

TNG LIMITED

TNG LIMITED POLICY

Document Title	Remuneration Committee Charter
Policy Number	19
Date of Issue	15 August 2016

19.1 SCOPE

The remuneration committee (Committee) is a committee of the board (Board) of TNG Limited (Company). The charter sets out the Committee's function, composition, mode of operation, authority and responsibilities.

19.2 ROLE OF THE COMMITTEE

The role of the Committee is to review and make recommendations to the Board in respect of the following matters:

- (a) Overall philosophy and approach for the Company's human resources;
- (b) executive remuneration policy;
- (c) the remuneration terms (including performance measures and targets) and retention of:
 - i) the Managing Director (**MD**);
 - ii) any other executive director;
 - iii) the Chief Financial Officer (**CFO**); and
- (d) executive incentive/bonus and equity-based incentive plans;
- (e) remuneration of non-executive directors;
- (f) any superannuation arrangements or retirement benefits;
- (g) the disclosure of remuneration in the Company's annual report;
- (h) the processes and criteria for evaluating the performance of the MD and reviewing the MD's assessment of all senior executives reporting directly to MD; and
- (i) the processes and criteria for the evaluation of the Board as a whole, committees of the Board and individual directors.

19.3 APPROVALS

The Committee will review proposals for, and make recommendations to the Board in relation to:

- (a) the remuneration, contract terms (and associated payments) of:
 - i) the MD;

- ii) any other executive director; and
- iii) the CFO

including a review of the remuneration of each of the MD, other executive directors and CFO on an annual basis or in accordance with the executive's contract of employment;

- (b) the design or amendment of any equity plan or executive cash-based incentive/bonus plan;
- (c) the total level of award proposed from equity plans or executive cash-based incentive/bonus plans; and
- (d) overall human resources philosophy for the Company, including the proposed number and reporting structure for employees and consultants and the reasonableness of the remuneration policy for the Company as a whole.

19.4 AUTHORITY OF THE COMMITTEE

Subject to approval by the Board the Committee shall have authority:

- (a) to conduct any investigation appropriate to fulfilling its responsibilities. It shall have the ability to retain, at the Company's expense, such compensation consultants, legal assistance or other consultants/advisers it deems necessary in the performance of its duties.
- (b) to propose the compensation for any advice obtained in (a), any such costs to be of any such consultation.
- (c) to call on any employee of the Company to the extent that the Committee considers necessary and appropriate to carry out the Committee's role and responsibilities.

Subject to approval by the Board the Committee is entitled to engage external advisers and to seek professional advice from appropriate external advisers as and when it considers it appropriate and may meet with these external advisers without management being present.

19.5 MEMBERSHIP AND COMPOSITION OF THE COMMITTEE

- (a) The Committee shall be comprised of at least three members appointed by the Board, each of whom shall be independent. However, the Committee can operate on a temporary basis with only two members if required. The Board will appoint one of these members as the chairman of the Committee.
- (b) If the chairman of the Committee is not designated or present at a meeting, the members of the Committee may designate a chairman for the meeting by majority vote of the Committee membership.
- (c) Consideration will be given to rotating the Committee members periodically depending on the size of the Board.
- (d) Any member of the Committee may resign or be removed or replaced at any time by the Board.

19.6 MEETINGS OF THE COMMITTEE

- (a) The Committee will meet as frequently as is necessary but not less than twice annually and shall otherwise meet at such times as the chairman of the Committee shall designate.
- (b) The Committee may invite any executive management team member, any other Board member or any other individual to attend a meeting of the Committee, as it considers appropriate. However, if invited person has a material personal interest in a matter that is being considered at a meeting, he/she must not be present for consideration of that matter.
- (c) The Committee chairman will report to the Board (at the next Board meeting) following each meeting on the activities, findings and recommendations of the Committee.
- (d) Minutes of meetings of Committee will be distributed to all Committee members and the chairman of the Board. Committee meeting materials will be made available to any director upon request, provided that no conflict of interest exists.
- (e) No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A quorum at any meeting of the Committee will be two members. Each member will have one vote and the chairman of the Committee will not have a second or casting vote.
- (f) All determinations of the Committee will be made by a majority of its members represented at a meeting.
- (g) Members of the Committee may participate in a meeting of the Committee by conference telephone or similar communications equipment by means of which all people participating in the meeting can hear each other and participation in such a meeting will constitute presence in person at such a meeting.

Except as expressly provided in this Charter or the Constitution of the Company, the Committee may fix its own rules of procedure, otherwise the procedures shall be the same as those applicable to the meetings of the

19.7 PERFORMANCE EVALUATION PROCESS

The Committee will make recommendations to the Board, from time to time, in respect of the performance evaluation process for evaluating each of the Board, the Board committees and individual directors

The Committee will make recommendations to the Board regarding the criteria to be used in conducting performance assessments.

The Committee will make a recommendation to the Board, prior to each performance review, as to whether the results of such review should be processed by an independent expert or by the Committee.

If required by the Board, the Committee will conduct the performance evaluation of each member of the Board as a whole, the Board committees (other than the Committee) and individual directors.

19.8 General

The Committee will also consider such other matters relating to: management's performance; Board performance; compensation and oversight issues as the Committee deems appropriate.

19.9 Review of Charter

This Charter and the composition of the committee will be reviewed every 24 months. Any changes to the charter will require the approval of the Board.

19.10 No Rights created

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Constitution it is not intended to establish any legally binding obligations.