

**Hotel Property Investments Limited**

**Human Resources & Nominations Committee Charter**

## TABLE OF CONTENTS

<b>1</b>	<b>Purpose .....</b>	<b>3</b>
<b>2</b>	<b>Membership and structure .....</b>	<b>4</b>
<b>3</b>	<b>Administrative Matters.....</b>	<b>5</b>
	3.1 Meetings.....	5
	3.2 Voting .....	5
	3.3 Minutes.....	5
	3.4 Reporting.....	5
	3.5 Authority and Access.....	6
<b>4</b>	<b>Review .....</b>	<b>6</b>

## 1 Purpose

---

- 1.1 The Human Resources & Nominations Committee ("**HR&NC**") 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 HR&NC is to review, advise 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 any Long Term Incentive (**LTI**) and Short Term Incentive (**STI**) Plans;
  - (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 HR&NC has responsibility for recommending to the Board the remuneration framework for setting Director remuneration and other advice as requested by the Board.
- 1.5 The HR&NC shall also provide advice and make recommendations to the Board in respect of the following matters: -
- (a) The appointment, election, removal, retirement and rotation of Directors being consistent with clauses 25.5 to 25.10 of the Constitution of the Company.
  - (b) The provision to the Board of reviews of the composition of the Board and current and future succession plans for Directors.
  - (c) The HR&NC shall make an initial assessment of the necessary and desirable competencies for any new Director for consideration by the Board.
  - (d) Where appropriate, the HR&NC may engage the services of an external consultant to search for appropriate candidates for consideration as a potential Director of the Company.

- (e) In considering a candidate for appointment as a Director, the HR&NC shall review, amongst other things:
  - (i) the skills, knowledge, experience and diversity required on the Board and the extent to which each is currently represented by current Directors of the Company;
  - (ii) the business and strategic needs of the Company as made known to the HR&NC from time to time;
  - (iii) the need to cater for replacement Directors ahead of scheduled or proposed retirements;
  - (iv) the biographical details including competencies, values and qualifications of the candidate and the candidate's relevant industry experience;
  - (v) the necessary time that the candidate, as a new Director, would be required to provide to the Company to discharge the obligations of a Director of the Company; and
  - (vi) details of other business and personal commitments of the candidate.
- (f) A candidate will be interviewed by the Chairman of the HR&NC and any other person that the Chairman considers appropriate. Prior to an appointment being made by the Board, the HR&NC will ensure that all Directors will be provided with the opportunity to meet a candidate proposed for appointment as a Director.
- (g) The HR&NC will consider potential candidates for considerations as a Director and will advise the Board to consider extending an invitation to join the Board to those candidates approved by the HR&NC for such consideration by the Board.
- (h) Before being appointed to the Board, and before being submitted as a candidate for re-election, candidates for the position of non-executive Director will be required to specifically acknowledge to the HR&NC that they have sufficient time to meet the Company's expectations of them to discharge their obligations as a Director of the Company.
- (i) The appointment of any new Director will be made by, and in accordance with, a formal letter of appointment setting out the key terms and conditions relative to that appointment as recommended by the HR&NC if subsequently approved and endorsed by the Board.

## **2 Membership and structure**

---

- 2.1 The Board shall appoint members to the HR&NC from time to time and review the composition of the HR&NC annually.
- 2.2 The Board may appoint and remove members of the HR&NC and existing members may withdraw HR&NC membership by providing written notice to the Board.
- 2.3 The HR&NC 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 HR&NC 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 HR&NC, who should not be chairman of the Board. It is the responsibility of the Chairman to schedule all meetings of the HR&NC and to provide the HR&NC with a written agenda.

- 2.6 A designated employee of the Company or such other person as is appointed by the HR&NC will act as secretary of HR&NC meetings and will circulate minutes of the meeting.

### **3 Administrative Matters**

---

#### **3.1 Meetings**

- (a) The HR&NC will meet as often as is required to fulfil their responsibilities.
- (b) HR&NC meetings may be convened as the Chairman of the HR&NC considers necessary, considering requests from any member or employee of the Company.
- (c) HR&NC 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 HR&NC 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 HR&NC will comprise any two independent Director members.
- (e) If the Chairman of the HR&NC is unable to attend a HR&NC 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 HR&NC meetings.
- (f) All Directors who are not members of the HR&NC are entitled to attend any meeting of the HR&NC. The Chairman of the Board will be invited to attend all meetings in an ex-officio capacity.
- (g) The HR&NC may invite any key executive or other individuals to attend meetings of the HR&NC, as they consider appropriate.
- (h) The HR&NC'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 HR&NC will not have a second or casting vote.

#### **3.3 Minutes**

- (a) Minutes of HR&NC meetings will be prepared by the Secretary, approved by the Chairman of the HR&NC 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 HR&NC.
- (b) The minutes of a HR&NC meeting will be confirmed at the next HR&NC meeting and then signed by the Chairman of the HR&NC.

#### **3.4 Reporting**

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

### **3.5 Authority and Access**

- (a) Except where expressly stated in this Charter, the HR&NC discharges its responsibilities by making recommendations to the Board.
- (b) The HR&NC 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 HR&NC will have unrestricted access to management and rights to seek explanations and additional information from management.
- (d) The HR&NC has authority to conduct or direct investigations into any matters within its Charter. The HR&NC is entitled to obtain external, independent legal or professional advice as considered necessary or desirable by the HR&NC to assist it in any investigation or to carry out its duties. As appropriate, the HR&NC 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 HR&NC 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 HR&NC 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 as amended on June 2021 by the Board of HPI.