

JB Hi-Fi Limited – Remuneration and Nominations Committee Charter

1. Introduction

- 1.1 The Remuneration and Nominations Committee (“**Committee**”) is a committee of the Board of Directors of JB Hi-Fi Limited (“**Company**”) established under article 10.6 of the Company’s Constitution.
 - 1.2 This Charter sets out the role, responsibilities, composition, authority and operation of the Committee.
 - 1.3 Meetings and proceedings of the Committee will be governed by the provisions of the Constitution relating to meetings and proceedings of the Board provided that they are applicable and not inconsistent with this Charter.
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2. Role & Responsibilities

The role of the Committee is to:

2.1 Remuneration

- (a) identify the objectives of the Company’s strategy for the remuneration of Group Executives and Non-Executive Directors;
- (b) annually review the framework for, structure of, and quantum of, remuneration of the Group CEO, other Group Executives and the Non-Executive Directors, taking account of these objectives, the Company’s strategic objectives and the Company’s expectations of future performance;
- (c) following such review, make recommendations to the Board regarding the framework, structure and quantum of remuneration of the Group CEO, other Group Executives and Non-Executive Directors including:
 - the structure of remuneration packages;
 - the quantum of remuneration packages;
 - appropriate key performance indicators for any incentive elements of remuneration packages for Group Executives; and
 - where necessary, the process by which any pool of directors’ fees approved by shareholders is allocated to Non-Executive Directors;
- (d) review and make recommendations to the Board regarding the structure, terms of, and administration of, share option plans and any other incentive schemes offered by the Group as part of its remuneration structure, and regarding the approval of the grant to employees of any such incentives;
- (e) review and make recommendations to the Board with respect to the achievement of performance-based incentives by the Group CEO and other Group Executives;
- (f) review, and recommend to the Board for approval (following amendment where appropriate), all reports on the remuneration of Directors, officers and employees which are required by any law or regulation, and/or which are proposed, to be included in the Annual Report of the Company

or otherwise released to the market;

- (g) review and make recommendations to the Board with respect to superannuation arrangements for Directors, officers and employees;
- (h) review and make recommendations to the Board with respect to whether there is any gender or other inappropriate bias in remuneration for Directors, officers and employees;
- (i) review and make recommendations to the Board regarding such other aspects of Group remuneration policies and practice as the Committee or the Board think appropriate; and
- (j) report to the Board on each of the above matters as and when appropriate.

2.2 Nominations

- (a) review and make recommendations to the Board regarding board succession planning generally;
- (b) review and make recommendations to the Board in relation to the process for recruiting a new director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
- (c) identify and evaluate potential Board candidates and make recommendations to the Board in relation to the appointment of Directors;
- (d) review and make recommendations to the Board in relation to the re-election of Directors;
- (e) review the time required from a Non-Executive Director to fulfil their duties and consider whether current Directors are meeting this requirement and whether prospective Directors will be able to meet this requirement; and
- (f) review and make recommendations to the Board in relation to induction and continuing professional development programs for Directors;
- (g) review and make recommendations to the Board in relation to ensuring there are plans in place to manage the succession of the CEO and other senior executives.
- (h) review and make recommendations to the Board in relation to the development and implementation of a process for evaluating the performance of the Board, its Committees and Directors;
- (i) prepare, review and update a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.

An offer of a Board appointment can only be made by the Chairman of the Board, having consulted all directors, with any recommendation of the Committee having been communicated to all directors.

3. **Actions to be taken in carrying out Role & Responsibilities**

- 3.1 In carrying out its role and responsibilities the Committee will, amongst other things:
 - (a) review industry trends in remuneration policy;
 - (b) benchmark remuneration packages for the Group CEO, other Group Executives and Non-Executive Directors against comparable roles in comparable companies;

- (c) where appropriate, engage external remuneration advisors, board search consultants and such other external advisors as the Committee believes appropriate, and give due consideration to all recommendations and advice received from any such adviser(s);
- (d) consider and, where appropriate, take account of comments and feedback from shareholders, potential investors, proxy advisors and the media regarding the Company's Remuneration Report, remuneration policies and board composition; and
- (e) ensure that the Board is provided with sufficient information to ensure informed decision-making.

4. Delegation

- 4.1 Each member of the Committee is entitled to rely on information or professional or expert advice, given or prepared by:
- (a) an employee of the Group whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
 - (b) a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence;
 - (c) another Director or Officer of the Group in relation to matters within the Director's or Officer's authority; or
 - (d) a Committee of Directors on which the member does not serve, in relation to matters within the Committee's authority.

5. Membership

- 5.1 The Committee shall consist of at least three members, all of whom must be Non-Executive Directors. The Chairperson of the Committee must be an independent Non-Executive Director. A majority of members of the Committee must be independent.
- 5.2 The Board shall elect both the Chairman and the members of the Committee and review such membership at times considered appropriate.

6. Meetings

- 6.1 The Committee shall meet as frequently as required to perform its functions. The quorum for meetings of the Committee is two members of the Committee.
- 6.2 The Chairman of the Committee shall determine the agenda for each meeting of the Committee.
- 6.3 The Committee shall ensure that Minutes are kept which reflect the proceedings and resolutions of its Committee meetings. The Minutes of a Committee meeting shall be made available to any Director of the Company, provided no conflict of interest arises.
- 6.4 Resolutions of the Committee may be made at a meeting of the Committee, or where it is impractical to convene a meeting, by circular resolution signed by all Committee members.
- 6.5 At the discretion of the Chairman, members of the Board who are not members

of the Remuneration Committee will be invited to attend Committee meetings, when in the opinion of the Chairman of the Committee or the Committee itself, the attendance is considered appropriate in the course of the deliberations of the Committee and provided that no conflict of interest arises.

- 6.6 At the discretion of the Chairman, members of the Group Executive Team will be invited to attend Committee meetings, when in the opinion of the Chairman of the Committee or the Committee itself, the attendance is considered appropriate in the course of the deliberations of the Committee.

7. Authority

- 7.1 The Committee may conduct or authorise investigations into any matter within its scope of responsibility or matters delegated to it by the Board. The Committee shall have the authority necessary and appropriate to enable it to discharge its duties and responsibilities, including but not limited to:
- (a) select, retain, meet with and terminate external counsel or other experts (including remuneration advisers) as it deems appropriate; and
 - (b) approve the fees and other retention terms of such counsel or other experts; and
 - (c) seek the information and assistance it requires from employees of the Group or external parties.
- 7.2 The Committee may seek input from individual members of Management on remuneration policies, however no individual should be directly involved in determining their own remuneration.

8. Availability of this Charter

- 8.1 This Charter shall be made publicly available.

9. Adoption of this Charter

- 9.1 This Charter has effect from 23 April 2020.