



Remuneration Policy

Prescient Therapeutics Limited

ACN 006 569 106

Reviewed/Approved by the Board	
Adopted	17 June 2021

1. Overview

- 1.1 Prescient Therapeutics Limited (**Company** or **Prescient Therapeutics**) recognises that the Company's performance and success is underpinned by its ability to attract and retain suitably qualified and experienced people.
- 1.2 Prescient Therapeutics is committed to ensuring Directors and employees are fairly and responsibly compensated with regards to:
- the performance of the company;
 - the performance of the employee; and
 - the general pay environment.
- 1.3 This Remuneration Policy provides guidelines for the Company to attract, motivate and retain employees, with the skills required to effectively manage the operations and growth of the company, at a competitive cost. The Company also undertakes other initiatives to attract key personnel including, but not limited to, training and education, encouraging collaborative workplace and promoting diversity.
- 1.4 This policy provides for the Company to reinforce a performance-based culture and should be supported by staff policies related to the recruitment, selection, remuneration and training of employees.
- 1.5 The Australian Securities Exchange (**ASX**) Recommendation 8.1 states that an ASX Listed Company should establish a Remuneration Committee. The Company has established a Remuneration and Nomination Committee which consist of three members, all of who are independent Directors. Details of the nature and amount of remuneration for each director are disclosed annually in the Company's Remuneration Report in its Annual Report.
- 1.6 This document sets out the Company's policy in respect to remuneration paid to its Directors and employees and is established by the Board.

2. Objectives

Objectives – General

- 2.1 The objectives of the Remuneration Policy are:
- a) to create a remuneration structure that will allow the Company to attract, reward and retain qualified Executives and Non-Executive Directors who will lead the Company in achieving its strategic objectives;
 - b) to provide and motivate the Executives and Non-Executive Directors with a balanced and competitive remuneration;
 - c) to align Short Term Incentives (STIs) and Long-Term Incentives (LTIs) with the achievement of the Company's short-term and long-term strategic objectives and longer-term shareholder return; and
 - d) to ensure that all Executive remuneration is directly and transparently linked with strategy and performance.

Objectives – Executives

2.2 The specific objectives of the Remuneration Policy are as follows:

- To motivate executive management to manage and lead the business successfully and to drive strong long-term organisational growth in line with the Company's strategy and business objectives.
- To drive successful organisational performance by incorporating an annual performance incentive and establish longer-term performance objectives.
- To further drive longer-term organisational performance through an equity-based reward structure.
- To make sure that there is transparency and fairness in executive remuneration policy and practices.
- To deliver a balanced solution addressing all elements of total pay [base-pay, incentive pay (cash and shares) and benefits].
- To make sure appropriate superannuation arrangements are in place for executives.
- To contribute to appropriate attraction and retention strategies for executives.

Objectives – Non-Executive Directors

2.3 The specific objectives of the Non-Executive Director remuneration policy are as follows:

- To attract and retain appropriately qualified and experienced directors.
- To remunerate directors fairly having regard to their responsibilities, including providing leadership and guidance to management.
- To drive long term focus and alignment with shareholders, the Company is committed to each non-executive director achieving a minimum shareholding in the Company to be accumulated over a reasonable period of time.
- To promote independence, impartial decision-making and to build sustainable shareholder value by encouraging a longer-term strategic perspective, by not linking fees to the results of the Company.

3. Application

3.1 This Remuneration Policy applies to all Executive Directors, Non-Executive Directors and Employees. Where sections do not apply to Executive Directors, Non-Executive Directors, Employees or any contract and casual staff, this will be noted.

4. Key Principles

4.1 To achieve the objectives of this policy, the following principles are established:

- a) ensure that the payments are market competitive and benchmarked against companies of similar size and industry and by reference to the skills and experience of the directors and executives;
- b) driven successful organisational performance by incorporating an annual performance review;

- c) policy to be aligned to create value for shareholders and meet shareholder expectations;
 - d) remunerate Directors and Employees fairly having regard to their responsibilities, including providing leadership and guidance to management;
 - e) to make sure that there is transparency and fairness in remuneration policy and practices;
 - f) complying with all relevant legal and regulatory provisions.
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5. Remuneration Structure

5.1 Base Salary

Determined by an independent review of market comparable company remuneration schemes.

5.2 Short-Term Incentive (STI)

- a) One or more of STI performance measures will be based upon the financial or other performance of the Company. The Company STI ensures that a proportion of remuneration is tied to the overall Company performance, measured annually in line with the financial year.
- b) This aligns eligible employees' interests with shareholder interests and focuses on stretch performance.
- c) STI's are set in December of each year for the upcoming calendar year.
- d) STI's are assessed each year in February following the completion of the final half year accounts and are settled with any eligible recipient thereafter.
- e) STI's can be paid to the eligible recipient in either cash or ordinary fully paid shares in the Company as determined by the Board or the Remuneration and Nomination Committee or as outlined in the Participation offer document.

5.3 Long-Term Incentive (LTI)

- a) One or more of LTI performance measures will be based upon the financial or other performance of the Company. The Company LTI plan ensures that a proportion of remuneration is tied to the overall Company performance, measured annually or over longer measurement periods, but in-line with the financial year.
- b) This aligns eligible staff member's interests with shareholder interests and focuses executive performance on sound business decisions resulting in sustainable shareholder wealth.
- c) LTI's are set in June of each year for the upcoming financial year.
- d) LTI's are issued in accordance with the Company's Employee Incentive Scheme or if not under that scheme at the discretion of the Board.

5.4 Superannuation

Employees, Executives and Directors of the Company receive base salary with benefits. These benefits are usually in the form of allowances and the Company's superannuation contribution and will be set forth in their Employment Offer. The total of the base salary and benefits is called Total Fixed Remuneration (**TFR**) for Executives and Directors and Total Employment Cost (**TEC**) for Employees.

5.5 TFR and TEC will not include:

- value of training or education that is provided for employee; or
- mobile phones and laptops.

5.6 The Company will pay superannuation contributions at the statutory rate. Additional contributions (either pre or post tax) may be deducted from payroll at the request of the employee.

5.7 Superannuation contributions will be transferred to the superannuation fund in line with minimum statutory requirements currently paid at least quarterly. All Employees have their choice of fund and the Company does not have a default superannuation fund.

5.8 The statutory rate will be applied to all relevant salaries (ordinary time earnings) including bonuses, workers below the minimum number of hours, and salaries above the maximum contributions base.

5.9 Additional benefits

- a) The Company may from time to time provide additional benefits to employees. New benefits will require approval by the Board if they are outside budget.
- b) The Company may provide training for Employees as required to ensure they are capable of fulfilling their job requirements as well as preparing for succession roles, as applicable.
- c) The Company will also support approved education of Employees where it is relevant to their role, at the Company's sole discretion.

5.10 Termination Payments

Termination payments will be determined by the terms and conditions set out in employment agreements and those contained in various industrial instruments.

6. Remuneration of Non-Executive Director

6.1 Annual Board Fee – Non-Executive Director

- a) Non-Executive Directors are to be remunerated at market rates comparable to listed entities for time, commitment, and responsibilities.
- b) The Remuneration and Nomination Committee makes recommendations to the Board in relation to payments to the Non-Executive Directors.
- c) Non-Executive Directors' fees are reviewed annually by the Board, having regard to recommendations from the Remuneration and Nomination Committee. The Committee surveys comparable remuneration levels in the external market and makes sure that fees and payments paid reflect the demands that are made and the responsibilities of directors. Independent external advice is sought when required.
- d) Non-Executive Director remuneration comprises the following:
 - Base fees. No additional fee is payable by the Company for membership of or chairing a Board Committee unless agreed upon by the Board.
 - Superannuation guarantee charge payments where applicable.
- e) Non-Executive Directors may participate in Equity offers by the company at the discretion of the Remuneration and Nomination Committee and subject to shareholder approval.

6.2 Annual Board Fee – Non-Executive Chair

The Chair (where applicable) receives \$95,000 per annum (inclusive of superannuation where applicable), the additional amount being an allowance for the additional time commitment for the Chair.

6.3 Annual Board Fee – Non-Executive Director

A Non-Executive Director receives \$60,000 per annum (inclusive of superannuation).

7. Review

- 7.1 This Policy will be reviewed annually by the Board of the Company. The Board will ensure this Policy is publicly available via the Company website in accordance with ASX Corporate Governance Council recommendations.

8. Amendment

- 8.1 This Policy cannot be amended without approval from the Company's Board of Directors. This Policy will be reviewed from time to time to ensure that it remains effective and meets the best practice standards and needs of the Company.

9. Further Assistance

- 9.1 Any questions about this Policy should be referred to the Chief Financial Officer or Chief People Officer of the Company.

10. Approved and Adopted

10.1 This policy was approved and adopted by the Board on 17 June 2021.