Blue Sky Alternative Investments Limited

ACN 136 866 236

Nomination and Remuneration Committee Charter

Approved and adopted by the Board on 23 September 2011, effective 6 October 2011

This Policy was reviewed by the Board on 29 September 2016
1. Introduction

Blue Sky Alternative Investments Limited (‘Company’) is a public company which is listed on the Australian Securities Exchange (‘ASX’).

2. Purpose

2.1 This Charter has been approved by the board of Directors of the Company (‘Board’) and governs the operations of the Nomination and Remuneration (‘Committee’).

2.2 The purpose of the Committee shall be to:

2.2.1 support and advise the Board in fulfilling its responsibility to ensure that it comprises individuals who are best able to discharge the duties of Directors having regard to the law and the highest standards of governance by:

(a) assessing the skills required by the Board;

(b) reviewing succession plans;

(c) establishing the procedures used for the performance evaluation of the Board as a whole, its individual Directors and its ‘Senior Executive Team’ members; and

(d) establishing processes for the re-election of Directors and the identification of suitable candidates for appointment to the Board.

2.2.2 deal with remuneration matters as follows:

(a) reviewing and advising the Board on remuneration issues for the Directors, the Managing Director (‘Managing Director’) and other Senior Executive Team members; and

(b) preparing for approval by the Board any report on executive or Director remuneration required by any listing rule, legislation, governing body or other regulatory requirement, or proposed for inclusion in the Company’s Annual Report.

3. Composition

The Committee shall be comprised of at least three Directors appointed by the Board from time to time.

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The Committee shall be comprised of at least three Directors appointed by the Board from time to time.

1 In this Charter, the word ‘Committee’ will be read to apply to the Nomination Committee and Remuneration Committee as the context allows.

2 The Senior Executive Team refers to the senior management team as distinct from the Board, being those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance. For the purposes of this Policy, it includes executive Directors.
5. **Meetings**

5.1 The Committee shall meet as frequently as required, but not less than twice per year.

5.2 The Company Secretary is to be the Secretary of the Committee.

5.3 A quorum for Committee meetings shall be any two Director Committee members. Any Director who is not a Committee member may attend (but not vote at) a meeting of the Committee for discussion on particular areas of interest to that Director.

5.4 The Committee may invite management or other individuals to attend meetings of the Committee, as they consider appropriate.

5.5 Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present.

5.6 The Committee may pass or approve a resolution without holding a meeting in accordance the procedures (so far as they are appropriate) in section 248A of the Corporations Act 2001 (Cth).

5.7 The Committee may invite other persons it regards appropriate to attend Committee meetings.

5.8 The Committee shall report to the Board after each Committee meeting on all matters relevant to the Committee’s role and responsibilities.

6. **Minutes of Committee meetings**

6.1 The Committee must keep minutes of its meetings.

6.2 Minutes of each Committee meeting must be included in the papers for the next full Board meeting after each meeting of the Committee.

6.3 Minutes must be distributed to all Committee members, after the Committee Chairperson has approved them.

6.4 Minutes, agenda and supporting papers are available to Directors upon request to Company Secretary.

7. **Duties and responsibilities**

7.1 The duties and responsibilities of the Committee shall include:

7.1.1 to identify, assess and make recommendations to the Board regarding the necessary and desirable competencies of Board members;

7.1.2 where necessary, having regard to the skills required and skills represented, to implement a process for identifying suitable candidates for appointment to the Board and to make recommendations to the Board on candidates it considers appropriate for appointment to the Board;

7.1.3 to ensure that there are appropriate due diligence and confidentiality procedures in place for presentations to and adoption by candidates considered for appointment to the Board of Directors;

7.1.4 to make recommendations to the Board regarding, and to establish procedures for, the appointment and re-election of Directors;
7.1.5 to ensure appropriate succession plans are in place to maintain an appropriate balance of skills, experience and expertise on the Board;

7.1.6 to make recommendations to the Board regarding the development of a process for the regular evaluation of the Board, Board Committees and individual Directors;

7.1.7 to review and make recommendations to the Board on:

(a) the Company’s remuneration, recruitment, retention and termination policies and procedures for ‘Senior Executive Team’\(^3\) members;

(b) Senior Executive Team remuneration and incentives;

(c) superannuation arrangements; and

(d) the remuneration framework for Directors.

7.1.8 to approve any statement on the Company’s remuneration policy and executive compensation disclosures required by any listing rule, legislation, governing body or other regulatory requirement, or proposed for inclusion in the Company’s Annual Report; and

7.1.9 to review its performance and this Charter annually, and to make recommendations to the Board as necessary, to ensure it is operating effectively and in accordance with all relevant other policies of the Company.

7.2 The Committee may delegate any of its duties and responsibilities to a subcommittee of the Committee.

8. **Access to resources**

The Committee has the power to access adequate internal and external resources including engaging independent consultants, specialists and other advisers as it determines necessary to carry out its duties.

9. **ASX Corporate Governance Principles**

This Charter is consistent with the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (3\(^{rd}\) Edition)\(^3\).

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\(^3\) ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (3\(^{rd}\) Edition) principles 2.4, 8.1 and 8.2.