

<b>Policy owner</b>	Board of Directors, Delegat Group Limited
<b>Date of publication</b>	July 2018 (April 2022)
<b>Applicability</b>	Delegat Group and its subsidiaries

### **PURPOSE OF THIS POLICY**

The purpose of this policy is to outline the principles and approach to remuneration for all employees and Directors of Delegat Group Limited (Delegat) and to ensure the principles are fair, reasonable and aligned to Delegat's strategic goals.

### **APPLICATION**

This policy applies to all Directors and all employees of Delegat.

### **REMUNERATION PRINCIPLES**

Delegat is committed to ensuring the approach to remuneration is driven by the following principles;

1. **Supports strategy** - Aligns behaviours to company strategy to deliver shareholder value.
2. **Attracts and retains world class people** - Rewards and recognises a diverse range of high calibre candidates and employees.
3. **Promotes a high performance culture based on our values** - Remuneration is linked to demonstrated performance on both business objectives and behavioural competencies to help build value alignment and a high performance culture.
4. **Recognises regulatory, societal and market factors** - Takes into account regulatory frameworks, employment, societal and market demands influencing remuneration at national and regional levels.
5. **Is fair** - Remuneration is not influenced by irrelevant individual factors, such as gender, ethnicity or sexual orientation.
6. **Is reasonable** in a competitive market.
7. **Disclosure** - Remuneration arrangements for Directors, Executive Directors and the Managing Director are disclosed.
8. **Is simple** - Be easy to understand and efficient to manage.

## **REMUNERATION REVIEW PROCESS**

### **Employee Remuneration**

Remuneration of employees, including the Managing Director, is reviewed annually in July following the year end performance review process. Delegat takes a Total Remuneration approach to reward and considers fixed remuneration, any variable component (if applicable) and any benefits when reviewing remuneration. Delegates approach to Total Reward is to be market competitive with the ability to reward employees who demonstrate sustained high performance. The below factors are considered as part of the remuneration review process:

- Benchmarking remuneration around role specific market medians using up to date market remuneration data gathered from independent remuneration consultants and/or surveys;
- Recognition of individual performance and contribution including an employee's growth and progression within role; and
- Internal relativities within peer groups; and
- Ensuring remuneration changes are financially responsible and affordable.

The Senior Leadership Team and employee's with sales responsibilities have a variable pay component (Short Term Incentive or STI) which is linked to measurable, pre-determined performance goals and/or sales targets. These STI measures are set at the beginning of each financial year in line with annual business plans.

### **Executive Director and Managing Director Remuneration**

The criteria for reviewing the remuneration for an Executive Director and the Managing Director includes, as appropriate, advice obtained from external independent consultants, specific market comparison of individual roles using independent surveys, consideration of role expectations and requirements, and level of achievement against business and personal objectives.

The Managing Director is eligible to, and does, participate in a Short Term Incentive plan. This is payable at the end of the financial year and recognises achievement of pre-determined Group EBIT and sales targets.

### **Non - Executive Director Remuneration**

Remuneration levels are set at competitive levels to attract and retain appropriately qualified and experienced Directors. The fees of the Non-Executive Directors are set within the total aggregate amount approved by shareholders in accordance with the NZX Listing Rules, and at levels recommended by the Board that reflect the responsibilities and time commitments provided by those Directors to Delegat in discharging their duties. Supplementary fees are paid to Directors who have additional responsibilities as Chair or as members of any committees.

## **ROLES AND RESPONSIBILITIES**

The Board has overall responsibility for approving the remuneration policy. The Remuneration Committee performs delegated responsibilities outlined in the Remuneration Committee Charter (published on the Delegat website) on behalf of the Board, including supporting the Board with an annual review of the remuneration policy.

The application of the remuneration policy is managed by the Group People and Culture Manager in collaboration with the Managing Director.