

**PUMPKIN PATCH LIMITED**  
**REMUNERATION & NOMINATION COMMITTEE**  
**CHARTER**

***Definitions***

In this Charter:

- "Company" means Pumpkin Patch Limited and its subsidiaries;
- "Board" means the Board of Directors of the Company;
- "Committee" means the Remuneration & Nomination Committee;
- "Business" means the business of the Company;
- "Chairman" means the Chairman of the Board;
- "CEO" means the Chief Executive Officer of the Company;
- "CFO" means the Chief Financial Officer of the Company;
- "GM – HR" means General Manager of Human Resources of the Company;
- "Committee Chairman" means the Chairman of the Committee;
- "Management" means the management personnel of the Company;
- "Shareholders" means the shareholders of the Company.

***Objectives***

To assist the Board to independently ensure that the Company adopts and complies with remuneration and HR policies that:

- attract, retain and motivate high calibre executives and directors so as to encourage enhanced performance by the Company;
- are consistent with the human resource needs of the Company;
- motivate directors and management to pursue the long-term growth and success of the Company within an appropriate control framework; &
- demonstrate a clear relationship between key executive performance and remuneration.

***Membership***

The Board shall be responsible for the appointment and removal of Committee members.

The Committee shall have at least 3 but no more than 5 members. All members shall be non-executive directors. A majority of the Committee must be Independent Directors. The CEO shall not be a member of the Committee.

New Committee members shall be given a thorough briefing by the Committee Chairman and/or Secretary on key remuneration issues and provided with appropriate background documentation.

***Committee Chairman***

The Board shall appoint the Chairman of the Committee who shall not be the Chairman of the Board.

The Committee Chairman shall be an independent director.

If the appointed Committee Chairman is unable to attend a Committee meeting, then the attending members of that Committee meeting will elect an acting Chairperson for that Committee meeting.

### ***Secretarial & Meetings***

The Company Secretary shall act as Secretary of the Committee and shall attend meetings of the Committee, as required.

A quorum of members of the Committee shall be a majority of the members of the Committee. The Committee Chairman shall have the casting vote in the case of a tie.

The CEO and GM - HR will be invited to attend meetings, as required. Other Company executives and advisers, as the Committee Chairman thinks fit, may be invited to attend meetings.

Notice of Committee meetings and the business to be conducted at such meetings shall be given to the members of the Committee, all other members of the Board, the CEO, the CFO and the GM - HR. The notice and form of meeting requirements of the Committee shall be the same as for meetings of the full Board of Directors.

The Committee Chairman shall review the agenda for each meeting prior to its issue. Any Committee member may require business to be included in the agenda.

The Committee shall meet at least 3 times per year.

Any member of the Committee, the Chairman of the Board, the CEO, the CFO or the GM - HR may request a meeting at any time if they consider it necessary.

Minutes of meetings of the Committee shall be prepared by the Secretary, approved by the Committee Chairman in draft and circulated to all members of the Committee and to the Board.

Minutes of meetings of the Committee shall be confirmed at the next meeting of the Committee and then signed by the Committee Chairman.

Any action permitted to be taken at any meeting of the Committee may be taken without a meeting, if a written consent thereto is signed by all the members of the Committee, provided that such written consent shall be filed with the minutes of the proceedings of the Committee.

### ***Responsibilities and Duties***

The primary responsibility of the Committee is to provide an oversight of the Company's broad remuneration and nomination plans, policies and practices, with a view to assisting the Board to ensure that:

- the level and composition of remuneration of senior executives and Directors is sufficient and reasonable and linked to Company and individual performance;
- the integrity of the Company's remuneration strategies and practices is safeguarded;
- shareholder interests and employee interests are aligned;
- independent reviews of remuneration proposals are undertaken;
- the Company complies with legislative requirements related to remuneration practices; &
- the overall annual HR agenda and metrics are appropriate.

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

- the remuneration and nomination framework for non-executive directors, to this end the Committee will annually:
  - review non-executive director emoluments (Board and Board Committee fees, retiring allowances, share plans etc) ; and
  - recommend to the Board changes to fees, allowances, etc. with supporting rationale;
- the remuneration policy and packages, termination arrangements and retirement allowances of senior management. In this respect:

- a primary focus of the Committee will be CEO and Senior Executives' remuneration policy, practice and levels across the Company;
- the remuneration packages for Senior Executives should be structured to provide for a balance between fixed and incentive pay, reflecting short and long term performance objectives;
- the Committee shall undertake an analysis of senior executive remuneration policy and practice relative to the market on an annual basis and recommend guidelines to the Board to govern the Company's remuneration policy and practice. Based on these guidelines, the Committee shall annually:
  - review remuneration policy for Senior Executives, including:
    - approve the remuneration and incentive payments (including performance measures and targets) of Senior Executives on the recommendation of the CEO;
    - ensure that payment of share based executive remuneration is made in accordance with the thresholds set in plans approved by shareholders; &
    - review the relationship between individual performance levels and remuneration adjustments for Senior Executives.
  - recommend CEO remuneration covering:
    - fixed remuneration (salary and benefits), variable remuneration (bonus/incentive) and share based entitlement levels; &
    - approval of performance measures and targets that relate to incentive opportunity.
  - the Committee will be also responsible for oversight of broad remuneration strategy and policy for levels below that reporting to the CEO. This includes:
    - reviewing and approving the market positioning of remuneration policy for the Company and its operating groups;
    - reviewing and approving remuneration policy including salary, allowances, benefits, incentive and superannuation and share based remuneration plans;
    - reviewing the effectiveness of management systems that underpin remuneration policy, such as job evaluation and management performance; &
    - ensuring that all remuneration policies comply with relevant awards and legislation;
- the overall HR strategy and agenda. This includes:
  - succession and risk management planning for executives and senior management; &
  - reviewing recruitment, retention, training, termination policies and employee relation issues for executives and senior management;
- HR metrics and policies around health and safety, recruitment, retention and diversity.

In making its recommendations, the Committee will provide the Board with a statement of rationale and strategy behind the remuneration and nomination approaches and senior executive remuneration levels it recommends.

### ***Authority***

The Board retains full responsibility for Remuneration & Nomination policy of the Company. The Committee has been established to assist the Board in fulfilling its responsibilities in this regard.

The Committee is constituted and delegated functions by the Board. It has no powers other than those set out in this charter or otherwise delegated to it by the Board.

The Committee will operate independently of senior management of the Company, whilst receiving recommendations and input from the CEO, GM - HR, external advisers and other individuals as required, however no individual will be directly involved in deciding their remuneration.

The Committee is authorised by the Board to investigate any activity within its responsibilities. It is authorised to seek any information that it requires from any employee of the Company and all employees will be directed to co-operate with any request made by the Committee.

Committee members are entitled to rely upon the Company's executives in regards to matters within their responsibility, and on external professionals in relation to matters within their area of expertise and may assume the accuracy of information provided by such persons, so long as a Committee member is not aware of any reasonable grounds upon which such reliance may be inappropriate.

The Board may from time to time authorise the Committee to obtain, at the expense of the Company, outside legal or other independent professional advice and to arrange for the attendance at meetings, at the expense of the Company, of outside parties with relevant experience and expertise if it considers this necessary.

The Committee may delegate any of its responsibilities to the Committee Chairman or any other member of the Committee from time to time and on such conditions as the Committee considers appropriate.

### ***Reporting Procedures***

The Committee Chairman shall maintain direct lines of communication with the CEO, the CFO, the GM - HR and with management generally.

After each Committee meeting, the Committee Chairman shall report the Committee's findings and recommendations to the Board.

The minutes of all Committee meetings shall be circulated to the members of the Board, the CEO, the CFO and to such other persons as the Board directs.

The members of the Committee shall be identified in the annual report of the Company.