

# REMUNERATION COMMITTEE CHARTER

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## 1. Objective of Committee

The objective of the Remuneration Committee is to assist the Board in the performance of Directors' responsibilities in respect of senior executives and salaried employees in the following areas:

- (i) executive remuneration and incentive policies;
- (ii) the remuneration packages of senior management;
- (iii) recruitment, retention, redundancy and termination policies and practices for senior management;
- (iv) incentive schemes;
- (v) remuneration and employee benefit policies for salaried employees;
- (vi) annual remuneration reviews and bonus payments for salaried employees;
- (vii) superannuation arrangements; and
- (viii) alignment of remuneration with the Company's objectives and performance.

## 2. Constitution and membership

- 2.1 The Board appoints the Committee members from the non-executive Directors. The Board may appoint a member of the Committee, or withdraw an appointment, at any time.
- 2.2 The Committee shall have not less than three members one of whom shall be appointed by the Board as Chairman.
- 2.3 The quorum shall be two members, which shall include the Chairman of the Committee.
- 2.4 The Company Secretary shall be secretary of the Committee.
- 2.5 Such persons, including the Company's executives, as are necessary for the functioning of the

Committee shall attend at the Chairman's request.

- 2.6 A majority of the members of the Committee shall be independent Directors.

### **3. Authority**

- 3.1 The Committee has the authority of the Board to obtain any information and to investigate any matter within its terms of reference set out in this charter.
- 3.2 The Committee has the authority of the Board to obtain independent professional advice and research and generally to engage such advisers and involve such consultants as it considers necessary for its functions.
- 3.3 Except in relation to the remuneration of the Executive, which is the responsibility of the full Board, the Committee may make decisions in respect of matters within its terms of reference set out in this charter. The Chairman of the Committee shall report all decisions to the Board.

### **4. Remuneration Policy**

- 4.1 The Committee shall provide quality assurance in respect of remuneration policies and practices, with a primary emphasis on remuneration of senior executives.
- 4.2 The Committee shall monitor and report on "best practice" (including trends and proposals) in employment conditions and employee remuneration.
- 4.3 Remuneration policy should motivate management to pursue long-term growth and success of the Company within an appropriate control framework, and demonstrate a clear relationship between executive performance and remuneration.

## **5. Procedure**

- 5.1 Subject to direction by the Board, the Committee shall follow such procedure as it shall determine.
- 5.2 The Committee shall meet formally at least twice in each year. One meeting shall include the annual remuneration review.

## **6. Senior Management Remuneration**

In performing its responsibilities in relation to senior management, the Committee shall recognise that:

- 6.1 employee remuneration will be linked to performance through structures generally involving a balance between an element of fixed or base salary and a variable bonus linked to performance.
- 6.2 incentive remuneration will be used to motivate employees to think and act like owners. By aligning employees' financial interests with those of shareholders, incentive remuneration will encourage employees to focus on strategies and results that create value.
- 6.3 subject to relevant legal requirements, from time to time equity securities may be issued to nominated employees to align further their financial interests with those of shareholders.

## **7. Annual Committee Performance Evaluation**

The Chairman of the Board, in conjunction with the Chairman of the Committee, shall review, at least annually the Committee's performance, and report the findings to the Board.

Approved by the Board  
18 August 2011