

## SMW GROUP LIMITED REMUNERATION POLICY

### Policy Statement

The remuneration policy of SMW Group Limited (**SMW**) and its subsidiaries (together, the **Group**) supports the Group to attract, retain and motivate high calibre people to achieve the Group's objectives and create shareholder value.

SMW has a Remuneration, Nominations and SEQ Committee (the **Committee**) that reviews and makes recommendations to the Board (generally annually) in respect of remuneration practices, policies and levels for its people.

### Application

This Remuneration Policy applies to all SMW directors, management and employees.

### Approach to Remuneration

SMW is committed to ensuring the remuneration of directors, management and all personnel is transparent, fair and reasonable. SMW's remuneration is structured to ensure that the Group attracts and retains high calibre people who have the skills, experience and knowledge to increase SMW's performance and value to the benefit of all shareholders. Equal remuneration will be awarded when the nature of the services performed is similar, when taking into account people's experience, skills and overall performance.

If the Committee thinks fit and for the purpose of aligning remuneration with shareholders' interests, it may make a recommendation to the Board that it seek shareholder approval to satisfy directors' or management remuneration (or to otherwise incentivise) through issues of equity securities in SMW in accordance with the NZX Main Board Listing Rules (**Rules**).

### Directors' Remuneration

As required by SMW's Constitution, no increase in directors' remuneration shall apply unless that increase has been approved by ordinary resolution of shareholders. A notice of meeting proposing any increase in directors' remuneration for shareholders' approval will include the amount of, and an explanation for, the proposed increase.

In reviewing remuneration policies and practises for directors, the Committee will take into account:

- An independent assessment of the competitive market;
- SMW's remuneration practices compared with similar companies and market trends;
- The competitiveness of the prevailing level of remuneration and its ability to meet the primary remuneration policy objective of attracting and retaining high quality directors; and
- Changes in directors' workloads.

### Employee Remuneration

SMW's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest calibre.

Remuneration is reviewed, but not necessarily increased, on an annual basis. Proposed increases awarded must be based on individual performance. In conducting remuneration reviews, external advice may be sought from a recognised and competent source, including an evaluation against comparable peers (i.e. through external remuneration surveys).

## Responsibilities

The Board is required to approve:

- SMW's remuneration policy;
- Remuneration proposals and performance decisions concerning the Chief Executive and management team, unless specifically delegated by the Committee;
- The budget for the annual remuneration review;
- The structure of any incentive scheme(s) offered to employees;
- The outcome of performance measures under any SMW incentive scheme.

The Committee is required to review and make recommendations to the Board concerning:

- Proposed changes to remuneration policy;
- Proposed remuneration for the management team; and
- Objectives and performance ratings of the management team.

The Chief Executive is required to make recommendations to the Committee concerning:

- SMW's remuneration structure;
- Proposed annual remuneration budget and allocation; and
- Proposed incentive proposals.

## Disclosure

SMW will disclose director and employee remuneration in accordance with all legal and NZX listing requirements.

Actual director remuneration will be disclosed to shareholders in SMW's annual report. The annual report will outline components of individual director remuneration, including remuneration for committee roles and for fees and benefits received for any other services provided to the issuer.

This Remuneration Policy will be available on SMW's website. SMW reserves the right to review and amend this policy at any time to meet the needs of SMW. Any changes will be communicated to all directors and shareholders.

	Approved by	Date
1.0	The Board	4 August 2020