



# Remuneration Committee Charter

Approved by the Board of Directors: 27 July 2010

## 1 Purpose

The function of the Remuneration Committee is to ensure the provision of a robust remuneration and reward system that provides for alignment of employee and investor interests and facilitates effective attraction, retention and development of talented employees.

## 2 Membership

The membership of the Committee is determined by the Board as set out below.

- The Committee is comprised of non-executive directors, with at least 3 members, and a majority of whom are independent directors. Independence is determined according to the Independence of Directors Policy.
- The Committee Chairman is nominated by the Board and is an independent director.

## 3 Authority

- The Committee is a committee of the Board and will have no authority independent of the functions delegated to it by the Board.
- The Committee is authorised by the Board to investigate any activity it deems appropriate consistent with its responsibilities and duties.
- To the extent the Committee deems necessary, it may, at APA Group's expense, retain:
  - external remuneration consultants to provide relevant market data on remuneration for non-executive directors, the Chief Executive Officer and the executive team, and
  - legal, accounting or other advisors.
- The Committee is authorised to seek any relevant information it requires from employees of APA Group in order to perform its duties.

## 4 Responsibilities

The Remuneration Committee is responsible for:

- Recommending directors' fee adjustments, including committee fees, for the APA Group.

- Recommending to the Board the short and long term performance objectives for the Chief Executive Officer.
- Recommending the appointment, retention and termination policy and procedures for the Chief Executive Officer.
- Reviewing and approving the Chief Executive Officer's recommendations for remuneration for the executive team and report the outcomes to the Board.
- Reviewing the Chief Executive Officer's recommendations on succession plans for key senior positions and report the outcomes to the Board.
- Recommending to the Board APA Group's remuneration strategy and policy for all employees whose remuneration is not determined by industrial arrangements.
- Reviewing and assessing the effectiveness of APA Group's remuneration strategy and policy.
- Reviewing any reports required by law or listing rules including the annual Remuneration Report and recommending the approval of the annual Remuneration Report to the Board.

## **5 Meetings**

- The Committee will meet at least twice a year, and more frequently if required by its Chairman.
- The Secretary of the Committee will be the GM Human Resources or a designated representative.
- The GM Human Resources will be responsible for scheduling meetings, co-ordinating the preparation of the agenda, minutes and other supporting documents for the meeting.
- The agenda and supporting documentation will be circulated to the Committee members within a reasonable period in advance of each meeting. The Secretary of the Committee will circulate minutes of meetings to Members of the Committee.
- A quorum will consist of not less than two members.
- A duly convened meeting of the Committee at which a quorum is present shall exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

## **6 Reporting**

- The Committee will regularly update the Board about Committee activities and make appropriate recommendations.
- The Committee will prepare any reports required by law or listing rules or requested by the Board, including relevant remuneration sections of the annual report and other shareholder documents.

## **7 Review**

- This Charter should be reviewed and updated by the Committee annually and changes required should be recommended to the Board for approval.
- The Committee should annually review its own performance.