



Remuneration and Nomination Committee Charter

Bellamy's Australia Limited
ACN 124 272 208

1 Remuneration and Nomination Committee

The Remuneration and Nomination Committee (**Committee**) is established under rule 8.15 of the **Constitution of Bellamy's Australia Limited (Company)**.

2 Membership of the Committee

2.1 Composition

The Committee must comprise of:

- a minimum of 3 members of the Board (to the extent that this is practical given the size and composition of the Board from time to time);
- only Non-executive Directors;
- a majority of independent directors; and
- an independent Director who is nominated by the Board as Chair, who is not Chair of the Board.

2.2 Membership

The Board may appoint additional Non-executive 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. Any Director not formally a Member of the Committee may attend Committee meetings however only nominated Directors may vote on matters before the Committee.

The Committee Chair may invite non-committee members, including members of management to attend meetings of the Committee.

The Company Secretary must attend all Committee meetings.

3 Administrative matters

3.1 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 two times each year.

3.2 Quorum

The quorum is at least 2 members.

3.3 Convening and notice of meeting

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee of every meeting of the Committee at the member's advised address for service of notice (or such other pre-notified interim address where relevant), but 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.

3.4 Access to resources and independent advisers

The Committee is to have access to adequate internal and external resources. For example, the Committee may seek the advice of the Company's auditors, solicitors or other independent advisers (including external consultants and specialists) as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee,

as the Committee may require.

The Committee may seek input from senior executives of the Company on remuneration and diversity policies, subject to the principle that no senior executive should be directly involved in deciding their own remuneration or a matter that creates an individual reward (for example superannuation contributions, education, etc).

3.5 Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee Chair, be included in the Board papers for 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.

3.6 Reporting

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

4 Role and responsibilities

4.1 Role

The Committee's primary role is assisting the Board to ensure that the Company:

- (a) has coherent and appropriate remuneration and nomination policies and practices which enable the Company to attract and retain Directors and senior executives who will create value for Shareholders;
- (b) fairly and responsibly remunerates Directors and senior executives having regard to the performance of the Company, the performance of the executives and the general market environment;
- (c) has policies to evaluate the performance and composition of the Board, individual Directors and senior executives on (at least) an annual basis with a view to ensuring that the Company has a Board of effective composition, size and diversity, expertise and commitment to adequately discharge its responsibilities and duties;
- (d) has adequate succession plans in place (including for the recruitment or appointment of Directors and senior executives); and
- (e) has policies and procedures that are effective to attract, motivate and retain appropriately skilled and diverse people that meet the Company's needs and that are consistent with the Company's strategic goals and its diversity policy objectives.

The Chair of the Committee may seek advice and assistance where appropriate (for example, for the purpose of conducting the annual review process) from external consultants.

4.2 Responsibilities

Remuneration

The following are intended to form part of the normal procedures for the Committee's remuneration responsibilities.

- (a) Review and recommend to the Board arrangements for executive Directors and the executives reporting to the CEO, including contract term, annual remuneration change, and participation in the Company's short and long-term incentive plans, that establish a fair and transparent relationship between individual performance

and remuneration.

- (b) Review and recommend to the Board the remuneration arrangements for the Chair and the non-executive Directors of the Board, including Board fees, travel and other benefits.
- (c) Review and recommend to the Board remuneration arrangements for senior management including contract terms, retention strategies, termination policies, superannuation arrangements, annual remuneration review and participation in the Company's short and long-term incentive plans.
- (d) Review major changes and developments in the Company's remuneration framework, recruitment, retention and termination policies and procedures for senior management, remuneration policies, superannuation arrangements, human resource practices and employee relations strategies for the Group.
- (e) Review the performance assessment processes for the CEO and their direct reports and the annual results of those assessments, including development plans.
- (f) Review and recommend to the Board approval of short-term incentive strategies, performance targets, bonus payments including any major changes or developments to the Company's employee incentive plan.
- (g) Recommend whether offers are to be made under any or all of the Company's employee incentive plans in respect of a financial year.
- (h) In respect of the Company's employee incentive plans in place from time to time, review and approve the performance hurdles applicable to the executive Directors, the executives reporting to the CEO and senior management; for recommendation to the Board for approval.
- (i) At least annually, review and report on the relative proportion of women and men in the workforce at all levels of the Company and relative remuneration and consider any recommendations to be made to the Board in relation to this aspect of the Company's diversity.
- (j) Review and recommend to the Board the remuneration report prepared in accordance with the Corporations Act 2001 (Cth) (as amended from time to time) for inclusion in the annual Directors' report and other reports as may be required for filing with the Australian Securities and Investments Commission or the ASX from time to time.
- (k) Approve the appointment of remuneration consultants for the purposes of the Corporations Act 2001 (Cth).

Nomination

The following are intended to form part of the normal procedures for the Committee's nomination responsibilities.

- (a) Review and recommend to the Board the size and composition of the Board, including the succession of the Chair and CEO, and review of whether Board succession plans are in place to maintain an appropriate mix of skills, experience, expertise and diversity on the Board.
- (b) Review and recommend to the Board the criteria for Board membership, including assessment of necessary and desirable competencies of Board members to maintain an appropriate mix of skills, experience, expertise and diversity on the Board.
- (c) Assist the Board as required to identify individuals who are qualified to become Board members (including in respect of executive directors).
- (d) Review and recommend to the Board membership of the Board, including recommendations for the election and re-election of directors, and where necessary propose candidates for consideration by the Board, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves. This includes assisting

the Board in conducting any appropriate checks on a potential candidate to be appointed by the Board, or to be put forward to shareholders as a candidate for election as a director.

- (e) Assist the Board as required in relation to the performance evaluation of the Board, its Committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies.
- (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) Review the time expected to be devoted by non-executive directors in relation to the Company's affairs.
- (i) Ensure that an effective induction process is in place for any newly appointed director and regularly review its effectiveness.
- (j) In accordance with the Diversity Policy, assist the Board in establishing measurable objectives for achieving gender diversity and on at least an annual basis, review them and recommend any changes to the Board.
- (k) On an annual basis, review the effectiveness of the Diversity Policy by:
 - (i) assessing the Company's measurable objectives and its progress towards achieving them, including the effectiveness of any strategies aimed at achieving the objectives; and
 - (ii) reporting to the Board on any changes to the strategies or the way in which the objectives are implemented.

5 Remuneration policy

- (a) In discharging its responsibilities, the Committee must have regard to the following policy objectives:
 - (i) assessing the Company's measurable objectives and its progress towards achieving them, including the effectiveness of any strategies aimed at achieving the objectives; and
 - (ii) to ensure the Company's remuneration frameworks are equitable and aligned with the long-term interests of the Company and shareholders;
 - (iii) to attract and retain skilled Directors and executives;
 - (iv) to structure short and long-term incentive programs, that are challenging, transparent and linked to the creation of sustainable shareholder returns; and
 - (v) to ensure any termination benefits are justified and consistent with regulatory standards.
- (b) In the discharge of the Committee's responsibilities, no Director or executive should be directly involved in determining their own remuneration.
- (c) 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.
- (d) The Committee Chair or if they are not available, a Committee member should attend the Annual General Meeting and make themselves available to answer any questions from shareholders about the Committee's activities or, if appropriate, the Company's remuneration arrangements.

6 Review

The Board will, at least once in each year, assess the adequacy of this Charter and make

any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.