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## Short term incentive plan rules

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Wagners Holding Company Limited ACN 622 632 848

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# Short term incentive plan

Wagners Holding Company Limited ACN 622 632 848

## Terms and Conditions

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The Plan involves the grant to Eligible Employees of an STI Amount on the terms and conditions in this document.

### 1 Definitions and interpretation

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#### 1.1 Definitions

In this document:

Term	Definition
<b>Acceptance Form</b>	means an acceptance of an Offer completed and signed by an Eligible Employee (and any Permitted Nominee) in the form attached to the Offer Document.
<b>ASX</b>	means ASX Limited ACN 008 624 691.
<b>Board</b>	means the Company's board of Directors.
<b>Business Day</b>	has the meaning set out in the Listing Rules.
<b>Cash Payment</b>	means the proportion of the Participant's STI Amount that is paid in cash.
<b>Change of Control</b>	means a change in: <ul style="list-style-type: none"><li>(a) control of the composition of the Board of the Company;</li><li>(b) control of more than half the voting rights attaching to shares of the Company; or</li><li>(c) control of more than half the issued shares of the Company (not counting shares that carry no right to participate beyond a specified amount in the distribution of either profit or capital).</li></ul>
<b>Company</b>	means Wagners Holding Company Limited ACN 109 763 742.
<b>Confirmation</b>	means a confirmation issued by the Board to a Participant in accordance with rule 8.
<b>Control</b>	has the meaning given in section 50AA Corporations Act.
<b>Control Date</b>	means the date which the Company becomes aware a Change of Control has occurred.
<b>Constitution</b>	means the Company's constitution.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth) and <i>Corporations Regulations 2001</i> (Cth).
<b>Eligible Employees</b>	means an Employee who is designated by the Board as an eligible employee for the purposes of the Plan.

<b>Term</b>	<b>Definition</b>
<b>Employee</b>	means any employee of, or contractor to, the Group or the employee of Director of a contractor to the Group (to the extent permissible under the Corporations Act or available relief), including Directors (other than non executive Directors) and members of senior management.
<b>Financial Performance Hurdle</b>	means a financial benchmark against which the Eligible Employee's entitlement to an STI Amount will be determined.
<b>Gross Salary</b>	means an Eligible Employee's gross annual base salary as at 1 July in the Performance Year, as determined by the Board.
<b>Group</b>	means the Company and its related Bodies Corporate.
<b>Listing Rules</b>	means the Official Listing Rules of ASX as varied from time to time and includes any waivers or rulings made by ASX.
<b>Non-financial Performance Hurdle</b>	means an operational or other benchmark against which the Eligible Employee's entitlement to an STI Amount will be determined.
<b>Offer</b>	means an offer to an Eligible Employee to be granted an STI under the Plan.
<b>Offer Document</b>	means the document provided to the Eligible Employee which contains the Offer.
<b>Participant</b>	means an Eligible Employee to whom an award is made under the Plan and returns a duly completed Acceptance Form.
<b>Performance Hurdles</b>	means both the Financial Performance Hurdle and the Non-financial Performance Hurdle set out in the Offer or as otherwise mutually agreed between the Eligible Employee and the Board or its delegate.
<b>Performance Year</b>	means the financial year in respect of which an award for that year is granted.
<b>Permitted Nominee</b>	means a proprietary limited company or family trust Controlled by the Eligible Employee alone or jointly with his or her Relatives.
<b>Plan</b>	means this Short term incentive plan as amended from time to time.
<b>Related Body Corporate</b>	has the meaning given to that term by section 9 Corporations Act.
<b>Relative</b>	has the meaning given to that term in section 9 Corporations Act.
<b>Rules</b>	means these rules for the operation of the Plan.
<b>Share</b>	means a fully paid ordinary share in the Company.
<b>Share Issue</b>	means the proportion of the Participant's STI Amount that is an issue of Shares.
<b>STI</b>	means the short term incentive in accordance with rules 8 and 9 of the Plan.
<b>STI Amount</b>	means the amount of STI for a Performance Year as specified in a Participant's Confirmation.

<b>Term</b>	<b>Definition</b>
<b>Tax</b>	includes any tax, levy, duty, charge, impost, fee, deduction and withholding however it is described, that is assessed, levied, collected or imposed by law or by a government agency, together with any related interest penalty, fine or other charge, or other amount imposed in respect of any of the above.

## **1.2 Interpretation**

In this document, except to the extent the context otherwise requires:

- (a) words importing the singular include the plural and vice versa, words importing any gender include other genders and 'person' includes a corporation;
- (b) words defined in the Corporations Act have the same meaning when used in this document; and
- (c) headings are for convenience only and do not affect the interpretation.

## **2 Commencement**

The Plan will take effect from the date it is adopted by the Board.

## **3 Administration of the Plan**

The Board will administer the Plan in accordance with the rules contained in this document.

## **4 Eligible Employees**

The Board may resolve to designate any Employee it decides as an Eligible Employee for the purposes of the Plan.

## **5 Plan limit**

### **5.1 Plan limit**

The Board must not grant Awards if the number of Shares which have been or would be issued in any of the following circumstances in aggregate would exceed 5% of the total number of Shares on issue at the date of the Invitation:

- (a) the number of Shares that may be issued as a result of the Awards granted under this Plan; and
- (b) the number of Shares which were or may be issued as a result of offers made at any time during the previous 3 year period:
  - (i) under any other Company employee incentive scheme covered by Class Order 14/1000; and
  - (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme as defined in the Class Order.

## **5.2 Further restriction on offers**

No offer may be made to an Eligible Participant and no Shares may be issued or transferred to a Participant for the purposes of the Plan if to do so would cause the Company, to contravene the Corporations Act or the Listing Rules (if applicable) or any other applicable securities law.

## **6 Offer of STI**

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### **6.1 Offer of STI**

The Company may offer a STI to an Eligible Employee by providing the Eligible Employee with an Offer.

### **6.2 Required details of Offer**

An Offer must state:

- (a) the date of the Offer;
- (b) the name of the Eligible Employee to whom the Offer is made;
- (c) the residential address of the Eligible Employee to whom the Offer is made;
- (d) the relevant Performance Year to which the Offer relates;
- (e) Eligible Employee's Gross Salary;
- (f) the percentage of the Eligible Employee's Gross Salary to be used in the determination of the Eligible Employee's STI Amount;
- (g) the percentage of the Eligible Employee's Gross Salary which is capable of being received as a Cash Payment if the Performance Hurdles are met;
- (h) the percentage of the Eligible Employee's Gross Salary which is capable of being received as a Share Issue if the Performance Hurdles are met;
- (i) any Financial Performance Hurdle for the Company for the Performance Year;
- (j) any Non-financial Performance Hurdle for the Company for the Performance Year;
- (k) the date of calculation of the STI Amount;
- (l) the time period in which to accept the Offer by returning a duly signed Acceptance Form;
- (m) any extra terms and conditions attaching to the STI; and
- (n) any matters required to be specified by the Corporations Act or Listing Rules.

### **6.3 Board discretion**

Offers may be made by the Board on a differential basis to Eligible Employees, different classes of Eligible Employees or to Eligible Employees within the same class, as the case may be.

#### **6.4 Required documents for Offer**

The Company will send the Offer to an Eligible Employee together with:

- (a) an Acceptance Form;
- (b) a copy of this document;
- (c) any other explanatory material which the Company wishes to distribute; and
- (d) such other documents and information required by the Corporations Act and the Listing Rules (if the Company is listed on the ASX at the relevant time).

#### **6.5 Acceptance**

An Eligible Employee may accept an Offer by completing, signing and returning the Acceptance Form in accordance with the Offer.

#### **6.6 Permitted Nominees**

- (a) An Eligible Employee that receives an Offer may nominate a Permitted Nominee to hold an STI Amount on their behalf by providing details of the Permitted Nominee on the Acceptance Form and having the Permitted Nominee sign the Acceptance Form.
- (b) The Board can, in its absolute discretion and without providing an explanation, decide whether or not a Permitted Nominee nominated by an Eligible Employee will be granted an STI Amount.
- (c) Where the Board decides not to grant an STI Amount to a Permitted Nominee, the Board will grant an STI Amount to the Eligible Employee instead and the Eligible Employee is deemed to have accepted the Offer personally.
- (d) An Eligible Employee must immediately notify the Company as soon as they become aware of any transaction which may result in them ceasing to Control (alone or jointly with their Relatives) their Permitted Nominee.

### **7 Participants**

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Following receipt of a duly completed Acceptance Form pursuant to rule 6.5, and provided that the Eligible Employee is then still in the full-time employment of the Company at the time of Confirmation, the Eligible Employee will be entitled to participate in the Plan according to its terms.

### **8 Confirmation**

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Following the completion of the audited annual accounts for the Performance Year, a Confirmation will be issued to each Participant. The Confirmation will be in a form the Board determines and must include the following information:

- (a) the date of the Confirmation;
- (b) the name of the Participant;

- (c) the Participant's STI Amount for the Performance Year calculated in accordance with the Performance Hurdles (as applicable in the Offer); and
- (d) the date on which the STI Amount will be paid.

## **9 STI Amount**

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### **9.1 STI Amount**

Subject to rules 6.3 and 8, a Participant will receive their STI Amount in the percentages of a Cash Payment or Share Issue, as specified in the Offer.

### **9.2 Cash Payment**

Subject to rules 6.3 and 8, a Participant's Cash Payment will be paid:

- (a) (less any Tax, social security contributions or other levies) to a Participant as soon as reasonably practicable following the Confirmation for the Performance Year;
- (b) by the Company; and
- (c) to the Participant, or as directed by the Participant.

### **9.3 Share Issue**

- (a) Subject to rules 6.3 and 8, a Participant's Share Issue will be:
  - (i) made to a Participant as soon as reasonably practicable following the Confirmation for the Performance Year; and
  - (ii) an issue of Shares that will rank equally with, and have the same rights as, all existing Shares of that class from the date of issue.
- (b) If the Company's Shares are officially quoted by ASX, the Company will apply to ASX for official quotation of any Shares issued to a Participant, within the time prescribed by the Listing Rules but, in any event, within 10 Business Days of the issue of those Shares.

## **10 No interest in Shares**

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An Eligible Employee shall have no interest in Shares the subject of a STI unless and until a Share Issue is made to that Eligible Employee.

## **11 Change of control**

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- (a) If a Change of Control occurs, the Board must, no later than two Business Days after the Control Date, determine, in its discretion, whether the pro-rata performance of the Company from the beginning of the Performance Year until the Control Date warrants the making of a pro-rata STI Payment to the Participant.
- (b) If, under rule 11(a) the Board decides the performance of the Company warrants the making of a STI to a Participant, the Board must make the Cash Payment or Share Issue to the Participant in accordance with the terms of the Offer.

- (c) If, under rule 11(a) the Board decides the performance of the Company does not warrant the making of a STI to a Participant, then no STI will be made payable under the terms of the Offer.

## **12 Notices**

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### **12.1 Form and delivery of notices**

Any notice or direction given under this Plan is validly given if it is:

- (a) handed to the person concerned;
- (b) sent by ordinary prepaid post to the person's last known address;
- (c) sent by email to an Eligible Employee's email address with the Company; or
- (d) given in any manner the Board or its delegate decides is appropriate in the circumstances.

### **12.2 Notices to Permitted Nominees**

Any notice required to be given to a Permitted Nominee is validly given if it is provided to the relevant Eligible Employee in accordance with rule 12.1.

## **13 Amendment of plan**

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- (a) Subject to the Listing Rules, the Plan may be amended by:
  - (i) an ordinary resolution of the members of the Company in general meeting; or
  - (ii) to comply with the Corporations Act, Shareholders' Agreement or Listing Rules or to effect technical or non-substantive amendments, a resolution of the Board.
- (b) Any amendment made under rule 13(a), must not adversely affect or prejudice any category of benefit that may be granted under the Plan to any one Participant.

## **14 Termination of the plan**

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The Plan may be terminated or suspended at any time by the Board without prejudice to the rights of any Participant entitled to a STI at that time.

## **15 Board decision regarding the plan**

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- (a) The Board may:
  - (i) form policy and make regulations for the operations of the Plan which are consistent with this Plan and may delegate necessary functions to an appropriate service provider or other person, capable of performing those functions and implementing those policies; and

- (ii) delegate such functions and powers under this Plan as it considers appropriate, for the efficient administration of the Plan, to a committee or a person capable of performing those functions and exercising those powers.
- (b) The Board or its delegate is not, in exercising any power or discretion under the Plan, under any fiduciary or other obligation to any other person.
- (c) The decision of the Board as to the interpretation, effect or application of this Plan is final.
- (d) The Board or its delegate may take and rely upon independent professional or expert advice in relation to the exercise of any of their powers or discretions under this Plan.

## **16 Rights of Participants and Eligible Employees**

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Nothing in this Plan:

- (a) confers on any Eligible Employee the right to continue as an Employee of the Company or any Related Body Corporate;
- (b) affects any rights which the Company or any Related Body Corporate may have to terminate the employment of any Employee or any agreement with a contractor; or
- (c) may be used to increase damages in any action brought against the Company or any Related Body Corporate, other than an action arising solely out of a Participant's rights under the Plan.

## **17 General**

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### **17.1 Listing rules, Constitution and Shareholders' Agreement**

- (a) The provisions of this Plan, the entitlements of Eligible Employees and Participants, and any obligations of the Company, under this Plan are subject to the Constitution, the Shareholders' Agreement, the Listing Rules, the Corporations Act and any other applicable law.
- (b) No STI Amount will be granted if it would, or in the opinion of the Board having taken appropriate legal advice, is likely to contravene the Corporations Act, the Listing Rules or any other applicable laws.
- (c) Despite any other provision of this Plan, every covenant or other provision set out in an exemption from, or modification to, the provisions of the Corporations Act granted from time to time by the Australian Securities and Investments Commission in respect of the Plan, and required to be included in this Plan in order for the exemption or modification to have effect, is deemed to be contained in this Plan. To the extent that any covenant, or other provision deemed by this Plan to be contained in this Plan is inconsistent with any other provision in this rule, the deemed covenant or other provision will prevail.

### **17.2 Board, Company and delegates may act in its absolute discretion**

Where the Board, the Company or their delegates may exercise any right or discretion or make any decision under this document, it may do so in its absolute discretion, conditionally or unconditionally, and without being required to give reasons or act reasonably. Clause 17.2 applies unless this document expressly provides otherwise.

### **17.3 Costs**

- (a) The Company must pay all the expenses, costs and charges incurred in operating the Plan.
- (b) The Company is not responsible for any duties or Taxes which may become payable in connection with making a Cash Payment, Share Issue or otherwise dealing with the Cash Payment or Share Issue.

### **17.4 Advice**

Eligible Employees and their Permitted Nominees should obtain their own independent advice at their own expense on the financial, taxation and other consequences to them of, or relating to, participating in the Plan.

### **17.5 Governing law**

This Plan and the rights of the Eligible Employees under the terms and conditions of the Plan are governed by the laws of the State of Queensland. Each Participant and the Company submits to the non-exclusive jurisdiction of the courts of the State of Queensland.