

# CELLNET GROUP LIMITED

ACN 010 721 749

## Remuneration Committee Charter

### 1. INTRODUCTION

The board of directors (**Board**) of Cellnet Group Limited (**Company**) has established a Remuneration Committee (**Committee**) which operates in accordance with this charter (**Charter**) and the constitution of the Company.

### 2. ROLE AND RESPONSIBILITIES

- 2.1. The Committee will assist the Board to fulfil its responsibilities on matters relating to the compensation, bonuses, incentives and remuneration issues of the Company's staff. The Committee is not a policy making body but assists the board by implementing board policy.
- 2.2. In discharging its role, the Committee will investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company.
- 2.3. The primary responsibilities of the Committee will be to review and report to the Board on the following matters:
  - reviewing and recommending remuneration of the Chief Executive Officer, within the terms of his / her employment contract, annually to the Board;
  - monitoring and reviewing the Chief Executive Officer's performance and key performance indicators for the determination of any annual bonus components;
  - reviewing the Chief Executive Officer's recommendations regarding remuneration for staff;
  - reviewing and recommending any incentive plans or ex gratia payments to the Company's staff;
  - ensuring staff remuneration is aligned with market trends;
  - reviewing any employee grievance or staff complaints about remuneration;
  - ensuring that the Company's remuneration and incentive policies, practices and performance indicators are aligned to the Board's vision, values and overall business objectives and are properly aligned to:
    - motivate the staff to pursue the long term growth and success of the Company; and
    - demonstrate a clear relationship between the achievement of the Company's objectives and the performance and remuneration of the staff.
- 2.4. In discharging their responsibilities, the Committee has a duty to act in the best interests of the Company as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations.

### 3. COMPOSITION

- 3.1. The Committee will comprise at least three members. The Committee members:
  - must preferably be non-executive directors of the Company;

- will be appointed by the Board; and
  - must select a Committee member as Chairman of the Committee who preferably is not the Chairman of the Board.
- 3.2. Appointment as a member of the Committee is automatically terminated when the person ceases to be a director of the Company.
- 3.3. The duties and responsibilities of a member of the Committee are in addition to those set out for a director of the Company.

#### **4. MEETINGS**

- 4.1. The Committee may with the approval of the Chairman conduct meetings by telephone or videoconference provided that all Committee members involved in the meeting are able to participate in discussion.
- 4.2. The Committee will meet at least twice each year to coincide with the half-year and annual financial reporting of the Company. The Committee will also meet at any other time the Chairman considers appropriate. Each Committee member is entitled to reasonable notice of a meeting.
- 4.3. The Chairman will call a meeting of the Committee if so requested by any member of the Committee or the Chairman of the Board.
- 4.4. The quorum for a meeting will comprise any two Committee members or any greater number determined by the Committee from time to time.
- 4.5. The Committee may invite any executives and other parties, external to the Company, to attend any meeting of the Committee.

#### **5. SCOPE, ACCESS, AUTHORITY**

- 5.1. The Committee has the authority to seek any information it requires to carry out the Committee's duties from any officer or employee of the Company.
- 5.2. The Committee may engage independent counsel and other advisers as it determines necessary to carry out its responsibilities.
- 5.3. The Committee has authority to consult any independent professional advisers it considers appropriate to assist in meeting its responsibilities.

#### **6. REPORTING**

- 6.1. The Chairman of the Committee will provide a verbal report to the Board at the earliest possible Board meeting after each Committee meeting. Minutes of the Committee will be tabled when available.
- 6.2. The Committee will prepare and submit to the Board any additional reports as appropriate.

#### **7. CONFLICTS OF INTEREST**

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to have a real or perceived conflict of interest, they will be excused from committee discussions on the issue where a conflict exists.

#### **8. PERFORMANCE REVIEW / AMENDING THE CHARTER**

- 8.1. The Committee must review its Charter and performance annually, or otherwise, as it considers necessary.
- 8.2. The Charter may be amended at any time by a resolution of the Board.

#### **9. ACCESS TO CHARTER**

The Charter is available to the Board, management, external auditors, shareholders

and other interested parties as appropriate.