

ASX ANNOUNCEMENT

2 October 2023

UPDATE TO THE CHIEF EXECUTIVE OFFICER'S REMUNERATION

ARB Corporation Limited ("**ARB**" or the "**Company**") has recently revised the terms of the Company's employment contract with the Company's Chief Executive Officer ("**CEO**"), Mr Lachlan McCann. The Company has also established a Senior Executive's Performance Rights Plan ("**Plan**") in which Mr McCann will participate.

The following table outlines all the material terms of Mr McCann's revised employment and remuneration package, including his participation in the Plan:

Name	Lachlan McCann
Position	Chief Executive Officer
Fixed Remuneration	\$1,050,000 per annum comprising of a fixed salary of \$1,022,500 plus \$27,500 superannuation effective from 1 October 2023.
Review of Fixed Remuneration	Subject to annual review with no obligation on the Company to make changes.
Motor Vehicle	Fully maintained motor vehicle
Short Term Incentive	None
Long Term Incentive	<p>Mr McCann has been granted two tranches of Performance Rights under the Company's newly established Plan.</p> <p>Each Performance Right, once vested, will be exercisable into one fully paid ordinary share in the Company.</p> <p><u>Key Terms of the Performance Rights</u></p> <p>Acquisition price: Nil.</p> <p>Exercise price: Nil.</p>

Long Term Incentive (continued)	<p>Number of Performance Rights and vesting date:</p> <ul style="list-style-type: none"> • 3,400 Performance Rights vesting on 30 September 2025. • 5,100 Performance Rights vesting on 30 September 2026. <p>Vesting conditions:</p> <ul style="list-style-type: none"> • 50% of the Performance Rights granted will vest if Mr McCann is still employed by the Company at the end of the applicable vesting period. • 50% of the Performance Rights granted will vest according to the earnings per share (“EPS”) compound annual growth rate (“CAGR”) achieved over the applicable vesting period: <ul style="list-style-type: none"> 0.0% - 0.99% EPS CAGR: 0% of the Performance Rights 1.0% - 1.99% EPS CAGR: 10% of the Performance Rights 2.0% - 2.99% EPS CAGR: 20% of the Performance Rights 3.0% - 3.99% EPS CAGR: 30% of the Performance Rights 4.0% - 4.99% EPS CAGR: 40% of the Performance Rights ≥ 5.0% EPS CAGR: 50% of the Performance Rights. <p>Personal income tax: The Company will remit all personal income tax payable upon exercise of the Performance Rights.</p> <p>Dividends and voting rights: None.</p> <p>Expiry date: Five years from grant date.</p>
Term	<p>Mr McCann’s employment contract for service is on a continuing basis.</p>
Notice Period	<p>Either party may terminate the agreement by giving nine months’ notice. ARB may elect to pay Mr McCann in lieu of him working through the notice period. Mr McCann’s employment may be terminated immediately in certain circumstances such as serious or persistent misconduct or being convicted of a criminal offence.</p>
Post Employment Restraints	<p>Mr McCann is subject to post-employment restraints for a period of up to 12 months following the cessation of his employment, including restrictions from competing with ARB and soliciting ARB’s employees, suppliers or customers.</p>
Leave	<p>In accordance with respective legislation at a minimum.</p>
Termination Payments	<p>Amounts accrued and earned such as annual leave, long service leave and long-term incentives (subject to vesting conditions and Board approval).</p>

This announcement was approved for release by the Board of ARB.