

## Remuneration Committee Charter

### 1. Interpretation

In this charter the following terms have the meaning set out below:

"**Board**" means the board of Directors of the Company.

"**Committee**" means the Remuneration Committee of the Board.

"**Company**" means Trustpower Limited.

"**Director**" means a director of the Company.

### 2. Objective

The objective of the Committee is to help the Board establish coherent remuneration policies and practices which:

- (a) enable the Company to attract, retain and motivate executives and Directors who will create value for shareholders;
- (b) fairly and reasonably reward executives having regard to the performance of the Company, the performance of the executives and the general pay environment; and
- (c) comply with the provisions of the, Employment Relations Act, the Companies Act 1993, the NZX Listing Rules and any other relevant legal requirements.

### 3. Remuneration Committee Composition

The Board shall be responsible for the appointment and removal of Committee members.

The number of members on the Committee shall be not less than two, all of whom shall be non-executive Directors.

The Committee may, if it considers appropriate, appoint a secretary.

### 4. Meetings and Procedure

The Committee shall meet as frequently as required to undertake its role effectively, but at least once per year. Minutes will be maintained for every Committee meeting.

A quorum of members of the Committee shall be two members of the Committee. The Committee may have in attendance such members of the management and the Board as it considers necessary to provide appropriate information and explanations.

Notice of meetings and the business to be conducted at such meetings shall be given to all Directors, including the members of the Committee. The notice and the form of meeting requirements for the Committee shall be the same as for meetings of the full Board of Directors.

## **5. Responsibilities**

The responsibilities of the Committee include:

- review and recommend to the Board for approval the remuneration policy for Directors and Senior Executives and ensure that the structure of the policy allows the Company to attract and retain Directors and senior executives of sufficient calibre to facilitate the efficient and effective management of the Company's operations;
- annually review and recommend to the Board for approval the remuneration packages of all Directors and senior executives of the Company;
- with reference to the Board, manage the employment or deployment of the Chief Executive and negotiate employment terms.
- Participate in the process of employment of the Chief Financial Officer and recommend to the Board their confidence in any appointment.
- establish appropriate performance criteria, from time to time, for employee long term incentive plans and make recommendations to the Board;

In addition, the Committee shall examine any other matters referred to it by the Board.

## **6. Review of the Committee**

The Committee will review this charter annually or as often as it considers it necessary.

It must recommend to the Board any suggested changes in the responsibilities of the Committee and the terms of this charter.

The Committee's performance, objectives and responsibilities shall also be reviewed annually by the Board.

## **7. Reporting Procedures**

After each Committee meeting, the Committee shall report the Committee's findings and recommendations to the Board.

The Committee must be available at all Annual Shareholders' Meetings to respond to any shareholder questions on the Committee's activities and areas of responsibility.

The minutes of all Committee meetings shall be circulated to all Directors.