



REMUNERATION AND NOMINATION COMMITTEE CHARTER

1. PURPOSE OF THE CHARTER

- 1.1 The Remuneration & Nomination Committee (RNC) is a committee of the Board. The Board has delegated certain responsibilities to the RNC which require formal reporting back to the Board. The ultimate responsibility for remuneration and nomination policy matters remains with the Board.
- 1.2 This Charter sets out the role, responsibilities, composition and structure of the RNC.
- 1.3 The principal duties of the RNC are to assist the Board to fulfill its responsibilities in relation to:
- a) Compensation of the Company's Directors and senior officers. The RNC has overall responsibility for evaluating and recommending to the Board remuneration policies and practices appropriate to the Company's needs. Directors fees are ultimately a matter for shareholders; and
 - b) The search for, and evaluation of, potential new Directors including the Company's Chief Executive Officer (or his/her equivalent). The RNC will review the size, composition and performance of the Board against the scope of the Company's activities. Composition and membership of the Board is ultimately a matter for the shareholders.
- 1.4 In fulfilling its responsibilities, the RNC shall have direct access to the resources of the Company as it may reasonably require. The RNC has the authority to conduct or authorise investigations into any matters within its areas of responsibility. The RNC has the ability, in consultation with the Chairman, to retain independent counsel, professional advisors and/or others to assist it in the proper execution of its functions.

2. ROLE & RESPONSIBILITIES

- 2.2 In meeting its responsibilities with regard to **Remuneration** the RNC will be expected to review and make recommendations to the Board in relation to :
- a) Strategies for the recruitment, retention and termination of employment of Directors and employees;
 - b) Assessment of the performance of Directors, Executive Directors, and other direct reports to the CEO against annual performance targets;
 - c) Remuneration packages for the CEO (or the person filling the position);
 - d) Remuneration packages for Executive and Non-Executive Directors, including in their roles as Committee members, by a formal and transparent process that may include periodic review by external consultants;

- e) Review the competitiveness of the Company's executive compensation packages for the purpose of:
 - Enabling the Company to attract and retain suitably qualified senior executives; and
 - Motivating senior executives to achieve the Company's business objectives; aligning the interests of key employees with the long term interests of shareholders and the next level of senior employees.
- g) Review and recommend any compensation arrangements that may be applicable to Directors (including Executive Directors) for dismissal or loss/termination of office or appointment, to ensure it is fair and not excessive.
- h) Ensuring no Director (or any associate) is involved in determining his/her own remuneration;
- i) Renewal/termination of senior executives contracts;
- j) Achievement of gender diversity objectives;
- k) Directors & Officers Liability insurance cover; and
- l) Other relevant matters identified from time to time and/or requested by the Board.

2.3 In meetings its responsibilities in respect of **Nomination** matters the RNC will be expected to review and make recommendations to the Board on:

- a) Processes for the nomination, selection, appointment and removal of Directors;
- b) The size, skills and composition of the Board (including individual skills), and Board Committees;
- c) Identification, appointment and removal of the CEO (or the person filling the position) and the terms of his/her contract;
- d) Succession plans for Non-Executive Directors and senior staff (direct reports to the CEO (or the person filling the position));
- d) Induction and development programs for Non-Executive Directors;
- e) Set and assess the requirements for Non-Executive Directors and establish a transparent process to review whether they are meeting those requirements;
- f) Assess the independence of Non-Executive Directors;
- g) Establish and evaluate desirable competencies of the Board and Board committees;
- h) Evaluate and make recommendations to the Board regarding the Board's performance;
- i) Overall recruitment, retention and termination strategies including staff induction programs, staff resourcing trends and metrics;
- j) Achievement of gender diversity objectives; and
- k) Other relevant matters identified from time to time, or requested by the Board.

3. **MEMBERSHIP & MEETINGS**

3.1 RNC members are appointed, removed and/or replaced by the Board. Appointments are initially for two years, and then subject to annual rotation as determined by the Board.

3.2 The RNC should ordinarily consist of at least three Non-Executive Directors, of whom at least two should be independent. The Chairperson shall normally be an independent Non-Executive director. The Chairman of the Board may, if the Board so determines, be the Chairman.

3.3 A quorum shall be at least two members, one of whom shall be an independent Non-Executive Director.

- 3.4 All Non-Executive Directors who are not members of the RNC may attend meetings of the RNC (but not for matters concerning themselves) but shall not vote;
- 3.5 Election and removal of RNC members by the Board shall be by majority vote;
- 3.6 The RNC shall meet at least twice annually and more frequently if circumstances require.
- 3.7 The RNC may invite Executive Directors, including the CEO (or the person filling the position), and other senior management, to attend meetings (not necessarily for the whole of the meeting) and to provide advice and information.
- 3.8 The duties and responsibilities of a member of the RNC are in addition to those as a Director of the Board.
- 3.9 The Board shall appoint an appropriate senior executive to be the Secretary to the RNC. The Secretary, in conjunction with the Chairperson, is responsible for setting the meeting schedule for the year, circulating the meeting agenda and supporting material to all committee members and the CEO (or his/her equivalent), (excluding material relating directly to the CEO (or his/her equivalent), prior to each meeting. Distribution of RNC Minutes, agendas and supporting material shall be conducted in accordance with best practice principles.

4. REPORTING & REVIEW

- 4.1 The RNC will:
 - a) Provide the Board with minutes of RNC meetings and report the RNC's actions to the Board together with appropriate recommendations;
 - b) Provide a statement for inclusion in the Annual Report detailing the RNC's composition and discharge of its responsibilities, including proper disclosure of the remuneration of Directors; and
 - c) Review its Charter annually to keep it up to date and consistent with the RNC's authority, objectives and responsibilities, for approval by the Board;

5. COMMITTEE PERFORMANCE

5. The Board will, from time to time, evaluate the performance of the RNC to determine whether it is functioning effectively by reference to its Charter and best practice.

Approved by the Board
September, 2012