

## **1. Introduction**

This Charter sets out the role, composition, authority, responsibilities and operation of the Remuneration Committee of the Board of Easton Investments Limited (the **Company**).

Meetings and proceedings of the Committee will be governed by the provisions of the constitution relating to meetings and proceedings of the Board.

## **2. Role**

The role of the Committee is to review and make recommendations to the Board on:

- the Company's remuneration, performance, appointment, retention and termination policies and procedures for senior executive officers and non-executive directors;
- senior executives' remuneration and incentives;
- the Company's policies for remuneration, superannuation and compensation generally including focusing the Company on appropriate remuneration policies which are designed to meet the needs of the Company and enhance corporate and individual performance and its strategic goals including diversity;
- review and make recommendations to the Board regarding all equity-based remuneration or compensation plans; and
- the administration of remuneration and compensation programs for the Company;
- the remuneration framework for directors;
- remuneration by gender;
- all reports on executive remuneration required by any law or regulation or which is proposed to be included in the annual report of the Company; and
- report to the Board regularly on each of the above matters.

## **3. Responsibilities**

The roles of the Committee are carried out by:

- ensuring that the Board, management and the Committee are provided with sufficient information to ensure informed decision-making;
- reviewing industry trends in remuneration policy and applying the best practice principles when making recommendations regarding the remuneration of and superannuation arrangements for senior executives and non-executive directors;
- reviewing market rates of remuneration for the position of Managing Director & CEO;

- making recommendations to the Board regarding goals and performance objectives for Managing Director & CEO and other senior executives;
- reviewing, making recommendations to the Board and formulating policies and procedures regarding terms of appointment and departure of senior executives including termination payments under such terms of appointment;
- reviewing the compensation of non-executive directors annually;
- reviewing and making recommendations to the Board regarding the remuneration framework for directors;
- reviewing and approve the terms of share and option plans and other incentive schemes offered by the Company as part of its remuneration policies;
- ensuring that the payment of equity-based executive remuneration is made in accordance with any thresholds set by shareholders;
- undertaking the reviews described above in relation to the positions of Managing Director & CEO, other senior executives and non-executive directors of investee companies as appropriate.

#### **4. Delegation**

Each member of the Committee is entitled to rely on information, or professional or expert advice, given or prepared by:

- an employee of the Company whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence;
- another director or officer of the Company in relation to matters within the director's or officer's authority; or
- a committee of directors on which the member did not serve in relation to matters within the Committee's authority.

#### **5. Membership**

The Committee shall consist of at least three members. A majority of members of the Committee must be non-executive and independent directors. The Chairman of the Committee must be a non-executive director.

The Board shall elect both the chairman and the members of the Committee and review such membership at times considered appropriate. The Company Secretary will act as secretary to the Committee.

**6. Meetings**

The Committee shall meet as frequently as required to perform its functions. The quorum for meetings of the Committee is two members of the Committee.

The Chairman of the Committee shall determine, in consultation with Committee members, the agenda for each meeting of the Committee.

The Committee shall keep minute books in which it records the proceedings and resolutions of its meetings. The minutes of a Committee meeting shall be made available to any director of the Company, providing no conflict of interest arises.

Resolutions of the Committee may be made at a meeting of the Committee, or where it is impractical to convene a meeting, by circular resolution signed by a majority of the Committee members.

**7. Authority**

The Committee may conduct or authorise investigations into any matter within its scope of responsibility or matters delegated by the Board. The Committee shall have the authority necessary and appropriate to enable it to discharge its duties and responsibilities, including but not limited to:

- select, retain, and terminate external counsel or other experts as it deems appropriate; and
- approve the fees and other retention terms of such counsel or other experts; and
- seek the information and assistance it requires from employees of the Company or external parties; and
- meet with the Company's officers or external counsel as required,

without seeking approval of the Board or management.

The Committee may seek input from individuals on remuneration policies, however no individual should be directly involved in determining their own remuneration.

**8. Availability of this Charter**

This Charter shall be made publicly available.

## 9. Reporting

The following material shall be included in the corporate governance section of the Company's annual report:

- details of the Company's remuneration policy;
- the names of the members of the Committee and their attendance at Committee meetings;
- the existence and terms of any schemes for retirement benefits (other than statutory superannuation) for non-executive directors.

Approved by the Board **12 Sept 2012**