



# REMUNERATION COMMITTEE CHARTER

EMERALD RESOURCES NL

# REMUNERATION COMMITTEE CHARTER

The Board operates a Remuneration Committee as a Sub Committee of the Board. The Board hereby resolves to establish a Committee of the Board to be known as the Remuneration Committee comprising of three (3) members. All members of the Remuneration Committee must be non-executive directors and should consist of a majority of independent directors.

This Charter governs the operations of the Remuneration Committee. The Committee shall review and reassess the Charter at least annually and obtain the approval of the Board of Directors.

## 1. ROLES & RESPONSIBILITIES

The role of the board Remuneration Committee is to assist and advise the Board of Directors on matters relating to the compensation, bonuses, incentives and remuneration issues of the directors and employees. The Remuneration Committee is not a policy-making body but assists the board by implementing the policy.

The objectives of the Committee include reviewing and making recommendations to the Board on:

- the remuneration of non-executive directors;
- any incentive plans (including equity-based plans or ex-gratia payments made to senior executives and other employees;
- the Company's remuneration and incentive policies, practices and performance indicators and ensuring that they are aligned to the Board's vision, values and overall business objective and are appropriately designed to:
- ensuring staff remuneration is aligned with market trends; and
- ensuring there is no gender or other inappropriate bias in the remuneration of senior executives and other employees.

In discharging their responsibilities, the Committee members have a duty to act in the best interests of the Company, irrespective of person, professional, commercial or other interests, loyalties or affiliations.

## 2. MEMBERSHIP

The Committee shall be members of and appointed by, the Board of Directors and shall comprise of at least three members; chaired by an independent director; and majority of independent directors. Directors serving on this Committee should have diverse, complementary backgrounds, the majority of which are independent of management and the Company. The Committee is to be chaired by an independent director who shall have leadership experience.

Members of the Committee shall be considered independent so long as they do not have any relationship with the Company that may interfere with the exercise of independent judgement.

The only compensation shall be director's fees for services provided to the Remuneration Committee.

The Company Secretary will be the secretary of the Committee.

## 3. MEETINGS

The Committee shall meet at least once each year, with additional meetings when circumstances require, as determined by the Committee Chairperson.

### 3.1 Convening and Notice of Meeting

Any member may (and the Secretary must act upon a request from any member) convene a meeting of the Committee. Notice is to be given to every member of the Committee with no minimum notice period required and no necessity for acknowledgement of notice before the meeting may be validly held.

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## 3.2 Attendance

Members of the Committee are expected to be present at all meetings. As necessary, the Chairperson of the Committee may request that members of management, consultants or others, which it may deem appropriate, be present at Committee meetings.

## 3.3 Quorum

Two members of the Committee shall constitute a quorum. In the event where only two members are present, the unanimous vote of the two members shall constitute an act of the Committee. Where the Committee comprises more than two committee members, the act of a majority of the members present will constitute an act of the Committee.

## 3.4 Voting

Matters will generally be decided by consensus or, if a consensus can't be reached, by a majority of votes from the members present.

# 4. EXECUTIVE REMUNERATION

The Company's Remuneration policy reflects its obligations to align executive directors' remuneration with shareholders' interests and to engage appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:

- Reward reflects the competitive global market in which the Company operates.
- Executives should be rewarded for both financial and non-financial performance.

## 4.1 Elements of Remuneration – Executive

The executive directors' total remuneration consists of the following:

- **Salary**  
Each executive director receives a fixed sum payable monthly in cash.
- **Short Term Incentives**  
Each executive director is eligible to participate in a bonus scheme if deemed appropriate.
- **Long Term Incentives**  
Each executive director may participate in the Company's Incentive Option Plan with the approval of shareholders. The Committee's policy is that at each exercise date of the options, a review of the performance of a director holding options must be undertaken to ensure that it appropriate that the options can be exercised. A recommendation must be forwarded to the Board and the Board must ratify the exercising of any options.
- **Other Benefits**  
Executive directors are eligible to participate in superannuation schemes.

## 4.2 Elements of Remuneration – Non-Executive

Shareholders approve the maximum aggregate remuneration for non-executive directors. The Remuneration Committee recommends the actual payments to Directors and the Board is responsible for ratifying any recommendation if appropriate. The maximum aggregate remuneration approved for Directors is currently \$200,000.

Non-executive directors are current not entitled to participate in equity-based remuneration schemes.

Directors are entitled to have their indemnity insurance paid by the Company.

## 8. COMMITTEE PERFORMANCE

To determine whether it is functioning effectively, the Committee shall:

- Review this Charter annually
- The Board will assess the performance of the Committee on an annual basis

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

The Board must approve any amendments made to the Charter as result of any review.

## Document Control

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Related Documents: [Code of Conduct](#)

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