

**REMUNERATION COMMITTEE**

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**1. PURPOSE**

The Nomination Committee ("the Committee") is responsibilities for:

- (a) review of performance and succession of the Chief Executive Officer and executive directors;
- (b) the system of remuneration and benefits for executives;
- (c) individual remuneration for executive directors;
- (d) board composition and succession including nomination of non-executive directors to the Board; and,
- (e) board performance including performance reviews.

**2. MEMBERSHIP**

The Committee will consist of all the non-executive directors. Its Chairman will be the Chairman of the Board. Where the Chairman of the Board is executive, the Committee shall appoint a Committee Chairman from among the Non Executive directors on the Committee.

It will meet at the request of the Chairman or at the request of two or more members of the Committee. Two directors shall constitute a quorum.

The Chief Executive Officer may attend by invitation.

The Committee may seek input from individuals on remuneration policies but no individual may be directly involved in deciding his or her remuneration.

**3. RESPONSIBILITIES**

The responsibilities of the Committee are as follows:

- (a) review and determine remuneration arrangements for the Chief Executive Officer;
- (b) review the remuneration arrangements for the executives reporting to the Chief Executive Officer;
- (c) review policy for determining executive remuneration;
- (d) review the ongoing appropriateness and relevance of the executive remuneration policy and other executive benefit programs;
- (e) review major changes/developments to the long term incentive plan/s;
- (f) review the senior management performance assessment processes.
- (g) review of short term incentive strategy, performance targets and bonus payments;
- (h) succession and career development for senior executive roles;
- (i) succession planning for non-executive directors;
- (j) the identification and nomination of individuals qualified to become Board members;
- (k) the terms and conditions on which non-executive directors are appointed and hold office;
- (l) remuneration arrangements for non-executive directors;
- (m) the methodology for reviewing the performance of the Board, the Chairman and individual non-executive directors;
- (n) annual Board objectives; and,
- (o) review of annual Board program.

**4. APPROVALS**

The Committee must approve:

- (a) the remuneration and contract terms of Executive Directors and direct reports to the Managing Director including any short term performance targets and incentive payments;
- (b) the design of new and amendments to current executive incentive plans; and,
- (c) termination payments to Executive Directors and direct reports to the Chief Executive Officer. Termination payments to other departing senior executives should be reported to the Committee at its next meeting.

## **5. REVIEW OF CHARTER**

The Remuneration and Nomination Committee Charter is reviewed annually by the Committee to ensure it remains consistent with the Committee's authority, objectives and responsibilities.

## **6. REPORTING TO THE BOARD**

The Chairman of the Committee shall report the findings and recommendations of the Committee to the Board after each Committee meeting. The minutes of all Committee meetings shall be circulated to members of the Board.