



NOMINATION AND REMUNERATION POLICY

Spectur Limited
ACN 140 151 579

Date Adopted: 26 April 2017

1. Preamble

- 1.1 The Board of Directors (**Board**) of Spectur Limited (ACN 140 151 579) (**Company**) is responsible for overseeing:
- (a) the remuneration policies and practices of the Company, including those of the Managing Director and executive management, to ensure that they are fair and meet current market conditions;
 - (b) the selection and appointment of directors and senior management; and
 - (c) evaluation of director and senior management performance.
- 1.2 Due to the Company's size and current stage of development, the Board has not established a separate nomination and remuneration committee at this stage. This function (**Remuneration Function**) is performed by the Board.
- 1.3 This Nomination and Remuneration Policy (**Policy**) outlines various matters concerning the Remuneration Function.

2. Role and responsibilities

- 2.1 The Board performs the following in relation to the Remuneration Function:
- (a) establishes appropriate remuneration levels and policies including incentive policies for directors and senior executives;
 - (b) assesses the market to ensure that senior executives are being rewarded commensurate with their responsibilities;
 - (c) obtains the best possible advice in establishing salary levels;
 - (d) sets policies for senior executives' remuneration;
 - (e) reviews and determines, on the basis of independent external advice, the remuneration of the Managing Director and any change to the same;
 - (f) reviews and approves at its discretion the Managing Director's recommendations on the remuneration of executive management and any change to the same;
 - (g) reviews the salary levels of senior executives and approves any proposed increases;

- (h) reviews and approves at its discretion recommendations from the Managing Director relating to proposed merit increases in remuneration and promotion;
- (i) reviews and approves at its discretion the terms and conditions of employment for the Managing Director;
- (j) reviews the Managing Director's performance, at least annually, including setting the Managing Director's goals for the coming year and reviewing progress in achieving those goals;
- (k) reviews and approves short term and medium term incentive based schemes, including any equity based compensation scheme;
- (l) reviews reports on certain aspects of the Company's superannuation plan / arrangements and compliance with the relevant laws and regulations;
- (m) develops and implements a process for the identification and selection of suitable candidates for Board positions and the position(s) of Company Secretary and Chief Financial Officer;
- (n) assesses the expertise required by directors to adequately discharge the Board's duties having regard to the Company's business and financial objectives;
- (o) develops a process for evaluation of the performance of the Board, its committees, the directors and senior management on at least an annual basis and implements such evaluation process;
- (p) implements means of enhancing competency levels of directors and provides directors with access to ongoing education relevant to their respective positions with the Company; and
- (q) reviews the succession plans of the Board and considers whether succession plans are in place to maintain an appropriate balance of skills, experience and expertise on the Board.

2.2 The chairperson of the Board (**Chairperson**) shall be responsible for reporting to the Board in relation to matters the subject of the Remuneration Function.

2.3 The Chairperson shall submit an annual report to the Board summarising the activities undertaken during the year in relation to the Remuneration Function and the related significant results and findings. The report shall address all matters relevant to the Board's role and responsibilities in relation to the Remuneration Function.

2.4 The Board recognises that information concerning any payments (for example, termination payments) which may be payable by the Company to an executive under a contract, should be disclosed to the market both at the time they are agreed and at the time the payment is settled.

3. Meetings

3.1 The Chairperson will call a meeting of the Board to consider matters the subject of the Remuneration Function if so requested by a director.

3.2 The Board must meet and consider matters the subject of the Remuneration Function at least twice per year.

- 3.3 The Board may invite the head of human resources of the Company to attend a Board meeting related to the Remuneration Function.

4. Non-executive directors

Non-executive directors should inform the Chairperson before accepting any new appointments as directors or equivalent in relation to other companies or entities.

5. Professional advice and assistance

- 5.1 In performing the Remuneration Function, the Board shall have access to adequate internal and external resources, including reasonable access to advice from external consultants or specialists.

- 5.2 The Board and the remuneration consultant must make separate declarations that any remuneration recommendation is free from undue influence by the key management personnel to which the recommendation relates.

- 5.3 Where a remuneration consultant makes a recommendation in relation to any of the key management personnel, the Company's remuneration report in the annual financial statement must disclose:

- (a) the name of the consultant;
- (b) a statement that the consultant made such a recommendation;
- (c) if the consultant provided any other kind of advice to the Company for the financial year – a statement that the consultant provided that other kind or those other kinds of advice;
- (d) the amount and nature of the consideration payable for the remuneration recommendation;
- (e) the amount and nature of the consideration payable for any other kind of advice referred to in paragraph 5.3(c);
- (f) information about the arrangements the Company made to ensure that the making of the remuneration recommendation would be free from undue influence by the member or members of the key management personnel to whom the recommendation relates;
- (g) a statement about whether the Board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates; and
- (h) if the Board is satisfied that the remuneration recommendation was made free from undue influence by the member or members of the key management personnel to whom the recommendation relates – the Board's reasons for being satisfied of this.

6. Further information

- 6.1 The Company will publish the Policy on the Company's website: www.spectur.com.au.

- 6.2 If you have any questions or need further information in relation to this Policy, please contact the Company Secretary.

