



EXECUTIVE AND DIRECTOR REMUNERATION POLICY

1. PURPOSE AND SCOPE

- 1.1 Tilt Renewables' remuneration policy supports the attraction, retention and motivation of the high calibre people required to create and maintaining shareholder value over the long term.
- 1.2 This policy sets out the principles which apply to the remuneration of Tilt Renewables' Directors and Executives. This policy is supplemented by other documents, which set out further information in respect of specific remuneration components. In this policy the following terms have the meaning set out below:

"Board" means the board of Directors of the Company.

"Committee" means the People and Remuneration Committee of the Board.

"Company" means Tilt Renewables Limited.

"Director" means a director of the Company.

"Executives" means the CEO, CFO and General Managers

"Tilt Renewables" means the Company and its wholly owned subsidiaries, including Tilt Renewables Australia Pty Ltd.

2. POLICY

- 2.1 Tilt Renewables is committed to ensuring its remuneration practices are fair and reasonable and there is a clear link between remuneration and performance.
- 2.2 The remuneration policy is designed to balance performance and rewards to create and deliver long term shareholder value. The executive remuneration framework for Tilt Renewables comprises of four key components:
- (a) Fixed remuneration
 - (b) Short Term Incentives (STI)
 - (c) Development Business Incentive (DBI)
 - (d) Long Term Incentives (LTI) with market based performance conditions
- 2.3 The framework for directors consists only of fixed remuneration.
- 2.4 This policy applies to:
- (a) The Board; and
 - (b) The Executives. It does not apply other employees, secondees, contractors and consultants.

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2.5 The Committee is responsible for setting and reviewing this policy and making recommendations to the Board for approval.

2.6 The Committee oversees obtaining external market data and makes recommendations to the Board regarding Board and Executive remuneration. The CEO has final sign off on all staff not covered by this policy.

3. DIRECTOR REMUNERATION

3.1 Tilt Renewables compensates the Board with remuneration that is reflective of the time commitment and responsibilities of the role.

3.2 The total sum available for Director fees (overall Director fee pool) is approved by shareholders at the Annual General Meeting when an increase in the pool is being sought.

3.3 The Board, taking into consideration the recommendations from the Committee, will determine the actual fees paid to Directors. These recommendations are made after reviewing external benchmark data.

3.4 Directors will also receive additional fees for being a member of a Board Committee.

3.5 The Board may determine that additional fees and allowances should be paid to individual directors to reflect additional services provided, but only within the total Director fee pool approved by shareholders.

3.6 50% of the monthly Directors' fees are used to buy shares in the company which are to be held for a period of at least twelve months following the cessation of being a Director with the Company. Shares are purchased by an external brokerage firm and disclosed to the market upon each acquisition.

3.7 Directors' remuneration is clearly disclosed to shareholders in the Company's annual report.

4. REMUNERATION REVIEWS – DIRECTORS

4.1 The Committee will review and make recommendations to the Board for approval on an annual basis the remuneration for Directors ensuring that the structure of the policy allows the Company to attract and retain Directors of sufficient calibre to facilitate the efficient and effective management of the Company's operations.

5. EXECUTIVE REMUNERATION

5.1 The Committee will ensure the Board is informed of external remuneration benchmarks for comparative entities in respect to base salary levels and the level and design of incentive plan structures.

5.2 The Committee is responsible for reviewing Executive remuneration packages, conducting reviews and assessments under incentive plans and making recommendations to the Board in respect of those plans.

5.3 The remuneration framework for the Executive comprises of four components:

(a) Fixed Pay.

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Fixed pay comprises of cash salary plus superannuation. Fixed pay is based on the scale and complexity of the role as well as the expectations attached to the role. Market benchmarking is used to establish the salary range for each role.

(b) Short Term Incentives (STI)

STI is an at-risk element of the overall cash remuneration. STIs are subject to the successful operational performance against Key Performance Indicators (KPI's) that are set by the Committee on an annual basis, in line with the Company's current goals and include:

- achievement of key project and business milestones;
- Annual financial performance
- health and safety outcomes; and
- demonstrated leadership performance.

The Board has full discretion over the actual payment or non-payment of an STI

(c) Development Business Incentives (DBI)

DBI is an at risk element of annual remuneration which is paid in Restricted Shares in the company. Recipients are awarded shares based on the value increase achieved from the Company's investment in its development project pipeline. Shares are restricted for four years from grant date.

The Company undertakes a valuation of its development pipeline and assesses whether the development project portfolio increases or slips in value over the year, after allowing for development expenditure. The performance test includes assessment of estimated value gain/(loss) from the Company's development expenditure as projects move through development stages through to shovel ready and, when the best projects attain successful financial close. A minimum value-add threshold applies for any reward to be granted.

(d) Long Term Incentives (LTI)

LTI is an annual plan issuance of performance rights, inclusive of superannuation contributions and is subject to performance hurdles being met which are designed to align Executives with the long-term interest of shareholders. Each vested performance right will entitle the participant to receive a cash amount equivalent to the market price of a security based on the 30-day volume weighed average price (VWAP) post results release. The rights may vest in three years subject to remaining employed with the Company at the time of assessment. The LTI is implemented as an equal value combination of:

- Internal Benchmark Performance Rights – Absolute Total Shareholder Return (TSR) performance with pay-out of \$0 at less than 7% annual compound. TSR is calculated in AUD.
- External Benchmark Performance Rights - a relative TSR performance hurdle against an external benchmark index such as ASX200 – three-year relative performance – below the 50th percentile earns nil and rises from there.

5.4 A further restriction is placed on the DBI and LTI share based incentive schemes, with participants required to accumulate a minimum holding of shares in the Company before any shares can be sold. This minimum holding restriction applies only whilst the participant remains employed by the Company.

5.5 The DBI and LTI schemes are subject to annual review and the Company may rescind, change or replace the terms of the schemes at any time in its absolute discretion.

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6. REMUNERATION REVIEWS – EXECUTIVES

- 6.1 The Committee will review and make recommendations to the Board for approval on an annual basis the remuneration for Executives ensuring that the structure of the policy allows the Company to attract and retain Executives of sufficient calibre for these key roles and to facilitate the efficient and effective management of the Company as delegated by the Board.
- 6.2 The Committee will annually review the CEO's development plans for the other Executives, their remuneration packages and performance assessments and make recommendations to the Board on these.

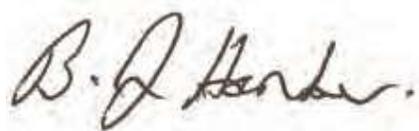
7. COMMUNICATION

- 7.1 The Company commits to the communication of this Policy to all employees, shareholders and the market (via its website).

8. RELATED POLICIES

- 8.1 The Company has many policies that relate to and support this Policy, including:
- (a) Board of Directors Corporate Governance Charter;
 - (b) People and Remuneration Committee Charter
 - (c) Code of Ethics
 - (d) Code of Conduct
 - (e) Diversity Policy

Signed:



Bruce Harker
CHAIRMAN
June 2018

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