

# NOMINATION & REMUNERATION COMMITTEE CHARTER

## 1. OBJECTIVE

The objective of the Committee is to:

- review and recommend appropriate remuneration policies which are designed to enhance Board, Director and Executive performance.
- Maintain a Board that has an appropriate mix of skills and experience to be an effective decision-making body.
- Ensure that the Board is comprised of Directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance.

## 2. ROLE AND RESPONSIBILITIES

The role of the Nomination and Remuneration Committee is to:-

- Review and recommend to the Board remuneration policies and packages and terms of employment contracts in relation to certain Executives and Directors;
- Review and recommend proposals for share plans and incentive programs; and
- Review and recommend policy on retirement and termination payments for Directors.
- Identify and recommend to the Board candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company.
- Approve and review induction procedures for new appointees of the Board to ensure that they can effectively discharge their responsibilities.
- Assess and consider the time required to be committed by a non-executive Director to properly fulfil their duty to the Company and advise the Board.
- Consider and recommend to the Board candidates for election or re-election to the Board at each annual shareholders' meeting.
- Review Directorships in other public companies held by or offered to Directors and senior executives of the Company.
- Review succession plans for the Board with a view to maintaining an appropriate balance of skills and experience on the Board.

In carrying out its role, the Nomination and Remuneration Committee is to take cognisance of regulations regarding appointments and remuneration, particularly the relevant provisions of Employment Law and the Corporations Act.

The responsibilities of the Nomination and Remuneration Committee include a review of and recommendation to the Board on:-

- Managing Director's remuneration and incentive policies;
- incentive schemes; and
- remuneration framework for directors.

The specific functions of the Nomination and Remuneration Committee are to:-

- ensure that remuneration policies and systems that support the Company's wider objectives and strategies are in place and are being adhered to;
- co-ordinate annual reviews of the Company's remuneration policies and practices to ensure they are:-
  - relevant to the Company's wider objectives and strategies;
  - legal and defensible; and
  - in accordance with the human resource objectives of the Company;
- review the performance of the Non-Executive Chairman on an annual basis and ensure there is a process for determining key performance indicators for the ensuing period; and
- review executive and non-executive directors and senior executive remuneration in accordance with approved board policies and processes.

## 3. REPORTING

The Chairman of the Committee is to report to the Board and, as appropriate, make recommendations to the Board after each committee meeting, concerning matters dealt with by the Committee.

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## 4. MEMBERSHIP/ATTENDANCE

The Nomination and Remuneration Committee comprises the Non-Executive Chairman and at least two non-executive directors, one of whom will be appointed by the Board as Committee Chairman. Associates of the Company may be invited to attend meetings as required.

The composition of the Committee will be reviewed on an annual basis.

## 5. MEETING PROCEDURES:

The Committee shall initially meet annually and then as required. A quorum shall consist of two nominated members. Each nominated member shall have one vote and the chairman shall not have a casting vote. Minutes will be prepared for circulation to the Board. Administrative support will be provided by the Company Secretary.

## NOMINATION AND REMUNERATION COMMITTEE:

John Rowe (Non-Executive Chairman)

Murray Pollock (Non-Executive Director)

Barry Sullivan (Non-Executive Director)

Nigel Johnson (Non-Executive Director)

Secretary: Graham Anderson & Leonard Math