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**REMUNERATION AND NOMINATION  
COMMITTEE CHARTER**

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Adopted by the Board on 29 August 2017

## REMUNERATION AND NOMINATION COMMITTEE CHARTER

### GATEWAY LIFESTYLE GROUP

#### 1. INTRODUCTION

##### 1.1 Structure of Gateway Lifestyle Group

The Gateway Lifestyle Group (the **Group**) is a stapled group. Shares in Gateway Lifestyle Operations Limited and units in the Trust are stapled and cannot be traded separately.

As a result of stapling, and in accordance with the Constitution of the Trust and of Gateway Lifestyle Operations Limited, the operations of the Gateway Lifestyle Group are coordinated under the management of Gateway Lifestyle Operations Limited.

Gateway Lifestyle Operations Limited (the **Company**) is responsible for the engagement and remuneration of human resources required for the operations of the Gateway Lifestyle Group.

##### 1.2 Purpose of Charter

The Remuneration and Nomination Committee (**Committee**) Charter sets out the roles and responsibilities, composition and operation of the Committee.

##### 1.3 Role of and Responsibilities Committee

The Committee has been established to assist the Board in fulfilling its responsibilities as set out in this Charter and more specifically to ensure that the Company has:

- (a) a remuneration framework including STI and LTI arrangements and participation;
- (b) remuneration policies and practices which are consistent with the Company's strategic goals and framework principles;
- (c) policies and procedures to attract, motivate and retain skilled persons to meet the Company's needs;
- (d) appropriate Board size and composition which is comprised of individuals with diverse yet complementary skills and experience, enabling it to appropriately and effectively oversee all aspects of the Company's operations and enhance performance;
- (e) succession planning for the Board and key management roles in the Company;
- (f) performance management systems in place to regularly review the performance of senior executives and the Board; and
- (g) a gender diversity policy and monitors directly within the Company.

## **2. COMPOSITION**

**2.1** The Committee will consist of:

- (a) at least three members;
- (b) only non-executive directors;
- (c) a majority of independent directors; and
- (d) an independent director as Chair, who is not the Chair of the Board.

## **3. MEETINGS**

**3.1** The Committee shall meet often enough to undertake its role effectively, being at least twice each year and as frequently as required to fulfil its role.

**3.2** A quorum for any meeting will be two members or any greater number as determined by the Board.

**3.3** The Committee may invite such other persons to attend its meetings as it considers appropriate and seek any information which will help it fulfil its responsibilities.

**3.4** The Company Secretary will be appointed secretary of the Committee and will take minutes of all meetings held and keep records of all reports and recommendations made by the Committee.

**3.5** The Committee shall regularly report to the Board and Committee meeting minutes will be provided to the Board.

**3.6** The Committee shall ensure that the Board is made aware of remuneration and nomination matters which may significantly impact upon the Company in a timely manner.

## **4. DUTIES AND RESPONSIBILITIES**

The responsibilities of the Committee include the following:

### **4.1 Remuneration and contracts of employment**

- (a) Reviewing and making recommendations to the Board with respect to the Company's remuneration principles, framework and policy for senior executives and Directors ensuring these promote the attraction and retention of valued employees and the long term growth and success of the Company.
- (b) Reviewing and making recommendations to the Board regarding the remuneration packages of senior executives and executive Directors, including incentive arrangements, ensuring consistency with the Company's remuneration policy.
- (c) The review and recommendation to the Board of the terms of employment contracts for the CEO and other senior executives.
- (d) Reviewing and making recommendations to the Board regarding the remuneration of non- executive Directors.

- (e) Ensuring that fees paid to non-executive Directors are within the aggregate amount approved by securityholders and making recommendations to the Board with respect to the need for increases to this aggregate amount at the Company's annual general meeting.

#### **4.2 Incentive plans, employee benefits and superannuation**

- (a) Reviewing and making recommendations to the Board with respect to Company incentive schemes, including the implementation and operation of equity-based incentive plans, bonus plans and other employee benefit programs.
- (b) The review and recommendation to the Board of any annual payments to be made under executive incentive plans.
- (c) The review from time to time of the Company's superannuation arrangements for its employees.

#### **4.3 Performance**

- (a) The review and recommendation to the Board of performance targets for the CEO and other senior executives.
- (b) Facilitating the review and recommendation to the Board of performance assessments of the CEO.
- (c) The review of performance assessment processes for senior executives.
- (d) Facilitating the evaluation of the performance of the Board and each Director including an assessment of whether each Director has devoted sufficient time to their duties.

#### **4.4 Succession plans**

- (a) Reviewing succession plans for the CEO and executive team on a regular basis to maintain an appropriate balance of skills, experience and expertise in the management of the Company and providing advice to the Board accordingly.
- (b) Reviewing Board succession plans on a regular basis to maintain an appropriate balance of skills, experience and expertise on the Board and providing advice to the Board accordingly.

#### **4.5 Policies**

- (a) Reviewing the Company's recruitment, retention and termination policies.

#### **4.6 Board and Committee nomination**

- (a) The review and recommendation to the Board on the Company's policies and procedures for the selection, appointment, and re-election of directors.
- (b) Advising the Board on directorship and Committee appointments, retirement and removal, with particular reference to the size of the Board, the mix of skills, experience and other qualities of existing directors, the necessary and desirable competencies of Board members and shareholder composition.

- (c) The review and recommendation to the Board of the terms of appointment of Directors.
- (d) Ensuring that an effective orientation and continuing education program for Directors is in place.

#### **4.7 Diversity**

- (a) The review and recommendation to the Board of the Company's Diversity Policy.
- (b) The review and recommendation to the Board of measurable objectives to achieve gender diversity in accordance with the Company's Diversity Policy.
- (c) Monitoring, reviewing and reporting to the Board on the Company's performance in respect of gender diversity in accordance with the Company's Diversity Policy.

#### **4.8 External remuneration and nomination reporting**

- (a) The review and recommendation to the Board of the details to be published in the Company's Annual Report or any other statutory report or document with respect to the activities and responsibilities of the Committee.
- (b) The review and recommendation to the Board of any statement on the Company's remuneration policy, executive compensation and remuneration consultant disclosures that may be required by law or other regulatory requirements (including any such statement to be included in the Company's Annual Report).

### **5. REVIEW**

- 5.1** The Committee will review the Charter annually to provide assurance that it remains consistent with the Committee's authority, objectives and responsibilities.
- 5.2** Amendments to the Charter are to be approved by the Board.
- 5.3** The Committee will make an evaluation of its performance annually to determine whether it is functioning effectively by reference to current best practice.