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The logo for KOLLAKORN features the word "KOLLAKORN" in a bold, grey, sans-serif font. The letter "K" is stylized with a red triangle pointing to the right, and the letter "A" is stylized with a red triangle pointing to the left. To the right of the text is a large red triangle pointing to the left, which is partially cut off by the edge of the page.

**KOLLAKORN CORPORATION
LIMITED**

ACN 003 218 862

REMUNERATION COMMITTEE CHARTER

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1 OVERVIEW

- 1.1 Kollakorn Corporation Limited (**Company**) is committed to ensuring that it implements transparent and fair remuneration guidelines.
- 1.2 The board of directors (**Board**) of the Company has established a Remuneration Committee (**Committee**) to oversee the remuneration of directors and executives.
- 1.3 This charter (**Charter**) outlines the scope of the Committee's responsibilities in relation to the Company and provides a framework within which the Committee will operate.

2 COMMITTEE OBJECTIVES

- 2.1 The primary function of the Committee is to assist the Board in ensuring that the Company has remuneration policies that:
 - (a) are appropriate to attract, retain and motivate high quality directors and executives who will generate value for shareholders;
 - (b) are fair and reasonable having regard to the performance of the Company and the relevant director or executive; and
 - (c) comply with the ASX Listing Rules and relevant Australian corporations' law.

3 COMMITTEE RESPONSIBILITIES

- 3.1 The Committee is responsible for reviewing and making recommendations to the Board in relation to:
 - (a) the Company's remuneration framework for directors, including the process by which any pool of directors' fees approved by shareholders is allocated to directors;
 - (b) the remuneration packages to be awarded to senior executives;
 - (c) incentive compensation, including any equity-based remuneration plans;
 - (d) superannuation arrangements for directors and senior executives;
 - (e) whether there is any gender or inappropriate bias in remuneration for directors and senior executives; and
 - (f) whether the Company is in compliance with relevant provisions of the ASX Listing Rules and Australian corporations' law.

4 AUTHORITY AND ACCESS

- 4.1 The Committee has authority to investigate any activity within this Charter and any other matters specifically brought to its attention by the Board.
- 4.2 The Committee has authority to engage appropriate independent advisers as necessary to assist in carrying out its duties.
- 4.3 In discharging its role, the Committee shall have unrestricted access to:
 - (a) all books and records of the Company; and
 - (b) all staff, including the Company's managers to seek information and explanations from them; and

- (c) the Company's auditors, both internal and external, including the right to seek explanations and information from them without management being present.

5 COMPOSITION

- 5.1 The Board will determine all appointments to the Committee, rotations, resignations and eligibility for re-election in accordance with the ASX Listing Rules, the *Corporations Act 2001 (Cth)* and any other applicable general law.
- 5.2 The Committee will be comprised of at least 3 members, being:
 - (a) the chairperson (**Chair**); and
 - (b) at least two other directors of the Company,a majority of whom must be independent, non-executive directors.
- 5.3 The Chair must be an independent, non-executive director who is not the chairperson of the Board.
- 5.4 The Committee will appoint a secretary (**Secretary**).
- 5.5 The Committee must be of a sufficient size and possess the requisite skill and independence to effectively discharge its obligations.

6 MEETINGS

6.1 Frequency and attendance at meetings

- (a) The Committee will meet at least once per year and more frequently as required to perform its functions.
- (b) The Chair must call a meeting if requested to do so by any member of the Committee, the external auditor or the chairman of the Board.
- (c) If the Chair is absent from a meeting, the members present shall have authority to choose one of their number to chair that particular meeting.
- (d) Committee meetings may be held by technological means which allow members to participate without being physically present in the same place.
- (e) As necessary or desirable, the Committee may invite management, auditors, external advisors, or any other persons to attend and contribute to meetings.

6.2 Conflicts

- (a) No Committee member will participate in the determination of their own remuneration.

6.3 Quorum

- (a) A quorum shall be any two Committee members.

6.4 Minutes

- (a) The Secretary must keep minutes of all Committee meetings.

- (b) The minutes of each Committee meeting must be approved by the Chair and distributed to all Committee members.

6.5 Agenda and documents

- (a) The agenda and supporting papers are to be delivered to Committee members by the Secretary in advance of each meeting.

7 REPORTING TO THE BOARD

- 7.1 The Committee will liaise with the Board in relation to the Company's remuneration related reporting obligations under the *Corporations Act 2001 (Cth)* and will ensure that all other applicable governance, accounting and legal requirements regarding disclosure of remuneration are complied with.
- 7.2 The Committee must bring to the Board's attention all matters of importance in relation to the Company's remuneration policies and provide sufficient information to facilitate informed decision making.
- 7.3 The minutes of each Committee meeting are to be tabled at the next Board meeting.
- 7.4 At the end of each reporting period, the Committee must disclose to the Board the number of times that it met during the period and the individual attendances of its members at those meetings.

8 REMUNERATION STRUCTURE

8.1 Distinction between Non-Executive and Executive Remuneration

- (a) The Committee will ensure that a clear distinction is maintained between the structure of non-executive directors' remuneration on one hand and that of executive directors and other senior executives on the other.

8.2 Remuneration of executive directors and other senior executives

- (a) The Committee will make recommendations to the Board regarding the remuneration of executive directors and other senior executives (**Executive Remuneration**).
- (b) Executive Remuneration packages should include an appropriate balance between fixed remuneration that is comparable with current market rates and performance-based remuneration, linked to clearly specified performance targets that align with the Company's short and long-term objectives and which are appropriate to the Company's circumstances and goals.

8.3 Remuneration of non-executive directors

- (a) The Committee will make recommendations to the Board regarding the remuneration of non-executive directors.
- (b) Non-executive directors should be remunerated in accordance with current market rates for comparable companies and at a level that enables the Company to attract and retain non-executive directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.
- (c) Non-executive directors should not receive performance-based remuneration.

9 EQUITY BASED REMUNERATION

- 9.1 If any equity-based remuneration plans are adopted, the Committee will be responsible for reviewing their terms and overseeing their administration, including:
- (a) considering whether shareholder approval is required;
 - (b) ensuring that payments and awards of equity are made in accordance with their terms and any shareholder approval; and
 - (c) ensuring compliance with applicable laws that restrict participants from hedging the economic risk of their security holdings.

10 REVIEW OF THIS CHARTER

- 10.1 The Committee will review this Charter at least annually to ensure that it accords with best practise and remains consistent with the Committee's authority, objectives and responsibilities.
- 10.2 This Charter may be amended from time to time by resolution of the Board.

Date: 1st November 2019

Signed:



Chairperson of the Board of Directors of **Kollakorn Corporation Limited**