

Nomination & Remuneration Committee Charter



Business Technology Made Easy

CSG Limited (ACN123 989 631)
Adopted by a resolution of the Board on
7 March 2007

1 Introduction

1.1 The Board of Directors of CSG is to establish a Nomination & Remuneration Committee.

The Nomination & Remuneration Committee is guided by the following Charter, in conjunction with the Board Charter and Constitution of the Company, where relevant.

2 Role of the Nomination & Remuneration Committee

- 2.1 The role of the Nomination & Remuneration Committee is to advise and assist the Board in discharging its responsibilities with regards to the following areas:
- 2.1.1 regularly reviewing the Board composition, including appropriate mix of skills, experience and independence;
 - 2.1.2 succession planning for the Board;
 - 2.1.3 where appropriate, identifying and selecting nominees for appointment to the Board;
 - 2.1.4 ensuring fulfilment of the Board's policies on Board composition under this Charter;
 - 2.1.5 reviewing and approving the appropriate remuneration of Directors, the CEO as well as senior executives;
 - 2.1.6 ensuring that the structure of non-executive and executive directors' remuneration is clearly distinguished;
 - 2.1.7 ensuring that the Company adopts, monitors and applies appropriate remuneration policies and procedures;
 - 2.1.8 ensuring that equity-based executive remuneration is paid in accordance with thresholds set in plans as disclosed to or approved by Shareholders; and
 - 2.1.9 ensuring disclosure of the information required in each annual report of the Company in accordance with ASX Listing Rules and ASX Good Governance Principles.

3 Composition and administration

- 3.1 The Nomination & Remuneration Committee, of at least 3 Directors, will be appointed by the Board and so far as is possible:
- 3.1.1 comprise a majority non-executive Directors;
 - 3.1.2 be Chaired by the Chairperson of the Board or an independent director.
- 3.2 Committee members (where possible) must:
- 3.2.1 have a sound knowledge of the Company's businesses, organisation structure and remuneration policies and practices;
 - 3.2.2 have an appropriate understanding of ASX and other legal disclosure requirements in respect of executive and Director remuneration;
 - 3.2.3 have an appropriate understanding of corporate governance matters, particularly in relation to ASX best practice guidelines.
- 3.3 The Board will confirm membership of the Nomination & Remuneration Committee yearly.
- 3.4 The Nomination & Remuneration Committee will regulate itself consistently with the procedures set out in this Charter and in the Board Charter.

- 3.5 The Nomination & Remuneration Committee shall have right of access to all levels of management.
- 3.6 The Nomination & Remuneration Committee, or any individual member, with the approval of the Chairman of the Board, is entitled to obtain independent professional or other advice at the expense of the Company where they consider it necessary to carry out their duties.

4 Specific Responsibilities of the Committee

- 4.1 The specific duties and responsibilities of the Nomination & Remuneration Committee include:
 - 4.1.1 nominating, as required, candidates for the Board to consider for Board membership;
 - 4.1.2 nominating, as required, candidates for the role of Managing Director;
 - 4.1.3 the provision of a Directors' induction and education programme;
 - 4.1.4 setting criteria for Board membership, skill requirements and, subject to the Constitution, number of Directors comprising the Board;
 - 4.1.5 setting criteria for appointment and termination of the Managing Director;
 - 4.1.6 making recommendations to the Board on appropriate remuneration, in relation to both the amount and its composition, for:
 - a) the Chairman;
 - b) Non-Executive Directors;
 - c) Executive Directors;
 - d) the Managing Director, and
 - e) senior management reporting directly to the Managing Director;
 - 4.1.7 ensuring that remuneration levels take into account risks involved, demands and time requirements of each role, and relevant industry and related benchmarks;
 - 4.1.8 developing and recommending to the Board remuneration incentive programs such as bonus schemes and Company share schemes; and
 - 4.1.9 developing, maintaining and monitoring appropriate remuneration policies and procedures.
- 4.2 The Nomination and Remuneration Committee should ensure that the Board, where applicable, are provided with sufficient information to ensure informed decision-making.
- 4.3 No Director shall be responsible for appraising their own performance or solely responsible for recommending their own level of remuneration for Board approval.

5 Reporting and Appraisal

- 5.1 The Chairman of the Nomination & Remuneration Committee shall report to the Board subsequent to each Committee meeting on such matters that may include:
 - 5.1.1 results of remuneration setting for all relevant Directors and senior executives;
 - 5.1.2 details of nomination and performance criteria;

- 5.1.3 nominations of Directors, Managing Director or senior executives as required;
 - 5.1.4 minutes and formal resolutions; and
 - 5.1.5 other key activities and major issues of which the Board should be informed.
- 5.2 The Chairman of the Nomination and Remuneration Committee shall report to the Board on the Nomination & Remuneration Committee's performance, on an annual basis. The performance of the Committee shall be measured against this Charter and other relevant criteria as approved by the Board.
- 5.3 The Nomination & Remuneration Committee should be responsible for review and approval of appropriate disclosures to be included in the Company's annual report regarding the Committee, its activities and performance.

6 Charter Reviews

- 6.1 This Charter will be reviewed, and, if appropriate, updated by the Board on recommendation from the Nomination and Remuneration Committee every 2 years.