

Remuneration committee charter

Keybridge Capital Limited
ACN 088 267 190 (**Company**)

Remuneration committee charter

1. Introduction

- 1.1 The Remuneration Committee is a committee of the board of directors of Keybridge Capital Limited (**Company**).
- 1.2 The board established the Remuneration Committee under the Company's constitution.
- 1.3 This charter sets out the scope of the Remuneration Committee's responsibilities in relation to the Company.
- 1.4 The role of the Remuneration Committee is not an executive role.
- 1.5 The Company presently has two independent non-executive directors. The Company proposes appointing additional independent non-executive directors consistent with the principles outlined in the Nomination Committee Charter and to ensure it continues to have a majority of independent directors.

2. Objective

The objective of the Remuneration Committee is to help the board achieve its objective of ensuring the Company:

- (a) has coherent remuneration policies and practices to attract and retain executives and directors who will preserve value for shareholders;
- (b) observes those remuneration policies and practices; and
- (c) fairly and responsibly rewards executives having regard to the performance of the Company, the performance of the executives and the general pay environment.

3. Remuneration policies and practices

- 3.1 Executive remuneration and incentive policies and practices must be performance based and aligned with the Company's vision, values and overall business objectives.
- 3.2 Executive remuneration and incentive policies and practices must be designed to:
 - (a) motivate the directors and management to pursue the Company's strategic direction to manage and, over time, realise its existing portfolio of investments; and
 - (b) demonstrate a clear relationship between the Company's overall performance and the performance of executives.
- 3.3 Appendix A contains details of the composition of the Company's Directors Emoluments.

4. Remuneration

- 4.1 In performing its responsibilities in relation to remuneration, the Remuneration Committee must give appropriate consideration to the Company's performance and objectives, employment conditions and remuneration relativities.
- 4.2 A member of the Remuneration Committee must not participate in any review or assessment of their own remuneration.

4.3 The Remuneration Committee is responsible for:

Executive remuneration and incentive policies

- (a) reviewing, approving and recommending to the board for adoption executive remuneration and incentive policies and practices;

Executive directors and senior management

- (b) annually considering, approving and recommending to the board each executive director's total remuneration (including base pay, incentive awards, equity awards, retirement rights and terms of engagement) having regard to executive remuneration and incentive policies;
- (c) determining if shareholder approval is needed for any change to the remuneration of directors or executives;
- (d) reviewing and approving, on the recommendation of the managing director:
 - (i) the total remuneration (including incentive awards, equity awards, retirement and termination rights);
 - (ii) terms of engagement; and
 - (iii) changes to the total remuneration and terms of employment, of direct reports to the managing director and other senior executives;
- (e) recommending to the board for approval changes to the remuneration or terms of engagement of executive directors before implementation;
- (f) preparing for approval by the board any report on executive remuneration that may be:
 - (i) required by the ASX Listing Rules or the *Corporations Act 2001*(Cth); or
 - (ii) proposed for inclusion in the annual report,and reporting regularly to the board on those matters;

Executive incentive plans

- (g) reviewing, approving and recommending to the board for adoption the design of any executive incentive plan;
- (h) reviewing, approving and recommending to the board for adoption the total proposed payments from any executive incentive plan;
- (i) reviewing, approving and recommending to the board for adoption the design of any equity based plan;
- (j) reviewing any plan for legislative, regulatory and market developments;
- (k) reviewing, approving and recommending to the board for approval the total proposed awards under each equity based plan;
- (l) reviewing, approving and recommending to the board for approval the proposed award to each executive under the rules of any plan or as determined by the Remuneration Committee;
- (m) reviewing, approving, recommending to the board for adoption the performance hurdles for any equity based plan;

Non-executive directors

- (n) reviewing the remuneration of non-executive directors for serving on the board or any committee (both individually and in total);
- (o) recommending to the board the remuneration and retirement policies for non-executive directors having regard to market trends and shareholder interests;

Superannuation

- (p) reviewing superannuation arrangements; and

Insurance and indemnities

- (q) reviewing insurance premiums or indemnities for the benefit of directors and officers.

5. Recruitment and termination

5.1 The Remuneration Committee is responsible for:

- (a) reviewing and recommending to the board for approval termination payments to executive directors before they are implemented; and
- (b) considering and, if appropriate, ratifying termination payments to direct reports of the managing director and other senior executives and members of the senior management team or executive committee.

5.2 Any termination payment to any other departing executive should be reported to the Remuneration Committee at its next meeting.

6. Other responsibilities

The Remuneration Committee is responsible for doing anything the board considers appropriate in the context of this charter.

7. Nomination Committee

The Remuneration Committee will:

- (a) refer anything relating to board succession, evaluating board performance and appointment and removal of directors to the Nomination Committee; and
- (b) work closely with the Nomination Committee in exercising its powers and performing its responsibilities under this charter.

8. Remuneration Committee composition

8.1 The Remuneration Committee must comprise:

- (a) at least three members; and
- (b) a majority of independent directors.

Pending the appointment of additional Non-Executive Directors the Company does not have a majority of Independent Non-Executive directors on the Remuneration Committee.

8.2 The Remuneration Committee will appoint its chairperson. The chairperson of the Remuneration Committee must be an independent director.

- 8.3 The secretary to the Remuneration Committee will be the Company Secretary.
- 8.4 The board decides appointments, rotations and resignations within the Remuneration Committee having regard to the ASX Listing Rules, the *Corporations Act 2001 (Cth)* and the Company's constitution.
- 8.5 A Remuneration Committee member may act by their alternate.

9. Remuneration Committee meetings

- 9.1 The Remuneration Committee will meet as often as it considers necessary.
- 9.2 The quorum for a Remuneration Committee meeting is two Remuneration Committee members.
- 9.3 Remuneration Committee meetings may be held by any technological means allowing members to participate in discussions even if all members are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.
- 9.4 The Remuneration Committee may pass or approve a resolution without holding a meeting in accordance with the procedures (so far as they are appropriate) in section 248A of the *Corporations Act 2001 (Cth)*.
- 9.5 The Remuneration Committee may invite anyone it regards appropriate to attend Remuneration Committee meetings.

10. Minutes of Remuneration Committee meetings

- 10.1 The Remuneration Committee must keep minutes of its meetings.
- 10.2 Minutes of each Remuneration Committee meeting must be included in the papers for the next full board meeting after each Remuneration Committee meeting.
- 10.3 Minutes must be distributed to all Remuneration Committee members, after the Remuneration Committee chairperson has approved them.
- 10.4 Minutes, agenda and supporting papers are available to directors upon request to the Remuneration Committee secretary, except if there is a conflict of interest.

11. Reporting to the board

The Remuneration Committee chairperson must report the Remuneration Committee's findings to the board after each Remuneration Committee meeting.

12. Access to information and independent advice

- 12.1 The Remuneration Committee may seek any information it considers necessary to fulfil its responsibilities.
- 12.2 The Remuneration Committee has access to management and may seek explanations and information from management, at the Company's cost.
- 12.3 The Remuneration Committee may seek professional advice from employees of the Company and from appropriate external advisers, at the Company's cost. The Remuneration Committee may meet with external advisers without management being present.

Directors Emoluments

Preamble

The Company has adopted a Board Charter that clearly defines the role, responsibilities and authorities of the Board of Directors (the 'Board'). This policy document defines the framework for the remuneration of the Company's directors from time to time and details the current payment amounts, timing, methods and documentation for managing the process.

The Company requires a remuneration structure which is adequate to ensure that at all times the Board maintains an appropriate balance of skills, experience and independence. The following arrangements were agreed in order to attract suitable independent candidates to the Board for listing on the Australian Securities Exchange. They will be reviewed periodically to ensure they are in line with market practice and the Company's ongoing requirements.

Policy

Each director is entitled to:

- a Base Remuneration Amount;
- any Additional Remuneration Amount;
- mandatory Employer Superannuation Contributions; and
- reimbursement for any reasonable out-of-pocket expenses.

The total of all remuneration amounts payable to all directors for a fiscal year must not exceed the maximum amount approved by the shareholders from time to time in a general meeting.

Principles

Determination of Amounts

Available remuneration is to be divided among the directors in such proportion as they agree from time to time. In the absence of any determination the following base remuneration amounts and relevant hours will apply and may be paid as either cash or shares or a combination of cash and shares:

Base Remuneration Amount		
For	Base Remuneration Amount per annum	Relevant Hours per Month*
Chairman of the Board (Executive or Non-Executive)	\$120,000	70
Non-Executive Directors	\$60,000	20

* Relevant hours are an estimation of the normal number of hours expected to be needed by the director to fulfil the normal requirements of the office.

Additional Remuneration Amounts

Where an individual director exceeds in any quarterly period the relevant hours allocated above to the Base Remuneration they will be entitled to an additional remuneration amount to be agreed on a case by case basis.

At the inception of the Company and to reflect the start up nature of the business, under the Director and Employee Share Scheme (the Share Scheme), shares in Keybridge Capital Limited were issued at A\$1.25 each to vest in equal proportions over a period of up to three years from the date of commencement of the participant. The Share Scheme is no longer effective due to the issue price of \$1.25 per share being materially above the Company's market share price and net tangible asset backing.

The Share Scheme involves participants effectively borrowing from the Company to subscribe for the shares. The loans are limited recourse and interest free and initially 75% of the cash value of dividends will be applied towards part repayment of the loan. Other than dividends, there is no payment of cash by the Company to participants. The shares will be subject to a Holding Lock until 12 months has elapsed after the date on which vesting conditions are satisfied and the loan is repaid in full.

No further allocation of shares under this Director and Employee Share Scheme is anticipated.

Timing and Method of Payments

Base Remuneration Amounts will be paid quarterly by direct credit to a nominated bank account or by allocation of shares in the Share Scheme. Amounts will be paid on the 15th of January, April, July and October for the preceding quarter.

Additional Remuneration Amounts will be paid within one month of the claim being approved.

Mandatory Employer Superannuation Contributions will be paid quarterly by direct credit to a nominated bank account or by cheque to a nominated superannuation fund and is in addition to the Base Remuneration amounts described above.