

## **Remuneration Committee Charter**

### **1. Composition**

The full Board performs the function of a Remuneration Committee.

From time to time, non-Board members may be invited to attend Board meetings when remuneration matters are being discussed, if it is considered appropriate.

### **2. Role**

The Board's function as a Remuneration Committee is to fulfil its corporate governance responsibilities with respect to remuneration by reviewing:

- a. remuneration packages of executive Directors, non-executive Directors and senior executives; and
- b. employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

### **3. Operations**

The full Board shall meet in its capacity as a Remuneration Committee at least once a year and otherwise as required. Minutes of such meetings are to be kept and the meetings are to be governed by the same rules as set out in the Company's Constitution, as they apply to meetings of the Board.

### **4. Responsibilities**

The responsibilities of the Board's function as the Committee include a review of:

- a. the Company's Remuneration Policy and framework;
- b. senior executives' remuneration and incentives; and
- c. superannuation arrangements.

#### ***Executive Remuneration***

In considering the Company's Remuneration Policy and levels of remuneration for executives, the Board makes decisions which:

- a. motivates executive Directors and senior executives to pursue long term growth and success of the Company within an appropriate control framework;
- b. demonstrates a clear correlation between senior executives performance and remuneration;
- c. aligns the interests of key leadership with the long-term interests of the Company's shareholders; and
- d. prohibits executives from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

To the extent that the Company adopts a different remuneration structure for its executive Directors, the Board shall document its reasons for the purpose of disclosure to stakeholders.

***Non-Executive Remuneration***

In considering the Company's Remuneration Policy and levels of remuneration for non-executive Directors, the Board is to ensure that:

- a. fees paid to non-executive Directors are within the aggregate amount approved by shareholders and make recommendations to the Board with respect to the need for increases to this aggregate amount at the Company's annual general meeting;
- b. non-executive Directors are remunerated by way of fees (in the form of cash and superannuation benefits);
- c. non-executive Directors are not provided with retirement benefits other than statutory superannuation entitlements; and
- d. non-executive Directors are not entitled to participate in equity-based remuneration schemes designed for executives without due consideration and appropriate disclosure to the Company's shareholders.

To the extent that the Company adopts a different remuneration structure for its non-executive Directors, the Board shall document its reasons for the purpose of disclosure to stakeholders.

***Incentive Plans and Benefit Programs***

The Board is to:

- a. compensation plans, including the use of share options and other equity-based plans. Except as otherwise delegated, the Board will administer equity-based and employee benefit plans, and as such will discharge any responsibilities under those plans, including making and
- b. ensure that incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide rewards when they are achieved; and
- c. continually review and if necessary improve any existing benefit programs established for employees

**5. Authority and Resources**

The Board may seek input from individuals on remuneration policies, but no individual should be directly involved in deciding their own remuneration.

The Board may, when it considers it necessary or appropriate, obtain advice from external consultants or specialists in relation to remuneration related matters.

**6. Engaging Remuneration Consultants**

The Board is responsible for engaging Remuneration Consultants. A Remuneration Consultant is a person:

- a. who makes a Remuneration Recommendation under a contract for services with the Company to whose Key Management Personnel the recommendation relates; and
- b. who is not an officer or employee of the Company.

Key Management Personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (whether executive or otherwise) of the Company. A Remuneration Recommendation is defined in section 9B of the Corporations Act.

The Board will, in accordance with any policies or guidelines set by the Board from time to time:

- a. ensure that the requirements of Part 2D.8 of the Corporations Act are complied with including:
  - i. reviewing and approving all remuneration consultancy contracts (as defined in section 206K(1) of the Corporations Act) before they are entered into by the Company; and
  - ii. ensuring that any Remuneration Recommendation is provided directly to the non-executive directors (unless the Board consists only of executive directors) and that the Remuneration Recommendation is not provided to a person who is neither a director of the Company or a member of the Remuneration Committee;
- b. put in place arrangements to ensure that a Remuneration Consultant is not unduly influenced by a member or members of Key Management Personnel to whom a Remuneration Recommendation relates;
- c. ensure that the Company's remuneration report includes the details relating to Remuneration Consultants as required by section 300A(1)(h) of the Corporations Act;
- d. authorise the distribution of any Remuneration Recommendation by any person other than the Remuneration Consultant beyond the non-executive directors (unless the Board consists only of executive directors); and
- e. set policies or guidelines to ensure that the Company meets its obligations under the Corporations Act, including its reporting obligations, in relation to Remuneration Consultants.