



Port of Tauranga

Connecting New Zealand and the World



People and Remuneration Committee Charter

December 2024

Purpose

The purpose of the People and Remuneration Committee (Committee) is to ensure that Port of Tauranga Limited has sound people and 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.

Objectives

The primary objectives of the Committee are to assist the Board of Directors to ensure people and remuneration policies, practices, and structures are in place to support the organisation's strategy. The committee is also responsible for ensuring that succession plans are in place for the Chief Executive, other Senior Executive Managers and Company Directors. The Committee also monitors the Board's statutory and contractual compliance obligations as employers.

Authority

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

- Seek from any employee or external parties, any information or advice, including market surveys, as it requires;
- 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;
- Ensure the attendance of any Port of Tauranga Senior Executives at meetings as appropriate;
- 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
- 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, other than for decisions relating to Senior Executive Remuneration packages and terms of employment.



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Composition

The Board shall appoint the Committee which shall be comprised at least three and not more than four Directors, each of whom will be non-executive and independent of Senior Executives and operating executives of Port of Tauranga 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 of the members shall be appointed Chair of the Committee by the Board of Directors.

The majority of the Committee should comprise independent Directors.

Membership will be reviewed every three years, or earlier if circumstances dictate.

Meetings

The Committee will hold at least three 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.

The Committee may invite members of management, including the Chief Executive, GM Corporate Services and such other persons, including external advisers, to attend meetings, as it considers necessary to provide appropriate information and advice. The Chair of the Committee may appoint an appropriate person to act as Secretary of the Committee as necessary.

A quorum shall consist of three Committee members.

All Directors who are non-members of the Committee shall be entitled, with approval of the Chair, to attend meetings of the Committee.

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.

In the event that the Committee fail to reach a decision on an item, they will refer the matter to the Board for a decision.

The GM Corporate Services will provide such assistance as may be required by the Chair in relation to preparation of the agenda, minutes or papers for the Committee.

Access

The Committee shall have unrestricted access to Senior Executives of Port of Tauranga and shall have the ability to consult such independent experts as it shall consider appropriate in the discharge of its duties.

Duties and Responsibilities

The duties and responsibilities of the Committee are as follows:

Ensure the business has the appropriate people and culture approach to deliver on strategic organisational objectives, included but not limited to Talent management practices, Diversity and Inclusion initiatives and Engagement activities.

Review and recommend the remuneration policies and practices of Port of Tauranga to ensure they remain effective and are aligned with shareholder expectations and Port of Tauranga's strategic objectives.

To review, in accordance with Port of Tauranga'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;

To review 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;

- 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;
- To be appraised by the Chief Executive of the remuneration packages of such other executives, consultants or other personnel as the Committee shall determine;
- 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);
- To make recommendations to the Board on setting and reviewing all components of the remuneration of non-executive Directors;
- To recommend to the Board an annual overall salary movement for Port of Tauranga;
- To consider such other matters relating to remuneration issues as may be referred to it by the Board; and
- To periodically review Port of Tauranga's People initiatives, objectives, strategies and initiatives, and the progress made towards achieving these.



Reporting Procedures

After each meeting, the Chair of the Committee will report the Committee's recommendations and findings to the Board.

The minutes of all Committee meetings will be available in Diligent to all members of the Board.

The People and Remuneration Committee will report annually to the Board on the effectiveness of POTL's People and Remuneration objectives and, where appropriate, recommend revised objectives.

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.

The Committee's charter will be reviewed annually by the Board.

Approved:	
Policy Owner:	GM Corporate Services
Effective Date:	December 2024
Next Review Date:	December 2025 (or earlier if required)
Approval:	The People and Remuneration Committee



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Attachment 1: Peer Group

The Peer Group used in the 2023 EY Review of Director and Executive Remuneration is set out below.

Any future review will consider appropriateness or otherwise of this Group and, subject to Board approval, may make adjustments to reflect the changing characteristics of Companies.

Company	Revenue/Income (\$M)	Comparative Ratio (Revenue)	Market Cap (\$M)
Arvida Group Ltd	221.9	53%	888
Auckland International Airport Ltd	625.9	149%	11,580
Chorus Ltd	980.0	233%	3,250
Contact Energy Ltd	2,118.0	503%	6,290
EBOS Group Ltd	12,237.0	2907%	6,560
Fletcher Building Ltd	8,469.0	2012%	3,789
Freightways Ltd	1,121.6	266%	1,499
Genesis Energy Ltd	2,374.2	564%	2,615
Goodman Property Trust	126.5	30%	2,925
Infratil Ltd	1,191.7	283%	8,348
Kiwi Property Group Ltd	259.1	62%	1,345
Mainfreight Ltd	5,675.7	1348%	6,359
Mercury NZ Ltd	2,730.0	649%	8,409
Precinct Properties New Zealand Ltd	218.9	52%	1,820
Ryman Healthcare Ltd	570.9	136%	4,132
Vector Ltd	1,192.3	283%	3,870
Wellington International Airport	139.8	33%	

