

ASX Announcement

30 March 2026

Reece 2030 remuneration framework – Executive Directors

Reece Group today announces the finalisation of a new remuneration framework for the Chair & CEO and Group President & Managing Director.

At Reece's 2025 AGM, we advised the FY26 Long Term Incentive (LTI) was under review as our new Remuneration Committee Chair, Jacqueline Chow had recently commenced her role. Since then, Jacqueline has completed an in-depth review of the remuneration framework and engaged with stakeholders to deliver an LTI design aligned to long-term value creation for Reece and its shareholders.

The key priorities in the design of the new remuneration framework were to:

- Align incentives with long term value creation and shareholder returns
- Attract and retain the best leadership while driving long term thinking and the delivery of Reece's 2030 strategy
- Recognise the scale of Reece's US ambitions and operations
- Reflect international remuneration benchmarking

The key elements of the new remuneration framework include:

- Removal of a short-term incentive (STI)
- Removal of service rights
- New multi-year LTI grant in FY26 (equivalent to five years of annual grant value), comprising 50% performance rights and 50% options, requiring service until vesting date. Other vesting conditions include:
 - Performance rights become eligible to vest after the FY30 results, with performance targets aligned to delivery of Reece's 2030 strategy, measured by EPS¹ CAGR² and Average ROCE³
 - Options to vest in three equal tranches following the release of the FY28, FY29, FY30 results, with vesting subject to TSR⁴ gateway condition

¹ Earnings per share

² Compound Annual Growth Rate

³ Return on capital employed

⁴ Total Shareholder Return

The LTI grant has increased to reflect the removal of STI, the longer dated nature of the grant and the higher risk of performance rights, representing 50% of the total value of the LTI, vesting after five years in FY30. Further information on the LTI arrangement is set out in the Appendix.

Jacqueline Chow, Remuneration Committee Chair, said, “Having consulted widely on the best approach, the new Reece 2030 remuneration framework has been designed to reinforce Reece’s unique ownership structure, entrepreneurial spirit, long-term view, and relentless focus on customers. It will reward the delivery of ambitious targets that will drive significant value for shareholders if achieved. I want to thank our stakeholders for their constructive engagement and considered feedback through this process.”

[ENDS]

For further information contact:

Siobhan Weaver
Reece Group
E: siobhan.weaver@reece.com.au
T: 0477 480 813

This announcement has been authorised by Chantelle Duffy, Company Secretary at the direction of the Reece Limited Board.

About the Reece Group

Reece Group is a leading distributor of plumbing, waterworks and HVAC-R products to commercial and residential customers through more than 900 branches in Australia, New Zealand and the United States.

Established in 1920 and listed on the Australian Securities Exchange (ASX: REH), Reece Group has approximately 9,000 employees who are focused on building a better world for our customers by being our best.

For further information on Reece Group and its portfolio of businesses please visit group.reece.com/au.

APPENDIX 1 – New Remuneration Framework

Multi-year grant in FY26

The Board has issued a multi-year grant in FY26 (equivalent to five years of annual grant value). The Board does not intend to issue any further LTI grants that vest prior to 2030.

Annual Remuneration for Executive Directors

- Base salary: no change from FY25
- STI removed:
 - Chair & CEO previously 200% at maximum.
 - Group President & MD previously 150% at maximum.
- LTI comprising 50% performance rights and 50% options requiring service until vesting date:
 - Chair & CEO - the annual maximum LTI opportunity has increased from 250% to 700% of base salary.
 - Group President & MD - the annual maximum LTI opportunity has increased from 150% to 400% of base salary.

Performance Rights

- Vesting of performance rights will be tested after release of the Company's FY30 financial results and will be subject to performance conditions:
 - EPS compound annual growth rate (CAGR): Threshold 5.0% to Stretch 14.0%
 - Average Return on Capital Employed (ROCE): Threshold 13.5% to Stretch 16.0%
- The grant will be allocated using a volume weighted average price of Reece shares over the period from 26 August 2025 (following release of FY25 results) to 31 December 2025.

Options

- Options will vest in three equal tranches following the release of the FY28, FY29 and FY30 annual results of the Group respectively, provided the relative TSR gateway condition is met.
- Each tranche of options will only vest where Reece's relative TSR compared to the ASX200 at the beginning of the performance period is at or above the 50th percentile.
- The Board has set an exercise price of \$13.00, aligned with the maximum price of shares bought back under Reece's recent share buyback programs⁵. In setting the exercise price, the Board considered the Company's performance during the current financial year and the timing of the grant, noting that the LTI grant is effective from 1 July 2025.

⁵ The off-market buyback was completed in October 2025, and the on-market buyback, which commenced on 12 December 2025, was paused on 31 December 2025 due to the 1H26 blackout period.