

Remuneration and Appointments Committee

Terms of Reference

30 July 2004

1. Constitution

The Remuneration and Appointments (R&A) Committee shall be a Committee of the Board, established by resolution of the Board.

2. Objectives

The objectives of the R&A Committee are: -

- 2.1 To oversee a formal and transparent method of recommending director remuneration to shareholders.
- 2.2 To assist the board in establishing remuneration policies and practices for the company and in discharging its responsibilities for reviewing and setting the remuneration of the Managing Director, Chief Executives of MARAC and Perpetual Trust and senior executives.
- 2.3 To assist the board in reviewing the board's composition and the competencies required of prospective directors, identifying prospective directors, developing succession plans for the board and making recommendations to the board accordingly.

3. Membership

The R&A Committee shall have at least three members, a majority of whom shall be independent directors. The Managing Director shall attend all meetings other than at times that his own remuneration is being determined. The Chief Executives of MARAC and Perpetual Trust shall attend meetings while matters relating to the remuneration of MARAC and Perpetual Trust staff respectively, other than their own remuneration, are being considered.

4. Meetings

Directors who are not members of the R&A Committee shall only attend meetings at the invitation of the R&A Committee.

The R&A Committee may invite an advisor (or advisors), including any member of the management team, to attend meetings to provide information and assistance as required.

The R&A Committee shall meet at least once per annum.

A quorum for meetings shall be two independent directors.

The R&A Committee shall ensure that minutes are kept of all meetings. The chairman of the committee will report the R&A Committee's recommendations and findings to the board.

5. Responsibilities

5.1 Remuneration

The R&A Committee shall:

- At least annually review directors fees and make recommendations to the board regarding any proposed increases within the total already approved by shareholders or for consideration by shareholders at the annual meeting;
- Recommend to the board the payment of retirement allowances under clause 27.8 of the company's constitution to directors who held office on 1 May 2004 in terms of the board's policy on director retirement allowances.
- Recommend to the board any proposal to pay a retirement allowance under clause 27.8 of the constitution to directors appointed after 1 May 2004 for consideration by shareholders.
- Review and recommend to the board the terms of any share and option schemes for directors and/or employees.
- Review and recommend to the board the remuneration of the Managing Director and Chief Executives of MARAC and Perpetual Trust, including the parameters of any incentive or bonus schemes and payments to be made pursuant to those schemes.
- Approve the terms of employment agreements for the Managing Director and Chief Executives of MARAC and Perpetual Trust.
- On the recommendation of the Managing Director and Chief Executives of MARAC and Perpetual Trust respectively, approve the remuneration of staff who report directly to them, including the parameters of any incentive or bonus schemes and payments to be made pursuant to those schemes.
- Receive reports from management on the annual remuneration review and incentive schemes and, from time to time, review the company's remuneration policies and practices.
- Attend to any other matter relating to remuneration issues put to the R&A Committee for consideration by the board or by management.

5.2 Board Appointments and Nominations

The R&A Committee shall:

- Having reviewed the composition of the board and the balance of skills, qualifications, experience and background on the board, identify and recommend for the approval of the board candidates to fill board vacancies as and when they arise;
- Consider any nominations received for the election of directors by shareholders and make appropriate recommendations to the board;
- Attend to any other matter relating to board appointment and nomination issues put to the R&A Committee for consideration by the board.