

# GROUP DIRECTOR AND SENIOR EXECUTIVE REMUNERATION POLICY

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<b>Owner:</b>	Board of Directors	<b>Approved by:</b>	Board of Directors

## 1. POLICY STATEMENT

The purpose of the Group Director and Senior Executive Remuneration Policy (the “**Policy**”) is to outline how the remuneration levels for Directors, the Group Chief Executive, and executives who take part in the management of Restaurant Brands New Zealand Limited and its subsidiaries (“**RBD**”) are set.

RBD’s business policies, practices and behaviours promote diversity and equal opportunity and create an environment where individual differences are valued and all personnel have the opportunity to realise their potential and contribute to RBD’s success.

This Policy has been approved by the Board of Directors of Restaurant Brands New Zealand Limited (the “**Board**”) and applies to all directors, the Group Chief Executive and all executives who report to the Group Chief Executive (“**Senior Executives**”).

## 2. OBJECTIVES

- Ensure a fair and transparent process for the determination and payment of Directors and Senior Executives’ remuneration.
- Meet regulatory obligations and industry best practice guidelines in regards to reporting Directors and Senior Executives’ remuneration and benefits received.
- Assist in ensuring fair and equal pay throughout RBD based on the value of the services performed within the context of a competitive market and having regard to an individual’s experience, skills and performance.

## 3. POLICY OVERVIEW

### Director remuneration

Non-Executive Director remuneration is paid in the form of Director’s fees, which are made up of the following components:

- A fixed base annual fee;
- Additional fees paid to individual Directors appointed to various committees, to reflect additional responsibilities of these positions; and
- Ad hoc fees for additional work performed by individual Directors that is beyond the scope for which they receive compensation.

The Remuneration and Nominations Committee (the “**Committee**”) reviews the level of remuneration of Directors annually. The Committee is authorised to obtain independent advice on market conditions for director remuneration, and makes recommendations regarding remuneration levels for Directors of RBD to the Board (subject to shareholder approval, as appropriate).

Procedures for the approval of remuneration levels for Directors (in their capacity as Directors of RBD) are governed by the NZX Main Board Listing Rules (“**Listing Rules**”) and the Companies Act 1993. Any recommended increase to the total Directors fee pool must be approved by an ordinary resolution of shareholders at RBD’s Annual Shareholders’ Meeting. The amount of any proposed increase in Directors’ remuneration must be provided in the notice of meeting and must be recommended by the Board in a transparent manner.

Each resolution must express the Directors’ remuneration as either:

- a monetary sum per annum payable to all Directors of RBD taken together; or
- a monetary sum per annum payable to any person who from time to time holds office as a Director of RBD.

If Director’s remuneration is expressed as a monetary sum per annum payable to all Directors of RBD taken together:

- The Directors’ remuneration shall be distributed amongst Directors in such a manner as the Directors from time to time determine.
- Under NZX Listing Rule 3.5.1, in the event of an increase in the number of Directors holding office, the Directors may, without the necessity of an ordinary resolution, increase the total remuneration by such amount as is necessary to enable payment to the additional Director or Directors of remuneration not exceeding the average amount then being paid to each of the other non-executive Directors (other than the Chairperson). In the event that the Directors increase the total remuneration in accordance with this provision, the Directors will (if practicable) request that shareholders ratify such increase by way of an ordinary resolution of shareholders at RBD’s next Annual Shareholders’ Meeting.

### **Senior Executive remuneration**

The Committee reviews the remuneration of the Group’s Senior Executives as part of RBD’s annual remuneration review. The Committee ensures appropriate remuneration arrangements are in place for the Senior Executives and recommends to the Board compensation for Senior Executives. Approval of the Board is required for implementation of any changes to Senior Executive remuneration.

Senior Executive remuneration may comprise of a fixed base salary and a variable short term incentive payable annually. Incentives may be paid against targets agreed with executives at the commencement of the year, and are based on profitability, growth and achievement of strategic objectives.

In addition, the Board may from time to time, approve a long term performance based incentive schemes for specific Senior Executives. In determining the long-term incentive component of any Senior Executive compensation scheme, the Committee shall consider, among other factors, RBD’s performance and relative shareholder return, the value of similar

incentive awards to senior executives at comparable companies, the awards given to the relevant Senior Executive(s) in past years, and any other factors that the Committee determines is appropriate.

The Board believes that long term performance based share schemes are desirable to ensure there is an alignment of managements' interests and efforts with the interests of shareholders. Long term incentive schemes also ensure that long term growth and shareholder value are not compromised in favour of short term actions, with management rewarded if the Company performs well over the term of such a scheme.

#### **Disclosure of Director and Chief Executive remuneration**

RBD ensures that Directors' and Chief Executive remuneration is disclosed in each Annual Report, as required by the Companies Act 1993 and Recommendation 5.3 of the NZX Corporate Governance Code 2017.

The disclosure of Directors' remuneration includes a breakdown of remuneration for committee roles and for fees and benefits received for any other services provided to RBD.

The disclosure of Group Chief Executive remuneration includes the Group Chief Executive's base salary, short-term and long-term incentives, and the performance criteria used to determine performance based payments.

#### **4. REVIEW**

This Policy will be reviewed every two years. Comments and queries in relation to this Policy should be directed to the Chair of the Remuneration and Nominations Committee.