

Clarius Group Limited

BOARD REMUNERATION AND NOMINATION COMMITTEE

TERMS OF REFERENCE

1. Introduction and Purpose

- 1.1 The Board of Directors (**Board**) of Clarius Group Limited (**CND**) has constituted the Board Remuneration and Nomination Committee (**BRNC**) to assist it in the consideration of personnel and remuneration issues within CND.
- 1.2 The Terms of Reference sets out the scope of the BRNC's responsibilities and delegated authorities.

2. Objective

- 2.1 The objective of the BRNC is to assist the Board to discharge its responsibilities to shareholders and other stakeholders for ensuring that:-
 - a) CND has a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
 - b) Has coherent remuneration policies and practices;
 - c) Fairly and responsibly remunerates Directors and executives having regard to the performance of CND, the performance of the executives and the general remuneration environment.

3. Committee Accountabilities and Responsibilities Nomination

- 3.1 The BRNC's accountabilities and responsibilities in connection with nomination are to:
 - a) Recommend required board competencies and number and profiles of board members;
 - b) Conduct searches for new board members and recommend preferred candidates to the Board;
 - c) Assess from time to time the extent to which the required competencies are represented on the Board;

- d) Ensure that succession plans are in place to maintain the required competencies, number and profiles of the Board members;
- e) Assist the Chairman to evaluate the Board's performance annually;
- f) Conduct the search for the Managing Director recommend preferred candidates to the Board;
- g) Assist the Chairman in reviewing the Managing Director's performance and provide counselling and mentoring if and when required;

Remuneration

3.2 The BRNC's accountabilities and responsibilities in connection with remuneration are to:

- a) Review and recommend for shareholder approval Non-Executive Director remuneration;
- b) Review and recommend to the Board annually remuneration for the Chief Executive Officer/Managing Director and any other senior Executive Directors including the terms of employment contracts;
- c) Review and recommend the introduction or revision of any share acquisition, or other executive incentive plans;
- d) Review and recommend any annual payments to be made under executive incentive plans;
- f) Review from time to time CND's superannuation arrangements for its employees; to ensure that CND's remuneration and incentive policies and practices are aligned to CND's vision, values and overall business objectives and performance by being designed to:
- g) Motivate directors and executives to pursue the long-term growth and success of CND, and
- h) Demonstrate a clear relationship between overall company performance, key executive performance and remuneration.
- i) Review and recommend the granting of options to staff.

4. Composition

4.1 The BRNC will comprise:-

- a) At least three directors;
- b) If there are sufficient non-executive and independent directors the BRNC will comprise all non- executive directors;
- c) A majority of independent directors; and
- d) A chairman who is also Chairman of the Board of Directors of CND.

5. Procedures

5.1 The BRNC may invite such other persons to attend BRNC meetings as it sees fit, and consult with other persons and seek any information it considers necessary to fulfill its responsibilities.

5.2 The BRNC will hold meetings at least once each year and otherwise as it considers necessary.

5.3 A quorum will comprise two BRNC members.

5.4 Meetings of the BRNC may be held by the members communicating with each other through any technological means by which they can participate in discussion even though they may not be physically present in the same place.

5.5 The BRNC may pass or approve resolutions of the BRNC by circular resolution by adopting the procedures (so far as they are appropriate) set out in section 248A of the Corporations Act 2001.

5.6 The Chairman will communicate the findings of the BRNC to the Board after each meeting. Copies of the minutes of BRNC will be made available to all Board Members after their preliminary approval by the BRNC.