

Remuneration and Nomination committee charter

Keybridge Capital Limited

ACN 088 267 190 (**Keybridge**)

Remuneration and Nomination committee charter

1. Introduction

- 1.1 The Remuneration and Nomination Committee is a committee of the board of directors of Keybridge Capital Limited (**Keybridge**).
- 1.2 The board established the Remuneration and Nomination Committee under Keybridge's constitution.
- 1.3 This charter sets out the scope of the Remuneration and Nomination Committee's responsibilities in relation to Keybridge.
- 1.4 The role of the Remuneration and Nomination Committee is not an executive role.

2. Objective

The objective of the Remuneration and Nomination Committee is to help the board achieve its objectives of ensuring Keybridge:

- (a) has a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- (b) has coherent remuneration policies and practices to attract and retain executives and directors who will preserve value for shareholders;
- (c) observes those remuneration policies and practices; and
- (d) fairly and responsibly rewards executives having regard to the performance of Keybridge, the performance of the executives and the general pay environment.

3. Remuneration and Nomination policies and practices

- 3.1 Executive remuneration and incentive policies and practices must be performance-based and aligned with Keybridge's vision, values and overall business objectives.
- 3.2 Executive remuneration and incentive policies and practices must be designed to:
 - (a) motivate the directors and management to pursue Keybridge's strategic direction; and
 - (b) demonstrate a clear relationship between Keybridge's overall performance and the performance of executives.

4. Remuneration

- 4.1 In performing its responsibilities in relation to remuneration, the Remuneration and Nomination Committee must give appropriate consideration to Keybridge's performance and objectives, employment conditions and remuneration relativities.
- 4.2 A member of the Remuneration and Nomination Committee must not participate in any review or assessment of their own remuneration.
- 4.3 The Remuneration and Nomination Committee is responsible for:

Executive remuneration and incentive policies

- (a) reviewing, approving and recommending to the board for adoption executive remuneration and incentive policies and practices;

Executive directors and senior management

- (b) annually considering, approving and recommending to the board each executive director's total remuneration (including base pay, incentive awards, equity awards, retirement rights and terms of engagement) having regard to executive remuneration and incentive policies;
- (c) determining if shareholder approval is needed for any change to the remuneration of directors or executives;
- (d) reviewing and approving, on the recommendation of the managing director:
 - (i) the total remuneration (including incentive awards, equity awards, retirement and termination rights);
 - (ii) terms of engagement; and
 - (iii) changes to the total remuneration and terms of employment,of direct reports to the managing director and other senior executives;
- (e) recommending to the board for approval changes to the remuneration or terms of engagement of executive directors before implementation;
- (f) preparing for approval by the board any report on executive remuneration that may be:
 - (i) required by the ASX Listing Rules or the *Corporations Act 2001*(Cth); or
 - (ii) proposed for inclusion in the annual report,and reporting regularly to the board on those matters;

Executive incentive plans

- (g) reviewing, approving and recommending to the board for adoption the design of any executive incentive plan;
- (h) reviewing, approving and recommending to the board for adoption the total proposed payments from any executive incentive plan;
- (i) reviewing, approving and recommending to the board for adoption the design of any equity based plan;
- (j) reviewing any plan for legislative, regulatory and market developments;
- (k) reviewing, approving and recommending to the board for approval the total proposed awards under each equity based plan;
- (l) reviewing, approving and recommending to the board for approval the proposed award to each executive under the rules of any plan or as determined by the Remuneration and Nomination Committee;
- (m) reviewing, approving, recommending to the board for adoption the performance hurdles for any equity based plan;

Non-executive directors

- (n) reviewing the remuneration of non-executive directors for serving on the board or any committee (both individually and in total);
- (o) recommending to the board the remuneration and retirement policies for non-executive directors having regard to market trends and shareholder interests;

Superannuation

- (p) reviewing superannuation arrangements; and

Insurance and indemnities

- (q) reviewing insurance premiums or indemnities for the benefit of directors and officers.

5. Recruitment and termination

5.1 The Remuneration and Nomination Committee is responsible for:

- (a) identifying and recommending to the board, nominees for membership of the board, including the Managing Director;
- (b) identifying and assessing the necessary and desirable competencies and characteristics for board membership and regularly assessing the extent to which those competencies and characteristics are represented on the board;
- (c) developing and implementing processes to identify and assess necessary and desirable competencies and characteristics for board members;
- (d) ensuring succession plans are in place to maintain an appropriate balance of skills on the board and reviewing those plans;
- (e) reviewing and reporting annually on the relative proportion of women and men in the workforce at all levels of the group controlled by Keybridge;
- (f) recommending the removal of directors;
- (g) reviewing and recommending to the board for approval termination payments to executive directors before they are implemented; and
- (h) considering and, if appropriate, ratifying termination payments to direct reports of the managing director and other senior executives and members of the senior management team or executive committee.

6. Policy for appointing new directors

6.1 Keybridge must have a board of sufficient size with the appropriate balance of skills and experience to meet Keybridge's present and future needs.

6.2 Candidates for membership of the board will be assessed against criteria including:

- (a) character and standing;
- (b) promotion of shareholders' interests (including shareholder returns);
- (c) familiarity with corporate governance principles and practices, including directors' duties, conflicts of interest; disclosure obligations; and share trading restrictions;
- (d) leadership skills;
- (e) teamwork skills, including contribution to board discussions and functions and promotion of the board's objectives;
- (f) knowledge and understanding of Keybridge, including the industries and the business and regulatory environments in which it operates;
- (g) responsibilities of Keybridge to its shareholders, other stakeholders and the wider community;
- (h) effective communication skills;

- (i) analysis of financial statements and managerial reports;
- (j) monitoring performance against strategic goals; and
- (k) time availability and commitment.

7. Procedure for appointing new directors

The Remuneration and Nomination Committee is responsible for:

- (a) assessing and identifying the necessary and desirable skills, experience and knowledge for board members;
- (b) assessing and identifying the skills, experience and knowledge represented on the board and those desired;
- (c) assessing and determining the time commitment needed from each board member to adequately perform their duties;
- (d) writing a job specification for the role;
- (e) making suitable inquiries of professional executive search and recruitment consultants, and major shareholders for candidates;
- (f) interviewing each candidate and conducting background and reference checks;
- (g) ensuring that each candidate:
 - (i) has the necessary skills, experience and knowledge to perform their duties and responsibilities as a director;
 - (ii) is able to devote the time necessary to perform their duties and responsibilities;
 - (iii) is sufficiently independent in accordance with the ASX Corporate Governance Council's definition of independence materiality thresholds; and
 - (iv) is able to work with the other members of the board;
- (h) assembling a shortlist of potential nominees for submission to the board; and
- (i) ensuring that any notice of general meeting at which the appointment of a director is to be considered is clearly and comprehensively written in accordance with the suggestions of the ASX Corporate Governance Council.

8. Performance and education of directors

8.1 The Remuneration and Nomination Committee is responsible for:

- (a) annually reviewing the performance of the managing director and executive directors;
- (b) establishing processes for evaluating the performance of the board, both collectively and individually;
- (c) annually evaluating the performance of the board, both collectively and individually; and
- (d) regularly reviewing the time required from non-executive directors to perform their functions and assessing whether they are satisfying those time requirements;

8.2 A member of the Remuneration and Nomination Committee must not participate in any review or assessment of their own performance.

9. Other responsibilities

The Remuneration and Nomination Committee is responsible for doing anything the board considers appropriate in the context of this charter.

10. Remuneration and Nomination Committee composition

10.1 The Remuneration and Nomination Committee must comprise:

- (a) at least three members; and
- (b) a majority of independent directors.

It is acknowledged that given the current size of Keybridge the composition of the Remuneration and Nomination Committee may not have at least three directors, the majority of whom are independent

10.2 The Remuneration and Nomination Committee will appoint its chairperson.

10.3 The secretary to the Remuneration and Nomination Committee will be Keybridge Secretary.

10.4 The board decides appointments, rotations and resignations within the Remuneration and Nomination Committee having regard to the ASX Listing Rules, the *Corporations Act 2001 (Cth)* and Keybridge's constitution.

10.5 A Remuneration and Nomination Committee member may act by their alternate.

10.6 Any member of the Remuneration and Nomination Committee that has a conflict in relation to any matter being considered by the Committee shall offer to excuse himself or herself from the meeting.

11. Remuneration and Nomination Committee meetings

11.1 The Remuneration and Nomination Committee will meet as often as it considers necessary.

11.2 The quorum for a Remuneration and Nomination Committee meeting is two Remuneration and Nomination Committee members.

11.3 Remuneration and Nomination Committee meetings may be held by any technological means allowing members to participate in discussions even if all members are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.

11.4 The Remuneration and Nomination Committee may pass or approve a resolution without holding a meeting in accordance with the procedures (so far as they are appropriate) in section 248A of the *Corporations Act 2001 (Cth)*.

11.5 The Remuneration and Nomination Committee may invite anyone it regards appropriate to attend Remuneration Nomination Committee meetings.

12. Minutes of Remuneration and Nomination Committee meetings

12.1 The Remuneration and Nomination Committee must keep minutes of its meetings.

12.2 Minutes of each Remuneration and Nomination Committee meeting must be included in the papers for the next full board meeting after each Remuneration and Nomination Committee meeting.

12.3 Minutes must be distributed to all Remuneration and Nomination Committee members, after the Remuneration and Nomination Committee chairperson has approved them.

12.4 Minutes, agenda and supporting papers are available to directors upon request to the Remuneration and Nominations Committee secretary, except if there is a conflict of interest.

13. Reporting to the board

The Remuneration and Nomination Committee chairperson must report the Remuneration and Nomination Committee's findings to the board after each Remuneration and Nomination Committee meeting.

14. Access to information and independent advice

14.1 The Remuneration and Nomination Committee may seek any information it considers necessary to fulfil its responsibilities.

14.2 The Remuneration and Nomination Committee has access to management and may seek explanations and information from management, at Keybridge's cost.

14.3 The Remuneration and Nomination Committee may seek professional advice from employees of Keybridge and from appropriate external advisers, at Keybridge's cost. The Remuneration and Nomination Committee may meet with external advisers without management being present.

15. Review and changes to this charter

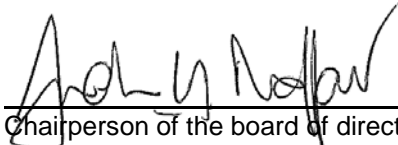
15.1 The Remuneration and Nomination Committee will review this charter annually or as often as it considers necessary.

15.2 The board may change this charter from time to time by resolution.

16. Approved and adopted

This charter was approved by the board on 25 June 2015.

Date 25 June 2015

Signed 
Chairperson of the board of directors
of Keybridge Capital Limited