

Pacific Brands Limited Remuneration Committee Charter

The Board of Pacific Brands Limited (**Pacific Brands**) has established a Remuneration Committee (the **Committee**). The purpose for which the Committee was established and the powers of the Committee are set out in this document.

1 Role and Objectives

The role of the Committee is to assist and advise the Board on matters relating to the appointment and remuneration of the Chief Executive Officer and other senior executives and employees of the Pacific Brands Limited group (the **Group**).

The objectives of the Committee include:

- to oversee the selection and appointment practices for senior executives of the Group;
- to oversee development by management of succession planning for senior executives; and
- to assist the Board in determining appropriate remuneration policies for all employees.

2 Membership of the Committee

Unless otherwise determined by the Board, the Committee comprises a minimum of three non-executive directors. A majority of the directors must be independent directors.

The Board will appoint the Chair and members of the Committee and may remove and replace members of the Committee by resolution.

Where not appointed as a member, the Chair of the Board may attend meetings of the committee at his or her discretion, in an ex-officio capacity. Members of management may also attend meetings of the Committee at the invitation of the Chair. No Executive Officer of the Company may participate in deliberations of the Committee (whether as a member of the Committee or in an ex-officio capacity) where he or she has a personal interest.

3 Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role and objectives set out in this Charter.. However, it is intended that the Committee will meet at least 3 times each year.

A quorum consists of the lesser of 2 members or a majority of members of the Committee.

The Committee may have access to financial, legal or other independent advisers, in accordance with the Board's general policy. The Committee may obtain information from and consult with such members of management as it considers appropriate.

The Group General Manager Human Resources will attend all Committee meetings as an ex-officio member. The Company Secretary will attend all Committee meetings as minute secretary. All minutes of the Committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

The Group General Manager Human Resources will be responsible for preparing, in consultation with the Committee Chair, the agenda for each meeting of the Committee and for compiling papers for the Committee to consider. The Group General Manager Human Resources will circulate agendas and Committee papers to all members of the Committee.

4 Reporting

The Chairman of the Committee will report to the Board following each Committee meeting. A copy of the minutes of the Committee meeting will be included in the Board papers for the Board meeting next following a meeting of the Committee.

5 Responsibilities and functions

The Committee will be responsible for:

- reviewing and making recommendations to the Board on the total remuneration package for the Chief Executive Officer, including short term and long term incentives for the Chief Executive Officer,
- reviewing and approving recommendations from the Chief Executive Officer on total levels of remuneration for senior executives reporting to the Chief Executive Officer, including their participation in short and long term incentive schemes;
- reviewing the performance targets for senior executives reporting to the Chief Executive Officer;
- reviewing human resources and remuneration policies and practices for the Group as brought forward by the Chief Executive Officer or the Group General Manager Human Resources and where appropriate, recommend for adoption by the Board;
- reviewing management succession planning for Pacific Brands in general, but specifically in regard to the Chief Executive Officer and senior executives reporting to the Chief Executive Officer;
- reviewing the appointments and terminations to senior executive positions reporting to the Chief Executive Officer;
- reviewing the Group's obligations on matters such as superannuation and other employment benefits and entitlements.

6 Review

The Committee will, at least annually review the charter and its performance.