

REMUNERATION & NOMINATION COMMITTEE

CHARTER

1 INTRODUCTION

- 1.1 This Charter sets out the role of the Remuneration & Nomination Committee and confers on it all necessary powers to perform that role.
- 1.2 This Charter sets out the Group's remuneration and nomination strategies.
- 1.3 The Board recognises that remuneration is a key focus for investors. When setting the level and composition of remuneration, the Group will endeavour to balance:
- (a) its desire to attract and retain high quality directors and to attract, retain and motivate senior executives;
 - (b) the need to ensure that the incentives for Executive Directors and other Senior Executives encourage them to pursue the growth and success of the Group (both in the short term and over the longer term) without taking undue risks;
 - (c) the need to ensure that the incentives for non-executive Directors do not conflict with their obligation to bring an independent judgment to matters before the Board; and
 - (d) its commercial interests in not paying excessive remuneration.

2 THE ROLE OF THE COMMITTEE

- 2.1 The role of the Committee is to review and make recommendations to the Board in relation to:
- (a) the composition of the Board and ensure that the Board has an appropriate mix of skills and experience to properly fulfil its responsibilities;
 - (b) the Group's remuneration framework for Directors, including the process by which any pool of Directors' fees approved by Shareholders is allocated to Directors;
 - (c) the remuneration packages to be awarded to Senior Executives;
 - (d) equity-based remuneration plans for Senior Executives and other Employees; and
 - (e) whether there is any gender or other inappropriate bias in remuneration for Directors, Senior Executives or other Employees.

- 2.2 The Committee will perform other duties and activities that it or the Board considers appropriate.
- 2.3 The Committee has the right to obtain information, interview management, and seek advice from external consultants or specialists where the Committee considers that necessary or appropriate.
- 2.4 The Board has determined to undertake the functions of the Committee until such time as the Board considers it is necessary to appoint a separate committee to perform this role.

3 COMPOSITION

- 3.1 The Committee is a committee of the Board.
- 3.2 The Committee should be of sufficient size and independence to discharge its mandate effectively.
- 3.3 The Committee should comprise at least three Directors the majority being independent non-executive Directors.
- 3.4 The Committee will be chaired by an independent Director who will be appointed by the Board.
- 3.5 The Board may appoint such additional non-executive Directors to the Committee or remove and replace members of the Committee by resolution.
- 3.6 If the Committee includes an executive Director, he or she should not be involved in deciding their own remuneration and should also be aware of the potential conflict of interest in being involved in setting the remuneration for other executives that may indirectly affect their own (for example, through setting a benchmark or because of relativities).
- 3.7 A quorum will comprise any two members of the Committee. In the absence of the Committee Chair or appointed delegate, the members will elect one of their number as Chair for that meeting.
- 3.8 In the event the Board decides it is able to deal efficiently and effectively with remuneration issues without establishing a separate committee, the Group will disclose in its annual report or on its website the fact that it does not have a remuneration committee and explain the processes it employs for setting the level and composition of remuneration for Directors and Senior Executives and ensuring that such remuneration is appropriate and not excessive.

4 SECRETARY

- 4.1 The Company Secretary or their nominee will be the Secretary of the Committee and will attend meetings of the Committee as required.
- 4.2 The Secretary will distribute supporting papers for each meeting of the Committee as far in advance as possible.
- 4.3 The Secretary will be responsible for keeping the minutes of meeting of the Committee.
- 4.4 The minutes of each Committee meeting must be approved by the Chair and distributed to all Committee members.

5 MEETINGS

- 5.1 The Committee will meet at least annually and more often as required.
- 5.2 Meetings will be called by the Secretary as directed by the Board or at the request of the Committee Chair.
- 5.3 A quorum will comprise any two members of the Committee. In the absence of the Committee Chair or appointed delegate, the members will elect one of their members as Chair.
- 5.4 Where deemed appropriate by the Committee Chair, meetings and subsequent approval may be held or concluded by way of a circular written resolution or a conference call.
- 5.5 Decisions will be based on a majority of votes with the Committee Chair having the casting vote.
- 5.6 The Committee may invite any executive management team members or other individuals, including external third parties, to attend meetings of the Committee, as they consider appropriate.

6 REPORTING TO THE BOARD

- 6.1 The Committee will liaise with the Board in relation to the Group's remuneration related reporting obligations under the Corporations Act.
- 6.2 The minutes of each Committee meeting are to be tabled at the next Board meeting.

- 6.3 At the end of each reporting period, the Committee must disclose to the Board the number of times that it met during the period and the individual attendances of its members at those meetings.

7 POLICY AND PRACTICES

- 7.1 The Group recognises the importance of remunerating fairly and responsibly, such that director remuneration is sufficient to attract and retain high quality directors and its executive remuneration is able to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.
- 7.2 The Board recognises the need for a formal and transparent process for developing its remuneration policy and for fixing remuneration packages of directors and senior executives.
- 7.3 In accordance with ASX Listing Rule 3.16.4, the Group will disclose the material terms of any employment, service or consultancy agreement it or its child entity enters into with its chief executive officer (or equivalent), any of its Directors, and any other person or entity who is a related party of its chief executive officer or any of its directors. It will also disclose any material variation to such an agreement.
- 7.4 No individual Director or Senior Executive should be involved in deciding his or her own remuneration.

The Groups policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other Senior Executives are designed to reflect the different roles and responsibilities of non-executive Directors compared with executive Directors and other Senior Executives.

- 7.5 The Committee will be instructed by the following guidelines:
- (a) Composition
 - (i) Remuneration packages for executive Directors and other Senior Executives should include an appropriate balance of fixed remuneration and performance-based remuneration.
 - (ii) Non-executive Directors should be remunerated by way of cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity).
 - (b) Fixed Remuneration
 - (i) Fixed remuneration for executive Directors should be reasonable and fair, taking into account the Group's obligations at law and labour market conditions, and should be relative to the scale of the Group's

business. It should reflect core performance requirements and expectations.

- (ii) Levels of fixed remuneration for non-executive Directors should reflect the time commitment and responsibilities of the role.
- (c) Performance-based remuneration
- (i) Performance-based remuneration for executive Directors should be linked to clearly specified performance targets. These targets should be aligned to the Group's short and long-term performance objectives and should be appropriate to its circumstances, goals and risk appetite. Where performance-based remuneration is considered appropriate and provided for executive Directors, the performance targets adopted shall be linked to areas of improved performance such as increased client base, increased base income from clients, increased profitability from other measures that may be adopted by the Group and/or the performance of new or alternative business lines that may be adopted by the Group. Implementation of strategic decisions may also be considered for performance-based remuneration criteria where the outcome of the strategy is measurable, whether financially or otherwise, and is expected to benefit the shareholders. Performance-based remuneration is measured against criteria that is aligned with to the growth of the Group, and is therefore aligned with the overarching view that it is consistent with generating or creating value for shareholders.
 - (ii) Non-executive Directors should not receive performance-based remuneration as it may lead to bias in their decision-making and compromise their objectivity.
- (d) Equity-based remuneration
- (i) Well-designed equity-based remuneration for executive Directors, including options or performance rights, can be an effective form of remuneration, especially when linked to hurdles that are aligned to the Group's longer-term performance objectives. Care needs to be taken in the design of equity-based remuneration schemes, however, to ensure that they do not lead to "short-termism" on the part of Senior Executives or the taking of undue risks.
 - (ii) It is generally acceptable for non-executive Directors to receive securities as part of their remuneration to align their interests with the interests of other security holders. However, non-executive Directors generally should not receive options with performance hurdles attached or performance rights as part of their remuneration as it may lead to bias in their decision-making and compromise their objectivity.

For any Group equity based remuneration scheme, participants are not permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. Permitting participants in an equity-based scheme to hedge or otherwise limit the economic risk of participating in the scheme may act counter to the aims of the scheme and blur the relationship between remuneration and performance.

The Corporations Act prohibits Key Management Personnel or a Closely Related Party of such personnel from entering into an arrangement that would have the effect of limiting their exposure to risk relating to an element of their remuneration that either has not vested or has vested but remains subject to a holding lock.

(e) Termination payments

- (i) Termination payments, if any, for Senior Executives should be agreed in advance and the agreement should clearly address what will happen in the case of early termination. There should be no payment for removal for misconduct.
- (ii) Non-executive Directors should not be provided with retirement benefits other than superannuation.

In determining termination payments, regard will be had to section 200B of the Corporations Act and the ASX Listing Rules 10.18 and 10.19.

(f) Clawback provisions

- (i) In the event of fraud, dishonesty or breach of obligations (including without limitation, a material misstatement in the Group's financial statements) or any other action or omission (whether intentional or inadvertent) of any person, the Committee will refer such matter to the Board for a determination to ensure that no unfair benefit is obtained by any participant.
- (ii) In the case of performance based remuneration, which may otherwise have vested, but which has not vested as a result directly or indirectly of any circumstance referred to in paragraph (f)(i) above, the Board may reconsider the level of satisfaction of the applicable conditions and reinstate and vest any award that may have lapsed to the extent the Board determines it appropriate to do so in the circumstances.
- (iii) In relation to the circumstances set out in paragraphs (f)(i) and (f)(ii) above, the Board may in its discretion, and subject to applicable laws determine any treatment in relation to performance based remuneration, including without limitation:

- (A) resetting the conditions and/or varying the vesting period; and/or
- (B) deeming all or any part of the performance based remuneration which has not vested to have lapsed or been forfeited; and/or
- (C) deem all or any performance based remuneration, (including any securities issued following vesting) to have lapsed or be forfeited; and/or
- (D) require the repayment of all or part of any payment made upon the vesting of a cash; and/or
- (E) where securities have been allocated under a plan and subsequently sold, require that the repayment of the proceeds of such sale to the Company.

7.6 Detailed disclosure of the Group’s remuneration policies for Key Management Personnel will be made in the Group’s remuneration report. Such report is subject to an advisory vote by Shareholders and a “two-strikes” rule.

8 NOMINATION

8.1 Responsibilities

The Committee will review and consider the structure and balance of the Board to ensure that the Board has the appropriate mix of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

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

- (a) the appropriate size and composition of the Board;
- (b) new board candidates after considering the necessary and desired competencies to ensure an appropriate mix of skills, knowledge, experience, independence and diversity, following an assessment of how the candidates can contribute to the strategic direction of the Company;
- (c) induction procedures for new appointees of the Board to ensure that they can effectively discharge their responsibilities;
- (d) continuing professional development programs for Directors;
- (e) the development and implementation of a process for evaluating the performance of the Board, its committees and Directors;
- (f) the appointment, re-election and removal and retirement of Directors and the terms and conditions of appointment to, and removal and retirement from the Board; and

- (g) plans to manage the succession of the CEO and other senior executives.

The Committee will:

- (a) review the time required to be committed by a non-executive director to properly fulfill their duty to the Company and advise the Board whether Directors are meeting that requirement; and
- (b) review directorships in other public companies held by or offered to Directors and Senior Executives of the Company.

8.2 Selection and appointment procedures

The procedures to be followed for the appoint of a director include the following:

- (a) determine the skills and experience required having regard to those of the existing directors and any foreseeable changes to the Board;
- (b) agree the process and timetable for seeking such a person, which may involve an external search firm; and
- (c) prepare a short list of candidates for the Board's consideration and interview. Candidates will be assessed having regard to:
 - (i) competencies and qualifications;
 - (ii) experience;
 - (iii) independence;
 - (iv) other directorships;
 - (v) time availability;
 - (vi) contribution to the skills mix of the Board; and
 - (vii) understanding of the role and legal obligations of a director.

Appropriate background checks will be undertaken by the Company (including criminal record and bankruptcy searches, experience and education) before appointing a candidate or putting forward to shareholders a new candidate for election as a director.

If an invitation to become a director is accepted, the Board will appoint the new director during the year and that person will then stand for re-election by shareholders at the next General Meeting. Shareholders are to be provided with all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a Director.

8.3 Performance Evaluation

The performance of the Board will be reviewed annually and will focus on appropriate size, composition and terms and conditions of appointment to and retirement from the Board.

Remuneration levels for non-executive directors will be considered with regard to practices of other public companies and the aggregate amount of fees approved by Shareholders.

The Board will establish formal processes to review its performance and the performance of individual Directors and the Committees of the Board annually. The Board will set the method and scope of performance evaluation. The Board may use an independent adviser to assist in the process.

(a) Board

The Chair will conduct an annual performance review of the Board that:

- (i) compares the performance of the Board with the requirements of the Board Charter;
- (ii) critically reviews the mix of the Board;
- (iii) suggests any amendments to the Board Charter as are deemed necessary and appropriate;
- (iv) considers performance of the Board over the previous twelve months against the corporate objectives, strategies, operating plans and annual budget;
- (v) reviews the Board's interaction with management;
- (vi) identifies strategies of the Board for the next twelve months; and identifies any improvements to Board or committee charters.

(b) Non-executive directors

Performance appraisals of non-executive directors will be conducted by the Chair. Non-executive directors will be assessed with regard to:

- (i) contribution to the Board discussion and function;
- (ii) attendance at Board meetings;
- (iii) contribution to the Group's strategy;
- (iv) membership and contribution to any Board committees;
- (v) level of independence; and
- (vi) suitability to Board structure and composition.

(c) Managing Director/CEO

The Board will review the performance of the Managing Director annually.

The review will be based on specific performance criteria agreed by the Board and Managing Director at the commencement of the financial year. The performance criteria is to be aligned with the growth of the Group consistent with generating or creating value for Shareholders, and will include:

- (i) financial measures of the Company's performance;
 - (ii) achievement of key performance indicator, such as increased client base, increased base income from clients, increased profitability from other measures that may be adopted by the Group and/or the performance of new or alternative business lines that may be adopted by the Group;
 - (iii) the extent to which operational goals and strategic objectives are met;
 - (iv) development and management of staff; and
 - (v) compliance with legal and Group policy requirements.
- (d) Committees

The performance of Board committees will be assessed against each charter using procedures similar to those for the review of the Board. Areas where improvements can be made will be identified through the review.

- (e) Senior executives

The Managing Director will assess the performance of the Group's senior executives. This will be performed through a formal process involved a meeting with each senior executive. The performance review will be based on agreed performance measures.

9 REVIEW

9.1 The Board will review this Charter at least annually to ensure that it remains consistent with the Board’s objectives, responsibilities and its legal and regulatory obligations.

9.2 This Charter may be amended from time to time by resolution of the Board.

10 DISCLOSURE

10.1 This Charter, and any updates, will be made available on the Group’s website (www.advancedshare.com.au) in a clearly marked “Corporate Governance” section.

11 DEFINITIONS

General terms and abbreviations used in this Policy have the meanings set out below:

ASX means ASX Limited ACN 008 624 691 or the securities market operated by ASX Limited, as the case may be.

ASX Listing Rules means the listing rules of the ASX, as amended from time to time.

Board means the board of Directors of the Group.

Chair means the chair of the Board.

Charter means this Remuneration & Nomination Committee Charter

Closely Related Party means a spouse or child of the member, a child of the member’s spouse, a dependent of the member or the member’s spouse, anyone else who is one of the member’s family and may be expected to influence the member, or be influenced by the member, in the member’s dealing with the entity; company the member controls; or a person prescribed by the Corporations Regulations 2001 (Cth).

Committee means the Remuneration & Nomination Committee appointed by the Board.

Committee Secretary means the secretary of the Committee.

Company or Group	means Advanced Share Registry Limited ACN 127 175 946 and its controlled entities as disclosed in its Annual Reports.
Company Secretary	means the company secretary of the Group.
Corporations Act	means the <i>Corporations Act 2001 (Cth)</i> .
Director	means a director of the Group.
Employee	includes executive Directors, managers and all other staff engaged on a contract of employment or a salaried basis, and where the context requires, non-executive Directors.
Executive Director	means an executive director of the Group.
Key Management Personnel	has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
Managing Director	means the managing director, or equivalent chief executive officer, of the Group.
Non-executive director	Means a non-executive director of the Group.
Officer or Senior Executive	means a senior executive of the Group.