



MAGNIS ENERGY TECHNOLOGIES LIMITED

NOMINATIONS & REMUNERATION COMMITTEE CHARTER

The Magnis Energy Technologies Ltd (“**Magnis**” or “**the Company**”) Board operates a **Nominations & Remuneration (“NomRem”) Committee** as a Sub Committee of the Board.

1. ROLE, OBJECTIVE AND PURPOSE

The primary role of the Nominations and Remuneration Committee (“**the Committee**”) is to assist the Board in fulfilling its responsibilities through appropriate recruitment and retention of staff, remuneration of senior management and other employees.

The Committee is responsible for reviewing and approving various matters such as:

- The remuneration framework for the Board and senior management; and
- The Company remuneration and employment policies, procedures and programs in order to:
 - promote excellent performance by implementing appropriate processes to align, evaluate and reward high performance;
 - comply with relevant legislation and corporate governance principles on remuneration practices and employment policies;
 - provide fair remuneration and other benefits to all employees;
 - meet people needs through effective talent management and succession planning;
 - support a positive and engaging culture that supports Magnis’ values to enable to attract and retain high quality people;

- meet the Company commitment to be a diverse and inclusive workplace and ensuring there is no gender or other bias in remuneration.
- The annual performance review of the Chairman

The Committee will fulfil these responsibilities by carrying out the activities set out in the **Reporting** section of the is Charter.

2. MEMBERSHIP

The Committee shall comprise a minimum of three members and all members will be members of the Board of Directors and shall be appointed by the Board.

- Members shall only be Non-Executive Directors where possible, with a majority of independent directors and a quorum will comprise two members;
- If membership of the Committee contains an Executive Director out of default or given the lack of Non-Executive Directors available to comprise membership, the Executive Director will abstain from any voting on matters and must not be present during discussions on the terms and conditions of his or her own employment;
- Each member shall have working knowledge with basic accounting and finance practices with at least one member having considered financial expertise (for example, a qualified accountant or other financial professional) and the members between them should have sufficient understanding of the industry that the Company operates in;
- If only one Committee Member is available through unavoidable circumstances, an additional Board Member may be co-opted to the Committee for the purpose of finalising urgent business. Should the Chairperson of the Committee be absent from any Committee meeting, the other members of the Committee present at that meeting shall appoint one of their number to be Chairperson for that meeting;
- The Chairperson of the Committee shall be an independent Non-Executive Director of the Company. The Chairperson of the Board cannot be Chairperson of the Nominations and Remuneration Committee;
- The Secretary of the Committee should be the Company Secretary or his or her designated representative if the Company Secretary is not available to attend.

3. MEETINGS

- A quorum of any Committee meeting shall be two members;
- The Committee shall meet at least twice a year and more frequently if required as determined by the Chairperson of the Committee;
- Minutes of all meetings of the Committee are to be kept by the Company Secretary;
- If applicable, the Managing Director and/or the Chief Executive Officer of Magnis can be invited to attend the Committee meetings, but will have no voting rights and must not be present during discussions on the terms and conditions of his or her own employment;
- Any non-executive Director may attend the Committee meetings;
- The Chairperson of the Committee will attend and be available to answer questions regarding the annual Remuneration Report at the Annual General Meeting of the Company.

4. AUTHORITY

- The Committee is a Sub Committee of the Board and shall have no authority independent of functions delegated to it by the Board;
- The Committee is authorised by the Board to investigate any activity it deems appropriate, consistent with its responsibilities and duties. It is authorised to seek any information from any officer or employee of Magnis of whom must co-operate with any request made by the Committee;
- The findings of the Committee shall not relieve the Board of any of its responsibilities.

5. REPORTING

The Chairman of the Committee shall report the findings and recommendations of the Committee to the Board after each Committee meeting. The minutes of all Committee meetings shall be circulated and tabled to all members of the Board.

At the discretion of the Chairperson and members of the Committee, any relevant matters deemed to be of major importance shall be referred to the Board for its attention;

The Committee will oversee the preparation of any reports required by law or the ASX Listing Rules or as requested by the Board including relevant remuneration sections of the Annual Report and other shareholder documents.

6. RESPONSIBILITIES

The Committee will undertake the following activities to fulfil its responsibilities:

A. Non-Executive Director (NED), Executive Director and Key Management Personnel Remuneration

- Review and make recommendations to the Board on the remuneration of NEDs (including fees, travel and other benefits and any NED equity plan);
- Review and make recommendations to the Board on remuneration arrangements of the Chairman and, in consultation with the Chairman, the direct reports to the Chairman such as the Chief Executive Officer and Managing Director (if applicable) and any other Executive Director. These arrangements include any performance targets, termination and retention arrangements and changes to employment contracts;
- Review and make recommendations to the Board on the broad level and nature of participation by senior managers in the Company's short and long-term incentive plans.

B. Executive and Employee Incentive Plans

- Review and recommend any new or amendments to existing executive and/or employee incentive plans to the Board for approval;
- Delegate power for the operation and administration of all Company incentive plans to management where appropriate.

C. Annual Performance Reviews

- Review the performance of the Chairman, Managing Director (if applicable), Chief Executive Officer and other Executive Directors on an annual basis and ensure there is a process for determining Key Performance Indicators (KPIs) for the ensuing period.

D. Remuneration Report

- Oversee management's preparation of the Remuneration Report in accordance with the Corporations Act and review and recommend the Report to the Board for inclusion in the Company's Annual Directors' Report;
- Review and note market remuneration trends and alignment with Magnis remuneration framework;

E. Board Composition, Competency and Diversity

- Assess the structure, size and skill set required to carry out the Board's duties effectively, having regard to the strategic direction of the Company and the skills currently represented on the Board.
- To assist the Board to meet its obligations in relation to diversity, the Committee is responsible for reviewing and reporting and where appropriate, making recommendations to the Board on the progress made towards Magnis achieving the measurable objectives for diversity adopted by the Board and any changes to be made to the measurable objectives.

F. Appointments, Re-Elections and Terminations

- Identifying suitable candidates to fill Board vacancies as and when they arise and nominating candidates for the approval of the Board;
- Reviewing and recommending policies on retirement and termination payments for Directors
- Overseeing the annual assessment of, and making recommendations to the Board as to, the independence of each director, and overseeing the disclosures made in relation to the independence of each director;
- Giving full consideration to the succession plans of the Board (including the role of Chairman of the Board), with the aim of maintaining an appropriate mix of skills, experience, expertise and diversity over time and, after assessment of how the candidates can contribute to the strategic direction of the Company
- Review Directorships in other public companies held by or offered to Directors and Key Management Personnel of the Company;

7. INDEPENDENT ADVICE

The Committee may and is authorised to obtain independent professional advice or engage independent advisers at the Company's expense as considered necessary to assist in fulfilling its relevant duties and responsibilities

Furthermore, where the Committee deems it necessary to seek external remuneration advice, the external remuneration advisor will be engaged by, and report directly to the Committee;

8. COMMITTEE PERFORMANCE AND REVIEW OF CHARTER

To determine whether it is functioning effectively, the **Board** will:

- A. Review this Committee Charter every two years and deem the appropriateness to the size and direction of the Company;
- B. Assess the performance of the Committee on an annual basis;
- C. Be able to amend the Committee Charter by a Board Resolution.

The Directors acknowledge that all proceedings of the Board and its sub-committees are strictly confidential and that a Director will be expected to resign from the Board if he or she commits a breach of this confidentiality.

The Committee Charter shall be made available on the Company website.

Nominations and Remuneration Committee Charter

Formed by:	Company Secretary
Approver:	Board of Directors
Version:	1.0
Issued:	Apr 2020
Next Review Date:	Apr 2022