

(May 2026)

Echelon Remuneration and Performance Appraisal Policy

Echelon Resources Ltd (Echelon) aims to attract, retain and motivate professional staff capable of achieving the goals of Echelon. Echelon wants to encourage and reward its staff fairly and appropriately within the market to reflect performance and contribution. Echelon recognises that its staff are central to its success in achieving its goals.

Underlying this policy is a process that is undertaken to assess the competitiveness of remuneration level. Job comparisons of the functions of the individual positions will be made to ensure consistency within the organisation. This is then compared to the external market within which the individual and Echelon operates in New Zealand. Functional and responsibility level comparisons will be made.

Remuneration of Echelon staff

- Echelon utilises a Total Remuneration framework that comprises a base salary and may include a short term incentive payment.
- The market median is used for the purposes of setting the base salary.
- The short term incentive payment provides the opportunity for an employee's total remuneration to potentially increase to the upper quartile of the market for that position.
- A market review of remuneration shall be undertaken whenever employment functions and responsibilities change substantively. This review may be undertaken by, or with assistance, of an independent party.
- A market review of all remuneration shall be undertaken using independent sources from time to time as deemed necessary by management, depending on the general movement of the wider market and any relevant organisational changes.
- The target amount available to be earned as a short term incentive payment is expressed as a percentage of the base salary which is outlined in the relevant schedule in the Individual Employment Agreement. The maximum amount able to be earned is 100% of the target amount.
- Each year an employee agrees with his/her manager a set of objectives against which performance will be assessed, and this, together with the achievement of business performance objectives (also set each year), will form the basis of the allocation of any short term incentive payment.
- The business and individual performance objectives may change in terms of number and content from year to year and the individual performance objectives will reflect the employee's work programme. There may also be different weightings for objectives depending on the impact or significance of any objective.
- Performance reviews will be undertaken annually, ordinarily during July of each year.
- Payment of a short term incentive will occur by or before the 62nd day following the end of the financial year.
- To be eligible for a short term incentive payment the employee must be employed by Echelon on the date of the end of the financial year.

- Where the length of service is less than twelve months, the bonus payment will be made on a pro rata basis. By way of example, the length of service will be less than twelve months where the time between the commencement of employment and the end of the financial year is less than 12 months or where an employee takes special leave during the financial year (e.g. parental leave) and they therefore work less than twelve months during the financial year.

Review

This policy will be reviewed on a regular basis.