



REMUNERATION POLICY

Purpose

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

Application

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

Roles and Responsibilities

The Board has overall responsibility for approving the Remuneration Policy.

Remuneration Review Process

Remuneration – Non-Executive Directors

Remuneration levels are set at competitive levels to attract and retain appropriately qualified and experienced Directors taking in to account the responsibilities and time commitments provided by those Directors to the Company in discharging their duties.

Directors' fees are recommended to and confirmed by Shareholders' ordinary resolution at an Annual Meeting. In accordance with the Listing Rules the Shareholders approve the total aggregate amount of fees payable to all Directors as Directors' fees, with the fee allocation to be determined by Directors.

The Company's policy is to pay all of its Directors in cash. The Directors fees paid during the year are shown in Section 3 of the Statutory Information section of this Annual Report.

The Board reviews annually and recommends to Shareholders any increase in Directors' fees. The criteria for reviewing Non-Executive Director remuneration includes obtaining advice from independent external consultants, where appropriate, information on Board arrangements for other corporations of similar size and complexity, and the review of current and expected workloads of non-executive Directors. The Board will continue to review its remuneration strategies in relation to non-executive Directors from time to time, in line with general industry practice.

Where the Company engages a remuneration consultant, the consultant should report to the board in relation to director remuneration proposals. If the Company has relied on independent remuneration reports from remuneration consultants in respect of decisions relating to director remuneration, then a summary of the findings of the report should be made public, along with the consultant's assumptions and methodology, and the remuneration consultant should attest to its independence within the report. In this context independence means that the consultant must not

have been subjected to any influence from management, any board member or any other party in relation to the services provided or the outcomes of those services.

Directors may claim reimbursement against GST receipts for travelling and other associated reasonable expenses in the course of business as a Board member.

Remuneration – CEO (Executive Director) and Senior Executives

The criteria for reviewing the remuneration for senior executives includes, as appropriate, advice obtained from independent external consultants, participation in independent surveys, specific market comparison of individual roles, and level of achievement against business and personal objectives.

CEO performance is assessed based on Foley Wines financial performance against plan, individual objectives and progress on executing the long-term strategy of the company.

The CEO incentive scheme forms the basis for payments of incentives each year.

Remuneration – Employees

Remuneration of employees is reviewed annually in July/August following the year end performance review process. FWL takes a Total Remuneration approach to reward and considers fixed remuneration, any variable component (if applicable) and any benefits when reviewing remuneration.

The below factors are considered as part of the remuneration review process:

- Benchmarking remuneration by role type 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
- Ensuring remuneration changes are financially responsible and affordable.

Policy Review

This Policy will be reviewed at least bi-annually.