

Introduction

The board of directors (the “Board”) and the senior executives of Civmec Limited (“Civmec” or the “Company”) together with its subsidiaries (the “Group”) is committed to upholding and maintaining transparency in the remuneration of the non-executive directors, executive directors, and senior executives. The Group will, subject to this policy and the remuneration framework, pay director remuneration sufficient to attract and retain high-quality directors and design its executive remuneration to attract, retain and motivate high-quality senior executives and align their interests with the creation of value for security holders and with the Group’s values and risk appetite.

Purpose and Scope

The purpose of this policy is to outline Civmec’s remuneration objectives and the structure of Civmec’s remuneration arrangements. Civmec aims to remunerate fairly and responsibly and in accordance with the regional, markets, skills, experience, individual performance and the applicable corporate governance principles, such as the Principles and Provisions of the Singapore Code of Corporate Governance 2018 and the 4th edition of the Australian Securities Exchange Corporate Governance Principles and Recommendations.

This policy applies to the non-executive directors, the executive directors and the senior executives as follows.

Objectives

The objectives of this policy are:

- (a) To ensure the remuneration framework is appropriate to attract, retain and motivate the directors and senior executives, provide good stewardship of the Company and successfully manage the Company for the long term.
- (b) To ensure the short-term incentives and long-term incentives align with the achievement of Civmec’s short-term and long-term strategic goals that support the interests of shareholders and other stakeholders and promote Civmec’s long-term success.
- (c) To ensure the share and equity-based plans comply with the applicable corporate governance principles.
- (d) To ensure effective benchmarking of remuneration packages for directors and senior executives is in accordance with market movements for a clearly defined peer group of similar companies to ensure fair and competitive remuneration.
- (e) To set performance goals and reward performance for key stages of the Company’s development in a way which is sustainable, including in respect of health and safety-based objective.

Remuneration Structure

1.1 Non-Executive Directors

Civmec has adopted the following approach for the non-executive directors’ remuneration:

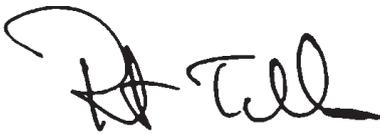
- (a) The non-executive directors are remunerated at a fixed fee for their time, commitment and responsibilities.
- (b) The non-executive directors are prohibited from involvement in the decision making of their individual remuneration.
- (c) The maximum aggregate amount of the non-executive director’ fees that the Company can pay to non-executive directors is subject to approval by shareholders at Annual General Meeting.
- (d) The remuneration for the non-executive directors are not linked to individual performance.
- (e) The non-executive directors are not part of any equity-based remuneration schemes.
- (f) The non-executive directors are not entitled to any retirement benefits.

1.2 Executive Directors and Senior Executives

The executive directors and senior executives (“Executives”) remuneration consist of a base salary, superannuation and performance incentives as follows:

- (a) The remuneration of the Executives is reviewed based on benchmarking against comparable peer companies using survey data sourced from external remuneration consultants and data providers and are reviewed annually by the Remuneration Committee to ensure market competitiveness.
- (b) Short-term incentives (“STIs”) includes a cash bonus.
- (c) Long-term incentives (“LTIs”) includes performance rights granted at the discretion of the Remuneration Committee.
- (d) The grant of performance rights is designed to recognise and reward efforts and provide additional incentives to continue those efforts for the benefit of the Company and may be subject to the successful completion of the performance goals.
- (e) The grant of performance rights may also be used by the Company to attract suitable Executives with the required experience.
- (f) The executive directors are prohibited from involvement in the decision making of their individual remuneration.
- (g) Termination payments may be made to the Executives in accordance with their employment contracts in the case of early termination
- (h) The Executives should not be entitled to any termination payment for removal due to their misconduct.

This policy is reviewed regularly and updated as required.



Patrick Tallon
Chief Executive Officer
Civmec Group
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