



# Minimum Shareholding Policy

## Objective

This objective of this policy is to strengthen the alignment between the interests of Beach's directors and executives and the interests of Beach's shareholders and encouraging an owner's mindset and perspective by setting minimum levels of Beach share ownership by directors and executives.

## Application

This policy applies to the:

- Non-executive directors (NEDs);
- Managing director and/or CEO; and
- Executives reporting directly to the Managing director and/or CEO (Exco).

## Minimum Shareholding Requirements

NEDs, the MD/CEO and Exco must each acquire and maintain a minimum shareholding in Beach as set out in the below table.

Relevant individual	Minimum shareholding requirement
NED	100% of annual base fees (excl committee fees and superannuation)
CEO	150% of total fixed remuneration ( <b>TFR</b> )
Executives	75% of TFR

**Table 1:** Minimum shareholding requirement

## Timeframe

Each person to whom this policy applies is expected to meet their minimum shareholding requirement within a five-year period from the date of confirmation of their appointment or the effective date of this policy, whichever is the later.

## Interests Counted

Securities held by the relevant individual directly or in which they have a relevant interest will count towards the satisfaction of the minimum shareholding requirement, including:

- shares held on trust or that remain subject to a holding lock;
- 'earnt' rights under the executive incentive plan including:

- performance rights awarded following assessment of performance under the short-term incentive plan (which rights vest and entitle the individual to ordinary shares following the passage of time);
- performance rights which have vested pursuant to the executive incentive plan (including vested rights which convert to shares upon a notice of exercise at the individual's discretion).

Otherwise, unvested performance rights and unexercised options do not count towards the satisfaction of the minimum shareholding requirement.

For the purpose of this policy, **relevant interest** has the meaning given to it in the *Corporations Act 2001* (Cth).

## **Compliance**

Compliance with this policy will be assessed by the board on 30 June annually and, in respect of a NED or executive who has satisfied the minimum shareholding, each time they request approval to dispose of shares under the Share Trading Policy. The board may refuse such approval to dispose of shares if the relevant individual is in breach of this policy (taking into account any exceptional circumstances).

In assessing compliance with this policy:

- the value of each share will be determined using the higher of the share price at the time of purchase or vesting (as applicable) and the market price at the date of assessment.
- the board may take into account any exceptional circumstances including any exceptionally long periods during which the relevant individual was prohibited from acquiring shares under the Share Trading Policy.

## **Individual Responsibility**

When acquiring any shares, NEDs and executives are responsible for complying with Beach's Share Trading Policy and all applicable laws. In particular, they must not trade any shares during any prohibited period under the Share Trading Policy, or if in possession of price sensitive information.

## **Review**

This policy will be reviewed periodically as required, and in any event at least once every three years.