



Alpha **HPA**

Remuneration Committee Charter

REMUNERATION COMMITTEE CHARTER

Alpha HPA Limited (ABN 79 106 879 690) (Company)

1. Objectives

The Remuneration Committee (**Committee**) has been established by the board of directors (**Board**) of the Company. The objective of the Committee is to assist the Board with the establishment of remuneration policies and practices for the Company's Chairman, executive directors, non executive directors and executive senior staff as well as to ensure director and executive compensation is fair and current.

Executive senior management roles in the Company include;

- (a) Managing Director
- (b) Chief Operating Officer
- (c) Chief Financial Officer
- (d) Any future role that reports directly to the Board or Managing Director.

2. Authority

The Committee has authority to conduct or authorise investigations into any matters within its scope of responsibility. It is authorised to:

- retain outside counsel, accountants or other experts, at the expense of the Company, to advise the Committee or assist in the conduct of any matter;
- seek any information it requires from employees (all of whom are directed to cooperate with the Committee's requests) or external parties; and
- meet with Company officers, employees, external auditor, internal auditor (if any) or outside counsel, as necessary and without management present.

The Committee will make recommendations to the Board on all matters requiring a decision from the Board. The Committee does not have the power or authority to make a decision in the Board's name or on its behalf.

3. Membership

- The Committee will consist of a minimum of three members of the Board.
- A majority of the Committee will be independent Directors.
- The Chairman of the Committee will be an independent Director.
- The Board may appoint additional Directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.
- As a minimum, the Board will review the membership of the Committee at least once in each year. The Committee may make recommendations to the Board in relation to the Committee's membership.

4. Committee Meetings

Meetings shall be held as required but not less than twice per year having regard to the occurrence of Board vacancies and when director and executive remuneration is due for review. Any member of the Committee may request a meeting at any time if they consider it necessary.

A quorum of the Committee will comprise two members. However, all members of the Committee are expected to attend and participate in Committee meetings.

If the Committee Chair is absent from a meeting and no acting chair has been appointed, the Committee members present may choose one of them to act as chair for that meeting. A separate chair will be appointed if and when the Committee is dealing with the appointment of a successor to the Committee Chair.

The Committee may extend an invitation to other Company personnel to attend part or all of the meeting which the Committee considers appropriate, however such personnel must not be present at meetings or participate in any decisions in relation to any matter that relates to their remuneration.

The Committee may extend an invitation to any person including external advisors to attend part or all of the meeting which the Committee considers appropriate.

Reasonable notice of meetings and the business to be conducted shall be given to the members of the Committee and any other person invited by the Committee to attend.

Meetings of the Committee may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution.

Each member of the Committee will have one vote.

The Committee Chair will not have a casting vote. If there is a tied vote, the motion will lapse.

Following each meeting, the Committee Chair will report to the Board on any matter that should be brought to the Board's attention and on any recommendation of the Committee that requires Board approval or action, and provide the Board with sufficient information upon which to make a decision in that regard.

Minutes of meetings of the Committee will be prepared for approval by the Committee and be circulated to the members of the Board.

The Company Secretary will provide such assistance as may be required by the Chair in relation to preparation of the agenda, minutes or papers for the Committee.

5. Roles and Responsibilities

The role of the Committee is to review and make recommendations to the Board in relation to the overall approach to remuneration for the Company and, specifically:

- (a) remuneration for the Chairman, executive and non-executive directors;
- (b) remuneration for executive senior managers;
- (c) the variable remuneration frameworks for executive senior management roles including the implementation of, and amendment of any variable remuneration plans;
- (d) the implementation of and amendment of any equity incentive plans;

- (e) the annual performance review of the Managing Director; and
- (f) other matters referred to the Committee by the Board.

In discharging its responsibilities, the Committee will have regard to establishing and implementing remuneration frameworks to attract and retain high quality directors and executive senior managers, and recognise and reward performance that is aligned with;

- (i) the activities and structure of the Company;
- (ii) the Company's purpose, values and strategic direction;
- (iii) the Company's reputation and standing in the community;
- (iv) promoting the desired culture of the Company;
- (v) encouraging the pursuit of long-term shareholder returns and success of the Company; and
- (vi) ensuring that conduct that is contrary to the Company's values, as determined and set by the Board, is not rewarded.

The main responsibilities of the Committee are to:

- (a) review and make recommendations to the Board on remuneration of the Chairman, executive and non-executive directors, including the aggregate fee level, Board and committee fees, superannuation, travel and other benefits including participation in any equity plan;
- (b) monitor equity holdings by executive and non-executive directors to assess conformance with all statutory and Company shareholding requirements;
- (c) review and make recommendations to the Board on the contract terms for the Managing Director and other executive senior managers and any changes to these terms;
- (d) make recommendations to the Board on the fixed remuneration and variable remuneration of the Managing Director. In addition, review and make recommendations to the Board on the remuneration arrangements upon the cessation of employment of the Managing Director;
- (e) in consultation with the Managing Director, review and make recommendations to the Board on the fixed and variable remuneration of the other executive senior managers. In addition, in consultation with the Managing Director, determine the remuneration arrangements upon cessation of employment of executive senior managers;
- (f) oversee the Company's compliance obligations in relation to the remuneration of directors and executive senior managers;
- (g) ensure no executive director, non-executive director and senior executive manager is involved in deciding his or her own remuneration;
- (h) review such other matters relating to remuneration issues as may be referred to it by the Board.

6. Review of the Committee

The Committee will prepare and provide to the Board annually recommended changes or improvements to this Charter as necessary.

The Committee, in order to ensure that it is fulfilling its duties to the Company and its shareholders will periodically:

- obtain feedback from the Board on the Committee's performance and implement any agreed actions; and
- provide any information the Board may request to facilitate its review of the Committee's performance.

The Board shall review the performance of the Committee, at least once per year.

7. Reporting Procedures

After each meeting, the Chair will report the Committee's recommendations and findings to the Board.

The Chair will present an annual report to the Board summarising the Committee's activities during the year and any related significant results and findings.

8. Revisions of this Charter

The Committee is responsible for reviewing the effectiveness of this Charter and the operations of the Committee. The Committee may recommend to the Board any changes or improvements to this Charter.

Any amendments to this Charter must be approved by the Board.