

The Company chooses to remunerate and reward its directors, officers and employees in accordance with the following policy.

Emoluments of Directors and senior executives are set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of the Directors and Executives. Details of the nature and amount of emoluments of each Director of the Company are disclosed annually in the Company's annual report.

### **Non-Executive Directors**

The Company's policy is to remunerate Non-Executive Directors at a fixed fee for time, commitment and responsibilities. Non-Executive Directors are paid their fees out of the maximum aggregate amount approved by Shareholders at general meeting for the remuneration of Non-Executive Directors. The sum each Non-Executive Director is paid is determined by the Nomination and Remuneration Committee (or its equivalent) from time to time and referred to the Board as a whole for approval. Conflicted Directors shall refrain from voting on determination of their own remuneration. Additional fees are paid for participation on Board Committees; however, the total fees paid to Non-Executive Directors, including fees paid for participation on Board Committees, are kept within the total amount approved by Shareholders at general meeting.

Remuneration for Non-Executive Directors is not linked to individual performance. Non-Executive Directors do not receive performance-based bonuses. Non-Executive Directors may choose to receive shares in the Company as part of their remuneration instead of receiving cash. However, Non-Executive Directors may not participate in equity schemes of the Company, such as option schemes, without Shareholder approval. Non-Executive Directors are entitled to statutory superannuation. In addition, Non-Executive Directors do have their indemnity insurance paid by the Company.

### **Executive Directors and Senior Executives**

The Company is committed to remunerating its Senior Executives in a manner that is market competitive, consistent with best practice and supports the interests of Shareholders. The Company aims to align the interests of Senior Executives with those of Shareholders by remunerating Senior Executives through performance and long-term incentive plans in addition to their fixed remuneration.

The Nomination & Remuneration Committee shall review the proposed remuneration package for all new Senior Executive Staff Appointments and make recommendations to the Board. In addition, the Nomination & Remuneration Committee will review the proposed annual remuneration reviews for Senior Executive Staff.

Consequently, Senior Executives' remuneration may consist of the following elements:

- ◀ fixed salary;
- ◀ short-term incentive bonus based on performance;
- ◀ long-term incentive share/option scheme; and
- ◀ other benefits including superannuation.

#### *Fixed Salary*

The salary of Senior Executives is determined from a review of the market and reflects core performance requirements and expectations. In addition, the Company considers the following:

- ◀ the scope of the individual's role;

- ◀ the individual's level of skill and experience;
- ◀ the Company's legal and industrial obligations;
- ◀ labour market conditions; and
- ◀ the size and complexity of the Company's business.

#### *Performance Bonus*

The purpose of the performance bonus is to reward actual achievement by the individual of performance objectives and for materially improved Company performance. Consequently, performance-based remuneration is paid where a clear contribution to successful outcomes for the Company is demonstrated and the individual attains and excels against pre-agreed key performance indicators during a performance cycle.

Bonuses are payable at the Board's discretion.

#### *Long-Term Incentives*

The Company may grant shares rights/options to Senior Executives to attract, retain, motivate and provide performance incentives. All issues will be subject to Shareholder approval<sup>1</sup> and will be reasonable in relation to the existing capitalisation of the Company.

#### *Other Benefits*

Senior Executives are entitled to statutory superannuation.

#### *Termination Payments*

Senior Executives may be entitled to a payment upon termination of employment from the Company. Where so entitled, the termination payment has been agreed in the Senior Executive's Contract of Employment and it is not payable where termination of employment is for misconduct.

Executives are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements (refer Policy for Trading in Companies Securities COR-020-Po).

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<sup>1</sup> Shareholder approval is usually obtained under the form of the Employee Incentive Plan having previously been approved by Shareholders in General Meeting, or in the case of Executive Directors, via specific resolution by Shareholders in General Meeting.