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## NOMINATION AND REMUNERATION COMMITTEE CHARTER

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### 1. ROLE

The role of the Nomination and Remuneration Committee ('the Committee') is to assist the Board of Directors ('the Board') of The Environmental Group Limited ('the Company') in monitoring and reviewing matters affecting Board, Committees of the Board, Chief Executive Officer ('CEO') and Executive team related appointments, remuneration, performance management and succession.

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### 2. COMPOSITION

- (a) The Committee shall comprise at least three Directors, the majority being independent non-executive Directors.
- (b) The Committee will be chaired by an independent Director.
- (c) The Board will appoint members of the Committee by resolution. The Board may remove and replace members of the Committee by resolution. Members of the Committee may withdraw from membership by written notification to the Board.
- (d) All Directors have a standing invitation to attend Committee meetings and have access to Committee packs, subject to conflicts.
- (e) The Company Secretary has a standing invitation to attend Committee meetings.
- (f) Senior executives and external consultants may be invited to Committee meetings at the discretion of the Chair of the Committee.

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### 3. PURPOSE

The primary purpose of the Committee is to assist the Board in fulfilling its statutory and fiduciary responsibilities relating to:

- (a) reviewing and approving the executive remuneration policy to enable the Company to attract and retain executives and Directors who will create value for shareholders;
- (b) ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;
- (c) recommending to the Board the remuneration of executive Directors;
- (d) fairly and responsibly rewarding executives having regard to the performance of the Group, the performance of the executive and the prevailing remuneration expectations in the market;
- (e) reviewing the Company's recruitment, retention and termination policies and procedures for senior executives;
- (f) reviewing and approving the remuneration of Directors and as appropriate other senior executives; and
- (g) reviewing and approving incentive schemes including equity-based plans.

The Committee will also perform other duties and activities as the Board may consider necessary.



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## 4. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

### 4.1. Nomination

- (a) Assist the Board to develop and regularly review its board skills matrix setting out the mix of skills, expertise, experience 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, having regard to the Board skills matrix and the objective that the Board comprise directors with a broad range of skills, expertise and experience from a broad range of diverse backgrounds.
- (c) Review and recommend to the Board the criteria for nomination as a director and the membership of the Board more generally including assisting the Board to identify qualified individuals for nomination to the Board.
- (d) Review succession plans for the CEO and other senior executives and identify and recommend to the Board candidates for the position of CEO and other senior executives where required, following background checks on these candidates being undertaken.
- (e) Assist the Board in relation to the development and implementation of a process for evaluating the performance of the Board, its Committees and individual directors.
- (f) Monitor that processes are in place to support director induction and continuing professional development programs for Directors, and regularly review the effectiveness of these processes.
- (g) Oversee the regular assessment of, and make recommendations to the Board as to, the independence of each director and associated disclosures.
- (h) Develop and recommend to the Board measurable objectives for achieving gender diversity in the composition of the Board, senior executives and workforce generally, and, on an annual basis, assess the Company's progress in achieving those objectives and recommend any changes to the Board,
- (i) Review and report to the Board, the Company's most recent gender equality indicators as required by the Workplace Gender Equality Act 2012 (Cth).

### 4.2 Remuneration

- (a) Review the Company's remuneration framework for directors, including the process by which any pool of directors' fees approved by security holders is allocated to directors.
- (b) Review and recommend to the Board the remuneration arrangements for the Chair and the non-executive directors of the Board, including fees, travel and other benefits.
- (c) Review and recommend to the Board employment and remuneration arrangements for the CEO, including contract terms, annual remuneration and participation in the Company's incentive plans.
- (d) On the recommendation of the CEO, review and recommend to the Board employment and remuneration arrangements for the senior executive team, including contract terms, annual remuneration and participation in the Company's incentive plans.
- (e) Assist the Board in relation to the development and implementation of a process for evaluating the performance of the CEO and oversee the annual performance evaluation of the senior executive team.



- (f) Review and recommend major changes and developments in the Company's policies and procedures related to remuneration, recruitment, retention, termination and performance assessment for the CEO and senior executives.
- (g) Review and recommend to the Board major changes and developments in relation to the Company's employee incentive plans.
- (h) Oversee the operation of the Company's employee incentive plans and recommend to the Board whether offers are to be made to the CEO and other members of the executive team under any of the Company's employee incentive plans in respect of a financial year including any applicable performance targets and the relevant award opportunities.
- (i) Assess and make recommendations to the Board on incentive award outcomes for the CEO and other members of the executive team based on performance against the applicable performance targets and any other factors that the Committee determines to be relevant (including whether the Board should consider exercising any discretion).
- (j) Review whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees.
- (k) Review and recommend to the Board the remuneration report prepared in accordance with the Corporations Act 2001 (Cth) for inclusion in the annual directors' report.
- (l) Review and facilitate shareholder and other stakeholder engagement in relation to the Company's remuneration policies and practices.
- (m) Review and recommend to the Board for approval any proposed consultancy arrangements with a director, senior executive or a related party of a director or senior executive.

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## 5. MEETINGS

- (a) The Committee will meet twice per calendar year and additionally as circumstances may require for it to undertake its role effectively.
- (b) Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee.
- (c) Where deemed appropriate by the Chair of the Committee, meetings and subsequent approvals and recommendations can be implemented by a circular written resolution or conference call.
- (d) A quorum shall consist of two members of the Committee. In the absence of the Chair of the Committee, the members shall elect one of their members as Chair of that meeting.
- (e) 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.
- (f) The Committee Chair will provide a brief oral report to the Board as to any material matters arising out of Committee meetings. All Directors may, within the Board meeting, request information of the Committee Chair or members of the Committee.
- (g) The Committee must brief the Board promptly on all urgent and significant matters.



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## 6. COMPANY SECRETARY

- (a) The Company Secretary or their nominee shall be the Company Secretary of the Committee and shall attend meetings of the Committee as required.
- (b) The Company Secretary will be responsible for keeping the minutes of meeting of the Committee and circulating them to Committee members and to the other members of the Board.
- (c) The Company Secretary shall distribute supporting papers for each meeting of the Committee as far in advance as possible.

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## 7. RELIANCE ON INFORMATION OR PROFESSIONAL OR EXPERT ADVICE

Each member of the Committee is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

- (a) an employee of the Group whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- (b) a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
- (c) another Director or Officer of the Group in relation to matters within the Director's or Officer's authority.

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## 8. ACCESS TO ADVICE

- (a) Members of the Committee have rights of access to management and to the books and records of the Company, to enable them to discharge their duties as Committee members, except where the Board determines that such access would be adverse to the Company's interests.
- (b) The Committee may consult independent legal counsel or other advisers they consider necessary to assist them in carrying out their duties and responsibilities, subject to prior consultation with the Chair. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company. The Chair of the Committee will present the advice received from the independent expert to the Board.

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## 9. REVIEW OF CHARTER

- (a) The Committee will review its Charter biennially, and following any applicable regulatory changes, to keep it up to date and consistent with the Committee's authority, purpose and responsibilities, and make recommendations to the Board accordingly.
- (b) The Board will conduct a biennial review of the Committee's Charter and membership to ensure that the Committee has carried out its functions in an effective manner and will update the Charter as required or as a result of new laws or regulations.
- (c) The Charter shall be made available to members on request, to senior executives and to other parties as deemed appropriate and will be posted to the Company's website.