

T&G Remuneration Policy

T&G is committed to ensuring that we can attract, retain and motivate high performing people to move us toward our vision of becoming the world's leading premium fresh produce company.

The Remuneration strategy is the link between performance, reward and other HR initiatives and ensures we work to our agreed market position and comparison targets for all roles, all locations and all businesses.

Guiding Principles

T&G's Remuneration policy is designed to:

- Be clearly aligned with T&G's strategy, purpose, vision and mindsets
- Support the attraction, retention and motivation of employees
- Balance competitive pay with affordability, appropriately reflecting both market conditions and organisational context
- Be transparent, consistent, easy to understand and simple to administer
- Recognise individual performance and reward individuals for achieving high performance
- Recognise company performance

Our strategy, supported by a robust performance management process, strives to set our employee's remuneration package at a competitive level by benchmarking to the market and providing incentives geared to agreed performance outcomes, where appropriate.

Scope

This Remuneration Policy applies to all employees of T&G Global. The policy principles are supported by other documents and guidelines which cover the details of remuneration processes and principles.

T&G's approach to remuneration

Our remuneration strategy takes into consideration job band, T&G's strategy, affordability, individual performance, internal equity and market relativities.

Element	Approach and commentary
Remuneration components	<p>Remuneration at T&G includes a mix of fixed and variable components. Total Remuneration is the sum of fixed remuneration and variable remuneration.</p> <p><u>Fixed Remuneration</u></p> <ul style="list-style-type: none"> • Fixed Remuneration includes base salary plus fixed benefits and relates to the base requirements of the role. • If the employee participates in KiwiSaver, the employee's Fixed Remuneration is <i>exclusive</i> of any compulsory contributions that T&G is required to make by law. <p><u>Variable remuneration</u></p> <ul style="list-style-type: none"> • A discretionary Short Term Incentive (STI) may be offered to employees that have a direct influence on company performance. Details of any STI scheme may vary from year to year in accordance with separately documented STI Scheme Guidelines, and by approval of the Board. • An Executive Long Term Incentive (LTI) may be offered, generally only to Executive team members, as approved by the Board.

Element	Approach and commentary
	<ul style="list-style-type: none"> A Team Incentive Plan (TIP) may be offered to New Zealand-based employees ineligible to participate in the STI or LTI schemes. Details of any TIP may vary from year to year at the discretion of the Board.
Market position and comparator point	<p>For non-Executive roles, T&G aims to pay at the market median on a Fixed Remuneration (excluding KiwiSaver) basis compared to other organisations.</p> <p>For Executive roles, T&G aims to pay at the market median on a Fixed Remuneration (excluding KiwiSaver) basis compared to other organisations.</p>
Remuneration structure	<p>T&G uses a remuneration system that provides a framework for a deliberate, consistent and systematic approach to reward. This remuneration framework enables T&G to manage remuneration decisions fairly and consistently across the business. It provides a mechanism to determine the size and complexity of jobs and compare them against the external market as well as measure internal relativity.</p> <p>The job evaluation methodology used by T&G considers various factors including skills, mental effort and responsibility/accountability to determine a job band for each role. The job banding process creates a remuneration range for the role using market remuneration data.</p>
Pay range	<p>Pay may be set between 85% to 115% of the band midpoint, dependent upon competency and performance.</p> <p>Any salary increases or offers below 85% or from 115% to 125% must be approved by the Director of People & Culture and relevant Executive.</p> <p>Any salary increases or offers over 125% of the midpoint must be approved by the CEO.</p> <p>Any increases must be within the budget approved by the HRC on an annual basis.</p>
Remuneration market	<p>T&G uses market remuneration data provided by a third party remuneration specialist to determine remuneration ranges by job band to ensure competitiveness.</p>
Salary review	<p>T&G undertakes an annual remuneration review in March each year, informed by an assessment of relative external market data and organisational context. Adjustments are not automatic but are determined by performance and market movement. Any increase to an employee's base salary is at T&G's sole discretion.</p>
Special payments	<p>Special payments may be made in recognition of outstanding performance, in recognition of acting appointments, to retain key Executives, or to cover extraordinary circumstances.</p> <p>The CEO may approve discretionary payments for non-Executives of up to 10% of the employee's Base Salary as long as the resulting remuneration is within the budget guidelines signed off by the Board. The HRC may consider recommendations from the CEO for other discretionary payments.</p>

Responsibilities / Duties

Human Resources Committee (HRC)

The HRC's responsibilities include the following:

- To review and recommend to the Board the total remuneration strategy, policies and practice of T&G to ensure alignment with T&G's strategic objectives and performance
- To review and recommend to the Board the remuneration package and terms of employment for the Chief Executive Officer
- To annually review and approve Executive remuneration and terms of employment as recommended by the Chief Executive Officer and be advised annually of the remuneration paid to the Key Management Group

Chief Executive

The Chief Executive Officer responsibilities include the following:

- Make recommendations to the HRC on Executive remuneration matters
- Make recommendations to the HRC on incentive proposals and outcomes, and to propose changes to remuneration policy
- Approve the outcome of T&G's remuneration review

Dependencies

- Remuneration Framework Guidelines
- Benefits and Recognition Guidelines
- STI Scheme Guidelines
- LTI Scheme Guidelines

Approval

This Policy was approved by the HRC on 2 December 2019.

Further information

- Remuneration & Payroll Manager and HR Business Partners for guidance on policy interpretation
- Managers for understanding and clearly communicating to employees.