

Melbourne IT Ltd

Human Resources Remuneration and Nomination Committee Charter

Introduction

- 1) The Board of Directors of Melbourne IT Limited (“**the Board**”) shall establish a Human Resources Remuneration and Nomination Committee (**HRRNC**). The Human Resources Remuneration and Nomination Committee shall be guided by the following Charter in conjunction with the Constitution of the Company, so far as it is relevant.

Authority

- 2) This Charter sets out the specific responsibilities delegated by the Board to the HRRNC and provides support for the manner in which the HRRNC will operate.

Objectives

- 3) The primary objective of the HRRNC is to assist the Board with the discharge of its responsibilities, in particular with regard to the following areas:
 - reviewing Board composition, evaluating Board performance and developing Board succession planning, including identifying, evaluating and recommending candidates for appointment as director;
 - recommending to the Board the compensation and key performance indicators (KPIS) for the CEO and assisting in the CEO’s annual performance review; and
 - ensuring that proper and appropriate human resource management, remuneration, diversity and policies are developed and followed by the Company.

Composition of the HRRNC

- 4) The Board shall determine the total number of members of the HRRNC. Members shall be proposed by the Chairman of the Board and approved by the Board.
- 5) Members of the HRRNC shall be appointed for an initial term of three years, after which time, subject to their continuing appointment as a director of Melbourne IT Limited, shall be eligible for reappointment.
- 6) The HRRNC shall consist of at least three non-executive directors. The majority of the Committee shall be independent directors.
- 7) The CEO will attend each meeting by invitation.

Chairman

- 8) The Chairman of the HRRNC shall be an independent non-executive director and shall be appointed by the Board. The Chairman of the Board shall not be the Chairman of the HRRNC.
- 9) The Chief People Officer and/or the Secretary to the Board shall act as the Secretary to the HRRNC to provide all administrative support as may be required.

Responsibilities

10) The duties and responsibilities of the HRRNC include:

(a) as a **Nomination Committee**:

- assisting in the conduct of the review of the performance, size and composition of the Board; and
- identifying, evaluating and recommending suitable individuals for appointment as director and subsequent election by shareholders.

In evaluating a candidate for appointment to the Board, the Committee considers criteria which include the particular skill sets identified by the Board as being required at the time. Criteria include:

- skills, experience and professional qualifications in line with the skill sets required;
- experience and professional qualifications;
- ability to exercise sound business judgement;
- leadership ability and/or prominence in a specified field integrity and moral reputation;
- potential conflicts of interest and legal impediments to serving as a director, and
- willingness and availability to commit the time required to serve as an effective director.

(b) as a **Remuneration Committee**:

- reviewing and recommending to the Board the compensation program and key performance targets for the CEO;
- assisting with the annual performance review of the CEO;
- reviewing and approving the compensation programs and performance targets for senior executives reporting directly to the CEO;
- reviewing and approving of the remuneration disclosures to be included in the Company's annual report;
- monitoring the company's superannuation arrangements;
- succession planning for the CEO and key executives; and
- reviewing and recommending to the Board appropriate compensation policies for the non-executive directors.

(c) in relation to **Human Resources** management:

- ensuring that the Company has appropriate strategies to achieve a "culture of excellence", by way of plans for people management, career development of staff and general human resources policies;
- ensuring that an adequate framework to monitor compliance with employment laws and regulations is in place (in particular areas relating to Work Health & Safety, Bullying, Harassment and Discrimination and all workplace legislation); and
- directing special projects or investigations as required by the Board.

Meetings

11) The number of meetings is to be determined by the HRRNC Chairman so as to allow the Committee to fulfill its obligations, but shall not be less than two each year.

12) The quorum for a meeting shall be a minimum of two directors.

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- 13) The Chairman is required to call a meeting of the HRRNC if requested to do so by any Board or HRRNC member or the CEO.
- 14) The Secretary shall maintain minutes of all meetings of the HRRNC. The minutes shall be signed by the Chairman once they have been approved by the Committee.

Attendance

- 15) Representatives of the Company's management may attend all or part of each meeting at the invitation of the Committee.

Non-Consensus

- 16) Where the HRRNC is unable to reach consensus on a matter, the Chairman of the HRRNC shall report this to the Board. The Board shall determine whether the matter can be resolved by it or by independent advice.

Access to Information and Independent Advice

- 17) The HRRNC shall have right of access to the CEO and the Chief People Officer and, through them, to all staff.
- 18) In certain circumstances a director may consider it necessary to seek professional advice in carrying out his/her duties. Should this arise, the director would discuss the matter with the Chairman of the Board and any advice considered necessary would be obtained at the expense of the Company.

Reporting and Appraisal

- 19) The Chairman of the HRRNC shall report to the Board, subsequent to each Committee meeting, on:
 - minutes and formal resolutions, and
 - other key activities and major issues of which the Board should be informed.
- 20) The Chairman of the HRRNC shall report to the Board on the Committee's performance on an annual basis. The performance of the HRRNC shall be measured against this Charter and other relevant criteria as approved by the Board.
- 21) The Chairman of the HRRNC shall be responsible for the review and approval of appropriate disclosures to be included in the Company's annual report regarding the Committee's activities and performance.

Charter Review

- 22) The HRRNC Charter shall be reviewed annually by the Committee and revised as required.