



**REMUNERATION AND NOMINATION COMMITTEE  
CHARTER**

## 1 Purpose

- 1.1 The Remuneration Committee ('Committee') is a committee of the CUE Energy Resources Limited Board ('CUE Board').
- 1.2 This Charter sets out the role and responsibilities, composition and structure of the Committee.
- 1.3 The CUE Board has delegated certain responsibilities to the Committee which will require formal reporting back to the CUE Board. The ultimate responsibility of remuneration policy matters rests with the CUE Board.
- 1.4 The operation of the Committee is also governed, where applicable, by the constitution of the Company.

## 2 ROLE & RESPONSIBILITIES

- 2.1 The Committee has the delegated responsibility from the CUE Board to conduct detailed examination of certain matters which may require the CUE Board's approval.
- 2.2 The Committee is responsible for reviewing the following remuneration matters:
  - a) remuneration and incentive framework for the CEO;
  - b) remuneration and incentive framework for senior executives and all staff; and
  - c) remuneration of CUE directors.
  - d) ensure remuneration policies are designed to attract and retain senior managers and directors with the expertise to enhance the performance and growth of the Company.
  - e) ensure that the level and composition of remuneration packages are fair, reasonable and adequate and, in the case of executive directors and senior managers, display a clear relationship between the performance of the individual and the performance of the Company.
- 2.3 The Committee will review the following matters and in doing so, shall consider whether any significant matters should be brought to the attention of the CUE Board:
  - a) CUE's remuneration structure including Long Term Incentives (LTI) and Short Term Incentives (STI) arrangements and participation, and superannuation arrangements;
  - b) senior executive succession and key staff succession plans;
  - c) recruitment, retention and termination strategies including staff induction programs, staff resourcing trends and metrics;
  - d) remuneration by gender to ensure that, consistent with CUE's policy, differences in remuneration are not based on differences in gender;
  - e) the Remuneration Report; and
  - f) other relevant matters identified from time to time, or requested by the CUE Board.

### **3 COMPOSITION & STRUCTURE**

- 3.1 The Committee members are appointed, removed and/or replaced by the CUE Board. Appointments are for twelve month terms or as otherwise determined by the CUE Board.
- 3.2 The Committee will consist of:
- a) only non-executive directors;
  - b) at least two members;
  - c) a majority of independent directors; and
  - d) an independent director who is not Chairman of the CUE Board as Committee Chair
  - e) the Company Secretary will be the secretary of the Committee (**Secretary**) unless determined otherwise by the Board.
- 3.3 A quorum shall be at least two members or any greater number determined by the CUE Board.
- 3.4 The duties and responsibilities of a member of the Committee shall be in addition to those duties set out for a director of the CUE Board.

### **4 FREQUENCY OF MEETINGS**

- 4.1 The Committee shall meet at least two times per annum and more frequently as required and such meetings may be conducted by electronic means.
- 4.2 The Secretary will be responsible, in conjunction with the Chair, for drawing up the Agenda (supported by any necessary explanatory documentation) and circulating it to Committee members prior to each meeting. The Secretary must notify members of the Committee of the date, time and location of Committee meetings as far in advance as possible, but not less than 48 hours before the meeting.

### **5 ATTENDANCE AT MEETINGS**

- 5.1 CUE non-executive directors who are not Committee Members may attend Committee meetings.
- 5.2 CUE senior management may be invited to attend meetings of the Committee (subject to the invitee not having a material personal interest in the matter being considered).
- 5.3 The Chief Executive Officer may attend Committee meetings. (The Chief Executive Officer is not to be present when the Committee discusses issues relating to the Chief Executive Officer)

## **6 ACCESS AND ADVISERS**

- 6.1 The Committee shall have direct access to CUE senior management.
- 6.2 The Committee Chair shall have the authority to directly seek independent, professional or other advisers as required for the Committee to carry out its responsibilities subject to CUE Board approval and budgetary considerations.
- 6.3 If the Committee engages expert advisers on matters pertaining to the remuneration of CUE directors and key management personnel, those advisers are to provide advice directly to the Committee, independent of management.
- 6.4 If the Committee enters into an arrangement or commissions advisers on matters relating to remuneration these arrangements will be disclosed in the Corporate Governance section of the CUE annual report to shareholders.

## **7 REPORTING**

- 7.1 The Committee reports to the CUE Board and Committee meeting minutes will be provided to the CUE Board for noting.
- 7.2 The Committee will ensure that the CUE Board is provided with sufficient information to ensure informed decision making.

## **8 REVIEW**

- 8.1 The Committee will review its Charter annually to keep it up to date and consistent with the Committee's authority, objectives and responsibilities.
- 8.2 Amendments to the Charter are to be approved by the CUE Board.

## **9 PUBLICATION**

- 9.1 A copy of this Charter is to be made available at the CUE website.