



VMOTO LIMITED

ACN 098 455 460

("Company")

REMUNERATION COMMITTEE CHARTER

The Board has not established a Remuneration Committee at this time. Until such time as the Board determines that it is appropriate to establish a Remuneration Committee, the function of the Remuneration Committee as set out in this Charter will be performed by the Board.

Functions and responsibilities

The Remuneration Committee is a committee of the Board with its principle functions being to review and make recommendations to the Board on:

- (a) the Company's remuneration framework for directors, including the process by which any pool of directors' fees approved by shareholders is allocated to directors;
- (b) the Company's remuneration framework for executives, including executive remuneration policies;
- (c) remuneration packages to be awarded to senior executives, including the Managing Director and executive directors;
- (d) superannuation arrangements for directors, senior executives and employees;
- (e) performance based incentive plans; and
- (f) equity based remuneration plans for executives and employees.

In consultation with the Managing Director, the Committee will review and recommend to the Board for approval, the Company's general approach to remuneration and will oversee the development and implementation of the remuneration regime.

Composition

The Committee shall comprise at least three members of the Board the majority of whom will be non-executive directors. Directors serving on the Remuneration Committee should have diverse, complementary backgrounds. The Chairman of the Committee shall be an independent director.

The Company Secretary will be the secretary of the Committee and will act as the principal liaison between executive management and the committee on remuneration matters.

Authority

In performing its functions in accordance with any applicable law, the Committee:

- (a) has unrestricted access to senior management and employees of the Company;
- (b) has unrestricted access to information and reports relevant to fulfilling its responsibilities;



- (c) may seek independent external advice on matters brought before the Committee or in relation to the functions and responsibilities of the Committee where the Committee considers this necessary or appropriate; and
- (d) shall have the power to conduct or authorise investigations into any matters within the Committee's scope of responsibilities or when requested by the Board.

Meetings

The Committee shall meet as frequently as required, but at not less than two times per year.

The Committee shall have access to professional advice.

Two members of the Committee shall comprise a quorum. Where only two members are present, the unanimous vote of the two members will constitute an act of the Committee. Where the committee comprises more than two committee members, the vote of a majority of the members present will constitute an act of the Committee.

Remuneration policy

This policy governs the operations of the Remuneration Committee. The Committee shall review and reassess the policy at least annually and obtain the approval of the Board.

General director remuneration

Shareholder approval must be obtained in relation to the overall limit set for directors' fees. The directors shall set individual Board fees within the limit approved by shareholders.

Shareholders must also approve the framework for any equity based compensation schemes and if a recommendation is made for a director to participate in an equity scheme, that participation must be approved by the shareholders.

Executive remuneration

The Company's remuneration policy for executive directors and senior management is designed to promote superior performance and long term commitment to the Company. Executives receive a base remuneration which is market related, together with performance based remuneration which is met out of a profit sharing pool on a calendar year basis.

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Company and shareholders to do so.

Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and expert advice.

The Committee's reward policy reflects its obligation to align executive's remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:



- (a) reward reflects the competitive market in which the Company operates;
- (b) individual reward should be linked to performance criteria; and
- (c) executives should be rewarded for both financial and non-financial performance.

The total remuneration of executives and other senior managers consists of the following:

- (a) salary - executives director and senior manager receive a fixed sum payable monthly in cash;
- (b) bonus - executive directors and nominated senior managers are eligible to participate in a profit participation plan if deemed appropriate long term incentives - executive directors may participate in share option schemes with the prior approval of shareholders. Executives may also participate in employee share option schemes, with any option issues generally being made in accordance with thresholds set in plans approved by shareholders. The Board however, considers it appropriate to retain the flexibility to issue options to executives outside of approved employee option plans in exceptional circumstances; and
- (c) other benefits - executive directors and senior managers are eligible to participate in superannuation schemes.

Remuneration of other executives consists of the following:

- (a) salary - senior executive receives a fixed sum payable monthly in cash;
- (b) bonus - each executive is eligible to participate in a profit participation plan if deemed appropriate;
- (c) long term incentives - each senior executive may participate in share option schemes which have been approved by shareholders; and
- (d) other benefits – senior executive are eligible to participate in superannuation schemes.

Non-executive remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The Remuneration Committee recommends the actual payments to directors and the Board is responsible for ratifying any recommendations, if appropriate. The maximum aggregate remuneration approved for directors is currently \$300,000.

All directors are entitled to have their indemnity insurance paid by the Company.

Profit participation plan

Performance incentives may be offered to executive directors and senior management of the Company through the operation of a profit participation plan. The amount available is based on profit performance above pre-determined returns on shareholders' funds.

This policy is reviewed **annually**.