



# NOMINATION AND REMUNERATION COMMITTEE CHARTER



Pengana Capital Group Limited  
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APPROVED BY  
THE BOARD:  
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# NOMINATION AND REMUNERATION COMMITTEE CHARTER

## 1. PURPOSE

Pengana Capital Group Limited (**PCG or Pengana**) is an ASX-listed investment management company.

The purpose of the Nomination and Remuneration Committee (**NRC**) is to assist and advise the Board in the effective discharge of its responsibilities in relation to:

- the nomination of high calibre people for board positions with the appropriate experience and skill to provide diligent oversight and effective corporate governance of entities in the Pengana group; and
- align Pengana's remuneration approach with shareholder interests to ensure the organisation can attract, retain and motivate its staff to enhance the performance of the Pengana in a manner that supports Company's long term objectives.

The purpose of this Charter is to:

- clarify the roles and responsibilities of the Committee; and
- provide an overview of the structures and processes supporting the Committee.

## 2. COMPOSITION AND MEETINGS

The Committee is a committee of the Board of PCG and is structured so that it:

- consists of at least three Directors, the majority being independent Directors, and
- is chaired by an independent Director who is not the Chair of the Board.

Appointments and revocations of appointments to the Committee will be determined by the Board.

The Committee will report to the Board through its Chair.

In the absence of the Committee Chair, Committee members will elect an independent Director to act as Chair for that meeting.

Each member of the Committee will have one vote and questions will be decided by a majority of votes. In the case of an equality of votes, the Chair of the Committee will have a second or casting vote, provided more than two of the members present are entitled to vote.

Members of the Committee should be suitably qualified. At least one member of the Committee should have relevant accounting or financial experience.

Subject to the following paragraph below, unless otherwise determined by the Board of PCG, a quorum for a Committee meeting will be a majority of Committee members.

To the extent not inconsistent with this Charter, meetings of the Committee will be conducted in accordance with those provisions of the Constitution of PCG which relate to the proceedings of meetings of directors.

### 3. ROLE OF THE COMMITTEE

The responsibilities and duties of the Committee in meeting its purpose as set out in section 1 are as follows:

#### General

- Meet as frequently as required but at least once each financial year; and
- Minute the decisions of such meetings of the Committee and make such minute available to directors of the Company on request.

#### Governance

- Annually, review the corporate governance section of the Annual Report relating to the Committee and its responsibilities.

#### Remuneration

- recommending to the Pengana Board for approval the Pengana Group's short term and long term incentive plans, ensuring that the plans:
  - motivate senior executives to pursue the long-term growth and success of the company;
  - demonstrate a clear relationship between senior executives' performance and remuneration;
- recommending to the Pengana Board for approval the aggregate amount available each period for short term incentive payments;
- recommending to the Pengana Board for approval changes to the total remuneration package and short term incentive payments for direct reports of the Chief Executive Officer;
- reviewing changes to the total remuneration package and short term incentive payments for all other staff;
- recommending to the Board for approval the total remuneration package, performance objectives, succession planning strategy and approach; and incentive measures and performance appraisal for the Chief Executive Officer;
- recommending to the Pengana Board remuneration policies for Non-Executive Directors;

#### Nomination

- at least once per year assessing the skills, experience and expertise required for the Board and the board of each entity within the Pengana Group to competently and diligently discharge its responsibilities and meet its objectives and consider whether the skills, experience and expertise of the existing Directors are sufficient for those boards to competently discharge their responsibilities and meet their objectives;
- reviewing board composition including size, diversity, expertise and competencies to ensure that it is appropriate for the circumstances of the Company and each entity within the Pengana Group and incorporate a variety of perspectives and skills;
- identifying any competencies not adequately represented by existing Directors and agree the process necessary to use all efforts to be assured that a candidate with those competencies is selected;
- developing and implementing a performance evaluation process in respect of the Company and each entity within the Pengana Group including a plan to identify, assess and enhance Director diversity, expertise and competencies;

- upon the retirement or resignation of a non-executive Director or upon it being determined that the skills of the non-executive Directors should be enhanced, consider the best means by which the skills of the non-executive Directors may be enhanced, in order to maintain an appropriate balance of skills, experience and expertise on the Board and in respect of each entity within the Pengana Group;
- reviewing the time commitment required from Directors and consider whether each Director is meeting this requirement;
- reviewing Director independence;
- considering nominee for appointment as Director and Director re-elections and recommending to the relevant board candidates for the appointment, re-election and removal of Directors;
- reviewing the duration of incumbent Directors tenure and ensuring there is an appropriate succession plan for the Board;
- prior to election, ensuring that the names of all candidates submitted for election as Directors be accompanied by the following information:
  - biographical details, including competencies and qualifications and information sufficient to enable an assessment of the independence of the candidate;
  - details of any relationships between the candidate and the Company (and each entity in the Pengana Group) and the candidate and the Directors;
  - any directorships held and particulars of any other positions which involve significant time commitments; and
  - any other particulars required by law; and
- ensuring the above responsibilities and duties are applied to each entity within the Pengana Group.

#### **4. SECRETARY AND AGENDA**

The Secretary of the Committee will be the Company Secretary or his/her designated representative.

The agenda of the Committee will be prepared by the Secretary in consultation with the Chief Executive Officer and the Chair of the Committee.

#### **5. POWERS AND ACCESS TO INFORMATION**

The Committee is authorised to perform activities within the scope of its responsibilities and duties set out in this Charter and make appropriate recommendations to the Board.

Directors which are not members of the Committee may attend any Committee meeting. Other non-committee members may attend meetings of the Committee with the unanimous consent of the Committee.

The Committee is authorised to engage external resources including consultants and specialists that it considers necessary to execute its functions.

Committee members are able to access any information they consider necessary to fulfil their responsibilities and to exercise independent judgement when making decisions. Members also have access to Pengana executives, staff and Pengana's auditors in order to seek explanations and information.

## 6. REVIEW

The Committee and the Board will review the performance of the Committee on a regular basis, including the performance of individual Committee members.

The Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.

The Committee will review this Charter every two years or as required, and make recommendations to the Board in relation to any proposed change to this Charter.

## 7. DEFINITIONS

In this Charter, unless the context otherwise indicates:

<b>TERM</b>	<b>DEFINITION</b>
<b>Board</b>	means the full board of directors of the Company.
<b>Committee</b>	means the Pengana Capital Group Limited Nomination and Remuneration Committee.
<b>Company</b>	means Pengana Capital Group Limited.
<b>Constitution</b>	means the constitution of the Company, as amended from time to time.
<b>Director</b>	means a member of the Board.
<b>Pengana Group</b>	means the Company and each of its related bodies corporate.
<b>Independent Director</b>	means a Director who has been determined by the Board to be independent in accordance with the requirements and recommendations of the Listing Rules.
<b>Laws</b>	means all applicable laws in place in the relevant jurisdiction including but not limited to regulatory guides and the Listing Rules.
<b>Listing Rules</b>	means the listing rules of the market operated by the ASX Limited.