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ASX Market Announcements

Changes to Executive Remuneration Structure

At the 2023 Annual General Meeting, the Board of GWA Group Limited (**GWA**) advised that it would review the level and structure of GWA's executive remuneration framework to ensure it provided sufficient incentive to align with shareholder value creation.

That review, which was informed by external remuneration specialists, concluded GWA's executive remuneration was below relevant benchmarks, with incentives being more heavily weighted to longer term performance.

The Board has implemented the following changes to the executive remuneration structure. It is believed the new structure more appropriately rewards and incentivises executives for the benefit of shareholders.

FY24 Fixed remuneration – There is no change to Managing Director & CEO fixed remuneration, with market adjustments over the previous year for some other executives effective from 1 January 2024.

FY24 Short Term Incentive (STI) framework – The maximum STI as a % of fixed remuneration for the Managing Director & CEO will increase from 50% to 100%, with the other executives increasing from 40% to 50%.

STI payments remain subject to achieving Board approved targets with 75% allocated to financial (EBIT) and 25% to non-financial targets. 30% of the payment applicable to achievement of the financial target will be deferred for one year and paid in cash, following finalisation of the following year's audited financial statements.

FY25 Long Term Incentive (LTI) framework – The maximum LTI for the Managing Director & CEO as a percentage of fixed remuneration and other executives remains unchanged.

The Board will though change the weighting of the two existing performance measures (Earnings Per Share (EPS) growth and relative Total Shareholder Return (TSR)), from 50% EPS / 50% TSR to 70% EPS / 30% TSR.

That change better reflects management's ability to deliver growth, and will be implemented for FY25, subject to shareholder approval of the Managing Director's & CEO's LTI grant at the 2024 Annual General Meeting.

This announcement was authorised for release by the Board.

Further information regarding the Company's remuneration strategy and principles will be detailed in the Remuneration Report to be released with GWA's 2024 Annual Report.