

# Remuneration Report

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**Chairman of Remuneration and**  
**Nomination Committee**

# Introduction

Last year we said we were going to:

- Increase the “At Risk” component (STI) to:
  - 30% for Executives
  - 50% for MDBased on Corporate & individual targets
- Introduce a LTI plan for Executives
- Increase the “At Risk” components of Executives remuneration:
  - TEC - cash salary
  - STI - annual cash incentive
  - LTI - 3 year equity incentive
- Implement a new Group Remuneration strategy designed to increase shareholder value

# Year in Review 2006/07

We have integrated our Remuneration and HR processes successfully

- Unified remuneration, salary and payroll system
- One set of HR processes and policies
- Aligned safety processes resulting in a 60% decline in Lost Time Injuries

# Overview

- Restructured Remuneration Report
- Independent Review of Board Performance
- Increase in the Aggregate Pool for Non Executive Directors
- Short term incentives
- Performance Rights for CEO/MD

# Group Remuneration Strategy

**Motivate**

**Retain**

**Attract**

- Market competitive remuneration;
- Performance based at risk remuneration
  - link to increasing shareholder value;
- Long term and Short term incentives.



**SIGMA**