

## Remuneration and Nomination Committee Charter

<b>Designation:</b>	Board Committee
<b>Reports to:</b>	Board
<b>Membership:</b>	Two Directors as appointed by the Board of Directors.
<b>Overall Purpose:</b>	<p>The purpose of the Committee is to provide assistance and recommendations to the Board in fulfilling its corporate governance responsibilities relating to:</p> <ul style="list-style-type: none"><li>a. overall remuneration strategy of the company;</li><li>b. remuneration of Non-Executive Directors;</li><li>c. selection, appointment, independence, time required from and succession of Non-Executive Directors;</li><li>d. selection, appointment and succession of the Managing Director;</li><li>e. remuneration of the Managing Director and the Senior Executives;</li><li>f. performance and succession of the Managing Director and the Senior Executives;</li><li>g. diversity strategy, policy and practices of the company.</li></ul> <p>The Committee will also make decisions on behalf of the Board where such authority has been expressly delegated by the Board.</p>
<b>Chairman:</b>	The Chairman of the Remuneration and Nomination Committee will be appointed by the Board.



### **Chairman's Role:**

The Chairman of the Remuneration and Nomination Committee shall be independent (i.e. have no material relationships with the Company other than Board and Committee roles) and shall not be the Chairman of the Board.

The Committee Chairman shall:

- a. be well informed on all issues of remuneration, assessment and performance measurement, and possess a range of skills consistent with the company's strategic focus;
- b. oversee planning and conduct of Committee meetings including approval of agendas and minutes;
- c. oversee written and verbal reporting to the Board on key matters arising from the Committee;
- d. be involved in selection of Committee members;
- e. in conjunction with the Chairman of the Board oversee the annual market review of the base and committee fees paid to the Non-Executive Directors;
- f. in conjunction with the Chairman of the Board oversee the recommendation and nomination of Non-Executive Directors when appropriate; and
- g. in conjunction with the Chairman of the Board, oversee the annual assessment of the Committee's performance.

A separate Chairman will be appointed if and when the Committee is dealing with the appointment of a successor to the Chairman.

### **Member Requirements:**

All members of the Remuneration and Nomination Committee will be Non-Executive Directors.

### **Meeting Arrangements:**

The Remuneration and Nomination Committee shall meet at least once a year. Additional meetings may be held if requested by the Chairman.

A quorum for the Remuneration and Nomination Committee will require at least 2 members.

Directors who are not members of the Remuneration and Nomination Committee have a standing invitation to attend Committee meetings.



The Chairman may invite the Managing Director and other members of management to attend meetings as appropriate.

The Chairman may invite advisors, consultants or experts as appropriate.

**Secretarial:**

The Company Secretary or his designate shall be the secretary of the Committee and will be responsible for the minutes of the meeting.

**Responsibilities:**

The Remuneration and Nomination Committee shall assist the Board in the implementation of its remuneration strategy by:

- a. ensuring the company's remuneration policies and practices fit with its strategic goals;
- b. reviewing the company's industrial relations strategies and the potential impact to the company of changes in State and Federal industrial relations legislation;
- c. undertaking periodic reviews of company policies and practices in respect to total fixed remuneration, incentive remuneration and share and equity based plans;
- d. making recommendations to the Board for changes to the key remuneration policies, practices and plans;
- e. reviewing remuneration policies and practices to ensure they comply with regulatory requirements and good governance principles and practice;
- f. overseeing the compilation of the Remuneration Report and making recommendations to the Board as to its adoption in the Annual Report to shareholders;
- g. advising the board on the selection, appointment, succession and performance of the Managing Director;
- h. obtaining external advice on the market position of the Managing Director's remuneration package and making recommendations to the Board as to the total target reward to be offered to the Managing Director for the coming year;
- i. reviewing whether the directors have the skills knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and on Committees and where gaps are identified considering training and development that could be undertaken to fill those gaps;



- j. approving the remuneration of Senior Executives;
- k. reviewing the performance of and succession planning for Senior Executives;
- l. establishing the process for the review of the Non-Executive Directors fees;
- m. making recommendations on the appropriate remuneration levels and other benefits provided to Non-Executive Directors;
- n. considering the independence of Non-Executive Directors on an annual basis or as and when such directors are considered for election;

The Remuneration and Nomination Committee shall assist the Board of Directors in overseeing the nomination process for Non-Executive Directors by:

- a. reviewing and making recommendations to the Board on the selection, appointment and the retirement of Non-Executive Directors; and
- b. ensuring all newly appointed Non-Executive Directors undertake the company induction process;

The Remuneration and Nomination Committee will ensure that the Board selection and succession planning process includes steps to ensure a diverse range of candidates and an appropriate mix of skills.

On an annual basis the Remuneration and Nomination Committee will approve annual measurable diversity objectives and report on initiatives implemented and progress toward achieving the objectives.

The Remuneration and Nomination Committee will review the Company's compliance with equal employment opportunity legislation.

The Remuneration and Nomination Committee will monitor compliance with the company's Code of Conduct, review any breaches of the Code and actions taken by management in relation to such breaches.

**Delegated Authority:** The Board has delegated its authority to the Remuneration and Nomination Committee to:

- a. consider and approve any annual increases to the fixed remuneration of staff and award employees as per the recommendations of the Managing



Director.

- b. consider and approve the fixed remuneration of Senior Executives as per Managing Director recommendations.
- c. consider and approve the total target reward, including STI and LTI, for each member of the Senior Executive.;
- d. consider and approve the outcomes of incentive awards as per the recommendations of the Managing Director.
- e. review with the Managing Director the performance of Senior Executives;
- f. approve the Managing Director's succession plans for Senior Executives and other key positions in the Company;
- g. approve the remuneration package of new Senior Executives;
- h. administer the Directors, Executives and Employees Share Acquisition Plan (as and when adopted) and from time to time instruct the Trustee to subscribe for (as long as shareholder approval is obtained if those shares are being subscribed for on behalf of a director) or purchase Shares in respect to the Company's various executive and employee share plans (should one be adopted) in accordance with the Plan Rules; and
- i. approve the appointment of the Board's independent remuneration advisors (if appointed).

**Reporting  
Mechanism to the  
Board:**

The Committee Chairman will report to the Board after each Committee meeting and will make recommendations to the Board as appropriate.

**Access to  
Information and  
Independent  
Advice:**

The Committee has the authority, subject to the law, to require access to any information, document, report or material in the possession of any employee of the Company or any related body corporate, and all employees must comply with such requests from the Committee.

The Committee may, with prior written approval of the Chairman of the Board, obtain such independent legal, financial and other advice as it considers necessary, with the cost to be borne by the Company.



**Review Process:**

The composition and annual agenda for the Remuneration and Nomination Committee will be reviewed at least annually. The charter will be confirmed in line with best practice as part of the annual review process. Any changes to the Charter will require approval of the Board.

The Remuneration and Nomination Committee will undertake a formal process of self assessment on at least an annual basis. The results of this assessment will be communicated to the Board in order to assist the Board in its periodic review of the Remuneration and Nomination Committee's effectiveness.