

# Remuneration & Nomination Committee Charter

## Booktopia Group Limited ACN 612 421 388

### Version Control:

<b>Date</b>	<b>Action</b>
30 October 2020	Adopted by Board
28 April 2022	Approved by Board
25 August 2023	Approved by Board

**Remuneration & Nomination Committee Charter**  
**Booktopia Group Limited ACN 612 421 388 and its subsidiaries (the**



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## 2. Membership

### 2.1 Composition of Committee

The Committee will:

- (a) comprise only of members of the Board of Directors (**Directors**) and members will be appointed and removed by the Board;
- (b) be of sufficient size, independence and technical expertise to discharge its mandate effectively;
- (c) consist of:
  - (i) at least three members;
  - (ii) only non-executive directors;<sup>1</sup>
  - (iii) a majority of independent Directors (**Independent Directors**);
  - (iv) an independent chairperson, who will be nominated by the Board from time to time, but who will either be the Chairperson of the Board or an Independent Director;
  - (v) if the Committee Chairperson is also the chairperson to the Board, then a separate Committee Chairperson will be appointed to chair any discussions by the Committee involving succession planning for the role of chairperson to the Board.

### 2.2 Ceasing to be a member of the Committee

A person will cease to be a member of the Committee if:

- (a) the person gives reasonable notice in writing to the Committee Chairperson of the person's resignation as a member of the Committee;
- (b) the Committee Chairperson gives the person notice in writing that the person is to cease to be a member of the Committee; or
- (c) the person ceases to be a Director, in which case the person automatically ceases to be a member of the Committee.

### 2.3 Secretary

- (a) The Committee will have a secretary, which is to be the Company Secretary or such other person as nominated by the Board (**Committee Secretary**).
- (b) The Committee Secretary will attend all Committee meetings.
- (c) The Committee Secretary, in conjunction with the Chairperson of the Committee, will prepare an agenda to be circulated to each Committee member. Papers will be circulated to each Committee member prior to the meeting.

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<sup>1</sup> Note an entity which is included in the S&P/ASX300 index at the beginning of a financial year must have a remuneration committee comprised solely of non-executive directors for the entirety of that financial year (LR 12.8).

- (d) The Committee Secretary will distribute a meeting timetable for each forthcoming calendar year.

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### **3. Meetings & authority of Committee**

#### **3.1 Meetings**

- (a) The Committee will meet as often as necessary to undertake its role effectively. However, it is intended that the Committee meet at least twice a year and one of those meetings take place at least 2 months prior to each annual general meeting.
- (b) The Chairperson of the Committee must call a meeting of the Committee if so requested by any Committee member, the Managing Director or the Company Secretary.
- (c) The Committee may invite other persons, including internal specialists or external advisers, to attend meetings if considered appropriate by the Chairperson of the Committee.
- (d) The quorum for any meeting of the Committee will be 2 members.

#### **3.2 Authority**

The Board authorises the Committee, within the scope of its responsibilities, to:

- (a) investigate any matter within the ambit of the role of the Committee as described in paragraph 1.2, which is brought to its attention with full access to all books, records and facilities;
- (b) seek any information it requires from an employee (and all employees are directed to co-operate with any request made by the Committee) or external parties;
- (c) obtain outside professional advice as it determines necessary to carry out its duties; and
- (d) ensure the attendance of Company officers at meetings as it thinks appropriate.

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### **4. Duties and responsibilities**

#### **4.1 Understanding the Company's Business**

The Committee will ensure it understands from management the Company's structure, business and controls to ensure that it can adequately assess the significant risks faced by the Company.

#### **4.2 Reporting**

- (a) The Chairperson of the Committee must verbally report the findings and recommendations of the Committee to the next Board meeting following each meeting of the Committee.
- (b) The minutes of all Committee meetings will be circulated to members of the Board by the Committee Secretary.
- (c) The Committee will review and recommend to the Board the remuneration report prepared in accordance with the *Corporations Act 2001* (Cth) for inclusion in the annual directors' report.

- (d) The Committee must approve the details to be published in the Company's Annual Report or any other statutory report or document with respect to the activities and responsibilities of the Committee.

### **4.3 Specific 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:

#### ***Remuneration of senior executives and executive Directors***

- (a) regularly reviewing and making recommendations to the Board with respect to an appropriate remuneration policy including retirement benefits and termination payments (if any) for senior executives and executive Directors, ensuring that such a policy:
  - (i) enables the Company to attract and retain valued employees;
  - (ii) motivates senior executives and executive Directors to pursue the long term growth and success of the Company;
  - (iii) demonstrates a clear relationship between performance and remuneration;
  - (iv) demonstrates a clear relationship between conduct and remuneration; and
  - (v) has regard to prevailing market conditions.
- (b) 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;
- (c) making recommendations to the Board with respect to the quantum of short term incentives (if any) to be paid to senior executives;

#### ***Remuneration of non-executive Directors***

- (d) making recommendations as to the structure of remuneration for non-executive Directors;
- (e) 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;

#### ***Employee benefits and other policies***

- (f) making recommendations to the Board with respect to the implementation and operation of equity-based incentive plans and other employee benefit programs;
- (g) regularly reviewing the Company's recruitment, retention and termination policies;

### ***Superannuation***

- (h) regularly reviewing and providing advice to the Board in relation to the Company's superannuation arrangements;

### ***Senior executives and executive Directors succession***

- (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;

### ***Board succession***

- (j) reviewing Board succession plans on a regular basis to maintain an appropriate balance of skills, knowledge, experience, independence, diversity and expertise on the Board and providing advice to the Board accordingly;

### ***New Directors***

- (k) developing policy, procedures and processes for the selection and appointment of Directors;
- (l) identifying individuals who may be qualified to become Directors, having regard to such factors as the Committee considers appropriate, including judgement, skill, diversity, experience with business and other organisations of a comparable size, the interplay of the candidate's experience with the experience of other Board members, the extent to which the candidate would be a desirable addition to the Board and any Board Committee, and the Corporate Governance Principles and Recommendations (4<sup>th</sup> edition) of the ASX Corporate Governance Council (the **Guidelines**);
- (m) ensuring that an effective induction program for new Directors is in place, and regularly reviewing its effectiveness;

### ***Board Committees***

- (n) identifying Directors qualified to fill vacancies on Board committees and making recommendations to the Board accordingly, having regard to such factors as the Committee considers appropriate, including the terms of reference of the particular Board committee the Director's experience, the interplay of the Director's experience with the experience of other Committee members and the Guidelines;

### ***Performance***

- (o) developing or arranging a program for inducting new Directors and providing appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively, which should include but not be limited to briefings on relevant accounting standards and developments in any relevant accounting standards to fulfil a Director's responsibilities in relation to the Company's financial statements;
- (p) periodically reviewing whether Directors have the requisite skills, knowledge and familiarity with the Company and its operating environment to fulfil their role on the Board and perform their role as directors effectively and where any gaps are identified, to consider what training or development could be undertaken to fill those gaps;
- (q) periodically reviewing whether the Board as a whole has the requisite skills, knowledge and familiarity with the Company and its operating environment as well as identifying any gaps in the collective skills of the Board;
- (r) in conjunction or collaboration with the Board, developing procedures for the annual

evaluation of the performance of the Board, each Board Committee and individual Directors, comparing their performance with the requirements of the Board Charter, this Charter, other relevant Board Committee Charters and the reasonable expectations of individual Directors;

#### ***Senior executives and executive Directors***

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

#### ***Board***

- (u) considering and articulating the time needed to fulfil the role of Chairperson and non-executive Director;
- (v) developing and implementing a plan for identifying, assessing and enhancing Director competencies;
- (w) developing and implementing succession planning for the Board;
- (x) establishing procedures for the Committee to oversee the evaluation of the performance of the Board and each Director including an assessment of whether each Director has devoted sufficient time to their duties;

#### ***Shareholder approval***

- (y) 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;

#### ***Size and composition of the Board***

- (z) regularly reviewing the size and composition of the Board and making recommendations to the Board with regard to any appropriate changes;
- (aa) providing advice to the Board with respect to the necessary and desirable competencies of Directors;
- (bb) making recommendations to the Board for the appointment and removal of Directors;
- (cc) in a timely manner, making recommendations to the Board whether or not Directors, whose term of office is expiring, should be proposed for re-election at the Company's next AGM;

#### ***Diversity***

- (dd) developing measurable objectives to achieve gender diversity in the composition of the Board, senior executives and workforce generally in accordance with the Company's Diversity Policy;
- (ee) monitoring, reviewing and reporting to the Board at least annually the Company's progress towards achieving its measurable objectives for gender diversity in accordance with the Company's Diversity Policy;
- (ff) reviewing the Company's Diversity Policy at least annually to assess the effectiveness of the policy and make recommendations to the Board as to

any strategies required to address Board diversity;

- (gg) reviewing and reporting to the Board at least annually on the relative proportion of women and men on the Board, in senior executive positions and across the whole workforce; and
- (hh) reviewing and making recommendations to the Board on remuneration to close gender-based pay gaps.

#### **4.4 Other matters**

- (a) The Committee is authorised to engage, at the Company's expense, outside legal or other professional advice or assistance on any matters within its terms of reference.
- (b) The Committee has unrestricted access to information it considers relevant to its responsibilities. The Committee has rights of access to management and to auditors (external and internal) without management present, and rights to seek explanations and additional information from both management and auditors.
- (c) In the discharge of the Committee's responsibilities, no executive should be directly involved in determining their own remuneration.
- (d) The Committee may, in its discretion, delegate all or some of its responsibilities to a sub-committee.

#### **4.5 Committee performance assessment**

- (a) The Committee will perform an evaluation of its performance periodically to determine whether it is functioning effectively.
- (b) The Board will evaluate the performance of the Committee periodically.

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### **5. Other matters**

#### **5.1 Amendment of Charter**

This Charter can only be amended with the approval of the Board.

#### **5.2 Adoption of Charter and periodic review**

This Charter was adopted by the Board on October 30, 2020, and is amended from time to time and takes effect from that date and replaces any previous Charter in this regard.

The Committee must review and reassess this Charter periodically and, if required, make recommendations to the Board in respect of any amendments to the Charter. The Company Secretary will communicate any amendments to employees as appropriate.