

Living Cell Technologies Governance Policy								
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Written by	Secretary	Approved	Board	Issued	05 Nov 2008	Number		

1. Introduction and purpose

- 1.1 The Board of Directors (**Board**) of Living Cell Technologies Limited (**LCT**) has constituted the Board Remuneration and Nomination Committee (**BRNC**) to assist it in the consideration of personnel and remuneration issues within LCT.
- 1.2 The Terms of Reference sets out the scope of the BRNC's responsibilities and delegated authorities.

2. Objective

- 2.1 The objective of the BRNC is to assist the Board to discharge its responsibilities to shareholders and other stakeholders for ensuring that: LCT-
- has a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
 - has coherent remuneration policies and practices;
 - fairly and responsibly remunerates Directors and executives having regard to the performance of LCT, the performance of the executives and the general remuneration environment.

3. Committee Accountabilities and Responsibilities

Nomination

- 3.1 The BRNC's accountabilities and responsibilities in connection with nomination are to:
- recommend required board competencies and number and profiles of board members;
 - conduct searches for new board members and recommend preferred candidates to the Board;
 - assess from time to time the extent to which the required competencies are represented on the Board;
 - ensure that succession plans are in place to maintain the required competencies, number and profiles of the Board members;
 - assist the Chairman to evaluate the Board's performance annually;
 - conduct the search for the Chief Executive Officer and recommend preferred candidates to the Board;
 - assist the Chairman in reviewing the Chief Executive's performance and provide counselling and mentoring if and when required;
 - ratify appointments to LCT's Executive Committee.

Remuneration

- 3.2 The BRNC's accountabilities and responsibilities in connection with remuneration are to:
- review and recommend for shareholder approval Non-Executive Director remuneration including retirement payments, if any;
 - review and recommend to the Board annually remuneration for the Chief Executive Officer/Managing Director and any other senior Executive Directors including the terms of employment contracts;
 - approve, on the recommendation of the Chief Executive Officer, the remuneration of the members of the Executive Committee including the terms of employment contracts;
 - review and recommend the introduction of any share acquisition, or other executive incentive plans;
 - review and recommend any annual payments to be made under executive incentive plans;
 - review from time to time LCT's superannuation arrangements for its employees;

to ensure that LCT's remuneration and incentive policies and practices are aligned to LCT's vision, values and overall business objectives and performance by being designed to:

- motivate directors and executives to pursue the long-term growth and success of LCT, and
- demonstrate a clear relationship between overall company performance, key executive performance and remuneration.

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4. Composition

4.1 The BRNC will comprise:-

- a) at least three directors;
- b) if there are sufficient non-executive and independent directors, all non- executive and a majority of independent directors; and
- c) a chairman who is independent and also is Chairman of the Board of Directors of LCT.

5. Procedures

- 5.1 The BRNC may invite such other persons to attend BRNC meeting as it sees fit, and consult with other persons and seek any information it considers necessary to fulfil its responsibilities.
- 5.2 The BRNC will hold meetings at least twice each year and otherwise as it considers necessary.
- 5.3 A quorum will comprise two BRNC members.
- 5.4 Meetings of the BRNC may be held by the members communicating with each other through any technological means by which they can participate in discussion even though they may not be physically present in the same place.
- 5.5 The BRNC may pass or approve resolutions of the BRNC by circular resolution by adopting the procedures (so far as they are appropriate) set out in section 248A of the Corporations Act 2001.
- 5.6 The Chairman will communicate the findings of the BRNC to the Board after each meeting. Copies of the minutes of BRNC will be made available to all Board Members after their preliminary approval by the BRNC.