

**DataWorks Group Limited  
Corporate Governance Policies  
Remuneration Policy**

## 1. Executive Summary

### 1.1. Remuneration Philosophy

At DATAWORKS GROUP our remuneration philosophy is built on the principle that sustainable growth and innovation in technology require exceptional talent working with aligned interests. We believe in rewarding outcomes that create enduring shareholder value while acknowledging the unique challenges of scaling a technology business in competitive markets. Our approach balances fixed term remuneration with meaningful variable remuneration, including equity participation for senior Management, to reflect our growth stage and the dynamics of the industries we address.

### 1.2. Strategic Alignment and Shareholder Value

Our remuneration policy is designed to reinforce our corporate strategy and serve shareholder interests. We ensure that performance metrics directly support our strategic priorities, and that outcomes are measured against clear value creation for shareholders. By linking a significant portion of executive compensation to the achievement of strategic milestones and shareholder returns, we create a direct connection between leadership incentives and the interests of those who have invested in our vision. This alignment extends throughout our organisation, ensuring all team members are focused on the same value-creating objectives that matter to our shareholders.

### 1.3. Objectives

Our remuneration framework aims to:

- (a) **Attract and Retain Top Talent:** Compete effectively for specialised technology professionals against larger companies and well-funded startups by offering compelling total reward packages;
- (b) **Align with Growth Strategy:** Structure incentives around key milestones in our product development, market expansion, and revenue growth journey;
- (c) **Balance Short and Long-Term Performance:** Reward immediate results while emphasising sustainable value creation through appropriate weighting of short and long-term incentives using a combination of cash and equity;
- (d) **Promote Innovation and Calculated Risk-Taking:** Encourage innovation through remuneration structures that reward successful product development and technological advancement without incentivising excessive risk;
- (e) **Conserve Cash While Building Value:** Leverage equity-based compensation to manage cash burn rate while allowing all team members to participate in value creation;
- (f) **Ensure Transparency and Fairness:** Maintain clear links between performance and rewards;
- (g) **Drive Ownership Mentality:** Foster a culture where employees think and act like shareholders; and
- (h) **Adapt with Company Evolution:** Provide flexibility to evolve remuneration practices as the company progresses through development, commercialisation, and scaling phases.

This philosophy and these objectives reflect our position as a small-cap ASX listed technology company balancing growth ambitions with prudent capital management while competing with larger and well-capitalised firms in global markets.



The key components of our remuneration framework, described in more detail herein, cater for both fixed and variable components, including equity.

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## 2. Remuneration Framework (Proposed)

Aligned to the philosophy described above, this remuneration framework embodies DATAWORKS GROUP's commitment to attracting and retaining exceptional technology talent while ensuring strong alignment with our growth strategy and shareholder interests. By positioning fixed remuneration at the higher end of market ranges, we directly address the risk premium required for a small-cap technology company, while our balanced approach to equity participation creates a genuine ownership mentality throughout the organisation. The framework strategically conserves cash through a balanced STI and LTI structure, enabling us to compete effectively for talent while prudently managing our resources. We believe this framework drives behaviours that support sustainable growth and drive shareholder value.

### 2.1. Fixed Remuneration

Including cash base salary superannuation and any salary packaged benefits as relevant.

#### 2.1.1. Positioning Strategy

- (a) Position base salaries at the 75th percentile of the technology sector market range for comparable roles in order to attract/retain talent;
- (b) Perform regular benchmarking against ASX small-cap technology companies and relevant private technology firms and course correct as needed; and
- (c) Annual review of market positioning to ensure continued competitiveness.

#### 2.1.2. Rationale

DATAWORKS GROUP requires exceptional capability in all disciplines in order to execute our plan, but we are not an attractive prospect compared to larger, well-established firms. We believe the positioning strategy will allow us to address this risk for the following reasons:

- (a) Higher fixed remuneration directly addresses risk premium required to attract talent to a higher-risk company;
  - (b) Provides certainty to employees during volatile business performance periods; and
  - (c) Balances cash flow management needs with competitive talent acquisition requirements.
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## 3. Variable Remuneration

Our variable remuneration framework is designed to drive performance and align interests with shareholders across all levels of the organisation. The framework is structured differently for executives and non-executive staff to reflect their varying levels of influence and responsibility in achieving company goals.

### 3.1. Executive Remuneration

The executive remuneration structure applies to key leadership positions including the CEO, CFO, COO, CMO, and CIO. This framework separates incentives into distinct short-term and

long-term components to drive both immediate business outcomes and sustainable long-term value creation.

## Short-Term Incentive (STI)

The STI program for executives is designed to reward annual performance against key strategic and operational priorities.

- (a) **Eligibility:** CEO, CFO, COO, CMO, and CIO;
- (b) **Target Value:** 30% of base salary for meeting expectations, 45% of base salary for outperformance against target as assigned;
- (c) **Payment Method:** 100% cash payment;
- (d) **Performance Criteria:**
  - (i) Company financial performance gateway (minimum threshold must be achieved for variable remuneration to be eligible for payment with the Board retaining an overriding discretion)
  - (ii) Individual performance scorecard with:
    - 80% quantifiable financial and strategic KPIs aligned to business plan;
    - 10% team leadership and organisational contribution; and
    - 10% behavioural/values alignment.
- (e) **Timing:**
  - (i) Annual assessment aligned with financial year end - retrospective over 12 month performance period; and
  - (ii) Payment within 60 days of performance determination/post testing of outcomes at the end of the financial year.
- (f) **Governance:**
  - (i) Performance targets and outcomes reviewed and approved by Board; and
  - (ii) Board retains overriding discretion including to adjust downwards in the event of a compliance or risk event or where malus or clawback is warranted.

## Long-Term Incentive (LTI)

The LTI program is designed to align executive interests with long-term shareholder value creation and strengthen retention of key leadership.

- (a) **Eligibility:** CEO, CFO, COO, CMO, and CIO
- (b) **Target Value:** 60% of base salary awarded annually
- (c) **Award Method:** Performance rights
- (d) **Performance Criteria:**
  - (i) Performance thresholds to be agreed with the Board annually and aligned to

longer term performance measures; and

- (ii) Metrics may include relative TSR, absolute share price growth, achievement of strategic milestones, revenue growth, and other long-term value drivers.

(e) **Vesting Schedule:**

- (i) 50% vests at 24 months from grant date subject to performance conditions; and
- (ii) 50% vests at 36 months from grant date subject to performance conditions.

(f) **Share Price Calculation:** VWAP over 20 trading days prior to grant date – for valuation of PRs.

(g) **Governance:**

- (i) Annual performance thresholds and metrics approved by the Board;
- (ii) Independent verification of performance outcomes where applicable; and
- (iii) Board retains overruling discretion to adjust in exceptional circumstances including downwards and for application of malus and clawback.

### 3.2. Annual Performance Incentive (API) for Non-Executive Staff

The Annual Performance Incentive represents the variable component of our remuneration framework for non-executive staff that rewards achievement of both company and individual performance objectives measured over each financial year. It is designed to focus employees on delivering our strategic priorities while building alignment with shareholder interests through a balanced payment approach.

#### Structure

- (a) Annual cash and equity bonus based on performance against predetermined objectives;
- (b) Target values as percentage of base salary:
  - (i) Senior Management: 15% of base salary;
  - (ii) Technical Specialists: 10% of base salary; and
  - (iii) Professional Staff: 10% of base salary.

#### Payment Composition

- (a) Payment delivered as blended combination:
  - (i) 60% cash component paid at performance determination; and
  - (ii) 40% equity component delivered as fully performance rights.

#### Performance Criteria

- (a) Company performance gateway (minimum financial threshold must be achieved for variable remuneration to be eligible for payment with the Board retaining an overriding discretion);
- (b) Individual performance scorecard weighting:

- (i) 70% quantifiable KPIs aligned to business strategy;
- (ii) 15% team/divisional contribution; and
- (iii) 15% behavioural/values alignment.

#### Timing

- (a) Annual assessment aligned with financial year end;
- (b) Cash component paid within 60 days of year end post testing of outcomes at the end of the financial year; and
- (c) Equity component allocated within same timeframe but subject to 12-month holding lock.

#### Equity Component Mechanism

The intent of this model is twofold: firstly to encourage people to stay at DATAWORKS GROUP over the long term, and secondly to more equitably share ownership in the company as it scales in line with the effort invested.

#### Eligibility and Allocation

- (a) All permanent non-executive employees eligible; and
- (b) Performance rights subject to performance measures being achieved.

#### Vesting Schedule

- (a) PRs awarded post 12 month performance period with 12 month holding lock.

#### Administration

- (a) Annual allocation following performance review cycle;
- (b) PR issue price calculated as VWAP over 20 trading days prior to grant date; and
- (c) Board discretion to adjust in exceptional circumstances (positive or negative) including for malus and clawback.

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## 4. Termination

Eligibility to receive variable remuneration in the event of an employee exit depends on the nature and circumstances of the exit as follows:

### 4.1. Redundancy Scenario

- (a) **Fixed remuneration:** Payment in accordance with contractual notice periods and statutory entitlements;
- (b) **Cash component (STI/API):** Pro-rata payment of cash component for current performance year based on assessed performance to termination date, delivered in cash only; and
- (c) **Equity grants (LTI/API):** Subject to Board discretion, pro-rata unvested grants remain on foot for period of performance, subject to performance metrics and original vesting schedule

and timeframes.

#### 4.2. Voluntary Resignation or Termination by DataWorks

- (a) **Fixed remuneration:** Payment up to final day of employment only in accordance with contractual notice periods and statutory entitlements;
- (b) **Cash component (STI/API):** Forfeiture of all current year entitlements regardless of performance to date unless still employed and not serving notice on the date payment is due; and
- (c) **Equity grants (LTI/API):** Forfeiture/lapse of all unvested grants effective on termination date.

#### 4.3. Death and Total or Permanent Incapacity

##### Fixed remuneration:

- (a) Death: Payment up to date of death in accordance with contractual entitlements; and
- (b) Incapacity: Payment in accordance with contractual entitlements and any applicable insurance or disability benefits.

##### Cash component (STI/API):

- (a) Full payment of cash component for current performance year based on performance metrics;
- (b) Payment is not pro-rated if death/incapacity occurs during performance year; and
- (c) Payment timing follows normal payment schedule or may be accelerated at Board discretion.

##### Equity grants (LTI/API):

- (a) All unvested grants immediately vest on death or determination of total and permanent incapacity;
- (b) Performance metrics are assessed based on performance up to the date of death/incapacity event;
- (c) Vested grants remain subject to any post-vesting holding requirements unless waived by Board; and
- (d) Treatment may be adjusted if death/incapacity occurs after performance period end but before vesting.

#### 4.4. Good Leaver Provisions

- (a) Board retains discretion to apply good leaver treatment in exceptional circumstances; and
- (b) Criteria for good leaver status to be clearly documented.

## 5. Policy

### 5.1. Application

- (a) Mandatory for all new employees from implementation date; and
- (b) Existing employees to transition over 12 months, plan to be designed subject to Board approval.

### 5.2. Governance

- (a) Annual review of framework effectiveness by Remuneration Committee;
- (b) External benchmark review every two years; and
- (c) Regular shareholder consultation on major elements.

### 5.3. Communication

- (a) Comprehensive employee communication strategy;
- (b) Regular (quarterly) updates on company performance against STI metrics; and
- (c) Clear documentation of individual arrangements.

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## 6. Special Provisions

### 6.1. Attraction and Retention

- (a) Board/management discretion to design/offer one-time sign-on grants for critical new hires in exceptional circumstances;
- (b) Strategic retention grants available for identified key talent; and
- (c) Both structures capable of utilising extended vesting periods depending on the circumstances (36+ months).

This framework balances the need to attract talent to a higher-risk employer with appropriate governance and shareholder alignment. It emphasises higher fixed remuneration complemented by meaningful equity participation to drive ownership mentality and retention, while providing separate and appropriate incentive structures for executive and non-executive staff.

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## 7. Review of Policy

The Remuneration Policy will be reviewed periodically and updated as required to ensure it remains consistent with the Board's objectives and developments in current law and practice. The latest version of this policy can be found on the Company's website or obtained from the Company Secretary.

Date of approval: 5 May 2025 (effective)

Date of Review: 26 August 2026



**ANNEXURE A**

**MARKET POSITIONING AND BENCHMARKING**

In order to understand DATAWORKS GROUP's position relative to industry, we undertook an analysis of public sources and determined that in most case we are comfortably within band. Due to time/data constraints, this covers the technology team only, although we feel it is representative of the broader organisation.

Technology Staff to Salary Banding

