

# REMUNERATION COMMITTEE CHARTER

The Board of Directors (the **Board**) of **Bentley Capital Limited** ABN 87 008 108 218 (the **Company**) resolved to establish a Remuneration Committee of the Board (the **Committee**) on 7 October 2010. Further, the Board resolved on 30 September 2011 to formalise a Charter for the Committee.

The roles and responsibilities, composition, structure and membership requirements of the Committee are prescribed by this Charter.

The Company and its subsidiaries are referred to in this Charter as "**Bentley**".

## 1 PURPOSE

1.1 The purpose of the Committee is to

- (a) *Remuneration Function* - assist the Board to adopt and implement a remuneration system that is required to attract, retain and motivate Company personnel; and
- (b) *Nomination Function* - identify appropriate candidates for membership of the Board and, when necessary, identify suitable candidates for the role of Managing Director (where applicable).

1.2 Ultimate responsibility for the Company's remuneration and nomination policies and practices remains with the full Board.

## 2 REMUNERATION FUNCTION

### 2.1 Key Responsibilities

2.1.1 In carrying out its Remuneration Function, the Committee will:

- (a) make recommendations to the Board on policy governing the remuneration benefits of the Executive Chairman/Managing Director and any other Executive Director, including equity-based remuneration; and
- (b) assist the Executive Chairman/Managing Director to determine the remuneration benefits (including equity-based remuneration) of Senior Management and advise on those determinations.

2.1.2 "Senior Management" means the executive direct reports to the Executive Chairman/Managing Director and any other senior employee whom the Executive Chairman/Managing Director considers should be regarded as senior management under this Charter.

## 2.2 Principles

### Executive Directors and Senior Management

2.2.1 Committee recommendations and advice will follow the principle that the remuneration of the Managing Director, any other Executive Director and Senior Management must be related to performance, qualifications and or experience. Within that approach:

- (a) both financial and non-financial performance should be recognised;
- (b) rewards should adequately reflect standards prevailing in the employment markets in which the Company operates and within the

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profession of the Senior Manager;  
and

- (c) termination benefits (if any) must be appropriate and not reward poor performance.

### **Non-Executive Directors**

2.2.2 Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The Committee will recommend to the Board the actual payments to be made to Non-Executive Directors within that limit.

2.2.3 The Committee may recommend that the Company make superannuation contributions for Non-Executive Directors and pay the premiums for Non-Executive Directors' liability insurance policies.

### **2.3 Additional Duties**

2.3.1 The Committee will make recommendations to the Board for the purposes of assisting it to:

- (a) be informed of the level of remuneration and benefits provided to Executive Directors in other companies with similar size and operations to the Company, based on external advice where appropriate;
- (b) review the performance and remuneration of the Managing Director and any other Executive Director annually or more frequently if appropriate;
- (c) conduct an annual review of Non-Executive Directors' fees and determine whether the limit on the Non-Executive Directors' fee pool remains appropriate;
- (d) review the Remuneration Report prior to its inclusion in the Company's audited annual Directors' Report;
- (e) oversee compliance with laws and ASX Listing Rules relating to remuneration and its disclosure; and

(f) make determinations as to the exercise of its discretion under the terms of any:

- (i) Director's or Employee's options; or
- (ii) equity-based remuneration scheme(s).

2.3.2 The Committee will perform any other function related to Director nomination and remuneration of Directors and personnel conferred upon it by the Board.

## **3 NOMINATION FUNCTION**

### **3.1 Key Responsibilities**

3.1.1 In carrying out its Nomination Function, the Committee will make recommendations to the Board as to:

- (a) the necessary and desirable qualifications, experience and competencies of Directors and the extent to which these are reflected in the Board;
- (b) the appointment of the Chairman of the Board;
- (c) suitable candidates for the position of Managing Director, when required;
- (d) the development and review of Board succession plans;
- (e) the appointment and re-election of Directors;
- (f) the induction/orientation and continuing education/professional development programmes for Directors; and
- (g) addressing Board diversity.

3.1.2 The Committee will perform any other function conferred upon it by the Board related to Board membership and succession.

## 3.2 Principles

3.2.1 In making recommendations under its Nomination responsibilities, the Committee will have regard to the following principles:

- (a) A formal and transparent procedure for the nomination and re-election of qualified, experienced and competent Directors is essential to promote investor understanding and confidence in that process;
- (b) Candidates for Board membership should be selected and succession plans formulated with the intention of ensuring that the Board retains an appropriate range of qualifications, experiences and skills and expertise amongst its members;
- (c) Board renewal is critical to performance, therefore the Committee should have regard to the duration of each Director's tenure in succession planning;
- (d) The Board should be of a size and composition that is conducive to making good decisions; and
- (e) Individual Board members should have the capacity to devote the necessary time to the tasks entrusted to them.

3.2.2 The Committee should review the ability of Directors to devote the required time to the Company's affairs.

## 4 ADMINISTRATION

### 4.1 Composition

4.1.1 The Committee will have at least two (2) members. The Committee is to comprise a majority of Non-Executive Directors (or at least one Non-Executive Director where the Committee comprise only 2 members).

4.1.2 The Committee Chairman must be an "independent" (as defined by the Company's policy) Director of the Company.

4.1.3 The Board will consider the composition of the Committee on an annual basis and

determine whether it remains of sufficient size and independence and has the necessary technical expertise to discharge its mandate effectively.

4.1.4 The Secretary of the Committee will be the Company Secretary, or such other person as nominated by the Committee and approved by the Board.

### 4.2 Term of Membership

4.2.1 Members will be appointed by the Board for a term as considered appropriate by the Board.

4.2.2 A member of the Committee who ceases to be a Director of the Board will automatically cease to be a member of the Committee.

4.2.3 Where the Committee Chairman ceases to be "independent", the Committee will consult with the Board as to composition of the Committee thereafter.

### 4.3 Meetings

4.3.1 The Committee Chairman will convene such Committee meetings as are considered appropriate or at the request of the Board, any Committee member or the Executive Chairman/Managing Director.

4.3.2 The quorum for Committee meetings is two members.

4.3.3 Decisions will be determined by majority vote, but the Chair of the Committee will report the fact of a dissenting vote to the Board when reporting the decision to the Board. The Chair of the Committee will not have a casting vote.

4.3.4 The Committee will meet at least annually and more frequently if required. The Committee may meet by telephone or video conference but should hold at least one meeting each year with all Committee members present in person.

4.3.5 The Committee may require any other Director, Senior Manager or other staff members to attend from time to time. This will be organised by the Secretary of the Committee.

4.3.6 The Secretary of the Committee, in conjunction with the Chair of the Committee, is responsible for:

- (a) drawing up the agenda and circulating it and supporting papers to Committee members prior to each meeting;
- (b) keeping minutes of meetings of the Committee, and circulating them to Committee members and other members of the Board; and
- (c) presenting the Committee's report to the Board following each meeting of the Committee.

4.3.7 Following each meeting, the Committee will report fully to the Board.

#### **4.4 Powers**

4.4.1 The Committee's role is advisory. The Committee does not have the power to bind the Company.

4.4.2 The Committee may make recommendations to the Board on any matter arising under this Charter.

### **5 RESOURCES**

5.1 The Committee is entitled to:

- (a) access all books and records of the Company relevant to its role;
- (b) receive any explanation or clarification of any matter relevant to its role from any Director or employee; and
- (c) engage external advisers at the Company's cost (whether they are otherwise advisers to the Company or not) to advise it on any matter relevant to its role.

5.2 The Committee will notify the Chair of the Board prior to exercising its rights under this clause.

5.3 The Board will ensure that this assistance is available to the Committee.

### **6 ANNUAL PERFORMANCE REVIEW**

6.1 On an annual basis the Committee will consider its performance and confirm whether it has fulfilled its responsibilities to the Company, as outlined in this Charter. In its review, the Committee will obtain feedback from the Board on the Committee's performance and implement any agreed actions.

6.2 The Board conducts an annual formal review of the performance of the Committee. The Committee will provide any information that the Board may request to facilitate its review of the Committee's performance.

*Approved: 30 September 2011*