



Patties Foods Ltd

Remuneration and Nomination Committee Charter

June 2011

1 THIS CHARTER

- 1.1 The Remuneration and Nomination Committee (“Committee”) is a committee of the Patties Foods Ltd Board (“PFL Board”).
- 1.2 This Charter sets out the role and responsibilities, composition and structure of the Committee.
- 1.3 The PFL Board has delegated certain responsibilities to the Committee which will require formal reporting back to the PFL Board. The ultimate responsibility of remuneration and nomination policy matters rests with the PFL Board.

2 ROLES & RESPONSIBILITIES

- 2.1 The Committee has the delegated responsibility of the PFL Board to conduct detailed examination of certain matters which may require the PFL Board’s approval.
- 2.2 The Committee is responsible for reviewing the following remuneration matters:
 - (a) Remuneration and incentive framework for the Managing Director;
 - (b) Remuneration and incentive framework for all staff;
 - (c) Remuneration of PFL Group non executive directors;
- 2.3 The Committee is responsible for reviewing the following nomination matters:
 - (a) The process for the nomination and selection of non executive directors to the PFL Board. As required by the Board Charter, the process shall include:
 - i. ensuring regular review of the performance and effectiveness of the Board and considering any gaps in the skills, experience and diversity on the Board;
 - ii. before recommending the re-appointment of an existing director or the appointment of a new director, reviewing that director’s skill, experience and background within the context of the matrix of desired skills, experience and diversity;
 - iii. assisting in identifying, interviewing and recruiting candidates for the Board and utilising professional assistance where required.
 - (b) Succession plans for PFL Group non executive directors;
 - (c) Induction programs for PFL non executive directors;

- 2.4 The Committee is responsible for assisting the Board to effectively implement its Diversity Policy by:
- i. regularly overseeing a review of the relative proportion of men and women across the whole of the company's organisation, in senior management positions and the Board, respectively;
 - ii. reporting to the Board on the findings of such reviews and its recommendations for the objectives to be set by the Board for achieving gender diversity, having regard to any gaps identified by such reviews;
 - iii. reporting to the Board, at least annually, on the progress in achieving the objectives set by Board under sub clause ii;
 - iv. considering other initiatives to promote diversity in the workforce
- 2.4 The Committee will review the following matters and in doing so, shall consider whether any significant matters should be brought to the attention of the PFL Board.
- (a) superannuation arrangements;
 - (b) senior management and key staff succession plans;
 - (c) recruitment, retention and termination strategies;
 - (d) staff resourcing trends and metrics;
 - (e) other relevant matters identified from time to time, or requested by the PFL Board

3 COMPOSITON & STRUCTURE

- 3.1 The Committee members are appointed, removed and/or replaced by the PFL Board. Appointments are for twelve month terms or as otherwise determined by the PFL Board.
- 3.2 The Committee will consist of at least three members, all of whom are non executive directors.
- 3.3 A quorum shall be at least two members or any greater number determined by the PFL Board.
- 3.4 The duties and responsibilities of a member of the Committee shall be in addition to those duties set out for a director of the PFL Board.
- 3.5 Board members or senior management that are not members of the Committee may be invited to attend a Committee meeting by invitation.

4 FREQUENCY OF MEETINGS

- 4.1 The Committee shall meet at least two times per annum and more frequently as required.

5 ACCESS

- 5.1 The Committee shall have direct access to PFL senior management.
- 5.2 The Committee Chairman shall have the authority to seek whatever independent, professional or other advice it requires in order for the Committee to carry out its responsibilities.

6 REPORTING

- 6.1 The Committee reports to the PFL Board and Committee meeting minutes will be provided to the PFL Board for noting.
- 6.2 The Committee will ensure that the PFL Board is provided with sufficient information to ensure informed decision making.

7 REVIEW

- 7.1 The Committee will review its Charter annually to keep it up to date and consistent with the Committee's authority, objectives and responsibilities.
- 7.2 Amendments to the Charter are to be approved by the PFL Board.