

Remuneration Policy



Alignment of Interests with Shareholders

- 1.1 The Board promotes the alignment of the interests of the Directors, the CEO and management with the long term interests of shareholders. If the Board proposes to recommend to shareholders an increase in Director remuneration, then it must do so in a transparent manner consistent with the NZX Corporate Governance Code.

Review Process

- 1.2 The Remuneration Committee is responsible for recommending to the Board for its approval and regularly reviewing, a process by which the remuneration of the Chairperson, the Directors, the CEO and management is determined in a transparent, deliberate and objective manner.

External Advisors

- 1.3 In forming a recommendation to the Board on the remuneration process proposed for Directors, the CEO and management, the Remuneration Committee may seek external advice from a recognised and competent source, including an evaluation against comparable peer groups.

Annual Report

- 1.4 The remuneration policies of the Company and the remuneration received by Directors will be disclosed in each Annual Report in accordance with the Companies Act and the Listing Rules. The Annual Report should also disclose the CEO's remuneration arrangements in the annual reporting, including disclosure of base salary, short term incentives and long term incentives as well as the performance criteria used to determine performance based payments.

Board Authorisation

- 1.5 The Board may authorise the:
 - a. Payment of remuneration or the provision of other benefits by the Company to a Director for services in any capacity other than as a Director;

- b. Payment by the Company to a Director or former Director of compensation for loss of office other than as a Director;
- c. Entering into of a contract to do any of the things set out in clauses 1.5a and 1.5b, if the Board is satisfied that to do so is fair to the Company.

1.6 If a payment, benefit, loan, guarantee or contract is authorised:

- a. The Board must ensure that particulars thereof are forthwith entered in the interests register;
- b. Directors who vote in favour thereof must sign a certificate stating that, in their opinion, it is fair to the Company, and the grounds for that opinion.

Fixing Remuneration

1.7

- a. No remuneration shall be paid to a Director in his or her capacity as a Director of the Company or any of its subsidiaries unless that remuneration has been authorised by an ordinary resolution of the Company. Each such resolution shall express Directors' remuneration as either:
 - i. a monetary sum per annum payable to all Directors taken together; or
 - ii. a monetary sum per annum payable to any person who from time to time holds office as a Director.
- b. If remuneration is expressed in accordance with clause 1.7a.i, then in the event of an increase in the total number of Directors holding office, the Directors may, without the authorisation of an ordinary resolution of the Company, increase the total remuneration by such amount as is necessary to enable the Company to pay to the additional Director or Directors remuneration not exceeding the average amount then being paid to each of the other Non-Executive Directors (other than the Chairperson) of the Company.
- c. No resolution which increases the amount fixed pursuant to a previous resolution shall be passed at a meeting of shareholders of the Company unless notice of the amount of increase has been given in the notice of meeting. Nothing in clause 1.7 shall affect the remuneration of executive Directors in their capacity as executives.

Payments Upon Cessation of Office

1.8

- a. The Company may make a payment to a Director or former Director, or his or her dependants, by way of a lump sum or pension by way of a lump sum or pension, upon or in connection with the retirement or cessation of office of that Director, only if the total amount of the payment or the method of calculation of that payment is authorised by an ordinary resolution of the Company.
- b. Nothing in clause 1.8a shall affect any amount paid to an executive Director upon or in connection with the termination of his or her employment with the Company, or the payment of any amount attributable to the contribution (or any normal subsidy related thereto) made by a Director to a superannuation scheme.

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