

25 October 2022

## Introduction

As a Crown entity, the consent of the Public Service Commissioner is required under Section 117 of the Crown Entities Act 2004, before the terms and conditions of the Chief Executive remuneration is finalised or varied.

Effective 1 July 2021, the Public Service Commissioner implemented a new approach for granting consent under Section 117 of the Crown Entities Act 2004. While Public Trust is a Crown entity, in respect of Public Trust's Chief Executive's remuneration, the Public Service Commissioner will treat the organisation as though it were a State-owned Enterprise.

The Public Service Commissioner seeks advice from the Secretary of Treasury, on whether the approach taken for Chief Executive terms and conditions is consistent with those taken by State-owned Enterprises, before providing consent.

## Methodology used for assessing Public Trust's Chief Executive remuneration

Public Trust manages all matters relating to Chief Executive performance and remuneration through the People, Culture and Change Committee. This Committee is comprised of three Board members, with the Chair of the Board attending all meetings in an ex-officio capacity. The Committee reviews the Chief Executive's remuneration annually and presents recommendations to the full Board for approval.

The Committee ensures the organisation is able to remain competitive in attracting and retaining talent including the Chief Executive. The Committee maintains a current view of market remuneration for comparable CE roles by engaging an independent remuneration consultant every two years. Using this advice as a benchmark, the Committee then considered market movements, the Chief Executive's performance and its "good employer" obligations. Using these insights, they generated a remuneration review recommendation, which was then reviewed and approved by the Board.

The Board's decision on Chief Executive remuneration is submitted to the Public Service Commissioner for consent.

## Public Trust Chief Executive Remuneration

Effective 1 July 2021, the Chief Executive's remuneration was set at \$686,205 which is an increase of \$136,200. This increase in remuneration was phased evenly over two years so that the Chief Executive received an increase of \$68,100 as of 1 July 2021 and a further \$68,100 increase on 1 July 2022.

The Chief Executive's total remuneration consists of base salary and compensation for employee contributions to KiwiSaver. Public Trust does not offer short- or long-term incentives to any employee.

Base salary	\$653,155
Compensation for Employee Contribution to KiwiSaver @ 3% of base salary	\$ 19,595
Subtotal	\$672,750
<i>Additional annual leave purchased*</i>	\$13,455
<b>Total remuneration</b>	<b>\$686,205</b>

\*The CE has elected to purchase a fifth week of annual leave each year. The CE's total remuneration is set against market benchmarks for total fixed remuneration; the value of the fifth week is then deducted from the base salary to ensure that the fifth week is applied to the package as a cost rather than a benefit.