

# Nomination, Governance & Remuneration Committee Charter

**RCL Group Limited**

<b>Effective Date:</b>	<b>24 May 2010</b>
<b>Approved by:</b>	<b>RCL Group Board</b>
<b>Owner:</b>	<b>Company secretary</b>
<b>Applicability:</b>	<b>RCL</b>
<b>Last Version Date:</b>	<b>31 May 2009</b>
<b>Next Review Date:</b>	<b>May 2011</b>

# RCL Group Limited

## Nomination, Governance & Remuneration Committee Charter

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### 1. Objectives

The Nomination, Governance & Remuneration Committee (“the Committee”) has been established by the Board of RCL Group Limited (the **Company**) and applies to the Company and its subsidiaries (the **Group**) to:

- (a) review and advise the Board on the composition of the Board and its Committees;
- (b) review the performance of the:
  - Board;
  - Chairman;
  - other individual members of the Board ;
  - Managing Director/Chief Executive Officer ; and
  - Individual Key Management Personnel;
- (c) ensure that proper succession plans are in place for consideration by the Board;
- (d) advise the Board on good governance standards and appropriate corporate governance policies for the Group; and
- (e) critically review the Group's performance against its corporate governance policies;
- (f) in consultation with the Manager, monitor and recommend to the Board the level of remuneration for Directors; and
- (g) review and advise the Board on the public reporting of remuneration of the Directors and Key Management Personnel.

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### 2. Nomination responsibilities

In relation to its nomination function, the Committee is required to:

- (a) establish criteria for Board membership;
- (b) review the size and composition of the Board;
- (c) periodically assess the skills required to discharge the Board's duties, having regard to the strategic direction of the Group;

- (d) propose candidates for directorships for consideration by the Board having regard to the desired composition as stated in the Board Charter;
  - (e) inform the Board of the names of Directors who are retiring in accordance with the provisions of the Constitution of the Company and make recommendations to the Board as to whether the Board should support the re-nomination of that retiring Director. In order to make these recommendations, the Committee will review the retiring Director's performance during the period in which the Director has been a member of the Board;
  - (f) establish and facilitate an induction program for new Directors with all such information and advice which may be considered necessary or desirable for the Director to commence their appointment to the Board;
  - (g) identify any specific responsibilities of individual Board members, including the Chairman and the Managing Director/Chief Executive Officer;
  - (h) review succession planning for the Chairman, the Managing Director/Chief Executive Officer and other senior management of the Group and provide advice to the Board on progress; and
  - (i) review the membership and performance of other Board Committees and make recommendations to the Board.
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### 3. Corporate governance responsibilities

In relation to its governance function, the Committee is required to:

- (a) review developments in corporate governance in Australia and internationally that may be relevant to the Group and to the expectations of the investor market and other stakeholders;
- (b) monitor the corporate governance requirements of regulators, including the Australian Securities and Investments Commission and the Australian Securities Exchange;
- (c) review ethical guidelines and standards for directors;
- (d) advise the Board on corporate governance standards, and on the adoption or amendment of corporate governance policies that would be appropriate for the Group;
- (e) review annually the Group's compliance with its corporate governance policies and procedures, and report to the Board on the results of the review together with any recommendations of the Committee; and
- (f) assist the Board to prepare the Group's corporate governance disclosure statements in its Annual Report.

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## 4. Remuneration responsibilities

In relation to its remuneration function, the Committee is required to:

- (a) critically review the performance and effectiveness of the Chairman, the Managing Director/Chief Executive Officer, the Board and its individual members against the relevant charters, corporate governance policies and agreed goals and objectives at least once per year;
- (b) consult with the Managing Director/Chief Executive Officer in respect of the Key Performance Indicators (KPIs) for each of the Key Personnel as determined by the Managing Director/Chief Executive Officer and provide feedback to the Committee about their respective performance against such KPIs at least once per year;
- (c) provide input and advice to the Committee about remuneration of Key Management Personnel or other individuals, based on RCL Group's remuneration principles and practices;
- (d) review and advise the Board on the Remuneration Report to be disclosed in the Company's annual financial report;
- (e) consider for approval the formation of any long term incentive plans (LTI) recommended by the Managing Director/Chief Executive Officer involving the issue of shares in the Company and to monitor and review these plans for compliance with changes to legislation, regulation and market expectations or practice; and
- (f) make recommendations to the Board for determining the level of remuneration to be applied to the independent directors of the Company.

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## 5. Composition

- (a) The Nomination, Governance & Remuneration Committee will comprise a minimum of three Directors and a majority of independent non-executive Directors.
- (b) The Chairman of the Board will act as the Chairman of the Nomination, Governance & Remuneration Committee.

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## 6. Procedural requirements

- (a) The Committee will meet as required but not less than once a year.
- (b) A quorum of the Committee will comprise two members.
- (c) If the Chairman is absent from a meeting and no acting Chairman has been appointed, the members present may choose one of them to act as Chairman for that meeting.

- (d) Meetings of the Committee may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution.
- (e) Each member of the Committee will have one vote.
- (f) The Chairman will not have a casting vote. If there is a tied vote, the motion will lapse.
- (g) A member of the Committee will not participate in the review of their own performance or remuneration.
- (h) A member must not be present for discussions at a Committee meeting on, or vote on a matter regarding, his or her election, re-election, or removal.
- (i) The Committee may seek such advice from any external parties or professional advice as it may consider necessary or desirable to fulfil its objectives.
- (j) Following each meeting the Chairman will report to the Board on any matter that should be brought to the Board's attention, and on any recommendation of the Committee that requires Board approval or action.
- (k) Minutes of meetings of the Committee will be prepared for approval by the Committee and be circulated to the members of the Board.
- (l) The Group Secretary will provide such assistance as may be required by the Chairman in relation to preparation of the agenda, minutes or papers for the Committee.

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## 7. Annual review

The Committee will prepare and provide to the Board annually:

- (a) a self-evaluation of its performance against its Charter, goals and objectives;
- (b) recommended goals and objectives for the coming year; and
- (c) recommended changes or improvements to its Charter if necessary.

The annual review may be done by way of an oral report to the Board by the Chairman of the Committee.

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## 8. Revisions of this Charter

This charter of the Nomination, Governance & Remuneration Committee must be approved by the Board of the Company.

The Committee is responsible for reviewing the effectiveness of this charter and the operations of the Nomination, Governance & Remuneration Committee and to make recommendations to the Board for any amendments.