuneration Committee meeting.

12. Access to information and independent advice

12.1 The Remuneration Committee may seek any information it considers necessary to fulfil its responsibilities.

12.2 The Remuneration Committee has access to management and may seek explanations and information from management, at the Company's cost.

12.3 The Remuneration Committee may seek professional advice from employees of the Company and from appropriate external advisers, at the Company's cost. The Remuneration Committee may meet with external advisers without management being present.

13. Review and changes to this charter

13.1 The Remuneration Committee will review this charter annually or as often as it considers necessary.

13.2 The board may change this charter from time to time by resolution.