



PORT OF TAURANGA LIMITED

REMUNERATION COMMITTEE CHARTER

1 Purpose

The purpose of the Remuneration Committee (Committee) is to ensure that the Company has sound remuneration policies and processes in place that attract outstanding people to the positions of Director, Chief Executive and Senior Executives, and to carry out specific functions delegated to it by the Board from time to time.

2 Objectives

The primary objectives of the Committee are to assist the Board of Directors in:

- 2.1 the establishment of remuneration policies and practices for executives of the Company;
- 2.2 the setting and reviewing of the remuneration package and terms of employment of the Chief Executive;
- 2.3 advising the Board of Senior Executive remuneration packages and terms of employment;
- 2.4 the establishment, implementation and monitoring of any incentive plans for senior management;
- 2.5 the establishment of a remuneration policy for Directors and recommendation to shareholders of Directors' remuneration;
- 2.6 ensuring systems are in place for succession planning and development to ensure continuity and skill enhancement for the Board, Chief Executive and Senior Executives; and
- 2.7 monitoring the Board's statutory and contractual compliance obligations as employers.

3 Authority

The Board authorises the Committee within the scope of its responsibilities at the Company's expense, to:

- 3.1 seek from any employee or external parties, any information or advice, including market surveys, as it requires;
- 3.2 obtain outside legal or professional advice and to consult with such management or human resource consultants or other relevantly qualified or experienced advisers as it thinks necessary for carrying out its responsibilities;
- 3.3 ensure the attendance of any Company officers at meetings as appropriate;
- 3.4 the Committee may delegate any of its responsibilities to the Chair of the Committee or a subset of its members from time to time and on such terms as the Committee considers appropriate; and
- 3.5 the Committee will make recommendations to the Board on all matters requiring a decision from the Board. The Committee doesn't have the power or authority to make a decision in the Board's name or on its behalf.

4 Composition

- 4.1 The Board shall appoint the Committee which shall be comprised of at least three (3) and not more than four (4) Directors, each of whom will be non-executive and independent of senior management and operating executives of the Company and any of its subsidiaries and free from any relationships which in the opinion of the Board might be construed as a conflict of interest. One (1) of the members shall be appointed Chair of the Committee by the Board of Directors.
- 4.2 Membership will be reviewed every three (3) years, or earlier if circumstances dictate.

5 Meetings

- 5.1 The Committee will hold at least two (2) regular meetings per year and such additional meetings as the Chair shall decide in order to fulfil its duties. In addition, the Chair is required to call a meeting of the Committee if requested to do so by any Committee members or the Chief Executive at any time.
- 5.2 The Committee may have in attendance such members of management, including the Chief Executive, Corporate Services Manager and such other persons, including external advisers, as it considers necessary to provide appropriate information and advice.

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- 5.3 The Chair of the Committee may appoint an appropriate person to act as secretary of the Committee as necessary.
- 5.4 A quorum shall consist of a majority of Committee members.
- 5.5 All Directors who are non-members of the Committee shall be entitled, with approval of the Chair, to attend meetings of the Committee.
- 5.6 Meetings of the Committee may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution.
- 5.7 Each member of the Committee will have one vote. The Chair will not have a casting vote. If there is a tied vote, the motion will lapse.
- 5.8 The Corporate Services Manager will provide such assistance as may be required by the Chair in relation to preparation of the agenda, minutes or papers for the Committee.

6 Access

The Committee shall have unrestricted access to senior management of the Company and shall have the ability to consult such independent experts as it shall consider appropriate in the discharge of its duties.

7 Duties and Responsibilities

The duties and responsibilities of the Committee are as follows:

- 7.1 to set and review the remuneration policies and practices of the Company to ensure they remain effective and are aligned with shareholder expectations and the Company's strategic objectives;
- 7.2 to review, in accordance with the Company's policies, all components of the Chief Executive's remuneration and terms of employment and to make recommendation to the Board as necessary of any change required;
- 7.3 to monitor all components of the remuneration packages and terms of employment for Senior Executives who report directly to the Chief Executive, as are recommended by the Chief Executive to the Committee for approval and to advise the Board accordingly;
- 7.4 to review, in conjunction with the Chair of the Board, the performance of the Chief Executive against agreed performance objectives and recommend for Board approval all payments to be made based on this assessment;
- 7.5 to be appraised by the Chief Executive of the remuneration packages of such other executives, consultants or other personnel as the Committee shall determine;

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- 7.6 to review and recommend to the Board any executive incentive plans, including any share or option scheme for employees or Directors or other employee benefits (including superannuation);
- 7.7 to make recommendations to the Board on setting and reviewing all components of the remuneration of non-executive Directors;
- 7.8 to recommend to the Board an annual overall salary movement for the Company; and
- 7.9 to consider such other matters relating to remuneration issues as may be referred to it by the Board.

8 Reporting Procedures

- 8.1 After each meeting, the Chair of the Committee will report the Committee's recommendations and findings to the Board.
- 8.2 The minutes of all Committee meetings will be circulated to all members of the Board.

9 Review

The Committee is responsible for reviewing the effectiveness of this Charter and the operations of the Committee. The Committee may recommend to the Board changes or improvements to this Charter. Any amendments to this Charter must be approved by the Board.