



REMUNERATION COMMITTEE

The Board of Directors of Port Kembla Port Corporation (PKPC) hereby establishes the Charter for the Remuneration Committee, being a Committee of Independent Board Members of PKPC.

The Board delegates its authority to the Remuneration Committee to develop an Employment Contract for the CEO which, subject to the Minister's approval, the Committee will then administer.

CHARTER

OBJECTIVES

The primary objectives of the Committee are to:

- Establish annual KPIs for the Managing Director/Chief Executive Officer and senior management;
- review the Managing Director's/Chief Executive Officer's and senior management performance and remuneration packages annually;
- seek current industry practice as necessary;
- review as appropriate the terms and conditions of the Managing Director's/Chief Executive Officer's and senior management employment contracts;
- determine and review corporate remuneration packaging guidelines (incorporating SES Guidelines);

Remuneration Committee reviews will take account of corporate performance satisfaction of individual goals and objectives, contractual requirements and industry practice and trends.

COMPOSITION

The Remuneration Committee will comprise all non-Executive Directors, other than the Staff Director, who are independent of management and free from any business or other relationship that could, in the opinion of PKPC's Directors, interfere with the exercise of their independent judgment.

Members will be expected to declare any actual, perceived or potential conflict of interest at any time such conflict may arise during membership of the Committee.

The Chairman of the Board of Directors shall be appointed Chairman of the Committee by PKPC's Board of Directors.

TERM OF MEMBERSHIP

The membership of the Remuneration Committee shall be confirmed annually by the Board of Directors.

FREQUENCY OF MEETINGS

Meetings shall be held as required, but at least quarterly, with at least two of these meetings charged with reviewing the performance of the Senior Management and Managing Director/Chief Executive Officer.

QUORUM

A quorum shall consist of 2 Members, being the Chairman plus one other Director.