



REMUNERATION AND NOMINATION COMMITTEE CHARTER

Spectur Limited
ACN 140 151 579

Date Adopted: 13 September 2019

1. Preamble

- 1.1 The Board of Directors (**Board**) of Spectur Limited (ACN 140 151 579) (**Company**) is responsible for overseeing:
- (a) the remuneration and nomination policies and practices of the Company, including those of the Managing Director to ensure that they are fair and meet current market conditions;
 - (b) evaluation of the Managing Director's performance; and
 - (c) the selection and appointment of directors and the Managing Director, and approval of the appointment of the CFO and Company secretary.
- 1.2 The Board has established a Remuneration and Nomination Committee as a sub-committee of the Board (**Committee**). The role of the Committee is to:
- (a) assist the Board in monitoring and reviewing any matters of significance affecting the remuneration of the Board and employees of the Company and to make recommendations to the Board in relation to those matters of remuneration (**Remuneration Function**); and
 - (b) review the composition of the Board to ensure that the Board has an appropriate mix of skills and experience to properly fulfil its responsibilities,
 - (c) ensure that the Board comprises of directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance (**Nomination Functions**).
- 1.3 This Remuneration and Nomination Committee Charter (**Charter**) outlines various matters concerning the Committee, including the role and responsibilities, composition, structure and membership requirements of the Committee.

2. Purpose of the Remuneration Function

- 2.1 The primary purpose of the Committee in performing the Remuneration Function is to support and advise the Board in relation to:
- (a) reviewing and approving the remuneration policy for the Managing Director to enable the Company to attract and retain Executive Directors who will create value for shareholders (**Executive Remuneration Policy**);
 - (b) ensuring that the Executive Remuneration Policy demonstrates a clear relationship between key executive performance and remuneration;

- (c) the Company's remuneration framework for directors, including the process by which any pool of directors' fees approved by security holders is allocated to directors;
- (d) recommending to the Board, on the basis of independent external advice, if deemed appropriate, the remuneration of Executive Directors and any changes to remuneration;
- (e) whether there is any gender or other inappropriate bias in remuneration for Executive Directors;
- (f) establishment of appropriate remuneration levels and policies including incentive policies for Executive Directors';
- (g) assessment of the market to ensure that Executive Directors are being rewarded commensurate with their responsibilities;
- (h) obtaining the best possible advice in establishing salary levels;
- (i) to the terms and conditions of employment for the Executive Directors';
- (j) review of the Executive Directors' performance, at least annually, including setting the Executive Directors' goals for the coming year and reviewing progress in achieving those goals;
- (k) short term and longer-term incentive schemes, including any equity-based compensation scheme or plan.

2.2 Purpose of the Nomination Function

2.2 The Committee's primary role in the Nomination Function is to periodically review and consider the structure and balance of the Board; and make recommendations regarding appointments, retirements and terms of office of directors in particular to:

- (a) identify and recommend candidates for the Board after considering the necessary and desirable competencies of new Board members to ensure the appropriate mix of skills and experience and after assessment of how the candidates can contribute to the strategic direction of the Company. A short list of candidates from a diverse pool of qualified candidates will be prepared for the Board's consideration and interview. Candidates will be assessed on the following basis:
 - (i) competencies and qualifications;
 - (ii) independence;
 - (iii) other directorships;
 - (iv) time availability;
 - (v) contribution to the overall balance of the composition of the Board; and
 - (vi) depth of understanding of the role of and legal obligations, of a director;
- (b) undertake appropriate checks before appointing a candidate, or putting forward to security holders a candidate for election, as a Director;
- (c) agree the process and timetable for seeking such a person, which may involve an external search firm;

- (d) ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment;
 - (e) prepare and disclose a Board skill matrix setting out the mix of skills and diversity that the Board currently has (or is looking to achieve), this currently includes:
 - i. accounting and finance;
 - ii. business development and risk management;
 - iii. industry and public company experience; and
 - iv. an appropriate ratio, skills and diversity matrix for executive and non-executive directors.
 - (f) approve and review induction procedures for new appointees of the Board to ensure that they can effectively discharge their responsibilities;
 - (g) assess and consider the time required to be committed by a non-executive director to properly fulfil their duty to the Company and advise the Board;
 - (h) consider and recommend candidates for election or re-election to the Board at each annual shareholders' meeting;
 - (i) review directorships in other public companies held by or offered to directors and senior executives of the Company;
 - (j) review succession plans for the Board with a view to maintaining an appropriate balance of skills and experience on the Board;
 - (k) make recommendations to the Board on the appropriate size and composition of the Board;
 - (l) make recommendations to the Board on the terms and conditions of appointment to, and removal and retirement from, the Board;
 - (j) 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;
 - (k) develop a process for evaluation of the performance of the Board, its committees, and the directors and on at least an annual basis and implement such evaluation process; and
 - (l) implement means of enhancing competency levels of directors and provide directors with access to ongoing education relevant to their respective positions with the Company.
- 2.3 The chairperson of the Committee (**Committee Chair**) shall be responsible for reporting to the Board on the findings and recommendations of the Committee after each Committee meeting.
- 2.4 The Committee Chair shall submit an annual report to the Board summarising the Committee's activities undertaken during the year and the related significant results and findings. The report shall address all matters relevant to the Committee's role and responsibilities in relation to the Remuneration and Nomination Functions.
- 2.5 The 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. Refer ASX Listing Rule 3. Continuous Disclosure Requirements regarding disclosure of employment / service agreements or material variations thereof.

3. Composition

3.1 The Board will strive to adhere to the following composition requirements for the Committee where at all possible. However, the Board acknowledges that the composition of the Board may not allow adherence to the following composition requirements from time to time.

- (a) The Committee shall comprise, where practicable, at least 2 Directors, the majority being independent non- executive Directors;
- (b) The Committee will be chaired by an independent director who will be appointed by the Board;
- (c) The Board may change the composition of the Committee by appointing additional non-executive Directors or removing existing members by resolution.

3.2 No member of the Committee should be directly involved in deciding their own remuneration and nomination process.

4. Secretary

4.1 The Company Secretary shall be the secretary of the Committee and shall attend Committee meetings as required.

4.2 The company secretary will be responsible for:

- (a) distributing agendas and supporting papers to members of the Committee in advance of each Committee meeting; and
- (b) keeping the minutes of meeting of the Committee and circulating them to Committee members, as well as to the Board as required.

5. Meetings

5.1 The Committee Chair will call a meeting of the Committee to consider matters the subject of the Remuneration and Nomination Functions, if so requested by a director.

5.2 The Committee must meet and consider matters the subject of the Remuneration and Nomination Functions at least twice per year.

5.3 The Committee may invite the Managing Director, the head of human resources of the Company, or any other person including external third parties to attend a Committee meeting related to the Remuneration and Nomination Functions.

5.4 Where deemed appropriate by the Chairman of the Committee, meetings and subsequent approvals may be held or concluded by way of a circular written resolution or conference call.

5.5 A quorum shall comprise any two members of the Committee. In the absence of the Committee Chairman or appointed delegate, the members shall elect one of their number as Chairman.

5.6 Decisions will be based on a majority of votes with the Chairman having a casting vote.

6. Professional advice and assistance

- 6.1 The Committee shall have access to adequate internal and external resources, including reasonable access to advice from external consultants or specialists if required. The Committee is authorised to take such independent professional advice as it considers necessary and appropriate. Any costs incurred as a result of the Committee consulting an independent expert will be borne by the Company.
- 6.2 The engagement of external consultants must be approved by the Board and the Committee.
- 6.3 Remuneration consultants must report directly to the Committee in relation to remuneration matters
- 6.4 The Committee and the remuneration consultant must make separate declarations that any remuneration recommendation is free from undue influence by the key management personnel to which the recommendation relates.
- 6.5 Where a remuneration consultant makes a recommendation in relation to any of the key management personnel, the Company's remuneration report in the annual report to shareholders must disclose:
- (a) the name of the consultant;
 - (b) in a statement that the consultant made such a recommendation;
 - (c) if the consultant provided any other kind of advice to the Company for the financial year – a statement that the consultant provided that other kind or those other kinds of advice;
 - (d) the amount and nature of the consideration payable for the remuneration recommendation;
 - (e) the amount and nature of the consideration payable for any other kind of advice referred to in paragraph 6.5(c);
 - (f) information about the arrangements the Company made to ensure that the making of the remuneration recommendation would be free from undue influence by the member or members of the key management personnel to whom the recommendation relates;
 - (g) a statement about whether the Board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates; and
 - (h) if the Board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates – the Board's reasons for being satisfied of this.

7. Further information

- 7.1 The Company will publish the Charter on the Company's website: www.spectur.com.au.
- 7.2 If you have any questions or need further information in relation to this Charter, please contact the Company Secretary.