



## NOMINATION AND REMUNERATION COMMITTEE CHARTER

As approved by the Board of Directors on 19 October 2009

### Preamble

1. The Board of Raisama Limited (**Company**) is responsible for overseeing:
  - (a) the remuneration policies and practices of the Company, including those of the Managing Director and executive management, to ensure that they are fair and meet current market conditions; and
  - (b) the selection and appointment of directors and senior management.
2. The Nomination and Remuneration Committee (**Remuneration Committee**) is a sub-committee of the Board. The role of the Remuneration Committee is to make recommendations to the Board in relation to matters of remuneration.
3. This Remuneration Committee Charter (**Charter**) outlines various matters concerning the Remuneration Committee, including the role and responsibilities, composition, structure and membership requirements of the Remuneration Committee.

### Role and responsibilities

4. The primary responsibilities of the Remuneration Committee are as follows:
  - (a) assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies including incentive policies for directors and senior executives;
  - (b) assess the market to ensure that senior executives are being rewarded commensurate with their responsibilities;
  - (c) obtain the best possible advice in establishing salary levels;
  - (d) set policies for senior executives' remuneration;
  - (e) review and determination of the basis of independent external advice, the remuneration of the Managing Director;
  - (f) review the Managing Director's recommendations on the remuneration of executive management;
  - (g) review the salary levels of senior executives and make recommendations to the Board on any proposed increases;

- (h) review recommendations from the managing director relating to proposed merit increases;
  - (i) propose, for full Board approval, the terms and conditions of employment for the managing director;
  - (j) undertake a review, which will be reported to and confirmed by the full Board, of the managing director's performance, at least annually, including setting the managing director goals for the coming year and reviewing progress in achieving those goals;
  - (k) review short term and medium term incentive based schemes, including any equity based compensation scheme, and make recommendations to the Board;
  - (l) review reports on certain aspects of the Company's superannuation plan / arrangements and compliance with the relevant laws and regulations and make recommendations to the Board;
  - (m) develop and implement a process for the identification and selection of suitable candidates for Board positions and the position(s) of Company Secretary and Chief Financial Officer and make recommendations to the Board;
  - (n) assess the expertise required by directors to adequately discharge the Board's duties having regard to the Company's business and financial objectives;
  - (o) develop a process for evaluation of the performance of the Board, its committees and directors;
  - (p) implement ways of enhancing competency levels of directors and provide directors with access to ongoing education relevant to their respective positions with the Company; and
  - (q) review the succession plans of the Board and consider whether succession plans are in place to maintain an appropriate balance of skills, experience and expertise on the Board.
5. The chairman of the Remuneration Committee shall report the findings and recommendations of the Remuneration Committee to the Board after each meeting of the Remuneration Committee.
6. The chairman of the Remuneration Committee shall submit an annual report to the Board summarising the Remuneration Committee's activities during the year and the related significant results and findings. The report shall address all matters relevant to the Remuneration Committee's role and responsibilities.
7. The Remuneration Committee recognises that information concerning any payments (for example, termination payments) which may be payable by the Company to an executive under a contract, should be disclosed to the market both at the time they are agreed and at the time the payment is settled.

### **Composition, structure and membership requirements**

8. All members of the Remuneration Committee will be members of the Board of Directors of the Company.
9. Subject to the composition of the Board, the Company will endeavour to create a Remuneration Committee that:
  - (a) consists of a majority of independent directors;
  - (b) is chaired by an independent director; and
  - (c) has at least 3 members.
10. Members of the Remuneration Committee shall be appointed for an initial 3 year term of office after which their appointment may be subject to annual rotation.
11. No individual should be directly involved in deciding their own remuneration.

### **Secretary**

12. The Company Secretary shall be appointed secretary of the Remuneration Committee. The secretary, in conjunction with the chairman of the Remuneration Committee, shall draw up an agenda which shall be circulated at least one week prior to each meeting to the members of the Remuneration Committee.

### **Meetings**

13. The chairman of the Remuneration Committee will call a meeting of the Remuneration Committee if so requested by any member of the Remuneration Committee or the Managing Director.
14. Meetings of the Remuneration Committee shall be held at least twice each year.
15. The minutes of all meetings of the Remuneration Committee shall be circulated to all members of the Board.

### **Attendance at meetings by invitation**

16. The following people may be invited to attend all or part of a meeting of the Remuneration Committee:
  - (a) the Managing Director;
  - (b) head of Human Resources of Raisama; and
  - (c) others as nominated by the Remuneration Committee.

**Non-executive directors**

17. Non-executive directors should inform the Chairman of the Company and the chairman of the Remuneration Committee before accepting any new appointments as directors.

**Professional advice and assistance**

18. The Remuneration Committee shall have access to adequate internal and external resources, including access to advice from external consultants or specialists. The Remuneration Committee is authorised to take such independent professional advice as it considers necessary.

**Further information**

19. The Company will publish the Charter and the composition of the Remuneration Committee on the Company's website: [www.raisama.com.au](http://www.raisama.com.au).
20. If you have any questions or need further information in relation to this Policy, please contact the Company Secretary.