

# **MARINER FINANCIAL LIMITED**

## **Board Remuneration Committee**

### **Charter**

#### **A. Purpose**

The primary function of the Board Remuneration Committee (“the Committee”) is to assist the Board in fulfilling its oversight responsibility to shareholders by ensuring that Mariner has coherent remuneration policies and practices that fairly and responsibly reward executives having regard to performance, the law and the highest standards of governance.

The Committee’s purpose is:

1. to review and approve executive remuneration policy;
2. to make recommendations to the Board of Directors in relation to the remuneration of the Chief Executive Officer and Non-executive Directors;
3. to approve remuneration packages for Mariner’s group executives;
4. to review and approve all equity based plans;
5. to approve all merit recognition expenditure and
6. to oversee general remuneration practices across the Mariner Group.

The Committee will primarily fulfil these responsibilities by carrying out the activities outlined in Section E of this Charter.

#### **B. Composition**

The Committee membership and the Chairman of the Committee will be as determined from time to time by the Board. The Committee will consist of not less than three Directors of Mariner.

A majority of the members will be independent directors and free from any business or other relationship that, in the opinion of the Board, would materially interfere with the exercise of his or her independent judgement as a member of the Committee.

Should the Chairman of the Committee be absent from any meeting of the Committee, the members of the Committee present at that meeting shall appoint one of their number to be chairman of that meeting.

#### **C. Meetings**

The Committee will meet at least twice a year, or more frequently as circumstances dictate. In addition to the members of the Committee, such Executives and/or external parties as the Chairman and members of that Committee think fit may be invited to attend meetings. The Chief Executive Officer of Mariner shall normally be invited to attend Committee meetings but will have no voting rights and must not be present during discussions on his own remuneration. A quorum of any meeting will be two members.

The secretary of the Committee will be the Group Secretary. 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 and the Board.

The Committee may adopt such rules and regulations as it deems appropriate for the conduct of its affairs, provided only that they are not inconsistent with the Mariner Constitution, this Charter or any resolution of the Board.

#### **D. Reporting**

The Committee will regularly update the Board about Committee activities and make appropriate recommendations. The Chairman of the Committee will report to the Board, at the Board meeting next following a meeting of that Committee, on any matters under consideration by it within the Charter.

At the discretion of the Chairman and members of the Committee, any relevant matters deemed to be of major importance should be referred to the Board for its attention.

The Committee will prepare any reports required by law or listing rules or requested by the Board.

#### **E. Responsibilities and Duties**

Without limiting its role, specific duties and responsibilities of the Committee include the following:

Executive remuneration policy

1. Approve the broad policy for the remuneration of the Chief Executive Officer, group executives and other executives who report directly to the Chief Executive Officer, including incentive arrangements, superannuation rights and any amendments to that policy proposed from time to time by management.
2. Review the ongoing appropriateness and relevance of the executive remuneration policy. In particular, the Committee will ensure that:
  - (a) all applicable provisions regarding disclosure of remuneration, including superannuation, as set out in relevant laws and regulations are fulfilled,
  - (b) the policy motivates executives to pursue the long term growth and success of Mariner within an appropriate control framework and
  - (c) the policy demonstrates a clear relationship between individual performance and remuneration.

Chief Executive Officer

3. Review and make recommendations to the Board on the entire specific contractual and remuneration arrangements for the Chief Executive Officer having regard to the executive remuneration policy, including:
  - (a) fixed remuneration levels;
  - (b) short term remuneration targets and outcomes (including performance targets);.
  - (c) superannuation arrangements;

- (d) any termination payments to be made; and
- (e) the development of any equity based plan to apply to the Chief Executive Officer.

#### Non-executive Directors

- 4. Review and make recommendations to the Board on remuneration policies for Non-executive Directors. In making its recommendations, the Committee will take into account the Non-executive Directors' remuneration principles, as approved by the Board from time to time.

#### Group executives

- 5. Approve the entire specific individual contractual and remuneration arrangements for group executives and other executives who are direct reports of the Chief Executive Officer having regard to the executive remuneration policy, including:
  - (a) fixed remuneration levels;
  - (b) short and long term remuneration targets and outcomes (including performance targets);
  - (c) superannuation arrangements;
  - (d) any termination payments to be made; and
  - (e) long term incentive awards to be made to each individual.

#### Equity based incentive plans

- 6. Review the design of all equity-based incentive plans for approval by the Board;
- 7. Keep all plans under review in the light of legislative, regulatory and market developments.
- 8. Approve awards of long-term incentive to group executives.
- 9. Review and approve total proposed awards under each plan, including the allotment and issue of shares and/or the approval of the acquisition of Mariner shares for the purpose of any equity plan.
- 10. Review and keep under review performance hurdles for each equity based incentive plan.
- 11. Approve the introduction of sub-plans or minor amendments to the plan rules.
- 12. Exercise the discretions of the Board as permitted in the rules of each Plan (but not to the exclusion of the Board or of any other person or persons to whom some or all of these powers and discretions may be delegated) and do all acts and things

and make all such determinations that are required, necessary or desirable to be made in relation to the administration of any of the equity based incentive plans.

13. Approve policies in relation to minimum shareholding requirements (being the minimum number of shares that must be held by employees in their own name and beneficially) for the purposes of any one or more equity based incentive plans.

#### General remuneration across the Mariner Group

14. Review and note annually the remuneration trends across the Group.
15. Be aware of and advise the Board on any major changes in employee benefit structures throughout the Group.
16. Approve remuneration arrangements outside of policy relating to individuals or groups of individuals which are significant because of their sensitivity, precedent or disclosure implications.

#### Other Responsibilities

17. Receive and review periodic reports on management succession planning for positions at the Group Executive level.
18. This Charter should be reviewed and updated at least annually and changes required should be recommended to the Board for approval. The Committee should annually review its own performance.
19. To the extent the Committee deems necessary, retain independent legal, accounting or other advisors.

#### **F. Delegation to act**

21. Where the Chairman of the Committee, after consulting with the Chief Executive Officer, is of the opinion that an approval under paragraphs 5, 8, and 9 above is required promptly in relation to a particular person and that approval cannot conveniently await a decision by the Committee, that approval may be given by the Chairman of the Committee, provided that the proposal carries the recommendation of the Chief Executive Officer. Every approval so given shall be recorded in writing and reported by the Chairman to the Committee at the next meeting of the Committee.