

Composition

The Remuneration Committee shall comprise of the full Board. From time to time, non-Board members may be invited to attend Board meetings when remuneration matters are being discussed, if it is considered appropriate.

Role

The Board's function as a Remuneration Committee is to fulfil its corporate governance responsibilities with respect to remuneration by reviewing the remuneration framework which includes the:

- (a) remuneration packages of executive Directors, non-executive Directors and senior executives;
- (b) employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed;
- (c) superannuation arrangements for Directors, senior executives and employees; and
- (d) any potential inappropriate bias in remuneration for Directors, senior executives and employees.

Operations

The full Board shall meet in its capacity as a Remuneration Committee at least once a year and otherwise as required. Minutes of such meetings are to be kept and the meetings are to be governed by the same rules as set out in the Company's Constitution, as they apply to meetings of the Board.

Executive Remuneration

In considering the Company's Remuneration Policy and levels of remuneration for executives, the Board makes decisions which:

- (a) recognises the need to remunerate staff fairly and responsibly including balancing between retention and incentive versus excessive payments
- (b) motivates executive Directors and senior executives to pursue long term growth and success of the Company within an appropriate control framework;
- (c) demonstrates a clear correlation between senior executives performance and remuneration;
- (d) where practical benchmarks against remuneration data sourced from independent benchmarking comparisons and industry trends
- (e) aligns the interests of key leadership with the long-term interests of the Company's shareholders; and
- (f) prohibits executives from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

To the extent that the Company adopts a different remuneration structure for its executive Directors, the Board shall document its reasons for the purpose of disclosure to stakeholders.

Non-Executive Remuneration

In considering the Company's Remuneration Policy and levels of remuneration for non-executive Directors, the Board is to ensure that:

- (a) fees paid to non-executive Directors are within the aggregate amount approved by shareholders and make recommendations to the Board with respect to the need for increases to this aggregate amount at the Company's annual general meeting;
- (b) non-executive Directors are primarily remunerated by way of fees (in the form of cash and superannuation benefits);
- (c) non-executive Directors are not provided with retirement benefits other than statutory superannuation entitlements; and
- (d) non-executive Directors are not entitled to participate in equity-based remuneration schemes designed for executives without due consideration and appropriate disclosure to the Company's shareholders.

To the extent that the Company adopts a different remuneration structure for its non-executive Directors, the Board shall document its reasons for the purpose of disclosure to stakeholders.

Incentive Plans

Ultimately the shareholders approve any incentive plans however the Board is to:

- (a) review and make recommendations concerning long-term incentive compensation plans, including the use of share options and other equity-based plans. Except as otherwise delegated, the Board will administer equity-based and employee benefit plans, and as such will discharge any responsibilities under those plans, including making and authorising issues of equity, in accordance with the terms of those plans;
- (b) ensure that incentive plans are designed around appropriate and realistic performance targets that measure relative performance and provide rewards when they are achieved; and
- (c) continually review and if necessary improve any existing benefit programs established for employees.

Authority and Resources

The Board may seek input from individuals on remuneration policies, but no individual should be directly involved in deciding their own remuneration. The Board may, when it considers it necessary or appropriate, obtain advice from external consultants or specialists in relation to remuneration related matters.

Review

This Policy will be formally reviewed by the Board no less than every 3 years or when certain milestones of the Company are approaching.