

Remuneration Committee Charter

SAUNDERS INTERNATIONAL LIMITED
ABN 14 050 287 431

Charter of the Remuneration Committee

1. PURPOSE

- 1.1 The Remuneration Committee (**Committee**) is a committee of the Saunders International Limited (**Company**) Board.
- 1.2 The operation of the Committee is governed by this Charter and, where applicable, the Board Charter and the Constitution of the Company.
- 1.3 The Committee's primary functions are to:
- (1) assist the Board in establishing remuneration policies which are designed to attract, retain and motivate senior executives and directors with the expertise to enhance the performance and long term growth of the Company;
 - (2) make recommendations to the Board on the structure and evaluation of incentives for senior executives that display a clear relationship between the performance of the individual and the performance of the Company; and
 - (3) assist the Board evaluate the performance and contribution of individual directors, the Board and the Board committees.
- 1.4 Ultimate responsibility for the Company's remuneration policies rests with the Board, notwithstanding the establishment of the Committee.

2. COMPOSITION

2.1 Members

The Committee must have at least 2 non-executive directors, of which at least 1 will be an independent director.

The members of the Committee will be appointed and removed by the Board.

2.2 Chair and Secretary

The Committee will be chaired by a non-executive director (**Chair**).

The Company Secretary will act as Secretary of the Committee.

3. MEETINGS

3.1 Frequency

The Committee will meet as frequently as required but at least twice a year.

Any member of the Committee or Board may call a meeting of the Committee.

3.2 **Agenda, quorum and voting**

The Chair will be responsible for drawing up the agenda (supported by the Secretary). Any necessary explanatory documentation will be circulated to Committee members prior to each meeting.

A quorum for Committee meetings will be any 2 members.

Matters arising for determination at Committee meetings shall be decided by a majority of votes of Directors present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

3.3 **Minutes**

Proceedings of all meetings will be minuted and signed by the Chair or the chairman of the relevant meeting. Minutes of all Committee meetings will be provided to the subsequent Board and Committee meetings together with any relevant supporting papers considered by the Committee.

4. OBJECTIVITY

4.1 The Committee has the right to seek internal and external advice when necessary in order to fulfil its responsibilities.

4.2 Management must supply the Committee with information in a form, timeframe and of a quality that will enable the Committee to effectively discharge its duties.

4.3 A member of the Committee is not entitled to be present at a Committee meeting, nor give advice or recommendations to the Board, regarding:

- (1) the level or composition of his or her remuneration; and
- (2) the evaluation of his or her performance as a director of the Company.

5. REMUNERATION RESPONSIBILITIES OF THE COMMITTEE

5.1 The Committee will review and make recommendations to the Board in relation to:

- (1) remuneration, recruitment, retention and termination policies and procedures for senior executives;
- (2) incentive schemes for senior executives;
- (3) equity based remuneration plans and superannuation arrangements for senior executives and other employees;
- (4) the remuneration and incentive package of the chief executive officer;
- (5) the remuneration for directors;
- (6) review the Company's diversity practices in discharging its responsibilities in relation to remuneration, nomination and succession.

- (7) monitor and review the Company's remuneration arrangements (including any incentive plans) for continued compliance with legislations, regulation and market expectations or practices?"
- (8) the development and implementation of a process for annually evaluating the performance of the Board, its Committees and directors;
- (9) review and recommend to the Board the size and composition of the Board, including reviewing Board succession plans and the succession plans for the MD and senior executives.
- (10) the performance of the chief executive officer; and
- (11) the development and implementation of a process for annually evaluating the performance of senior executives.

5.2 In order to ensure the Board is able to discharge its responsibilities properly, the Committee shall establish a process whereby directors:

- (1) can obtain independent professional advice when reasonably necessary at the expense of the Company;
- (2) are encouraged to request additional information where they consider that the information supplied by internal or external sources is insufficient to allow them to make informed decisions; and
- (3) can access the Secretary whenever required.

6 CHARTER REVIEW AND ACCESS

This Charter is to be reviewed by the Board to ensure it remains consistent with the Board's objectives and responsibilities.

A copy of this charter is to be made available on the Company's website.