

## PHOTON GROUP LIMITED

### Remuneration Committee Charter

The Remuneration Committee (the **Committee**) is a sub-committee of the Board of the Company. This Charter sets out the responsibilities delegated by the Board to the Committee.

#### **1 Role and responsibilities**

The role of the Committee is to review and make recommendations to the Board in relation to:

- the desirable competencies of the Board;
- the performance of the members of the Board;
- the selection and appointment practices for non-executive directors and senior management of Photon;
- succession plans for the Board and the development of succession planning in relation to senior management;
- appropriate remuneration policies for directors and executives;
- the terms and conditions of employment for the Chief Executive Officer (including undertaking an annual review of the Chief Executive Officer's performance, including, setting with the Chief Executive Officer goals for the coming year and reviewing progress in achieving these goals);
- the Company's incentive schemes and superannuation arrangements; and
- any proposed changes to the Board.

#### **2 Composition**

##### 2.1 Membership

The Remuneration Committee will consist of not less than three members. Members will be appointed by the Board from amongst the Directors, a majority of whom will also be independent. The Board may remove or replace members of the Committee.

## 2.2 Chair

The Board will appoint an independent Director, other than the Chairman of the Board, to be the Chair of the Committee.

## 2.3 Secretary

The Company Secretary of the Company will be the Secretary of the Remuneration Committee.

## 2.4 Other Attendees

The CEO and CFO as well as other members of senior management may be invited to be present for all or part of the meetings of the Remuneration Committee, but will not be members of the Committee.

## 2.5 Compensation

The members of the Committee may be entitled to membership fees for their participation on the Committee. These fees are in addition to the Directors' fees to which they are entitled.

# 3 Meetings

## 3.1 Quorum

A quorum will be two members of the Committee.

## 3.2 Frequency

Remuneration Committee meetings will be held not less than two times a year so as to enable the Committee to undertake its role effectively. In addition, the Chairman is required to call a meeting of the Remuneration Committee if requested to do so by any member of the Remuneration Committee, the Board, or the CEO.

# 4 Authority

The Remuneration Committee is authorised by the Board to review and make recommendations to the Board on remuneration packages and policies of the company in accordance with its responsibilities outlined in this Charter. In executing its responsibilities, the Committee has the Board's authority to:

- access management and seek explanations and additional information.
- seek any information it requires from any employees and external parties. All employees will be directed to cooperate with any request made by the Remuneration Committee.
- obtain outside legal or other independent professional advice at the expense of the Company.
- secure the attendance of third parties with relevant experience and expertise if it considers this necessary.

## **5 Reporting Procedures**

The Remuneration Committee is required to make recommendations to the Board on all matters within the Remuneration Committee's responsibility.

The Remuneration Committee will keep minutes of its meetings. The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee for comment and change before being signed by the Chairman of the Remuneration Committee and circulated to the Board with the Board papers for the next Board meeting. The minutes are to be tabled at the Board meeting following the Remuneration Committee meeting along with any recommendations of the Committee.

## **6 Review**

The Committee will conduct an annual review of its performance and effectiveness by reference to this Charter and best practice. This review process will include a review of this Charter. The Committee is to refer any recommended changes for decision by the Board.