



**Namoi Cotton Limited**  
**Remuneration Policy**

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## **1. INTRODUCTION**

The Board and the Nomination and Remuneration Committee at Namoi Cotton are committed to remunerate its Directors and Executives by providing remuneration packages that are fair and reasonable. The Remuneration Policy is aimed at maintaining and attracting Directors and Executives of a high standard at Namoi Cotton.

For Namoi Cotton the Executives include the Chief Executive Officer, Chief Financial Officer, General Manager of Grower Services & Marketing, Chief Operations Manager, Human Resources Manager and Company Secretary.

## **2. SCOPE**

This policy applies to all Directors and Executives at Namoi Cotton.

## **3. OBJECTIVE**

The aim of the Remuneration Policy is to:

- (a) state Namoi Cotton's commitment to fair, reasonable, and responsible remuneration for its Directors and Executives;
- (b) transparency on remuneration;
- (c) ensure financial and non financial performance of the highest level is rewarded when aligned with the performance of Namoi Cotton; and
- (d) be competitive in the employment market.

## **4. COMPOSITION**

The Remuneration Policy is established by the Nomination and Remuneration Committee and approved by the Board.

## **5. REMUNERATION PACKAGES**

The Remuneration Packages for Executives consists of both fixed and variable pay as incentives and bonuses. Remuneration Packages will be reviewed by the Nomination and Remuneration Committee and approved by the Board. The Remuneration Package for Executives may include:

- (a) fixed remuneration that is to be determined for each individual, taking into account factors such as:
  - any relevant laws or regulations;
  - industry standards;
  - individuals performance and expectations; and
  - any other factors relevant to the individual or position.
- (b) performance based remuneration which is used as a tool to promote the interests of Namoi Cotton by providing incentives and bonuses based on performance. Performance based remuneration will reflect the Executive's performance for Namoi Cotton;
- (c) termination payments for Executives and Directors; and

- (d) employee entitlements and benefits such as statutory leave, superannuation payments, maternal and parental leave, long service benefits and any other benefits.

The Nomination and Remuneration Committee with the Chief Executive Officer will review and determine the appropriate level of remuneration for Executives and other key Employees.

Factors which the Nomination and Remuneration Committee and Chief Executive Officer may take into account:

- (a) individual performance;
- (b) external advice;
- (c) comparative remuneration in the market; and
- (d) comparative remuneration within Namoi Cotton.

## **6. NON EXECUTIVE DIRECTORS – REMUNERATION**

Non- Executive Directors remuneration must be approved by the Shareholders and any increase must be approved by the Shareholders at the general meeting. Non Executive Directors are not entitled to bonus or incentive payments. The Board is to receive Director Fees approved by the Shareholders. Article 11.9 provides the remuneration of the Directors is a yearly sum of \$850,000 or any higher amount from time to time determined by the Company at a general meeting. The amount is to be divided in the proportion and manner the Director's agree, and in default of agreement, among the equally.

On 10 October 2017 Namoi Cotton under a general meeting with Shareholders received approval for any Directors serving in office at 10 October 2017 serving two terms is entitled to a retirement benefit equivalent to two year's remuneration based on their remuneration for the 2017-2018 financial year.

The Board or Nomination and Remuneration Committee may ask for independent advice on Non- Executive Director remuneration.

The Directors are reimbursed for expenses incurred in the undertaking of their duties, for example travel and accommodation.

## **7. DISCLOSURE**

The remuneration of Non Executive Directors and Executives will be disclosed in the Annual Report.

## **8. REVIEW OF POLICY**

The Board, with the assistance of the Nomination and Remuneration Committee will review this policy annually.

## **9. PUBLICATION**

A copy of the Namoi Cotton Remuneration Policy is available on the Namoi Cotton website.