



1. Role and Authority of the People & Nominations Committee

- 1.1. This is the Charter of the **People & Nominations Committee** (“Committee”) of Board of Directors (“Board”) of Ecofibre Limited ACN 140 245 263 (“Ecofibre” or “Company”, and, together with its controlled entities, the “Group”).
- 1.2. This Charter is supported by the Company’s Constitution, Company’s Code of Conduct, the Charters for the Board and its other standing Committees, the Corporate Governance Statement, and the Company’s policies in respect of securities trading, continuous disclosure, risk management and diversity, among other things. To the extent that there is any inconsistency between this Charter and the Company’s Constitution or the Board’s Charter, the Constitution and then the Board Charter will prevail in that order.
- 1.3. The People & Nominations Committee is not a policy-making body but assists the Ecofibre Board in fulfilling its corporate governance and oversight responsibilities related to Executive succession (clause 6), Remuneration (clause 7) and Board nominations (clause 8).
- 1.4. It has the authority and power to;
 - 1.4.1. exercise the roles and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time.
 - 1.4.2. investigate any matter, with full access to all books, records, operations and people
 - 1.4.3. obtain outside legal or other independent professional advice, and to secure the attendance of such advisers if it is considered necessary. To avoid any conflict of interest, such advisers should be separate from any professional advisers retained by executive management. advisers should be separate from any professional advisers retained by executive management.
- 1.5. This Charter may be amended by resolution of the Board.

2. Interpretation

ASX Listing Rules means the listing rules of the Australian Securities Exchange.

ASX Principles and Recommendations means *ASX Corporate Governance Principles and Recommendations*, as amended from time to time.

3. Objectives

The objective and purpose of the People & Nominations Committee is to assist the Board in establishing coherent people policies, practices, and recommendations which:

- 3.1. Enable the Board to attract, retain and motivate Executives (KMP and non-KMP) and Directors who will create value for shareholders;
- 3.2. Fairly and responsibly reward Executives and Directors having regard to the performance of the Group, the performance of the executive and the general pay environment; and



3.3. Comply with the provisions of the ASX Listing Rules and Corporations Act 2001.

4. Committee Membership

4.1. Structure

- 4.1.1. The Committee will consist of at least three members, each of whom will be appointed or removed by the Board.
- 4.1.2. All members of the Committee must be non-executive directors [in accordance with listing rule 12.8]
- 4.1.3. The Chair of the Committee should be nominated by the board and be an independent, non-executive director.
- 4.1.4. The Managing Director will be a standing, but non-voting member of the Committee.

4.2 Company Secretary

The Company Secretary or their nominee will act as Secretary to the Committee, unless otherwise determined by the Committee.

5. Proceedings

5.1. Frequency

- 5.1.1. The Committee will meet as frequently as required but must not meet less than once each year.
- 5.1.2. The Secretary to the Committee or any Committee member may call a meeting of the Committee.

5.2. Notice

The dates, times, and venues of each meeting of the Committee will be notified by the Secretary to all members of the Committee as far in advance as possible, but at a minimum 7 days in advance, unless circumstances require shorter notice.

5.3. Attendance

- 5.3.1. The Committee may extend an invitation to any person to attend all or part of any meeting of the Committee which it considers appropriate. In particular, the Committee may meet with:
 - 5.3.1.1. external advisers;
 - 5.3.1.2. any executive or other employee; or
 - 5.3.1.3. any other Director.
- 5.3.2. And may do so with or without executive management being present.

5.4. Quorum

A quorum for a meeting of the Committee is two members. A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers or discretions vested in, or exercisable by, the Committee.

5.5. Chair

In the absence of the Chair, the remaining members will elect one of their number as Chair of the meeting.

5.6. Minutes



Minutes of meetings of the Committee will be distributed to members for confirmation as soon as practicable and, after confirmation, distributed to all Directors unless circumstances otherwise require, for example where there is a conflict of interest.

6. Roles and Responsibilities – Remuneration

6.1. The role of the Committee is to review and make recommendations to the Board with respect to;

6.1.1. remuneration for non-executive directors;

6.1.2. remuneration, and employment contract terms, of Ecofibre's Executive (KMP, and non KMP) including setting Group Managing Director remuneration and reviewing the GMD's recommendations for the Executive [CFO, CSO, Co Sec, MD of Ananda Health, MD Hemp Black and MD Ananda Food;]

6.1.3. oversee the Group's remuneration framework and compliance obligations in relation to the remuneration of Directors and Executive KMP;

6.1.4. Employee Equity Plans and Sales Incentive Plans oversight

6.1.5. other matters referred to the Committee by the Board.

6.2. In discharging its responsibilities, the Committee will have regard to the following:

6.2.1. establishing and implementing remuneration frameworks to attract and retain high quality directors and Executives (KMP and non KMP),

6.2.2. recognise and reward performance that is aligned with the activities and priorities of the Company and long-term stakeholder interests;

6.2.3. the Company's purpose, values and strategic direction;

6.2.4. the Company's reputation and standing in the community;

6.2.5. promoting the desired culture of the Company;

6.2.6. ensuring that any conduct contrary to the Company's values or risk appetite, as determined and set by the Board, is not rewarded.

6.2.7. avoiding any conflict of interest, including ensuring no member of the Executive is directly involved in deciding their own remuneration.

7. Roles and Responsibilities – GMD and Executive Succession

7.1. The role of the Committee is to review and make recommendations to the Board with respect to:

7.1.1. The annual performance review of the Group Managing Director;

7.1.2. Ensuring the Executive team composition, competencies and diversity is fit for purpose

7.1.3. Succession planning to ensure emergency cover and longer term role transitions are optimally managed

7.1.4. Ongoing professional development for the Group Managing Director and Ecofibre's Executives



8. Roles and Responsibilities – Board Nomination

8.1. The role of the Committee is to review and make recommendations to the Board with respect to:

8.1.1. Board composition, Board appointments, re-elections and terminations;

8.1.2. Induction programs and continuing development for the Board,

8.1.3. The process for evaluating the performance of the Board, the committees of the Board and individual directors;

8.1.4. Director independence; and

8.1.5. Other matters referred to the Committee by the Board.

9. Reporting

9.1. Reporting to the Board for Approval

The Chair of the Committee (or a person nominated by the Chair of the Committee for that purpose) must report to the Board on the Committee's proceedings following each meeting on all matters relevant to the Committee's duties and responsibilities; and attend the Board meetings at which the Board's agenda include voting on resolutions recommended by the Committee.

9.2. Annual General Meeting

The Chair of the Committee must attend the Annual General Meeting of Ecofibre and be available to respond to any shareholder questions on the Committee's activities and areas of responsibility.

10. Performance

The Committee shall conduct periodic reviews of its performance and effectiveness, inviting comments from all members of the Board. It must recommend to the Board any suggested changes in the duties and responsibilities of the Committee and the terms of this Charter.