



PORT OF TAURANGA LIMITED

REMUNERATION COMMITTEE CHARTER

1 Objectives

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

- 1.1 the establishment of remuneration policies and practices for executives of the Company as provided for in clause 7.3;
- 1.2 the setting and reviewing of the remuneration package and terms of employment of the Chief Executive;
- 1.3 advising the Board of senior executive remuneration packages and terms of employment;
- 1.4 the establishment and implementation of any incentive plan for senior management;
- 1.5 the setting of Directors' remuneration; and
- 1.6 monitoring the Board's statutory and contractual compliance obligations as employers.

2 Authority

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

- 2.1 seek from any employee or external parties any information or advice, including market surveys, as it requires;
- 2.2 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; and
- 2.3 ensure the attendance of any Company officers at meetings as appropriate.

3 *Composition*

The Board shall annually confirm the membership of 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 Chairman of the Committee by the Board of Directors.

4 *Term of Membership*

Members of the Committee shall be appointed for an initial term of three (3) years, after which they will be eligible for re-appointment by rotation. The terms of the members shall be staggered so that no more than one-third ($\frac{1}{3}$) of the members of the Committee shall stand for re-appointment in any given year. The Chairman shall be re-appointed annually by the Board of Directors.

5 *Meetings*

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

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;
- 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 be appraised by the Chief Executive of the remuneration packages of such other executives, consultants or other personnel as the Committee shall determine;
- 7.5 to review and recommend to the Board any executive incentive plans, including any share or option scheme for employees or Directors;
- 7.6 to make recommendations to the Board on setting and reviewing all components of the remuneration of non-executive Directors;
- 7.7 to recommend to the Board an annual overall salary movement for the Company; and
- 7.8 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 Chairman 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.
- 8.3 The Chairman of the Committee will present an annual report to the Board summarising the Committee's activities during the year.