

9 February 2016

## Terms of Contract for New CEO

Further to the previous announcement that Mr Ian Black has commenced as CEO at Gentrack Group Limited (NZX/ASX: GTK) and, in accordance with ASX Listing Rule 3.16.4, Gentrack today releases a summary of the material terms of his employment agreement.

Please find attached a summary of the material terms of CEO employment agreement.

ENDS

### Contact

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### About Gentrack

Auckland-based Gentrack is a developer of specialist software for energy utilities, water companies and airports around the world. It employs over 200 people in offices in Auckland, Melbourne and London and services utility and airport sites across four continents. Gentrack is comprised of two leading software products - Gentrack Velocity and Airport 20/20. Gentrack Velocity is a specialist billing and CRM product designed for energy utilities and water companies in competitive and regulated utilities markets. Airport 20/20 is a comprehensive Airport Operational System engineered to optimise an airport's operations through intelligent collaboration, streamlining airport information flows and transforming the passenger experience.

## Summary of the material terms of CEO employment agreement

### Term

There is no set term for this appointment.

### Remuneration

There are 3 components to Mr Black's remuneration. They are:

#### *Fixed salary*

Mr Black will be paid a fixed base salary of NZD 380,000 per annum. This amount is reviewable at the Board's discretion each year.

#### *Short term incentive payments*

Mr Black will be entitled to annual short term incentive payments of up to 50% of this fixed base salary.

The actual short term incentive awarded (if any) will be determined at the discretion of the Board after assessing the performance of Gentrack Group Ltd (**Gentrack**) and the performance of Mr Black against performance targets and priorities agreed annually.

#### *Long term incentive*

Mr Black will be eligible to participate in the Gentrack Long Term Incentive Scheme (the **LTI Scheme**) when the LTI Scheme is established.

In summary and subject to the prospective LTI Scheme rules:

The annual award of Performance Rights (**PRs**) will be based on 30% of base salary, or other such percentage as awarded by the Board in its absolute discretion from year to year.

The number of PRs will be calculated based on the 10 day Volume Weighted Average Price of Gentrack shares on the NZX, following the announcement of financial results for the prior year (in the case of the first award, that is the year to 30 September 2015).

The number of PRs that will vest and be exercisable after 3 years depends on achievement of the Performance Hurdle.

The Performance Hurdle for the first award is that 50% of the PRs will vest, if the Cumulative Average Growth Rate (**CAGR**) in Earnings Per Share (**EPS**) of Gentrack over the 3 financial years of the initial vesting period is 7%. The number of PRs that vest increases linearly to 100% if EPS CAGR is 12%.

All Gentrack shareholders will benefit from dividends paid in addition to any appreciation in the share price driven by sustained EPS growth.

The Performance Hurdle for vesting may be varied by the Board from year to year.

## Termination

Mr Black's employment may be terminated by either party on 3 months' notice. Gentrack may also terminate the employment of Mr Black without notice in the case of serious misconduct or similar activities or on 1 month's notice in the case of illness or injury. If Mr Black is made redundant or his employment is otherwise terminated by Gentrack without cause, he is entitled to a termination payment (in addition to the period of notice) equal to 3 months' base salary.

## General

Mr Black's employment agreement also contains terms which are usual in agreements of this kind covering, for example, confidentiality, restraint upon termination and leave.

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