

Nomination and Remuneration Committee Charter



1. Introduction

1.1 Objectives

The objectives of the Freelancer Limited (Freelancer) Nomination and Remuneration Committee (Committee) are to assist the Board in fulfilling its corporate governance responsibilities in relation to:

- a. remuneration matters, including:
 - i. the remuneration framework for Non-Executive Directors;
 - ii. the remuneration and incentive framework, including any proposed equity incentive awards, for the Managing Director, any other Executive Directors and all C-level executives (including but not limited to Chief Technology Officer, Chief Operating Officer and Chief Financial Officer) (**Senior Executives**);
 - iii. recommendations and decisions (as relevant) on remuneration and incentive awards for the Managing Director, any other Executive Directors and Senior Executives; and
 - iv. strategic human resources policies; and
- b. nomination matters, including:
 - i. Board appointments, re-elections and performance;
 - ii. Directors' induction programs and continuing development;
 - iii. Committee membership;
 - iv. endorsement of Senior Executive appointments; and
 - v. diversity obligations.

1.2 Functions

The Committee is to undertake the functions of each of the nomination committee and the remuneration committee set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2014 Amendments 3rd Edition (**ASX Principles**).

2. Membership

2.1 Structure

- a. The Committee is appointed by the Board in accordance with Rule 6.16 of the Freelancer Constitution.
- b. The Committee is to consist of at least three members (**Committee Members**).
- c. The Chairman of the Committee is to be appointed by the Board (but is not to be the Chairman of the Board).
- d. Each Committee Member must be financially literate, have familiarity with financial management and an understanding of the industry in which Freelancer operates. At least one Committee Member should have financial expertise (that is, be a qualified accountant or other financial professional with financial and accounting experience).

- e. The Board will review the composition of the Committee from time to time, including by reference to the ASX Principles.
- f. The appointment of a Committee Member will cease if that person ceases to be a Director of Freelancer or as otherwise determined by the Board.

3. Meetings

3.1 Convening Meetings

The Committee is to meet as requested by the Committee Chairman, but not less than once a year.

3.2 Quorum

A quorum for a Committee meeting is 2 Committee Members.

3.3 Attendance at Meetings

- a. Directors who are not Committee Members may attend meetings at the invitation of the Committee Chairman.
- b. The Managing Director, appropriate Freelancer management and representatives of any external adviser are to attend such portion of each meeting as requested by the Committee Chairman. The Managing Director is not to be present when the Committee discusses issues relating to the Managing Director.
- c. The Company Secretary is to attend Committee meetings, or to otherwise receive an update from the Chairman on proceedings of Committee meetings, to ensure minutes are taken of each meeting.

3.4 Report

- a. The Committee will report on its meetings to the Board.
- b. The Committee will annually review and report to the Board on the diversity objectives established by the Freelancer Group.
- c. Recommendations of the Committee are to be referred to the Board for approval.

4. Authority

4.1 Seek Information

The Committee is authorised by the Board to seek any information it requires from any employee of the Freelancer Group in order to perform its duties and all employees must comply with such requests.

4.2 Use of Consultants

In connection with its duties, the Committee is empowered to select, set the terms of reference and appoint such consultants or other advisers as the Committee consider necessary or appropriate, at Freelancer's expense.

4.3 Remuneration Policies and Practices

The Committee may seek advice from individuals on remuneration policies and practices, but no individual should be directly involved in deciding their own remuneration.

4.4 No Executive Powers

The Committee shall have no executive powers with regard to its findings and recommendations.

5. Responsibilities and Duties – Remuneration Matters

5.1 Responsibilities

The Committee is responsible for:

- a. assisting the Board with establishing a board of effective composition, size, diversity and commitment to adequately discharge its responsibilities and duties, and assist the Board with discharging its responsibilities to shareholders and other stakeholders to seek to ensure that Freelancer has policies to evaluate the performance of the Board, individual Directors and executives on (at least) an annual basis;
- b. ensuring that Freelancer's remuneration policies, practices and structures are coherent, equitable and aligned with the long-term interests of Freelancer and its shareholders, having regard to relevant Freelancer policies in attracting and retaining skilled executives that are challenging and will create value for Shareholders;
- c. the review and monitoring of the Freelancer Group remuneration and incentive framework applying to Non-Executive Directors, Executive Directors and Senior Executives and the associated strategies, systems, policies and processes implemented, and reported on, by Freelancer management;
- d. ensuring that Freelancer fairly and responsibly remunerates Directors and executives, having regard to the performance of Freelancer, the performance of the executives and the general remuneration environment;
- e. ensuring that Freelancer has policies and procedures to attract, motivate and retain appropriately skilled and diverse persons to meet Freelancer's needs;
- f. approving the remuneration and incentive awards of Senior Executives based on the recommendations of the Managing Director; and
- g. approval of pools of annual grants of equity and any other individual equity offers to Senior Executives and other Executives.

5.2 Recommendations

The Committee will review and make recommendations to the Board on remuneration matters, including:

- a. the review and monitoring and recommendation of changes to the remuneration and incentive framework (including the equity plan framework and any diversity considerations) for Non-Executive Directors, Executive Directors and Senior Executives;
- b. the remuneration of Non-Executive Directors;

- c. the fixed remuneration levels and incentive awards for the Managing Director and any other Executive Directors;
- d. performance based measures (financial and non-financial), targets and performance outcomes under incentive plans for the Executive Directors and Senior Executives;
- e. whether the directors as a group have the skills, knowledge and familiarity with Freelancer Group and its operating environment required to fulfil their role on the Board and on Board Committees effectively and, where any gaps are identified, consider what training or development could be undertaken to fill those gaps; and
- f. identifying suitable candidates to complement the existing Board and to make recommendations to the Board on their appointment.

5.3 Reliance

Committee Members are entitled to rely on Freelancer management for matters within their responsibility and on the expertise of external professionals. Committee Members may assume the accuracy of the information provided by such persons, so long as the Committee Members are not aware of any reasonable grounds upon which such reliance or assumption may not be appropriate.

5.4 Remuneration and Incentive Framework

The Committee's objectives in determining the remuneration and incentive framework, policies and practices are to:

- a. motivate the Executive Directors and Senior Executives to pursue the long-term growth and success of the Freelancer Group;
- b. demonstrate a clear relationship between performance and remuneration;
- c. involve an appropriate balance between fixed and incentive remuneration, reflecting the short and long-term performance objectives of Freelancer;
- d. differentiate between higher and lower performers through the use of a performance management framework; and
- e. be compliant with all relevant laws and regulations and have regard to shareholder expectations.

5.5 Remuneration for Non-Executive Directors

In assisting the Board, the Committee will review and make recommendations to the Board on remuneration for Non-Executive Directors (including fees, travel and other benefits). In making its recommendations, the Committee should take into account the following guidelines:

- a. Non-Executive Directors should be remunerated by way of fees - in the form of cash, non-cash benefits, superannuation contributions or salary sacrifice into equity;
- b. Non-Executive Directors should not participate in schemes designed for remuneration of Executives;
- c. Non-Executive Directors should not receive options or bonus payments; and
- d. Non-Executive Directors should not be provided with retirement benefits other than statutory superannuation and certain travel entitlements which are usual in the technology industry and are disclosed in the Annual Report.

5.6 Remuneration for Managing Director and Other Senior Executives

In assisting the Board, the Committee will review and make recommendations to the Board on the remuneration and incentives awards for the Managing Director and other Senior Executives, including:

- a. fixed remuneration levels (including superannuation) and short and long-term incentive awards;
- b. any termination payments (which are to be agreed in advance and include provisions in case of early termination); and
- c. offers of equity under Board approved employee equity plans. Any issue of Freelancer shares and offer of rights made to Executive Directors are to be placed before shareholders for approval.

5.7 Other Executives

The Managing Director and other Senior Executives (as relevant) will review the remuneration of all other Executives not otherwise specified in this Charter.

5.8 Human Resources Policies

The Committee will review strategic human resource policies and practices for Freelancer.

5.9 Other

The Committee will consider any other remuneration matters referred to the Committee by the Board.

6. Responsibilities and Duties – Nomination Matters

6.1 Selection, Appointment, Re-election and Performance of Directors

In assisting the Board, the Committee will review and make recommendations to the Board on remuneration for Non-Executive Directors (including fees, travel and other benefits). In making its recommendations, the Committee should take into account the following guidelines:

- a. In assisting the Board in the appointment, re-election and performance of Directors, the Committee will:
 - i. assess the necessary and desirable competencies of Directors;
 - ii. assess that Directors have the appropriate mix of competencies to enable the Board to discharge its responsibilities effectively;
 - iii. develop Board succession plans so that an appropriate balance of skills, experience, expertise and diversity is maintained;
 - iv. make recommendations to the Board relating to the appointment, re-election and retirement of Directors;
 - v. review the time commitment required from Non-Executive Directors and whether Directors are meeting that commitment; and
 - vi. schedule regular Board performance reviews.

- b. Factors the committee will consider when reviewing a potential candidate for Board appointment include:
 - i. the skills, experience and personal qualities that will best complement Board effectiveness;
 - ii. the existing composition of the Board, having regard to the objective of achieving a Board comprising Directors with a broad range of skills, expertise and experience from a broad range of backgrounds, including gender;
 - iii. the capability of the candidate to devote the necessary time and commitment to the role (this involves a consideration of matters such as other board or executive appointments); and
 - iv. potential conflicts of interest and independence.
- c. In reviewing the composition and performance of the Board, the Committee will consider the term served by Non-Executive Directors so that, over time, new Directors are appointed to challenge existing approaches and to incorporate new ideas and energy.
- d. In selecting and recommending the appointment of new Directors, the Committee will:
 - i. adopt a skills matrix to identify any deficient competencies in the skills and experience of the Board;
 - ii. assess candidates with regard to the diversity objectives of the Freelancer Group;
 - iii. engage external consultants where necessary to assist in the selection process of suitable candidates; and
 - iv. recommend candidates who have the appropriate range of skills, experience and expertise that will best complement Board effectiveness.
- e. In addition, any candidate must confirm that they have the necessary time to devote to their Freelancer Board position. In support of this confirmation, the candidate must provide the Committee with details of other commitments and an indication of time involved.
- f. Before appointing a director, Freelancer also undertakes comprehensive checks including employment, character reference, criminal record, experience, education and bankruptcy history.

6.2 Induction and Continuing Development of Directors

- a. The Committee should ensure each new Director undertakes an induction program which enables them to gain an understanding of:
 - i. the technology industry and the Freelancer Group's operations;
 - ii. the Freelancer Group's financial, strategic, operational and risk management position;
 - iii. the culture and values of the Freelancer Group;
 - iv. their rights, duties and responsibilities and those of Freelancer management;
 - v. Board and Board Committee meeting arrangements, including the role of Board Committees; and
 - vi. constructive and respectful relations between Board members, and between the Board, Freelancer management and other stakeholders.

- b. The Committee will review that Directors have access to appropriate continuing education to update and enhance their skills and knowledge (including key developments in Freelancer and within the technology industry).

6.3 Board Committee Membership

When it is considered appropriate, the Committee is to review the composition of Board Committees and submit recommendations to the Board for changes to those Board Committees.

6.4 Executive Appointments

The Committee is to review and endorse recommendations made by the Managing Director for Executive appointments.

6.5 Other

The Committee will consider any other nomination matters referred to the Committee by the Board.

6.6 Committee Performance

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

- a. review this Charter; and
- b. undertake an evaluation of its performance.