



ASX:JYC

Remuneration Policy

1. Background

- a) The performance of Joyce Corporation Ltd (the **Company**) depends upon the quality of its Directors and executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and executives. To this end, the Company embodies the following principles in its remuneration policy:
 - i. Provide competitive rewards to attract high calibre Directors and executives; and
 - ii. Link executive rewards to shareholder value.

2. Purpose

- a) To ensure the Company attracts, motivates and retains highly skilled Directors and executives.

3. Responsibility

- a) The Remuneration Committee (the **Committee**), acting on behalf of the Joyce Corporation Ltd Board (the **Board**) and shareholders is responsible for delivering on this policy.

4. Application

- a) This policy applies to Key Management Personnel (**KMP**) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of The Company, directly or indirectly. It therefore includes Non-Executive Directors (**NED's**), the CEO, Business Unit Heads and other designated Senior Executives (Group Executives who directly report to the CEO and/or who have entered into an executive service agreement with the Company).
- b) Recommendations relating to remuneration for KMP direct reports has been delegated to the relevant KMP.

5. Remuneration Policy

Objectives

- a) The objectives of the Company's policy are to:
 - i. motivate personnel to successfully lead and manage the Company, with a focus on driving long term growth and shareholder value;
 - ii. drive successful performance and achievement of long and short-term goals and otherwise reinforce the strategic objectives of the Company;
 - iii. deliver competitive remuneration packages necessary to attract and retain appropriate personnel;
 - iv. ensure fair remuneration, having regard to duties, responsibilities and other demands;
 - v. ensure flexibility, to enable the Company to cope with planned or unforeseen threats and opportunities;
 - vi. ensure sustainable value for all stakeholders; and
 - vii. provide, where appropriate, variable "at risk" executive remuneration, dependent upon meeting pre-determined performance hurdles.



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- b) This policy will be reviewed annually.

Committee Responsibilities

- c) The Committee is responsible for researching, reviewing and recommending to the Board compensation arrangements for KMP.
- d) The Committee assesses the appropriateness of the nature and amount of remuneration of KMP on a periodic basis by reference to relevant employment market practices, appropriate benchmarks, legislative requirements and the Company's specific circumstances, with the overall objective of ensuring maximum shareholder value from the retention of a high-quality Board and executive team. It may also seek independent, external advice.

Non-Executive Director (NED) Remuneration

- d) When determining NED remuneration, the Board has regard to:
- the need to attract, retain and motivate appropriately qualified and experienced directors with diverse backgrounds and experiences to ensure the Board is comprised of a range of skills necessary to properly understand the business environment in which the Company operates;
 - the scope and complexity of the responsibilities assumed by directors in connection with the oversight and leadership of the Company;
 - comparative market practices by referring to the level of fees paid to Board members of other relevant Australian companies; and
 - the responsibilities and workload requirements of each Board member.
- e) The Board's consideration and determination of NED remuneration is at the ultimate discretion of the Shareholders and requires Shareholder endorsement to be valid.
- f) NED remuneration comprises the following components:
- Board and Committee Fees; and
 - Superannuation (compulsory contributions).
- g) Board fees are structured by having regard to the responsibilities within the Board. Board Committee fees are structured to recognise the differing responsibilities and workload associated with each Committee and the additional responsibilities of each Committee Chair.
- h) Where considered necessary, the Board may seek external advice.
- i) The maximum aggregate of NED remuneration paid to NED's must be approved by the Shareholders.
- j) The Board allows for additional payments to Directors where extra or special services are provided, subject to approval by the Board.

Other KMP Remuneration (Excluding NED's)

- k) The remuneration for all KMP's (excluding NED's) is structured with a combination of the following two components:
- Total Fixed Remuneration (**TFR**) and
 - Short-Term Incentive (**STI**).
- l) Where applicable and as approved by the Board, KMP's may be eligible for a Long-Term Incentive (**LTI**) (see below).

Total Fixed Remuneration (TFR)

- m) Fixed compensation consists of base compensation, which is calculated on a total cost base and includes any fringe benefits tax (**FBT**) charges related to employee benefits including motor vehicles, as well as employer contributions to superannuation funds.



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- n) Compensation levels are reviewed annually by the Committee through a process that considers the individual's responsibilities and the achievement of pre-determined KPI's and the overall performance of the Group or the subsidiary in the case of Business Unit Heads.
- o) In addition, external data and advice is obtained to ensure executive compensation is competitive in the marketplace.
- p) KMP remuneration is also reviewed on promotion.
- q) KMP may elect to sacrifice some of their base salary to increase payments towards superannuation or to salary sacrifice a motor vehicle or another asset as agreed.
- r) Other Additional Benefits:
 - i. Provision of a mobile telephone including reasonable calls and rental charges;
 - ii. Professional member subscriptions and professional development related to the role on approval;
 - iii. Car Parking; and
 - iv. Access to Company's employee discount scheme.

Performance-based Compensation

- s) Performance-based compensation includes both short-term and long-term incentives and is designed to reward KMP (excluding NED's) for meeting or exceeding their financial and/or non-financial objectives. The total potential incentive available is set at a level to provide sufficient incentive to KMP to achieve the operational targets and such that the cost to the Company is reasonable in the circumstances. The maximum aggregate of performance linked compensation must be approved by the Shareholders.
- t) At this stage, the Committee has determined that this variable remuneration component is only offered to select KMP's (excluding NED's). There may be different methodologies for determining the performance-based remuneration for different roles.
- u) Company policy relating to performance-based compensation is reviewed annually.

Short-Term Incentive (STI)

- v) The short-term incentive (**STI**) is an "at risk" bonus provided in the form of cash. Select KMP's (excluding NED's) are eligible to receive a STI depending on the achievement of agreed key performance measures. Each year, the Board will set key performance indicators (**KPI's**). The KPI's generally include performance measures relating to the Company and the individual and include financial, people, customer, strategy and risk measures. The measures chosen align the individual's reward to the KPI's of the Company and to its strategy and performance. These KPI's are reviewed by the Committee and subject to approval by the Board.
- w) The Company undertakes a rigorous and detailed forecasting and budget process. The Board considers that the achievement of the annual budget is therefore, the most relevant short-term performance condition.
- x) At the end of the financial year, the Board, supported by the CEO, assess the actual performance of the Company and the relevant individual against the KPI's set at the beginning of the financial year. This assessment is reviewed by the Committee. No bonus is awarded where performance objectives are not achieved.
- y) The CEO recommends to the Committee performance bonus amounts of the KMP for approval by the Board.



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Long-Term Incentive (LTI)

- z) The Joyce Corporation Ltd Rights Plan (**JRP**) was most recently approved at the 2021 Annual General Meeting (AGM). The main features of the JRP are detailed in the 2021 AGM Notice. The JRP is designed to form a significant component of KMP at-risk remuneration and to create alignment between shareholder benefit and the remuneration of participants.
- aa) The Company has adopted an executive remuneration strategy under which KMP remuneration is composed of three (3) components being: TFR, STI and LTI (governed by the JRP). The mix of STI and LTI reflects the necessity to focus on both short-term delivery of business plans and longer term, sustainable growth in shareholder value.
- bb) The LTI has been designed to ensure that KMP have a strong interest in growing the sustainable value of the Company for the benefit of all shareholders. It also aims to align KMP and shareholder interests.

6. Policy Amendment

- a) This policy cannot be amended without approval from the Board.

DocuSigned by:			
Authorised By	Chair of REM	Travis McKenzie 38D29B554C2D437...	June 2023

Date for next review of this policy - May/June 2024

