

Nomination and remuneration committee charter

ThinkSmart Limited

ACN 092 319 698

Committee charter

1 Membership of the Committee

The Committee must consist of:

- a minimum of 3 members;
- a majority of independent directors; and
- an independent director as Chair.

The current members of the Committee are:

- Peter Mansell (Chair);
- Ned Montarello;
- Steven Penglis; and
- David Griffiths.

The Board may appoint such additional directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

Members of management may attend meetings of the Committee by invitation.

The Company Secretary must attend all Committee meetings as minute secretary.

2 Administrative matters

2.1 Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will normally meet at least annually.

2.2 Quorum

The quorum is at least 2 members.

2.3 Convening and notice of meeting

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee of every meeting of the Committee at the member's advised address for service of notice (or such other pre-notified interim address where relevant), but there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

2.4 Access to independent advisers

The Committee may seek the advice of the Company's auditors, solicitors or such other independent advisers as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee, as the Committee may require.

2.5 Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee Chair, be presented at the next Board meeting. All minutes of the Committee must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

2.6 Reporting

The Committee Chair will prepare a report of the actions of the Committee to be included in the Board papers for the Board meeting next following a meeting of the Committee. The report will include provision of meeting agendas, papers and minutes of the Committee.

The Committee Chair will also, if requested, provide a brief oral report as to any material matters arising out of the Committee meeting. All directors may, within the Board meeting, request information of the Committee Chair or members of the Committee.

3 Role and responsibilities – nomination

The responsibilities of the Committee are as follows:

- (a) Review and recommend to the Board the size and composition of the Board, including review of Board succession plans.
- (b) Review and recommend to the Board the criteria for Board membership, including assessment of necessary and desirable competencies of Board members.
- (c) Review and recommend to the Board membership of the Board, including recommendations for the appointment and removal of Directors, and where necessary propose candidates for consideration by the Board.
- (d) Assist the Board as required in relation to the performance evaluation of the Board, its committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies.
- (e) Review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time.
- (f) Review the Board Charter on a periodic basis, and recommend any amendments for Board consideration.
- (g) Review the time expected to be devoted by non-executive directors in relation to the Company's affairs.
- (h) Ensure that an effective induction process is in place and regularly review its effectiveness.

4 Policy and procedure for selection and appointment of new directors

- (a) Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:
 - the skills, experience, expertise and personal qualities that will best complement Board effectiveness;

- the capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments;
 - potential conflicts of interest, and independence.
- (b) Detailed background information in relation to a potential candidate should be provided to all directors.
- (c) The identification of potential director candidates may be assisted by the use of external search organisations as appropriate.
- (d) An offer of a Board appointment must be made by the Chair only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.
- (e) All new Board appointments should be confirmed by letter in the standard format as approved by the Board or the Committee from time to time.

5 Role and responsibilities – remuneration

The responsibilities of the Committee are as follows:

- (a) Review and determine remuneration arrangements for the Chief Executive Officer (**CEO**).
- (b) Review and approve the remuneration arrangements for the Executives reporting to the CEO.
- (c) Review major changes and developments in the Company's recruitment retention and termination policies and procedures for senior management, remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Group.
- (d) Review the senior management performance assessment processes and results as they reflect the capability of management to realise the business strategy.
- (e) Review and approve short term incentive strategy, performance targets and bonus payments.
- (f) Review and recommend to the Board major changes/developments to the long term incentive plan/s and approve allocation/s of equities within the delegated authority from the Board.
- (g) Review and recommend to the Board the remuneration arrangements for the non-executive directors of the Board.
- (h) Be satisfied that the Board and management have available to them sufficient information to ensure informed decision-making regarding remuneration.
- (i) Review and recommend to the Board the remuneration report prepared in accordance with the *Corporations Act 2001* (Cth) for inclusion in the annual directors' report.

6 Review

The Board will, at least once in each year, review the membership and charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.