

NZAI - Remuneration Committee Charter

1. General

- 1.1 The Remuneration Committee (**Committee**) is a sub-committee of the board of directors (**Directors**, and the **Board**) of NZ Automotive Investments Limited (**NZAI**).
- 1.2 For the purposes of this Remuneration Committee Charter (**Charter**):
 - 1.2.1 the Chief Executive Officer (**CEO**) the Chief Financial Officer and each of their direct reports make up the senior management team of NZAI (**Senior Management Team**); and
 - 1.2.2 “**NZAI Group**” means NZAI and any of its subsidiaries.
- 1.3 The Committee is established to assist the Board in fulfilling its responsibilities in relation to the following matters:
 - 1.3.1 Formal and transparent method for determining Directors’ remuneration.
 - 1.3.2 Remuneration of the CEO.
 - 1.3.3 Review of the remuneration recommendations made by the CEO for the Senior Management Team.
 - 1.3.4 Consideration and review of any incentive plans or payment targets and calculations for the CEO and Senior Management Team.
 - 1.3.5 Review of the overall NZAI Group-wide salary and incentive policies.
- 1.4 The Committee is responsible and accountable to the Board for the exercise of its responsibilities and will report back to the Board on all material matters or on any recommendation.

2. Composition of the Committee

- 2.1 The Committee shall consist of at least three members of the Board.
- 2.2 The Board will appoint the chair for the Committee (**Committee Chair**) and the members of the Committee on recommendation from the chair of the Board.
- 2.3 The Committee Chair shall preferably be an Independent Director and at least a majority of the Committee shall be Independent Directors.¹
- 2.4 The CEO, or any company employee nominated by the CEO and approved by the Committee Chair, will act as secretary to the Committee (**Secretary**). The Secretary is responsible for circulating the meeting agenda and supporting material to all Committee members.
- 2.5 The duties and responsibilities of the members of the Committee are in addition to those as a Director.
- 2.6 The membership of the Committee shall be reviewed annually by the Board and confirmed after the first Board meeting after the annual meeting each year.
- 2.7 NZAI shall identify the composition of the Committee each year in its annual report.

¹ An “Independent Director” is defined in the NZX Listing Rules as a Director who is not an Employee of the Issuer (other than in his/her capacity as Director of the Issuer) and who has no Disqualifying Relationship with the Issuer.

3. Meetings of the Committee

- 3.1 The Committee shall meet at least two times per year or more frequently if circumstances require.
- 3.2 Members of management or others shall not attend meetings other than if they have been invited by the Committee.
- 3.3 Directors who are not members of the Committee are entitled to attend meetings and/or request copies of the meeting agenda and supporting material.
- 3.4 It may be appropriate for a Director who is deemed to have a real, or perceived, conflict of interest to be excused from Committee discussions on the issue where the conflict of interest exists.
- 3.5 Following each meeting of the Committee, the Committee Chair will report to the Board on any matter that should be brought to the Board's attention and on any recommendation.

4. Remuneration responsibilities

- 4.1 In meeting its responsibilities, the Committee is authorised by the Board to:
 - 4.1.1 review, recommend and, if delegated by the Board, set, in accordance with NZAI's Remuneration Policy and practices, the remuneration of Directors and the Senior Management Team;
 - 4.1.2 recommend to the Board to put forward any proposed increases to the remuneration of Directors to be considered and approved by shareholders of NZAI from time to time;
 - 4.1.3 recommend to the Board an additional fee that may be paid to the Chair and the chair of the Audit, Finance and Risk Management Committee to reflect the additional time commitments and responsibilities that accompany such roles to be considered and approved by shareholders of NZAI from time to time;
 - 4.1.4 review and evaluate the performance of the CEO against key performance objectives and review their remuneration package;
 - 4.1.5 ensure that remuneration is disclosed in NZAI's annual report as required;
 - 4.1.6 review and evaluate NZAI's incentive schemes in place from time to time and advise the Board on the amount of any incentive payments;
 - 4.1.7 review and set, as appropriate, the terms and conditions of engagement and employment of Directors, the Senior Management Team and the CEO;
 - 4.1.8 annually review the CEO's recommendations for direct report salary packages and key performance objectives and goals of the Senior Management Team;
 - 4.1.9 review the overall company-wide wage and salary position annually to ensure salary/wage reviews meet the long term strategic goals of the NZAI Group;
 - 4.1.10 review the CEO's recommendations and advise the Board with respect to employee remuneration, benefits and incentive schemes;
 - 4.1.11 ensure that the remuneration policies implemented by the Senior Management Team are in line with NZAI's Remuneration Policy (see 7.1);
 - 4.1.12 ensure that the HR strategy and annual HR plans and policies are reviewed by the Senior Management Team on a regular basis;
 - 4.1.13 ensure that NZAI is in compliance with statutory HR responsibilities;

4.1.14 obtain independent professional advice, independent research, and generally engage such advisers and involve such consultants as the Committee considers necessary for its function; and

4.1.15 any other such functions as may from time to time be assigned by law, or the Board.

5. Publication

5.1 This Charter is available on NZAI's website, <https://www.nzautomotiveinvestments.co.nz/>.

6. Review

6.1 This Charter will be reviewed by the Board annually.

7. Related Documents

7.1 Remuneration Policy.

Date adopted: 25 February 2021