

REMUNERATION POLICY

Name:	Owner:	Reviewed by:	Review Date:	Approved by:	Approval Date:
Remuneration Policy	General Manager, People and Culture	Boards People and Sustainability Committee	November 2025	PetSure Holdings/ PetSure Boards	12 November 2025
Adopted by:		PetSure Holdings Pty Ltd and PetSure (Australia) Pty Ltd			
Review Period:		Annually			
Next Review Date:		December 2025			

Revision Authority	
Boards People and Sustainability Committee and Boards approval required for:	General Manager, People and Culture approval required for:
Material Changes	Non-Material Changes

Context:	
Legislative/ Prudential	Insurance Act 1973 (Cth) APRA Prudential Standard CPS510 Governance APRA Prudential Standard CPS511 Remuneration APRA Prudential Practice Guide CPG511 Remuneration APRA Prudential Standard CPS520 Fit and Proper APRA Prudential Standard CPS220 Risk Management Financial Accountability Regime Act 2023 (Cth) Corporations Act 2001 (Cth)
Related policies/ other documents	PetSure Holdings/PetSure Boards Charter Boards People and Sustainability Committee Charter Corporate Governance Framework Code of Conduct Performance and Outcomes Policy Short Term Incentive (STI) Rules Quarterly Incentive Plan (QIP) Rules Long Term Incentive (LTI) Rules Annual Scorecard Risk Management Strategy; Risk Appetite Statement Incident Management Policy Fit and Proper Policy Delegation of Authorities

	Various employment related policies and procedures
--	--

Table of Contents

1.	About this Policy	3
2.	Roles and responsibilities	3
3.	Who is covered by this Policy?	5
4.	Remuneration principles	5
5.	Remuneration design	6
6.	Specified Roles and Accountable Persons	6
7.	Fixed remuneration	7
8.	Variable remuneration	7
8.1	Short term incentive (STI).....	8
8.2	Quarterly incentive plan (QIP)	8
8.3	Long term incentive (LTI)	9
8.4	One-off payments	9
9.	Additional Considerations for Specified Role Holders and Accountable Persons	10
10.	Benefits	11
11.	Performance planning and review	11
12.	Adjustments to fixed remuneration	12
13.	Adjustments to variable remuneration	13
13.1	Interaction with annual risk and conduct assessment and review	13
13.2	Variable remuneration adjustment tools, malus and clawback	14
13.3	Deferral.....	15
14.	Analysis of remuneration outcomes	15
15.	Variable remuneration on termination	16
16.	Prohibitions	16
17.	Conflicts of interest	16
18.	Third party service provider payments	16
19.	Non-Executive Director (NED) payments	17
20.	Notification and disclosure	18
21.	Communication, monitoring, and breaches	18
	Key terms and definitions	19

1. About this Policy

This Remuneration Policy (**Policy**) applies to the Boards of PetSure Holdings Pty Ltd (**PetSure Holdings**), PetSure (Australia) Pty Ltd (**PetSure**) and their subsidiaries (**Subsidiaries**) (collectively "**the Group**" and/or "**the Boards**" as the context requires). PetSure Holdings is authorised by the Australian Prudential Regulation Authority (**APRA**) as a Non-Operating Holding Company (**NOHC**) and is the parent entity of the Level 2 Insurance Group. PetSure is the APRA authorised Level 1 general insurance entity. PetSure is wholly owned by the PetSure Holdings.

We want to be a place of choice for pet lovers, which includes providing Total Rewards that are consistent with our vision for a world that is better for pets and their people. The purpose of this Policy is to outline the Group’s objectives and arrangements for remuneration. It explains how the Remuneration Policy and related policies, structures, systems, processes, and people within the Group identify, measure, evaluate, monitor, report, control and mitigate remuneration and related risks effectively.

The Group is committed to ensuring that:

- a) the Boards are engaged in governance of remuneration arrangements and outcomes in the best interests of all stakeholders
- b) there is shared understanding of how remuneration is managed, consistent with decisions of the Boards
- c) related remuneration practices are compliant with relevant legislation, regulations, standards.

This Policy aligns with PetSure’s business plan, strategic objectives, risk management framework, values, and code of conduct. It promotes effective management of both financial and non-financial risks, sustainable performance, and long-term soundness of the Group; and supports the prevention and mitigation of conduct risk.

The Group reserves the right to vary, replace or terminate this Policy from time to time without consultation and it does not form any part of an individual’s employment agreement or any industrial instrument. This Policy should be read alongside relevant People and Sustainability documents.

2. Roles and responsibilities

Role	Responsibilities
All Executives	<ul style="list-style-type: none"> a) Overseeing compliance with this Policy within own business unit, including supervising that employees understand and adhere to this Policy and where required, appropriate approvals are obtained b) Making recommendations in relation to remuneration arrangements for employees in own reporting line, ensuring that customer and markets, people and sustainability, financial and infrastructure, risk and other priorities are appropriately considered and reflected c) Leading remuneration related communication within their business unit and providing leaders with support d) Ensuring risks associated with Significant Service Contracts are assessed, disclosed and approvals obtained e) Reporting any breaches or inconsistencies with this Policy f) Identification, management and escalation of conduct risk in accordance with the Risk Management Framework g) Identification, management and escalation of conduct risk in accordance with the Risk Management Framework h) Ensuring that individual remuneration outcomes are aligned to this policy and appropriately consider risk management performance, risk culture and conduct risk outcomes

General Manager, People and Culture	<ul style="list-style-type: none"> a) Developing and monitoring the implementation of this Policy, including by recommending any material changes to this Policy to the Chief Executive Officer and the Boards People and Sustainability Committee for approval by the Boards b) Communicating this Policy to relevant stakeholders c) Reviewing this Policy at least annually to ensure it meets business, legislative, regulatory, and operational requirements d) Supporting executives to understand and apply this Policy and related policies, systems and processes e) Monitoring and reporting overall remuneration related matters including risks and issues f) Monitoring the taking of appropriate remedial actions to address any breaches of this Policy in accordance with the relevant Policies including escalation as required g) Making recommendations to the Chief Executive Officer in relation to remuneration arrangements for Specified Roles including Accountable Persons h) Leading effective implementation of accountability and remuneration arrangements, and required policies and systems
Chief Executive Officer	<ul style="list-style-type: none"> a) Making recommendations to the Boards People and Sustainability Committee in relation to remuneration arrangements Specified Roles including Accountable Persons b) Reporting on organisational performance against the scorecard c) Reviewing and approving Significant Service Contracts as described in this Policy
Chief Risk Officer	<ul style="list-style-type: none"> a) Reporting on organisational risk management performance including risk culture and conduct. b) Provide input to the Remuneration Policy and structures in alignment with risk and conduct outcomes.
Chief Legal Officer	<ul style="list-style-type: none"> a) Review FAR related updates in the annual review of this Policy and associated artefacts b) Monitor FAR related compliance matters resulting from this policy c) Provide input on compliance, conduct risk and risk culture performance reporting.
Boards People and Sustainability Committee	<p>Assisting the Board in discharging its responsibilities by providing oversight and review of PetSure’s remuneration-related arrangements three times per year, including:</p> <ul style="list-style-type: none"> a) Reviewing and recommending this Policy for Board approval, b) Overseeing the design, operation and monitoring of this Policy, accountability and remuneration arrangements, and required policies and systems, practices and reporting related matters, risks and issues to the Boards as applicable c) Reviewing and recommending to the Board, for incumbents of Specified Roles including Accountable Persons, remuneration arrangements, outcomes and adjustments d) Reviewing and recommending to the Board, for the Group’s overall workforce, total aggregate annual increases, any incentive plan rules, total annual incentive outcomes and adjustments e) Reviewing and recommending to the Board any changes to Non-Executive Director remuneration

PetSure Holdings and PetSure Boards	<ul style="list-style-type: none"> a) Reviewing and approving the Remuneration Policy, having ultimate responsibility for their effective application b) Reviewing and approving, for incumbents of Specified Roles including Accountable Persons, remuneration arrangements, outcomes and adjustments c) Reviewing and approving, for the Group’s overall workforce, total aggregate annual increases, any incentive plan rules, total annual incentive outcomes and adjustments d) Reviewing and approving Non-Executive Director remuneration e) Appropriately addressing remuneration matters, risks and issues referred by the Boards People and Sustainability Committee
--	---

3. Who is covered by this Policy?

This Policy applies to all individuals employed or retained directly under contract by the Group as well as those employed by, or a contractor of, a body corporate (including a service company) that is a related body corporate or connected entity of the Group.

Specifically, this Policy covers remuneration arrangements of:

- a) Award and non-Award covered roles, including all levels of leadership;
- b) Individuals classified as incumbents of ‘**Specified Roles**’ by the Group as listed in the table below. To be identified as a Specified Role within the Group, the position is at an executive level, is a material risk-taker or performs a risk management, compliance, internal audit, financial control or actuarial control function.
- c) Individuals identified as ‘Accountable Persons’ as defined in the Financial Accountability Regime Act 2023 (Cth) (**FAR Act**) (**Accountable Persons**);
- d) Non-Executive Directors (**NEDs**); and
- e) Third Party Contractors engaged with the Group.

All forms of remuneration received by persons covered by this Policy are subject to this Policy, regardless of where, or from whom, the remuneration is sourced.

4. Remuneration principles

The Group seeks to provide equitable conditions that encourage behaviours consistent with its values and code of conduct. The Group’s approach is guided by the following principles:

- a) Remuneration is one important aspect of the Group’s Total Rewards, designed to attract and retain talent fairly in a highly competitive environment
- b) Remuneration decisions celebrate outstanding performance, as well as contribution and alignment with strategic objectives, business priorities, appropriate risk management, sustainable performance, long-term financial soundness and positive outcomes for customers
- c) Remuneration processes are transparent and equitable, minimise the potential for conflicts of interest, and have the appropriate levels of confidentiality and discretion for the context of the Group’s business and ownership structure
- d) Remuneration practices are compliant with relevant legislation, regulations and standards while being sufficiently flexible to meet the changing needs of the Group and individuals from time to time
- e) Remuneration arrangements and outcomes are well governed and documented with oversight from the Boards and the Boards’ People and Sustainability Committee

This Policy reinforces a high performing values-based culture that encourages risk intelligent behaviours and is supported by policies and procedures relating to ongoing employment within the Group.

5. Remuneration design

The Group's Total Rewards structure includes various components:

Total Rewards	
Salary	\$ x
Superannuation (<i>Australia only</i>)	\$ x
Fixed Remuneration (<i>TEC in Australia and TCC in South Africa</i>)	\$ x
Incentives (<i>STI or QIP</i>)	\$ x
Total Annual Remuneration (TAR)	\$ x
Long Term Incentive (LTI)	\$ x
Actual Total Remuneration (ATR)	\$ x
Benefits	N/A

'Fixed Remuneration' is referred to within the Group as Total Employment Cost (**TEC**) in Australia or Total Cost to Company (**TCC**) in South Africa. In Australia, TEC includes salary and superannuation. The superannuation component is determined by the superannuation guarantee rate (within the maximum superannuation contribution base) and any additional voluntary contributions the employee chooses to make from their salary. Both TEC and TCC exclude allowances and any additional payments.

'Total Annual Remuneration' (**TAR**) is a long-standing term within the Group and means the sum of Fixed Remuneration and any Short-Term Incentive (**STI**) and/or any Quarterly Incentive Plan (**QIP**) payable in that financial year. Most employees participate in either the STI or QIP.

Considered in addition to TAR are other, less widely available forms of Variable Remuneration. These fall within Actual Total Remuneration (**ATR**). For example, ATR includes any Long-Term Incentive (**LTI**) and ad hoc payments as detailed in this Policy.

Benefits are available, subject to eligibility, to all employees and are widely variable so for practical reasons, they are considered in addition to ATR.

6. Specified Roles and Accountable Persons

The Group has identified a small number of positions that are defined as **Specified Roles or Accountable persons** as listed in the table below. To be identified as a Specified Role or **Accountable person** within the Group, the position is at an executive level, is a material risk-taker or performs a risk management, compliance, internal audit, financial control or actuarial control function as defined by the relevant ACT or Prudential Standard.

Position Title	Specified Role	Accountable Person
Chief Executive Officer	Yes	Yes
Chief Financial Officer	Yes	Yes
Chief Information Officer	Yes	Yes
Chief Insurance Officer	Yes	Yes
Chief Growth Officer	Yes	Yes
Chief Legal Officer	Yes	Yes
Chief Operating Officer	Yes	Yes
Chief Risk Officer	Yes	Yes
Chief Strategy & Corporate Affairs Officer	Yes	Yes
General Manager, People and Culture	Yes	Yes

General Manager, Pricing and Partnerships	Yes	No
General Manager, Product & Customer Loyalty	Yes	No
General Manager, Finance	Yes	No
Head of Capital	Yes	No
Head of Compliance Advisory	Yes	No
Senior Internal Audit Manager	Yes	No
Senior Risk Managers	Yes	No

Any other person may at any time be designated by the Group as being incumbent of a Specified Role on the basis that a significant portion of their total remuneration is based on performance and their activities, individually or collectively, may affect the financial soundness of the Group or any part thereof.

The Group's approach is that all remuneration arrangements and outcomes for incumbents of Specified Roles and Accountable Persons, are subject to review at an individual level by the Board. Board approval is required for changes to fixed or variable remuneration arrangements for any incumbent of a Specified Role.

7. Fixed remuneration

Fixed remuneration (TEC or TCC) is based on market benchmarks, which in most cases reference the General Insurance sector and companies of comparable scale and complexity with operational features in common, where direct peers in the insurance sector are not available (note: discounts may be applied when comparing with ASX listed companies, as determined by the Board). Remuneration data is sourced at least annually in Australia and South Africa from reputable providers. Scale and complexity will be considered a particularly important feature when selecting comparators for benchmarking executive and director roles. When benchmarking other roles, the lack of directly comparable peers of the same scale may be address by undertaking job evaluation, grading, banding or slotting (or similar) to compare against roles of comparable job size/impact.

The Group aims to benchmark most roles at the 50th percentile of the most relevant market. Employees who are inexperienced in a specific role may be paid close to 80% of the benchmarked midpoint, whereas more experienced, exceptionally talented or outstanding performers are typically paid up to 120% of the midpoint.

Compliance with the Banking Finance and Insurance Award (or any other applicable Award) is regularly monitored by the Finance team in collaboration with the People and Sustainability team.

8. Variable remuneration

PetSure employees may be awarded variable remuneration for achieving and exceeding measurable outcomes aligned to PetSure's strategy. Variable remuneration is available to most employees within the Group and is provided in addition to fixed remuneration and is communicated clearly within the Group as discretionary. Variable remuneration is available through the following:

- a) annual Short-Term Incentive (**STI**) plan
- b) Quarterly Incentive Plan (**QIP**)
- c) Long-Term Incentive (**LTI**) plan
- d) from time to time, one-off payments

The Group's variable remuneration arrangements consider financial and non-financial risks that could materially impact the Group's risk profile, sustainable performance and long-term soundness. These arrangements align with prudent risk taking.

The Group aims to ensure that incumbents of Specified Roles including Accountable Persons are remunerated for delivering their best performance and that any variable remuneration arrangements do not compromise their integrity in performing their role.

Variable remuneration opportunities evident in the market will be considered when benchmarking remuneration for a role, and determining what if any variable remuneration may be offered to an incumbent fulfilling a role. The experience and calibre of the incumbent may also be used to inform the remuneration mix offered to an incumbent.

8.1 Short term incentive (STI)

Management makes recommendations to the Boards People and Sustainability Committee regarding plan structure, participation, and any proposed material changes. STI measures are taken from the annual scorecard which is approved by the Boards each financial year.

Outcomes of the annual STI plan are determined after receipt of the annual audit report and a formal assessment of Group performance, which is typically during September. Management makes recommendations to the Boards People and Sustainability Committee for eligible employees to receive:

- a) an STI of up to a maximum 15% of fixed remuneration based on calibrated individual performance ratings (which incorporate assessment of goal achievement, behaviour, and risk outcomes), and
- b) an additional amount of up to a maximum of between 5-30% (depending on the role) of fixed remuneration, based on assessment and moderation of Group performance.

The Boards People and Sustainability Committee is responsible for oversight of the effectiveness of the STI plan. The Boards People and Sustainability Committee considers:

- a) management recommendations about overall Group performance and the performance of incumbents of Specified Roles including Accountable Persons, and
- b) whether proposed remuneration outcomes take into account the management of both financial and non-financial risks, including the prevention and mitigation of conduct risk.

Any proposed STI payable for a Specified Role including Accountable Persons, which falls outside the timing of the annual process, requires recommendation by the Boards People and Sustainability Committee and subsequent approval by the Boards.

The Group currently has one annual STI plan. The STI Rules are available internally on the intranet.

8.2 Quarterly incentive plan (QIP)

PetSure offers permanent employees working in frontline operational roles participation in a quarterly plan in lieu of the STI Plan. These roles are highly measurable, and their performance contributes to short term operational priorities in support of the Group's annual scorecard, resulting in modest payments being issued.

The Group's QIP allows for up to a maximum of 10% of fixed remuneration to be provided as a discretionary incentive payment, subject to adjustments based on individual performance and behaviour. The determination of the QIP considers financial and nonfinancial risks that could materially impact the Group's risk profile, sustainable performance and long-term soundness.

QIPs are authorised by the relevant executive or their delegate in accordance with the plan rules. QIP Rules are available internally on the intranet.

8.3 Long term incentive (LTI)

The Group's LTI plan is a value-dependent form of variable remuneration which provides for phantom Share Appreciation Rights (**Rights**). The LTI plan rules are documented in detail, approved by the Boards, and made available to participants via an online platform administered by a third party.

The Chief Financial Officer and General Manager, People and Culture jointly ensure the accuracy of information provided to the administrator, as approved by the Boards. All LTI documentation is available to authorised representatives of the Group and Regulators on request via the General Manager, People and Culture.

The Boards People and Sustainability Committee is responsible for design and oversight of the LTI plan. The Chief Executive Officer makes recommendations to the Boards People and Sustainability Committee regarding participation in annual invitations and grants, which then makes recommendations to the Boards for approval.

8.4 One-off payments

One-off payments are rarely available within the Group and are non-standard components of variable remuneration. PetSure considers one-off payments such as:

- a) Sign-on payments – intended to compensate a new employee for variable remuneration from the previous employer that has been forgone
- b) Completion or retention payments – intended to encourage individuals considered critical to achieving a specific outcome or project or with specific skills or knowledge which may cause significant disruption to the business if their employment ceased

Generally, the sign-on incentive should be of equal or lesser value than the amount forgone with evidence of forfeiture being provided. Such payments will normally be made six months after commencement date with an agreement for reimbursement, should employment cease within a specified period.

With respect to completion or retention payments, it may be appropriate to provide a monetary incentive, which is time and performance based, to retain the services of the individual.

One-off payments require approval from the Chief People and Sustainability Officer and Chief Executive Officer or their delegate, prior to being offered, and the Boards People and Sustainability Committee must be advised of the payments at the next scheduled meeting.

Where one-off payments are offered to a Specified Role holder, including Accountable Persons, the Boards People and Sustainability Committee must review and recommend the payment to the Boards for approval prior to being offered. Any resulting payments will comply with variable remuneration deferral obligations under applicable laws and regulations.

9. Additional Considerations for Specified Role Holders and Accountable Persons

Under FAR, at least 40% of an Accountable Person's variable remuneration for the relevant financial year is to be deferred for a minimum period of four years. The FAR deferral requirements do not apply to an Accountable Person if:

- a) the amount to be deferred is less than AUD\$50,000; or
- b) the person becomes an Accountable Person by filling in a temporary or unforeseen vacancy and the person is not registered or required to be registered as an Accountable Person.

Unless an exemption applies, variable remuneration must be deferred for 4 years at a rate of no less than 66.66% of the sum all other variable remuneration offered within the reporting period, to be assessed at the end of each reporting period for each Accountable Person within the reporting period.

The payout and vesting schedules will be commensurate with the possible range of risk and performance outcomes and are sensitive to the time horizon of risk.

Due to regulatory requirements relating to deferral of variable remuneration for Accountable Persons, there are special considerations that apply to these roles.

- a) Methods of deferring remuneration in a compliant manner include:
 - i. Offering LTI with a minimum period, between the latter to occur of the agreement date or the date of first payment and the day of payment, of 4 years.
 - ii. Offering "Service Rights" or a retention incentive with a minimum service test period of 4 years, measured between the latter to occur of the agreement date or the start of the performance measurement period, and the date of any payment.
 - iii. Specifying that the payment of a portion of any STI award will be delayed until the date that is no earlier than 4 years following the latter to occur of the STI agreement date or the start of the performance measurement period. This may be achieved by deferral into equity/rights as may be available from time to time e.g. restricted rights.
 - iv. Delaying payment of the required portion of any other variable remuneration element offered in a reporting period, such as a sign-on award, ad-hoc award, retention incentive until the date that is no earlier than 4 years following the latter to occur of the agreement date or the start of the performance and/or service measurement period.
- b) Offers of STI, sign-on awards or retention incentives are condition upon the Company making an offer or invitation to participate in LTI at no less than the rate required to achieve compliance in the same reporting period.
- c) Offers of STI will be made concurrently with invitation to participate in LTI wherever possible. If this is not the case, another method of compliance will be identified prior to the making of an offer of STI.
- d) It is expected that offers to participate in LTI will be made in less than 90 days after the start of a reporting period. Payments/settlements of LTI are expected to be made no earlier than 90 days after the end of the reporting period 4 years later, to ensure that the minimum 4 year deferral period requirement is met. However, where the offering of LTI is made later than expected, or settlement/payment of LTI becomes available earlier than expected, the Board will delay settlement/payment of the LTI until the minimum 4 year deferral period (from the latter to occur of the date of agreement being formed or the start of the performance and/or service measurement

- period) is completed. Exceptions may apply where deferral requirements are achieved by means other than the LTI.
- e) When an individual first becomes classifiable as an Accountable Person:
 - a. If they are appointed from an internal position: their existing variable remuneration (any remuneration subject to performance and/or service that commenced within the reporting period) will need to be reviewed and assessed for the value that will be counted towards the deferral requirements. If the deferral requirement is deemed to have been triggered and has not been met by the existing variable remuneration arrangements, the Board will consider which of the methods outlined under a) i) to iv) in this section will be relied upon to achieve compliance, and advise the individual of the outcome.
 - b. If they are appointed from an external position: it is assumed that there will be no existing variable remuneration to assess, however, the use of sign-on or retention incentives will result in consideration needing to be given to methods of compliance outlined in a) i) to iv) in this section.
 - f) When a new variable remuneration agreement is formed part way through a year for any reason, for example due to appointment or change in role, consideration will need to be given to recording the need for part of the payment to the individual to be delayed until the date that is no earlier than 4 years following the latter to occur of the agreement date or the start of the performance and/or service measurement period i.e. to exclude them from usual payment and settlement processes that would otherwise apply when the 4 year deferral period has ended. For example for a new STI agreement formed on 1 January, the payment of the deferred portion of remuneration such as LTI, will need to be deferred until 2nd January, 4 years later, rather than settled at 1 October as may be usual.
 - g) The Board's People and Sustainability Committee will consider, prior to the end of the reporting period, in respect of each role subject to the remuneration regulations, whether the person's remuneration for the reporting period has met the requirements. If not, adjustments will be considered prior to the end of the reporting period, which is the period in respect of which compliance is assessed and must be achieved.

10. Benefits

Benefits include a diverse array of Total Rewards provided by the Group including premium-waived pet insurance, unique leave types, talent referral bonuses, and recognition awards.

Total Rewards are updated frequently and are aligned with the principles of this Policy.

Some benefits are provided in line with a specific policy available via the Intranet, explaining eligibility criteria. While there is a specified value for some Benefits, consistent with general market practice, they are generally excluded from remuneration calculations due to the wide variation and frequency of access.

11. Performance planning and review

The Group's approach to performance planning and review is referred to internally as 'Planning for Success' and documented in the Performance and Outcomes Policy and training materials.

Each financial year, the Boards approve a scorecard, performance against which is assessed annually and monitored closely throughout the period. This involves setting a balanced range of measures and targets which are aligned with the Group's business plan, strategic objectives and organisational goals and values. These measures also align with the risk management framework and reflect financial and non-financial risks that could materially impact the risk profile, sustainable performance, and long-term soundness of the business.

The scorecard is cascaded systematically, requiring every employee to have well defined and documented goals that are aligned with the annual scorecard in terms of performance (balanced across customer and markets, people and sustainability, financial and infrastructure), risk outcomes and behaviours.

Individual performance is assessed at various points during the year and support is provided through guidance on required behaviours and monitoring completion of training in areas such as compliance with regulatory requirements. End of year reviews address:

- a) achievement of individual goals and overall performance during the period
- b) contribution to team goals, overall business performance and priorities
- c) behaviours in line with the Group's values and code of conduct, and
- d) assessment of risk outcomes through structured questions and general discussion.

Following the reviews, individual performance is formally self-assessed, manager reviewed and calibrated across the Group to ensure equitable assessment and consistent application of financial and non-financial outcomes. While financial measures are significant and important, the Group's approach means that individual performance assessments are materially based on non-financial measures.

12. Adjustments to fixed remuneration

Fixed remuneration is reviewed annually or where justified, more frequently. Management's annual review of fixed remuneration recommendations is provided to the Boards People and Sustainability Committee for the Group's total workforce by country and for each Specified Role, including Accountable Persons. The Boards People and Sustainability Committee reviews management's recommendations and where appropriate, endorses them for the Boards approval.

When determining the overall annual remuneration budget for the total workforce, factors considered include economic considerations, general market movements, organisational performance, and capacity.

When reviewing individual remuneration, PetSure considers the objectives of this Policy, as well as a range of factors such as calibrated individual performance ratings (incorporating assessment of goal achievement, behaviours, and risk outcomes), market relativities, internal equity (including gender parity), new skills, qualifications, or responsibilities. Employees joining after 1 April in the relevant year, employed on a fixed term basis or serving their notice period, are generally ineligible for participation in the annual review of fixed remuneration.

Management has discretion to adjust the annual review of fixed remuneration downwards to zero where warranted. Recommendations for Specified Roles, including Accountable Persons, are made to the Boards People and Sustainability Committee, which uses its discretion where appropriate.

Adjustments outside of the annual review process are infrequent and typically arise from changed market circumstances or a role change. Proposed changes to fixed remuneration of incumbents of non-Specified Roles outside of the annual review, require approval from both the relevant Executive and the Chief People and Sustainability Officer. Where the increase is 10% or more of fixed remuneration, approval of the Chief Executive Officer is also required.

Where the adjustment applies to an incumbent of a Specified Roles, including Accountable Persons, it must be reviewed by the Boards People and Sustainability Committee and where appropriate, must be approved by the Boards. Adjustments outside of the annual review

process for the period between 1 April – 30 June should be postponed wherever appropriate to 1 July annual review.

13. Adjustments to variable remuneration

All variable remuneration outcomes will reflect the appropriate application of adjustment tools as specified in this Policy. Payment of any variable remuneration to an individual is subject to downward adjustment based on the criteria set out in the Performance and Outcomes Policy. The Boards have absolute discretion to adjust variable remuneration downwards, including to zero, if such adjustments are necessary to protect the financial soundness and prudential standing of the Group, to encourage behavior aligned with the Risk Management Framework, or responding to significant adverse unexpected, unintended, or unforeseen consequences.

Downward adjustments to variable remuneration will be proportionate to the severity of risk and conduct outcomes. They need not be a reduction of variable remuneration relating to a period in which an event occurs. Moreover, when an Accountable Person has failed to comply with the accountability obligations under FAR, the person's variable remuneration will be reduced by an amount that is proportionate to the failure. In considering proportionality, PetSure will include all variable remuneration which can be subject to downward adjustment, including current year, deferred amounts and any amounts that are subject to clawback.

The Group will take reasonable steps to appropriately adjust variable remuneration downwards when, at a minimum, any of the following criteria are satisfied:

- a) misconduct leading to significant adverse outcomes
- b) a significant failure of financial or non-financial risk management
- c) a significant failure or breach of accountability, fitness and propriety, or compliance obligations
- d) a significant error or a significant misstatement of criteria on which the Variable Remuneration determination was based, or
- e) significant adverse outcomes for customers, beneficiaries, or counterparties.

Where a person is under investigation in relation to the above matters or a potential breach of accountability obligations under FAR, variable remuneration must not vest until the investigation is closed.

13.1 Interaction with annual risk and conduct assessment and review

At the conclusion of each financial year, the Boards review the performance of the Group against a scorecard that includes evaluation of conduct and risk outcomes, the Risk Management Declaration and an annual Risk Culture Assessment for the reporting period. These documents are considered, along with recommendations from the Boards People and Sustainability Committee, the Boards Risk Committee, the Chief Executive Officer, and Chief Risk Officer, to inform the potential use of its various adjustment tools and discretion including the application of any conduct and risk modifier that is specified as part of variable remuneration arrangements.

When designing variable remuneration or setting opportunities, the Boards will include sufficient design features and/or discretion that allow risk and conduct outcomes to be assessed and consequently result in downward adjustment of variable remuneration. To support consistency this principle will be extended to include all variable remuneration offered to all employees, including Accountable Persons, unless otherwise determined by the Board or its delegate.

13.2 Variable remuneration adjustment tools, malus and clawback

PetSure's variable adjustment tools for a downward adjustment include:

- a) In-period adjustment to variable remuneration: A reduction to, or cancellation of an employee's variable remuneration may be made during the period set for measuring performance under a variable remuneration arrangement. The variable remuneration which is reduced or cancelled need not relate to the specific period in which the event the reduction relates to occurs.
- b) Malus: Reduction, forfeiture or cancellation of all or part of any deferred variable remuneration before it has vested, which includes both remuneration opportunities that are on-foot during a measurement period, and those amounts that have been calculated following a measurement period, but further deferred, not yet paid or not yet vested. The first pool of value that will be considered for giving effect to a malus adjustment when it is activated, will be variable remuneration in respect of which the measurement period has not been completed.
- c) Clawback: The Group may seek to recover some or all variable remuneration subject to recovery that has been paid or vested through any clawback action the Group deems necessary and appropriate. Where variable remuneration has already been paid, in the most serious of circumstances, the Boards may require an individual to repay an amount. The first pool of value that will be considered for giving effect to a clawback adjustment when it is activated, will be variable remuneration in respect of which the measurement period has been completed and the award calculated, but which has not yet been paid or which has been further deferred.

Where Malus and Clawback are applied, the details will be provided to the employee in writing.

The use of these tools is supported by a downward-adjustments process:

- a) with clearly identified triggers to make a downward-adjustment
- b) that determines the appropriate adjustment tools to use, and
- c) that determines the amount of downward-adjustment, proportionate to the severity of risk and conduct outcomes, to nil if appropriate.

Regarding the LTI plan, the Boards have sole discretion to determine that Rights subject to an exercise restriction period will lapse should any of the reasons (as explained in the plan rules) occur. The Boards may amend the rules should it be necessary for accuracy, compliance or to ensure outcomes are in accordance with intended operation.

Wherever possible the Board will ensure that it retains appropriate adjustment powers consistent with the foregoing. In order to ensure that an inappropriate benefit does not arise the Board will generally retain discretion to determine that some or all variable remuneration that is on-foot (during a measurement period) or deferred (after the end of a measurement period) will be forfeited on a specified date if allowing the opportunity or benefit to be retained by the participant would, in the opinion of the Board, result in an inappropriate benefit to the participant. Such circumstances include but are not limited to:

- (a) if a participant is responsible for a dereliction of duty which, in the opinion of PetSure, is of such a nature that the participant cannot continue in employment by the group,
- (b) if a participant is deemed to have committed any act, either at work or outside work, which may damage PetSure's reputation or ability to operate,
- (c) if a participant refuses to carry out a lawful and reasonable direction of PetSure,
- (d) if a participant is deemed to have been grossly negligent in the performance of their duties and responsibilities,

- (e) if the participant is deemed to have displayed behaviour inconsistent with the PetSure Code of Conduct or risk culture,
- (f) if the Board determines that a participant or participants took actions that caused harm or are expected to cause harm to the Company's stakeholders,
- (g) if the Board forms the view that a participant or participants have taken excessive risks or have contributed to or may benefit from unacceptable cultures within the Company,
- (h) if the Board forms the view that participants have exposed employees, the broader community or environment to excessive risks, including risks to health and safety,
- (i) if a participant becomes the employee of a competitor or provides services to a competitor, either directly or indirectly, (as determined by the Board and unless otherwise determined by the Board),
- (j) if there has been a material misstatement in the Company's financial reports, which once resolved, indicates that an Award was made that would have been inappropriate in light of the corrected information,
- (k) if the Board determines that unacceptable "ESG" (environmental, social and governance) outcomes have been identified, as defined in its sole discretion,
- (l) if the participant has committed an act of fraud dishonesty, defalcation or serious misconduct,
- (m) if the participant is terminated for cause,
- (n) if the participant is in breach of their individual obligations to the Company (including any Company policy applicable to them),
- (o) if the Board determines that the participant has not adhered to the Company's values to an unacceptable extent,
- (p) if the participant has engaged in activities with the aim of achieving the Goals specified in the Offer in a manner which is unsustainable or likely to detract from long term value,
- (q) if the standards or requirements set by the Australian Prudential Regulatory Authority (APRA) or APRA CPS 511 or APRA CPG 511 indicate that adjustment should apply, or
- (r) if the standards or requirements set out in the Financial Accountability Regime (FAR) are breached, if and when FAR is applicable to the remuneration outlined in the Invitation.

13.3 Deferral

The Boards have absolute discretion to determine that any variable remuneration award or vesting will be deferred (including to provide for other strategic objectives over an appropriate period) or to impose other conditions it deems appropriate in connection with such performance-based components of remuneration.

14. Analysis of remuneration outcomes

Analysis of actual remuneration outcomes by gender and other relevant factors is conducted at least annually and reviewed by the Boards People and Sustainability Committee. Management will take actions as necessary to remove or reduce any gender pay gaps identified.

15. Variable remuneration on termination

Where an individual's employment with the Group ends by way of retirement, resignation, redundancy, or reasons unrelated to conduct or fitness and propriety to hold a position, eligibility for any portion of variable remuneration is determined by reference to the plan rules.

Where an individual moves within the Group or between associated entities, eligibility for any portion of variable remuneration will be determined by the Chief Executive Officer. Where such an individual holds a Specified Role, or is an Accountable Person, the Boards approval is also required.

Where an individual's employment with the Group ends by way of termination with or without notice for misconduct, no variable remuneration is paid. In such circumstances, the Boards will consider the appropriateness of malus and clawback in accordance with this Policy.

The payment of variable remuneration will generally not be brought forward, triggered or accelerated by any form of termination; instead, variable remuneration that is not forfeited at termination will remain on-foot subject to testing and payment at the usual time, consistent with the intentions of APRA's regulations and guidelines.

16. Prohibitions

Except in circumstances permitted by law, the Group must not pay remuneration, directly or indirectly to, or for the benefit of, a person through vehicles or methods that undermine the effect or intent of the requirements of CPS 511. Under the requirements in CPS 511, the Group must, at a minimum, prevent the following:

- a) PetSure Holdings or PetSure indemnifying or insuring (whether directly or through arrangements with another person) a relevant person against the consequences of breaching an obligation under CPS 511 or applying an in-period adjustment malus, or clawback; and
- b) hedging by any incumbent of a Specified Role, including Accountable Persons, who participates in a LTI Plan.

17. Conflicts of interest

The Group will take reasonable steps to identify, assess and mitigate conflicts of interest in the design of its remuneration arrangements, including conflicts that may arise from service contracts with third-party service providers.

To avoid potential conflicts of interest, remuneration of Specified Roles are not determined by managers of the business areas they are responsible for overseeing and challenging.

18. Third party service provider payments

The Group will take reasonable steps to identify, assess and mitigate conflicts of interest in the design of its remuneration arrangements, including conflicts that may arise from service contracts and compensation arrangements with third-party service providers.

In addition to the requirements set out in the Outsourcing Policy, this Policy applies to the payment related aspects of certain contracts between the Group and third parties (**Significant Service Contracts**). Significant Service contracts are those where the:

- a) Primary role of the provider is to provide risk management, compliance, internal audit, financial control, or actuarial control services to the Group; or
- b) Services provided, either individually or collectively with like services provided by other providers, may affect the financial soundness of a Group company and, under

the services contract with the Group company, a significant portion of payment is based on performance.

Payment terms in Significant Service Contracts will be set at competitive market rates and be consistent with:

- a) PetSure's business plan, strategic objectives, Risk Management Framework and Compliance Management Framework;
- b) promote effective management of both financial and non-financial risks, sustainable performance and long-term soundness for the Group;
- c) compliance with all applicable laws and regulations; and
- d) support the prevention and mitigation of conduct risk by setting clear and appropriate links to relevant targets including risk outcomes.

Where a variable component of payment is being considered for a Significant Service Contract, the relevant Executive will ensure that a risk assessment is conducted in consultation with the Chief Risk Officer to identify any potential material conflicts of interest between the proposed payment and the variable remuneration objectives set out above.

Where those may exist, mitigants will be determined and may include heightened monitoring or additional controls over the service provider, or changes to the remuneration arrangements of the employee responsible for the arrangement, to prevent outcomes which do not meet the objectives of this Policy. If, based on this risk assessment, it is recommended that the Group enter into the Significant Service Contract with variable component/s to payment terms, a written record of the assessment and its recommendation will be provided to the Chief Executive Officer for approval, with the Chief Risk Officer's endorsement or comments.

The Chief Executive Officer is authorised, in conjunction with the relevant Executive, to approve a Group company's entry into a Significant Service Contract where:

- a) payment terms have only fixed component/s; or
- b) if the payment terms include variable component/s, the Chief Executive Officer and relevant

Executive are satisfied with the written recommendation, having regard to the Chief Risk Officer's endorsement or comments. Documentation relating to risk assessments, identified mitigants and records of approvals are retained in the appropriate register within the Governance, Risk and Compliance (GRC) system.

19. Non-Executive Director (NED) payments

Non-executive directors (**NED**) are paid in accordance with resolution of the Boards and the Constitution. The Group aims to remunerate NEDs competitively, with fixed remuneration based on appropriate benchmarks. The Boards People and Sustainability Committee annually review benchmarks and make recommendations to the Boards, considering factors such as:

- a) size, nature, complexity and profitability of the Group;
- b) risks and challenges faced by the Group;
- c) industry sector and other external market factors;
- d) structure and responsibilities of Boards including the number of committees, additional responsibilities such as chair of a committee, and other special duties such as at takeover time;
- e) qualifications and experience; and
- f) time commitment required.

The above factors are considered in further detail in the Corporate Governance Framework.

20. Notification and disclosure

The Group will make clear, comprehensive, meaningful, consistent, and comparable public disclosure of information on its Remuneration Policy and related practices. This information will be available annually on PetSure's website either within the Impact Report or as a standalone document, within six months after the end of each financial year.

21. Communication, monitoring, and breaches

This Policy is available where appropriate, from the Chief Executive Officer, Chief People and Sustainability Officer, or Company Secretary to directors, executives, and other senior employees, or to relevant external parties including regulatory agencies.

The Chief People and Sustainability Officer will monitor compliance, assess the effectiveness with this Policy, and participate in formal reviews by Internal Audit or similar, of remuneration arrangements and practices with respect to compliance every three years. The results of the review will be reported to the Boards People and Sustainability Committee.

Any serious issues, control failures or breaches of this Policy will be reported in line with the Incident Management Policy to the Boards Audit Committee and Boards Risk Committee. The Boards Audit Committee may also request a review by an independent third party of any remuneration arrangements and/ or payments at any time.

Key terms and definitions

Accountable Person	Individuals identified as 'Accountable Persons' pursuant to the Financial Accountability Regime 2023
Actual Total Remuneration (ATR)	The sum of Fixed Remuneration and all forms of Variable Remuneration actually paid in a financial year.
Boards	Boards of PetSure Holdings Pty Ltd, PetSure (Australia) Pty Ltd and subsidiaries or their delegate(s) where discretionary powers cascade through the management of the organisation e.g. in relation to some aspects of variable remuneration determinations.
Clawback	The recovery of an amount of variable remuneration that has been paid or vested
Conduct Risk	Conduct risk – means the risk associated with misconduct.
Fixed Remuneration	Total Employment Cost (TEC) in Australia or Total Cost to Company (TCC) in South Africa. In Australia, TEC includes salary and superannuation. Both TEC and TCC exclude allowances and any additional payments.
Group	PetSure Holdings Pty Ltd, PetSure (Australia) Pty Ltd and their subsidiaries
Malus	An adjustment to reduce the value of all or part of deferred variable remuneration before it has vested.
Misconduct	Means an action or inaction that does not meet applicable legal and prudential obligations, requirements or standards of a recognised professional body, or policies and procedures covering conduct and ethical standards set by the Group
Non-Executive Director (NED)	Member of the Boards who are not part of the Executive Leadership Team
Remuneration arrangement	An arrangement that includes measures of performance, the mix of forms of remuneration and the timing of eligibility to receive payments
Phantom Share Appreciation Rights (Rights)	An entitlement to the value of a phantom share less any exercise price specified in an invitation to participate in the Long-Term Incentive Plan, which will be settled in the form of cash and taxed as income.
Total Annual Remuneration (TAR)	The sum of Fixed Remuneration and any maximum Short-Term Incentive and/or any Quarterly Incentive available in a financial year.
Variable remuneration	The amount of a person's total remuneration that is conditional on objectives which include performance criteria, service requirements or the passage of time. Generally, this would include any short-term incentive (paid quarterly or annually), any long-term incentive and/or any ad hoc payment.
Vesting	Process by which the person becomes the legal owner of the variable remuneration.