



REMUNERATION COMMITTEE CHARTER

THE a2 MILK COMPANY LIMITED ("Company")

1. Charter

The Remuneration Committee ("**Committee**") shall be a committee of the board of directors of the Company ("**Board**") established by the Board.

2. Objectives

The objective of the Committee is to assist the Board in the establishment of remuneration policies and practices for the Company's Chief Executive Officer, senior managers and staff, as well as to ensure director compensation is fair and current.

3. Membership

The Committee shall comprise a minimum of three directors, all of whom will be non-executive directors and a majority of whom will be independent directors. The Board shall appoint a Committee Chair from among the independent members of the Committee.

4. Secretarial and Meetings

The secretary of the Committee shall be appointed by the Committee.

A quorum of members of the Committee shall be two non-executive directors.

The Committee may have in attendance such members of management and such other persons including external advisers as it considers necessary to provide appropriate information and advice. Management will only attend Committee meetings at the invitation of the Committee.

All directors who are non-members of the Committee shall be entitled, if invited by the Committee, to attend meetings of the Committee.

Reasonable notice of meetings and the business to be conducted at such meeting shall be given to the members of the Committee and any other person invited by the Committee to attend.

Meetings shall be held not less than once per year having regard to when director and executive remuneration is due for review in terms of the Company's remuneration policies. Any member of the Committee may request a meeting at any time if they consider it necessary.

If the Committee Chair is absent from a meeting and no acting chair has been appointed, the Committee members present may choose one of them to act as chair for that meeting.

Meetings of the Committee may be held or participated in by conference call or similar means, and decisions may be made by circular or written resolution.

Minutes of all Committee meetings shall be kept. Such minutes will be prepared for approval by the Committee and, once approved, be circulated to the members of the Board.

Each member of the Committee will have one vote.

The Committee Chair will not have a casting vote. If there is a tied vote, the motion will lapse.

A member of the Committee must not be present for discussions at a Committee meeting on, or vote on a matter regarding, his or her remuneration except the consideration of remuneration which relates to all directors or all members of a Board committee.

The Committee must be provided with such internal resources as it considers necessary or desirable to fulfil its objectives.

The Company Secretary will provide such assistance as may be required by the Committee Chair in relation to preparation of the agenda, minutes or papers for the Committee.

5. Responsibilities

Subject to the limitations on the Committee's authorities contained in paragraph 6, the responsibilities of the Committee are to review and make recommendations to the Board in relation to the following:

- setting and reviewing separately, the policies and practices of the Company regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior management. The Remuneration Committee may take into account the performance review of senior managers when setting and/or reviewing their remuneration;
- all components of the remuneration framework of the Chief Executive Officer and such other senior managers as the Board may from time to time determine. The components may include base salary, reimbursable expenses, bonuses, entitlements under employee incentive plans, Company share schemes and option schemes, any equity based remuneration, and all other entitlements and benefits arising from their employment. The remuneration of senior managers who report directly to the Chief Executive Officer is subject to prior recommendation from the Chief Executive Officer;
- the terms of employment contracts for the personnel referred to above;
- the terms of any Company short or long-term incentive plans including any share and option schemes for employees and/or directors;
- the terms of the Company's superannuation and/or pension schemes;
- all components of the remuneration of the non-executive directors. Such components shall include base fees, supplemental fees for undertaking additional duties, reimbursable expenses, entitlements on retirement from or termination of Board membership, the process by which any pool of directors' fees, which has been approved by shareholders, is allocated to directors, and all other benefits and entitlements arising from their directorships;
- considering such other matters relating to remuneration issues as may be referred to it by the Board;

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- any gender or other bias in remuneration for directors, senior managers or other employees of the Company; and
- succession plans for the Chief Executive Officer and other senior managers.

No director will be involved in Committee meetings at which his or her remuneration is being discussed except the consideration of remuneration except the consideration of remuneration which relates to all directors or all members of a Board committee.

6. Authorities

The Committee will make recommendations to the Board on all matters requiring a decision. The Committee does not have the power or authority to make a decision in the Board’s name or on its behalf.

The Committee is authorised by the Board, at the expense of the Company, to obtain such outside information and advice including market surveys and reports, and to consult with such management and executive search consultants and other outside advisors with relevant experience and expertise, as it thinks necessary for carrying out its responsibilities.

7. Review of the Committee

Each year, the Committee will review and assess its performance, objectives, responsibilities, and processes and procedures to ensure that they are not unduly complex, are designed to assist the Board in effectively fulfilling its role and are delivering to a high standard.

The Committee shall also assist and advise the Board with respect to the Board’s own review of these matters.

The Committee, in order to ensure that it is fulfilling its duties to the Company and its shareholders will periodically:

- obtain feedback from the Board on the Committee’s performance and implement any agreed actions; and
- provide any information the Board may request to facilitate its review of the Committee’s performance.

8. Reporting Procedures

After each meeting the Committee Chair will report the Committee’s recommendations and findings to the Board.

The Committee Chair will present an annual report to the Board summarising the Committee’s activities during the year and any related significant results and findings.

9. Revisions of this Charter

The Committee is responsible for reviewing the effectiveness of this Charter and the operations of the Committee. The Committee may recommend to the Board changes or improvements to this Charter. Any amendments to this Charter must be approved by the Board.

Version:	3
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Next review date:	As required