



**MedAdvisor Limited**

ACN 145 327 617  
and its subsidiaries

# **POL CORP**

# **Remuneration**

## 1 Overview

In determining competitive remuneration rates, the Board of MedAdvisor Limited (the Company) seeks independent advice on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice is obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices. Details of the nature and amount of emoluments of each Director of the Company are disclosed annually in the Company's Annual Report.

## 2 External Benchmarking

The Board strives to obtain external advice to ensure reasonableness in terms of remuneration scale and structure. This is to ensure that MedAdvisor is competitively benchmarking against the external market to attract and retain talented executives.

Based on recent independent analysis by Aon Hewitt, MedAdvisor has established the fixed remuneration ranges for our executive management personnel and established the maximum short-term and long-term incentive opportunities available, expressed as a percentage of fixed remuneration.

These fixed remuneration ranges have a minimum and maximum set 15% either side of a mid-point. This mid-point provides a guide as to competitive levels of fixed remuneration to be paid to an experienced, fully effective incumbent and references the indicative median fixed remuneration from a market benchmarking analysis comprising similar sized companies, in similar industries operating in similar jurisdictions. Factors that will be considered in setting each executive's fixed remuneration within the range for their job will include but not limited to the following:

- the scope of the individual's specific responsibilities and accountability;
- the level of experience and demonstrated competence and capabilities in this role or similar roles at this level. Indicatively, it is expected an individual newly promoted to an executive would take around 3 years to reach the full competence expected of the role and to be rewarded around the mid-point / median of the range;
- location of the role; and
- the strategic imperatives of the Company.

## 3 Performance Based Remuneration

To prosper in a global environment, the Board recognises that the Company must attract, motivate and retain key executive staff. The principles supporting our remuneration policy are that:

- reward reflects the competitive global market in which we operate;
- individual reward is based on performance across a range of indicators that apply to delivering results across the Company;
- rewards to executives are linked to creating value for shareholders;
- executives are rewarded for both financial and non-financial performance;
- remuneration arrangements are equitable and facilitate the deployment of senior management across the company; and
- senior managers receive a significant component of their reward in equity and are required to retain that holding over time.

As part of MedAdvisor's policy, executive and non-executive directors are prohibited from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements.

#### Short-term incentives (STIs)

MedAdvisor's performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the Company values.

The performance measures are set annually after consultation with the Directors and executives and are specifically tailored to the areas where each executive has a level of control. The Key Performance Indicators (**KPI's**) for the Executive Team are aligned with the Group's short-term objectives and overall strategy. Performance areas include:

- financial – revenues and operating results; and
- non-financial – strategic and individual goals set for each executive having regard to their overall accountability and scope of influence.

All KPIs are set with 'threshold', 'target' and 'stretch' performance levels. The maximum STI payment can only be achieved if all KPIs exceed the stretch targets. Threshold performance is expected to deliver 40% of the maximum STI opportunity. No STI payment will be made if the company does not achieve the threshold level of financial performance.

#### Long term incentive (LTI) plans

Since the Company was established, LTI plans have been designed to award participants with the opportunity to:

- allow a meaningful accumulation of shares over time to inspire an ownership mentality; and
- generate a strong alignment with shareholder outcomes by encouraging a focus on long-term decisions.

With effect from FY2022 it is intended to provide annual LTI grants of options (or performance rights) with overlapping three-year performance periods. The shift to regular annual awards and three-year performance periods has evolved with the growth of the Company and acknowledges Australian market practice and investor expectations.

All options will be issued on the terms of the MedAdvisor Long Term Incentive Plan approved by shareholders.

Each year the Board will consider the appropriateness of performance conditions, vesting scales, targets and gates to the circumstances that are anticipated over the performance period and the expectations of shareholders. This is likely to require adjustments to these aspects each year when making LTI offers.

## 4 Board Remuneration

Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors.

Managing Director remuneration is set by the Board with the Executive Director in question not present. Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The Board, in conjunction with the People, Remuneration and Nominations Committee, determines actual payments to Directors and reviews their remuneration annually, based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of Directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

## 5 Termination Payments

Termination payments for executives are clearly defined in the executive's agreement. Non-Executive Directors do not receive termination payments.

## 6 Review

This Policy will be formally reviewed by the Board at least every three years.