

## **REMUNERATION AND NOMINATION COMMITTEE**

### **CHARTER\***

#### **BACKGROUND**

1. The Remuneration and Nomination Committee is a committee of the Board of Directors of the Company, constituted at the Board meeting held on 31 August 2007.

#### **OBJECTIVE**

2. The objective of the Committee is to assist the Board to discharge its responsibilities, in particular with regard to the following areas:
  - (i) advising the Board on nominations for Directorship appointments;
  - (ii) ensuring that the size, composition and skills of the Board are appropriate to meet the needs of the Company;
  - (iii) provision of a Directors' induction and education programme;
  - (iv) ensuring that appropriate procedures exist to assess the performance and remuneration levels of the Chairman, Non-executive Directors, Executive Directors, direct reports to the Managing Director, Board Committees and the Board as a whole;
  - (v) Review of Board succession plans;
  - (vi) ensuring the Company adopts, monitors and applies appropriate remuneration policies and procedures for directors and senior executives; and
  - (vii) ensuring that reporting disclosures related to nomination and remuneration comply with the Corporations Act and ASX Listing Rules, noting particularly continuous disclosure and corporate governance "best practice" guidelines requirements.

#### **MEMBERSHIP**

3. The Committee shall comprise not less than two Directors or such greater number as determined by the Board.
4. Committee members shall be appointed by the Board.
5. Committee members shall be non-executive directors.

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\* adopted 10 September 2007

**CHAIR**

6. The Chair of the Committee shall be appointed by the Board.
7. Neither the Chair of the Board nor any Managing Director of the Company shall chair the Committee.

**AUTHORITY**

8. The Committee has no authority independent of the functions delegated to it and is to report its approvals, findings and recommendations direct to the Board.
9. The Committee has the authority to require members of the Company's management or others to attend meetings and to provide advice or information.
10. The Committee has the authority to access the Company's documents and records.

**RESPONSIBILITIES**

11. The duties and responsibilities of the Committee include:
  - (i) nominating, as required, candidates for the Board to consider for Board membership;
  - (ii) nominating, as required, candidates for the role of Managing Director;
  - (iii) provision of a Director's induction and education programme;
  - (iv) ensuring Board approved systems and measures are established and implemented to facilitate appraisal of the performance of:
    - the Chairman,
    - non-executive Directors,
    - executive Directors,
    - the Managing Director,
    - direct reports to the Managing Director
    - committees of the Board; and
    - the Board as a whole;
  - (v) setting criteria for Board membership, skill requirements and, subject to the Company's constitution, number of Directors comprising the Board;
  - (vi) setting criteria for appointment and termination of the Managing Director;
  - (vii) making recommendations to the Board on appropriate remuneration, in relation to both the amount and its composition, for:
    - the Chairman,
    - Non-Executive Directors,
    - Executive Directors, and
    - the Managing Director;
  - (viii) reviewing the recommendations of the Managing Director in relation to appropriate remuneration for direct reports to the Managing Director; and

- (ix) reviewing and making recommendations to the Board in relation to Board successions plans.

## **PROCEDURES**

### *Attendance*

- 12. Members of the Company's management or external advisors may be invited to attend meetings, as appropriate.

### *Meetings*

- 13. Meetings may be called by the chair of the Committee, or at the request of the chair of the Board. The number of meetings is to be determined by the Committee Chair so as to allow the Committee to fulfill its obligations, but shall not be less than one each year.
- 14. At least 24 hours notice of meetings must be given to Committee members unless members unanimously consent to shorter notice.
- 15. The quorum for a meeting of the Committee shall be a minimum of two Directors.
- 16. All meetings of the Committee shall be subject to an agenda to which Committee members have been given the opportunity to contribute.

## **SECRETARY**

- 17. One of the Secretary to the Board, an employee of the Company, or a member of the Committee shall be designated by the Committee to act as secretary to the Committee for any given meeting of the Committee.
- 18. A designated Committee secretary shall take minutes of the meeting of the Committee at which he/she is designated to do so. The minutes shall be signed by the Chair of the Committee. The Secretary to the Board will be responsible for maintaining the minutes of the Committee meetings.

## **REPORTING**

- 19. The Chair of the Committee will:
  - (i) Arrange for the provision to other Board members of copies of the minutes of each Committee meeting as soon as reasonably possible after they have been signed as a true and correct copy by the Chair of the Committee; and
  - (ii) Report to the Board at the next succeeding Board meeting on the deliberations and outcomes at each Committee meeting.

## **ACCESS**

- 20. The Committee is granted unrestricted access to all information of the Company and its subsidiaries, and shall have right of access to all levels of the Company's management.
- 21. The Committee, with approval of the Board, is entitled to obtain independent professional or other advice at the expense of the Company when it considers it necessary to carry out its duties.

**OBJECTIVITY**

- 22. No committee member shall be responsible for appraising his/her own performance or solely responsible for recommending his/her own level of remuneration for Board approval.

**REVIEW OF COMMITTEE PERFORMANCE**

- 23. The Committee shall review its performance annually, with particular attention being paid to the extent to which it has met its responsibilities in terms of this Charter, and shall report to the Board the result of its review.

**PUBLICATION AND REVIEW OF THE CHARTER**

- 24. This Charter shall be made available on the Company’s website.
  - 25. This Charter shall be reviewed annually, initially by the Committee and then by the Board.
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