

Hotel Property Investments Limited

Human Resources Committee Charter

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1 Purpose

- 1.1 The Human Resources Committee (“**HRC**”) is a committee of the board of Directors (“**Board**”) of Hotel Property Investments Limited (“**Company**”).
- 1.2 The Company is the Responsible Entity “**RE**” of the Hotel Property Investments Trust (“**Trust**”) ARSN 166 484 377.
- 1.3 The purpose of the HRC is to review and make recommendations to the Board with respect to:
- (a) Executive remuneration strategy, structure and practice having regard to the Company’s strategic objectives, corporate governance principles and competitive market practice;
 - (b) The terms and conditions of the Chief Executive Officer’s (“**CEO**”) employment contract and of Key Management Personnel (KMP) reporting to the CEO including fixed and variable remuneration, equity based payments, benefits, termination compensation and any alterations thereto;
 - (c) The wider remuneration review and relevant human resources policy setting framework operating within the Company to ensure that it is merit based, free from bias and results in remuneration outcomes that are aligned with market trends and securityholder expectations;
 - (d) Evaluating the performance of the **CEO** and to consider the outcomes of the CEO’s annual assessment of other KMP;
 - (e) Consideration of senior management succession plans, as and when required.
 - (f) The operation of the equity based Long Term Incentive Plan (**LTIP**) including;
 - (i) Whether invitations to participate in the LTIP are issued, to whom and what the eligibility criteria applying to invitations are;
 - (ii) Recommendations to the Board regarding equity allocations and/or forfeiture or lapsing of equity rights under the LTIP;
 - (iii) The exercise of any discretion permitted under the LTIP;
 - (g) Ensuring that the procedures surrounding termination of employment and performance management are robust and review and approve any termination payments or one-off/ex-gratia payments proposed to departing executives;
 - (h) Ensuring that management and the Board have sufficient external professional advice and information to facilitate informed decision making regarding remuneration, and
 - (i) Adoption of the remuneration report, having satisfied itself that it has been prepared in accordance with the Corporations Act 2001 (Cth) for inclusion in the company’s annual Directors report.
- 1.4 The remuneration of the non-executive Directors will be determined by the Board, excluding in each case any Director or Directors with an immediate conflict of interest. The HRC has responsibility for recommending to the Board the remuneration framework for setting Director remuneration and other advice as requested by the Board.

2 Membership and structure

- 2.1 The Board shall appoint members to the HRC from time to time and review the composition of the HRC annually.

- 2.2 The Board may appoint and remove members of the HRC and existing members may withdraw HRC membership by providing written notice to the Board.
- 2.3 The HRC shall consist of at least three members, with all being non-executive Directors of the Company.
- 2.4 The CEO of the Company will normally attend the HRC meetings and other management may attend as required.
- 2.5 The Board will appoint an independent non-executive Director of the Company as Chairman of the HRC, who should not be chairman of the Board. It is the responsibility of the Chairman to schedule all meetings of the HRC and to provide the HRC with a written agenda.
- 2.6 A designated employee of the Company or such other person as is appointed by the HRC will act as secretary of HRC meetings and will circulate minutes of the meeting.

3 Administrative Matters

3.1 Meetings

- (a) The HRC will meet as often as is required to fulfil their responsibilities.
- (b) HRC meetings may be convened as the Chairman of the HRC considers necessary, considering requests from any member or employee of the Company.
- (c) HRC meetings may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution. A circular or written resolution signed by a majority of all members will be effective as a resolution duly passed at a HRC meeting and may consist of several documents in like form, each signed by one or more members. The expression "written" includes fax or other electronic means.
- (d) A quorum of the HRC will comprise any two independent Director members.
- (e) If the Chairman of the HRC is unable to attend a HRC meeting, the Chairman, or the members present, will appoint another member who is an independent Director to act as Chairman at that meeting. However, all members are expected to participate in all HRC meetings.
- (f) All Directors who are not members of the HRC are entitled to attend any meeting of the HRC. The Chairman of the Board will be invited to attend all meetings in an ex-officio capacity.
- (g) The HRC may invite any key executive or other individuals to attend meetings of the HRC, as they consider appropriate.
- (h) The HRC's agenda and papers will be circulated within a reasonable period in advance of the meeting.

3.2 Voting

- (a) Each member shall have one vote.
- (b) The Chairman of the HRC will not have a second or casting vote.

3.3 Minutes

- (a) Minutes of HRC meetings will be prepared by the Secretary, approved by the Chairman of the HRC in draft and circulated to all members. The CEO and other executives may not receive parts of the minutes or papers as determined by the Chairman of the HRC.

- (b) The minutes of a HRC meeting will be confirmed at the next HRC meeting and then signed by the Chairman of the HRC.

3.4 Reporting

- (a) The minutes of each HRC meeting, whether in draft or approved, will be included in the papers for the next Board meeting after the HRC meeting.
- (b) The Chairman of the HRC will, if requested at the next Board meeting after a HRC meeting provide a brief oral report as to any material matters arising out of the HRC meeting. All Directors may, within the Board meeting, request information of members of the HRC.

3.5 Authority and Access

- (a) Except where expressly stated in this Charter, the HRC discharges its responsibilities by making recommendations to the Board.
- (b) The HRC may engage separate independent counsel or advisors at the expense of the Company in appropriate circumstances, with the approval of the Chairman of the Company or by resolution of the Board.
- (c) The HRC will have unrestricted access to management and rights to seek explanations and additional information from management.
- (d) The HRC has authority to conduct or direct investigations into any matters within its Charter. The HRC is entitled to obtain external, independent legal or professional advice as considered necessary or desirable by the HRC to assist it in any investigation or to carry out its duties. As appropriate, the HRC will inform the Chairman of the Board of the Company of its decision to authorise such an investigation or obtain such external advice.

4 Review

- 4.1 The HRC will undertake an evaluation of its performance and effectiveness, review its membership and this Charter and make recommendations to the Board on an annual basis.
- 4.2 The HRC will work in conjunction with the other Board committees to assist the board to fulfil its responsibility to ensure HPI has and maintains good corporate governance procedures.
- 4.3 This Charter was adopted on 17 May 2017 by the Board of HPI.