

MCK 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 Millennium & Copthorne Hotels New Zealand Limited.

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

"**Executives**" means the Managing Director / Chief Executive and members of senior management who are direct reports to the Managing Director and report to the Board.

2. Objective

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

- (a) enable the Company to attract, retain and motivate key management personnel and Directors (executive and non-executive) who will create value for shareholders;
- (b) fairly and reasonably reward Executives having regard to the performance of the Company, the performance of Executives and the general pay environment; and
- (c) comply with the provisions of any relevant legislation, the NZX Listing Rules and any other statutory or regulatory 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 (2), the majority of whom shall be independent non-executive Directors. A quorum of the Committee shall be two (2) members. The Chair of the Board shall not be the Chair of the Committee.

All non-executive Directors are entitled to attend Committee meetings except where a Director has or may have a conflict of interest for personal reasons in which case they shall not attend a meeting where the issues giving rise to the conflict is or will be discussed.

The Committee may have in attendance members of Management including the Vice President Human Resources and such other external advisors as the Committee considers necessary to provide



required information and advice. Members of Management (including the Managing Director) may only attend Committee meetings at the invitation of the Committee.

4. Meetings and Procedure

The Committee shall meet as frequently as required to undertake its role effectively, but at least twice per year. The timing of the meetings shall align with when Director and Executive remuneration is due for review in line with the Company's remuneration policy.

Minutes will be taken for every Committee meeting.

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 Managing Director and Vice President Human Resources.

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 Executives and ensure that the structure of the policy allows the Company to attract and retain Directors and 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 Executives of the Company. Remuneration packages shall include but not necessarily limited to base salary, reimbursable expenses, bonuses, entitlements under incentive plans, company share schemes (where applicable) and other entitlements or benefits arising out of employment with the Company. The remuneration of Executives reporting to the Managing Director shall be subject to prior recommendation from the Managing Director;
- with reference to the Board, manage the employment of the Managing Director and negotiate employment terms.
- establish and review the performance criteria, from time to time, for employee short and long term incentive plans, superannuation plans and option schemes (where applicable) and make recommendations to the Board;

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

In discharging the Committee's responsibilities, the Committee is authorised by the Board to obtain external information and advice at the Company's cost (including market surveys and reports) and



to consult with management and executive search consultants and other advisors with necessary experience.

6. Review of the Committee

The Committee will review this charter annually. It will recommend to the Board any suggested changes in the responsibilities of the Committee and any proposed amendments 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 and to any other person the Committee directs.