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# LOCALITY PLANNING ENERGY HOLDINGS LIMITED

## REMUNERATION COMMITTEE CHARTER

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### 1. GENERAL SCOPE AND AUTHORITY

- (a) The Remuneration Committee is a Committee of the Board. This Charter may be subject to review by the Board at any time.
- (b) The primary purpose of the Committee is to support and advise the Board in fulfilling its responsibilities to shareholders by:
  - (i) reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;
  - (ii) ensuring that the executive remuneration policy demonstrates a clear relationship between senior executive performance and remuneration;
  - (iii) recommending to the Board the remuneration of executive Directors;
  - (iv) fairly and responsibly rewarding executives having regard to the performance of the Company, the performance of the executive and the prevailing remuneration expectations in the market;
  - (v) reviewing the Company's recruitment, retention and termination policies and procedures for senior management;
  - (vi) reviewing and approving the remuneration of direct reports to the Chief Executive Officer/Chief Operating Officer/Managing Director, and as appropriate other senior executives; and
  - (vii) reviewing and approving any equity based plans and other incentive schemes.
- (c) The Committee shall have the right to seek any information it considers necessary to fulfil its duties, which includes the right to obtain appropriate external advice at the Company's expense.

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### 2. COMPOSITION

- (a) The Committee shall comprise at least three Directors who, when the composition of the Board allows, should ideally be independent Non-executive Directors.
- (b) The Committee will be chaired by an independent Non-executive Director who will be appointed by the Board.
- (c) The Board may appoint such additional Directors to the Committee or remove and replace members of the Committee by resolution.

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**3. SECRETARY**

- (a) The Company Secretary or their nominee shall be the Secretary of the Committee, and shall attend meetings of the Committee as required.
- (b) The Secretary will be responsible for keeping the minutes of meetings of the Committee and circulating them to Committee members and to the other members of the Board.
- (c) The Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

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**4. MEETINGS**

- (a) The Committee will meet at least once per year and additionally as circumstances may require.
- (b) Meetings are called by the Secretary as directed by the Board or at the request of the Chairman of the Committee.
- (c) A quorum shall comprise any two members of the Committee of which at least one must be a Non-executive Director. In the absence of the Committee Chairman or appointed delegate, the members shall elect one of their number as Chairman of that meeting.
- (d) Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals may be held or concluded by way of a circular written resolution or a conference call.
- (e) Decisions will be based on a majority of votes, with the Chairman having the casting vote.
- (f) The Committee may invite any senior management team members or other individuals, including external third parties, to attend meetings of the Committee, as they consider appropriate.

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**5. ACCESS**

- (a) Members of the Committee have rights of access to the books and records of the Company to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
- (b) The Committee may consult independent experts to assist it in carrying out its duties and responsibilities. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.

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## 6. DUTIES AND RESPONSIBILITIES

In order to fulfil its responsibilities to the Board the Committee shall undertake the following tasks.

(a) **Executive Remuneration Policy**

- (i) Review and approve the Company's recruitment, retention and termination policies and procedures for senior executives to enable the Company to attract and retain executives and Directors who can create value for shareholders.
- (ii) Review the ongoing appropriateness and relevance of the executive remuneration policy and other executive benefit programs.
- (iii) Ensure that remuneration policies fairly and responsibly reward executives having regard to the performance of the Company, the performance of the executive and prevailing remuneration expectations in the market.

(b) **Remuneration of Executive Directors and Senior Management**

- (i) Consider and make recommendations to the Board on the remuneration for each executive Director (including base pay, incentive payments, equity awards, retirement rights, service contracts) having regard to the executive remuneration policy.
- (ii) Review and approve the proposed remuneration (including incentive awards, equity awards and service contracts) for the direct reports of the Chief Executive Officer/Chief Operating Officer/Managing Director.

(c) **Performance Review**

The Committee will oversee an annual performance evaluation of the senior management team. This evaluation is based on specific criteria, including the performance of the individual against performance indicators and objectives, and the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.

(d) **Executive Incentive Plan**

Review and approve the design of any executive incentive plans.

(e) **Equity Based Plans**

- (i) Review and approve any equity based plans that may be introduced (**Plans**) in the light of legislative, regulatory and market developments.
- (ii) For each Plan, determine each year whether awards will be made under that Plan.

- (iii) Review and approve total proposed awards under each Plan.
  - (iv) In addition to considering awards to executive Directors and direct reports to the Chief Executive Officer/Chief Operating Officer/Managing Director, review and approve proposed awards under each plan on an individual basis for executives as required under the rules governing each plan or as determined by the Committee.
  - (v) Review, approve and keep under review performance hurdles for each equity based plan.
- (f) **Other**
- The Committee shall perform other duties and activities that it or the Board considers appropriate.

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## 7. APPROVALS

The Committee must approve the following prior to implementation:

- (a) changes to the remuneration or contract terms of executive Directors and direct reports to the Chief Executive Officer/Chief Operating Officer/Managing Director;
- (b) the Plans or amendments to current equity plans or executive cash-based incentive plans;
- (c) total level of awards proposed from equity plans or executive cash-based incentive plans; and
- (d) termination payments to executive Directors or direct reports to the Chief Executive Officer/Chief Operating Officer/Managing Director. Termination payments to other departing executives should be reported to the Committee at its next meeting.

Updated and approved by the Board as at 16 January 2018.

**Andrew Pierce**  
Chairman