

Remuneration and Nomination Committee Charter

PointsBet Holdings Limited
ACN 621 179 351

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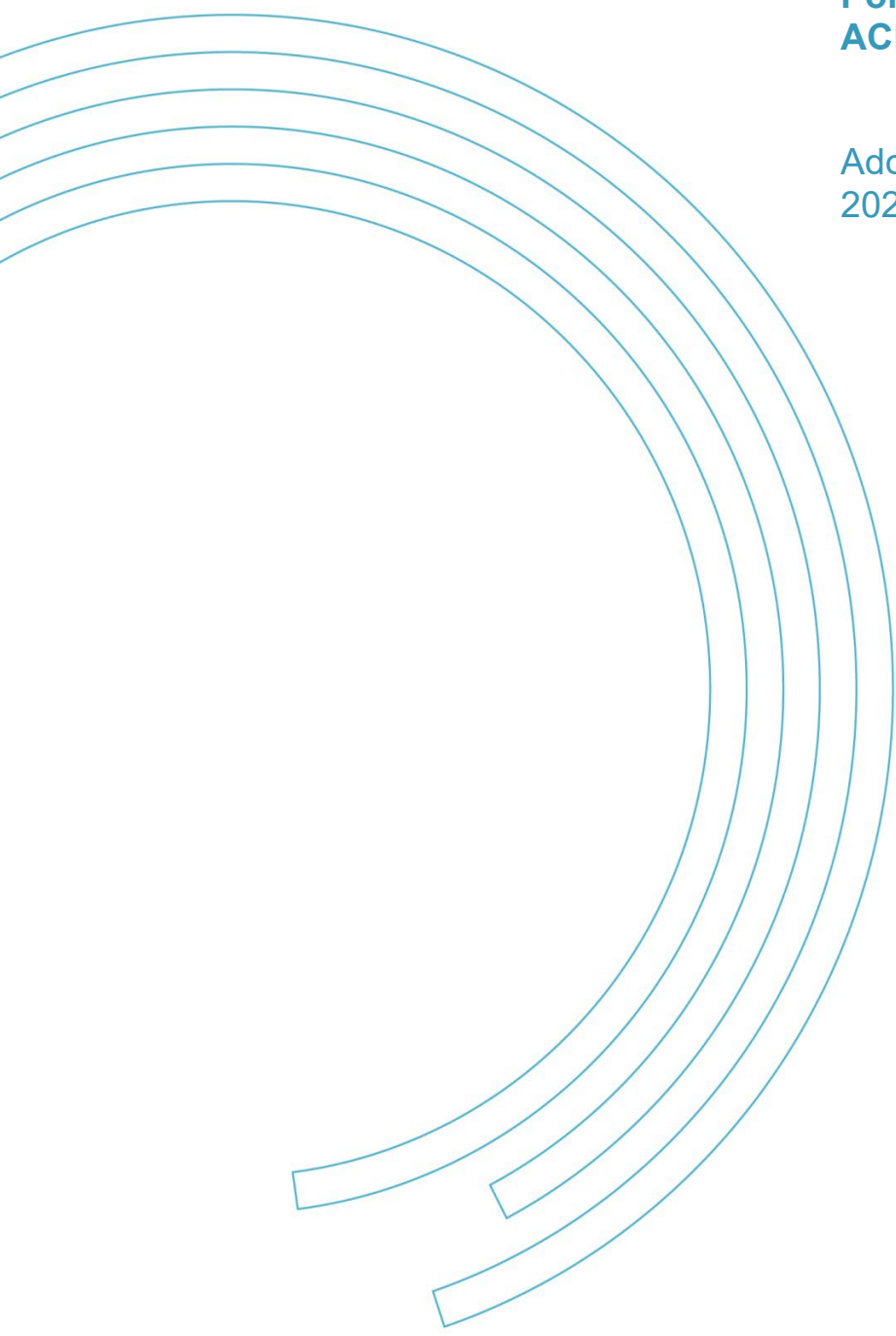




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Remuneration and Nomination Committee Charter

1 Purpose and authority

1.1 Purpose

The purpose of this Remuneration and Nomination Committee Charter (**Charter**) is to specify the authority delegated to the Remuneration and Nomination Committee (**Committee**) by the board of Directors (**Board**) of PointsBet Holdings Limited (the **Company**) and to set out the role, responsibilities, membership and operation of the Committee.

1.2 Authority

The Committee is a committee of the Board established in accordance with the Company's constitution and authorised by the Board to assist it in fulfilling its statutory, fiduciary and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time.

2 Membership of the Committee

2.1 Composition and size

It is the Company's goal that the Committee should consist of:

- (a) only Non-Executive Directors;
- (b) a minimum of three members; and
- (c) a majority of independent Directors,

and regard to diversity should be had in constituting the Committee.

However, there may be circumstances where it is not appropriate for the Committee to be constituted as described above. The Company will comply with any binding obligations in relation to the composition of the Committee contained in the ASX Corporate Governance Council's Principles and Recommendations.

In particular, if the Company is included in the S&P ASX 300 Index at the beginning of a financial year, the Committee must be comprised solely of Non-Executive Directors. 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.

Each member is expected to possess skills and experience to carry out his or her responsibilities as a member of the Committee.

Committee members must devote the necessary time and attention for the Committee to carry out its responsibilities.

Non-Committee members, including members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.



2.2 Committee Chair

The Committee Chair should be an independent Non-Executive Director. The Committee Chair is appointed by the Board.

If, for a particular Committee meeting, the Committee Chair is not present within 30 minutes of the nominated starting time of the meeting, the Committee may elect a Chair for the meeting.

2.3 Secretary

The Company Secretary is the secretary of the Committee and must attend all Committee meetings as minute secretary.

3 Nomination

3.1 Role

The Committee assists and advises the Board on:

- (a) Board succession planning generally;
- (b) succession planning for the Chief Executive Officer (**CEO**) and other direct reports to the CEO;
- (c) continuing professional development programs for Directors;
- (d) the development and implementation of a process for evaluating the performance of the Board, its Committees and Directors;
- (e) the process for recruiting a new Director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment; and
- (f) the process for re-election of Directors,

with the objective of having a Board of a size and composition and with knowledge of the Company and the industry in which it operates conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of the Company as a whole, and to bring transparency, focus and independent judgement to decisions regarding the composition of the Board and to add value to the Board.

3.2 Responsibilities

The responsibilities of the Committee in relation to nomination are to:

- (a) assist the Board to develop a Board skills matrix and appointment process setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership;
- (b) review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chair of the Board and CEO, having regard to the objective that the Board



comprise Directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender;

- (c) review and recommend to the Board the criteria for nomination of Directors and the Board membership more generally, including:
 - (i) making recommendations for the re-election of Directors, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves; and
 - (ii) assisting the Board as required to identify individuals who are qualified to become Board members, in accordance with the policy outlined in section 3.3;
- (d) assist the Board as required in relation to a formal performance evaluation of the Chair of the Board, the Board, its Committees, individual Directors and senior management, and in developing and implementing plans for identifying, assessing and enhancing Director competencies;
- (e) assist the Board in assessing the independence of each Non-Executive Director;
- (f) review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time;
- (g) review the Board Charter on a periodic basis, and recommend any amendments for Board consideration;
- (h) ensure that an effective Director induction process is in place, regularly review its effectiveness and provide appropriate professional development opportunities for Directors;
- (i) review the Board Charter on a periodic basis, and make any necessary amendments to ensure the Board Charter remains appropriate for the circumstances and position of the Company;
- (j) on an annual basis, review the effectiveness of the Diversity Policy by:
 - (i) assessing the Company's progress towards the achievement of the measurable objectives and any strategies aimed at achieving the objectives; and
 - (ii) reporting to the Board recommending any changes to the measurable objectives, strategies or the way in which they are implemented; and
- (k) in accordance with the Diversity Policy, on an annual basis, review the relative proportion of women and men on the Board, in senior management positions and in the workforce at all levels of the Company, and submit a report to the Board which outlines the Committee's findings or, if applicable, provide the Board with the Company's most recent indicators as required by the *Workplace Gender Equality Act 2012* (Cth).



3.3 Selection and appointment of new Directors

When discharging its responsibilities in respect of the selection and appointment of new Directors, the Committee should, at a minimum, have regard to the following policy and procedure:

(a) **Policy**

Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:

- (i) the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
- (ii) the existing composition of the Board, having regard to the factors outlined in the Diversity Policy and the objective of achieving a Board comprising Directors from a diverse range of backgrounds;
- (iii) the capability of the candidate to devote the necessary time and commitment to the role (this involves a consideration of matters such as other Board or executive appointments); and
- (iv) potential conflicts of interest and independence.

(b) **Procedure**

- (i) The identification of potential Director candidates may be assisted by the use of external search organisations as appropriate.
- (ii) A short list of candidates should be prepared for the Board's consideration and interview, containing detailed background information in relation to each potential candidate such as his or her:
 - (A) competencies and qualifications;
 - (B) independence;
 - (C) other directorships;
 - (D) time availability;
 - (E) contribution to the overall balance and composition of the Board; and
 - (F) depth of understanding of the role and legal obligations of a director.
- (iii) Appropriate checks should be undertaken before appointing a person, or putting a person forward to shareholders as a candidate for election, as a Director, including checks as to a candidate's character, expertise, education, criminal record and bankruptcy history.
- (iv) An offer of a Board appointment must be made by the Committee Chair only after having consulted all Directors, with any



recommendations from the Committee having been circulated to all Directors.

- (v) All new Board appointments should be confirmed by letter in the standard format as approved by the Board or the Committee from time to time.

(c) **Disclosure**

Each year, the Committee will prepare a report for the Board outlining the following details of the Board selection process:

- (i) the process by which candidates are identified and selected, including whether external search organisations are used and background checks are undertaken;
- (ii) the steps taken to ensure that a diverse range of candidates are considered; and
- (iii) the factors taken into account in the selection process, including the Board skills matrix used to identify any 'gaps' in the skills and experience of the Directors on the Board.

The Committee will also assist the Board with providing shareholders with any material information in the Company's possession which is relevant to a decision on whether or not to elect or re-elect a Director. This may include a copy of the Board skills matrix, confirmation that the relevant checks have been conducted, and any information of concern arising out of those checks, as well as any details of any factor which may influence their ability to act in the best interests of the Company.

3.4 Annual review process

- (a) Each year, the Committee will review:
 - (i) the performance of the Chair, the Board, its Committees, individual Executive and Non-Executive Directors and senior management (including the CEO), both collectively and individually;
 - (ii) whether the Directors as a group have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and on Board committees effectively and, where any gaps are identified, consider what training or development could be undertaken to fill those gaps; and
 - (iii) in respect of each of the Directors who are seeking re-election, their independence, the result of their performance review, the Company's succession plans and any other factors considered relevant to the Director's contribution to the Board, and make a recommendation to the Board regarding whether to support the Director's re-election.
- (b) Members of the Committee must not participate in any review or assessment of their own performance.



- (c) Where the Chair, following a performance appraisal, considers that action must be taken in relation to a Director's performance, the Chair must consult with the Committee regarding whether a Director should be counselled to resign, not seek re-election, or in exceptional circumstances, whether a resolution for the removal of a Director be put to shareholders.
- (d) Each year, the Board must disclose to shareholders whether a performance evaluation has been undertaken in respect of each of the members of the Board and senior management.

4 Remuneration

4.1 Role

The Committee also assists and advises the Board on remuneration policies and practices for the Board, the CEO, the Chief Financial Officer, senior executives and other persons whose activities, individually or collectively, materially affect the operations of the Company.

The policies and practices in this area are designed to:

- (a) enable to the Company to attract, retain and motivate Directors, executives and employees who will create value for shareholders, by providing remuneration packages that are equitable and externally competitive;
- (b) be fair and appropriate having regard to the performance and financial resources of the Company and the performance of the relevant Director, executive or employee;
- (c) foster exceptional human talent and motivate and support employees to pursue the growth and success of the Company in alignment with the Company's values; and
- (d) equitably and responsibly reward employees, having regard to the performance of the Company, individual performance and statutory and regulatory requirements.

4.2 Responsibilities

The responsibilities of the Committee in relation to remuneration are to:

- (a) review and recommend arrangements for the Executive Directors (including the CEO) and the executives reporting to the CEO, including:
 - (i) remuneration, recruitment, retention and termination policies and procedures and any major changes to those policies and procedures;
 - (ii) contract terms, annual remuneration and participation in the Company's short and long term incentive plans; and
 - (iii) total remuneration packages for the CEO and senior management (including base pay, incentive payments, equity-based awards and superannuation);



- (b) review and recommend to the Board the remuneration arrangements for the Chair of the Board and the Non-Executive Directors, including fees, travel and other benefits;
- (c) review major changes and developments in the remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Company;
- (d) review and assess whether there is any gender or other inappropriate bias with respect of the remuneration of directors, senior executives or other employees;
- (e) review the senior management performance assessment processes and results;
- (f) approve the appointment of remuneration consultants for the purposes of the *Corporations Act 2001* (Cth) (**Corporations Act**), if appropriate;
- (g) take appropriate action to ensure that the Committee, the Board and management have available to them sufficient information and external advice to ensure informed decision-making regarding remuneration;
- (h) review and recommend to the Board the remuneration report prepared in accordance with the *Corporations Act* for inclusion in the annual directors' report;
- (i) review and facilitate shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices; and
- (j) monitor and provide input to the Board regarding:
 - (i) legislative, regulatory or market developments likely to have a significant impact on the Company and legislative compliance in employment issues; and
 - (ii) as necessary, the perspective of external proxy advisers and shareholders on the remuneration policies, practices and the annual remuneration report of the Company.

4.3 Remuneration policy

- (a) In discharging its responsibilities, the Committee must have regard to the following remuneration policy objectives:
 - (i) to ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders, having regard to relevant Company policies without rewarding conduct that is contrary to the Company's values or risk appetite;
 - (ii) to attract and retain skilled executives;
 - (iii) to structure short and long-term incentives that are challenging and linked to the creation of sustainable shareholder returns; and
 - (iv) to ensure any termination benefits are justified and appropriate.



- (b) Non-Executive Director remuneration and incentive policies and practices:
 - (i) must not be performance-based;
 - (ii) should reflect the time commitment and responsibilities of the role;
 - (iii) should remain within the aggregate amount approved by shareholders, and the Board should periodically consider the need for increases to this aggregate amount at the Company's annual general meeting;
 - (iv) must not include retirement benefits other than statutory superannuation entitlements; and
 - (v) must be aligned with the Group's vision, values and overall business objectives.
- (c) Non-Executive Directors are not entitled to participate in equity-based remuneration schemes designed for executives without due consideration and appropriate disclosure to the Company's shareholders. To the extent that Non-Executive Directors do participate in equity-based remuneration schemes, they are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.
- (d) In the discharge of the Committee's responsibilities, no executive should be directly involved in determining their own remuneration or the specific remuneration policies that are applicable to them.
- (e) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.

4.4 Incentive schemes and equity-based remuneration

With regards to the Company's employee incentive schemes, the Committee's responsibilities are to:

- (a) review and approve short-term incentive strategy, performance targets and bonus payments;
- (b) recommend whether offers are to be made under the Company's employee incentive plans in respect of a financial year;
- (c) review and determine the performance hurdles applicable to the Executive Directors, the executives reporting to the CEO and senior management;
- (d) review and approve the proposed terms of, and authorise the making of, offers to eligible employees of the Company, including determining:
 - (i) the eligibility criteria applying in respect of an offer, in respect of a financial year; and
 - (ii) whether the delivery of shares in satisfaction of offers made should be via shares purchased on market, or whether a new issue of shares in the Company is to be made for the satisfaction of the offer, taking into account the Company's capital management processes;



- (e) review and approve, within the parameters of the schemes, amendments to the terms of existing schemes;
- (f) review and approve the terms of any trust deed applying in relation to the schemes and of any amendment to any such trust deed, including authorising the execution of any such trust deed or amending deed on behalf of the Company; and
- (g) administer the operation of the schemes, including but not limited to determining disputes and resolving questions of fact or interpretation concerning the various schemes.

5 Reporting and disclosure

- (a) The Committee will:
 - (i) liaise with the Audit, Risk and Compliance Committee and the Board in relation to the Company's remuneration-related reporting in its financial statements and the remuneration report required by the Corporations Act;
 - (ii) approve an annual remuneration report containing information on the Company's remuneration policy, practices, attendance at and frequency of Committee meetings and make recommendations to the Board for the inclusion of the remuneration report in the Company's annual report; and
 - (iii) make recommendations to the Board regarding the process for evaluating performance of the Board, its Committees and the Directors individually.
- (b) The Committee Chair, or if they are unavailable, a Committee member, will attend the Company's annual general meetings to respond to any shareholder questions on the Committee's activities or, if appropriate, the Company's remuneration arrangements.

6 Consultancy services

The Committee will undertake such enquiries as are necessary to seek to ensure that the Company only enters into an agreement for the provision of consultancy or similar services by a Director or member of management or by a related party of a Director or member of management:

- (a) if it has independent advice that:
 - (i) the services being provided are outside the ordinary scope of their duties as a Director or member of management (as applicable);
 - (ii) the agreement is on arm's length terms; and
 - (iii) the remuneration payable under it is reasonable; and
- (b) with full disclosure of the material terms to shareholders.



7 Access to information and advisers

The Committee has direct access to all resources necessary to discharge its duties and responsibilities, including engaging counsel, accountants or other experts as it considers appropriate. This may include requesting management, or engaging external remuneration consultants, to provide information to the Committee.

The Committee also has the authority to conduct or direct any investigation required to fulfil its responsibilities.

8 Review

The Board will, at least once in each year, review this Charter and the membership of the Committee to determine its adequacy for current circumstances. The Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise. This Charter may be amended by resolution of the Board.

Committee members must be available to meet with external bodies if requested to do so in accordance with relevant laws, regulations or prudential standards.



Annexure 1

Administrative matters and procedures

Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will normally meet quarterly.

Committee members may attend meetings in person or by telephone or video conference.

At the end of each reporting period, the Board will disclose the number of times the Committee met throughout that reporting period and the individual attendance of each Committee member at those meetings.

Quorum

The quorum is at least two members.

Convening and notice of meeting

Any member may, and the Company Secretary must upon request from any member, the auditor or the Chair of the Board, convene a meeting of the Committee.

Notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting documentation will be circulated by the Company Secretary to each Committee member and any other individual invited to attend. There is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

Independent advice

The Committee may seek the advice of the Company's auditors, solicitors or other independent advisers, consultants or specialists as to any matter pertaining to the powers, duties or responsibilities of the Committee.

Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee Chair, be presented at the next Board meeting. All minutes of the Committee must be entered into a minute book maintained for that purpose and be open at all times for inspection by any Director.

Reporting

It is intended that a report of the actions of the Committee and a copy of the minutes of the Committee meeting or both will be included in the Board papers for the next Board meeting following a meeting of the Committee.

The Committee must refer any matter of significant importance to the Board for its consideration and attention.

The Committee Chair will, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All Directors may, within the Board meeting, request information of members of the Committee.