



# Remuneration Policy

## 1. Purpose of this policy

This policy applies to OFX Group Limited and each of its subsidiaries (**OFX**) and sets out:

- OFX's remuneration strategy;
- the remuneration principles that guide the design of our remuneration framework;
- the remuneration framework that delivers on our remuneration principles; and
- the policies used to manage remuneration within the remuneration framework, OFX's performance management framework, OFX's values and OFX's risk appetite and legal and regulatory obligations.

This policy will be made available on OFX's website.

Capitalised terms used in this policy have the meaning given in section 7.

## 2. Who this policy applies to

This policy applies to all employees (except temporary and casual employees) and directors of OFX.

This policy is subject to change from time to time and does not form part of an employee's contract of employment or any industrial instrument that applies to an employee.

## 3. Remuneration strategy and principles

### Remuneration strategy

OFX's remuneration strategy is designed to attract, retain and motivate talented people to drive a positive culture that delivers on our business strategy and contributes to sustainable long-term returns.

### Remuneration principles

The remuneration strategy is underpinned by the following remuneration principles:

- **Culture** - align our reward practices to effective risk management, high performance and a diverse and inclusive culture;
- **Alignment to performance** - reward performance that supports execution of our business strategy and aligns employee and shareholder interests;
- **Competitive** - attract, retain and motivate appropriately qualified and experienced people who will contribute positively to OFX's financial and operational performance;
- **Simple and transparent** - simple structures with clear expectations; and
- **Sustainable** - motivate employees and directors to deliver results with both short-term and long-term horizons at the same time demonstrating OFX's values through their behaviours and actions.



## 4. Roles and responsibilities

The board of OFX Group Limited (the **Board**), with the assistance of the People, Culture and Remuneration Committee (**PCRC**), is responsible for ensuring that OFX's remuneration policies are aligned with OFX's purpose, values, strategic objectives and risk appetite.

As set out in detail in its Charter, the PCRC is responsible for:

- a. regularly reviewing and making recommendations to the Board with respect to:
  - i. this policy;
  - ii. the remuneration packages of senior executives and executive directors;
- b. the remuneration of non-executive directors;
- c. the implementation and operation of equity-based incentive plans and other employee benefit programs;
- d. OFX's recruitment, retention and termination policies and/or practices; and
- e. those aspects of OFX's remuneration policies and packages, including equity-based incentives, which should be subject to shareholder approval.

To assist in performing its duties, the PCRC may seek independent advice from external consultants on various remuneration-related matters. The PCRC will ensure that the engagement and use of external remuneration consultants complies with relevant legislation as it relates to remuneration.

## 5. Remuneration framework

### Remuneration overview

Remuneration for OFX's employees is made up of the following components:

- a. base salary;
- b. employer superannuation or equivalent retirement/pension contributions in accordance with local legislation for employees in jurisdictions outside of Australia; and
- c. variable, performance-based remuneration which may be awarded as one or more of the following:
  - i. short term incentive (**STI**) delivered as upfront cash and/or deferred equity;
  - ii. long term incentive (**LTI**) delivered as deferred equity;
  - iii. sales incentives or commissions; and
  - iv. one-off grants of equity or cash.

The remuneration mix for executives and senior leaders is structured so that a defined portion of remuneration is delivered as OFX securities through deferred STI and LTI.



### **Base salary**

Base salary should be reasonable and fair, taking into account roles and responsibilities, individual experience and skills, OFX's obligations at law and market competitiveness. Base salary is relative to the scale of OFX's business and reflects core performance requirements and expectations. Base salary is generally reviewed annually and changes in base salary are approved consistent with OFX's Delegated Authority Policy. Changes to the base salary of executives requires Board approval.

### **Superannuation and pension contributions**

All Australian-based OFX employees are eligible to receive superannuation contributions. OFX employees outside of Australia may receive contributions to retirement/pension plans in line with relevant legislation in those jurisdictions or as approved, as part of OFX's benefits offering in those jurisdictions.

### **Performance based remuneration**

- **STI**

STI is principally used to recognise an employee's performance throughout the performance period and is also reflective of overall Company performance. STI plans are governed by the STI Plan Rules and Quarterly Sales Incentive Plan Rules which may be amended from time to time.

#### Annual STI Plan

When recommending a STI outcome for an employee under the annual STI plan for a given performance period, considerations include:

- the STI pool funding for that performance period (determined by OFX's performance against financial and non-financial objectives that are set and reviewed by the Board annually with threshold/target/stretch levels set for each objective);
- the performance of the employee against individual performance goals; and
- the behaviour demonstrated by the employee in their role consistent with OFX's values.

All performance outcomes may be subject to a calibration process to ensure alignment of outcomes across the OFX group. An employee's annual STI opportunity is calculated based on a target percentage of total fixed remuneration (for employees in Australia) or base salary (for employees outside Australia).

#### Quarterly STI

Quarterly STI opportunity is calculated as a percentage of base salary having regard to performance against the employee's individual performance objectives.

Where an employee's employment terminates or they are under notice of termination of their employment prior to the quarterly STI payment, the employee forfeits their entitlement to any unpaid quarterly STI payment unless relevant legislation prevents the forfeiture of the STI award or the Board determines otherwise.

The Board has discretion to claw back any unpaid cash awards or any unvested STI deferral, including in circumstances of breach of an employment agreement or OFX policy, fraud, dishonesty, conviction related to the affairs of OFX or if they bring OFX into disrepute as provided for in the STI Plan Rules in place at the time.



- **LTI for the Chief Executive Officer and Global Executive Team**

The Chief Executive Officer and other Global Executive Team members are eligible to participate in a LTI plan that is governed by the OFX Group Limited Global Equity Plan Rules. LTI awards are subject to a minimum vesting period and performance criteria. These grants are subject to forfeiture and vesting conditions as set out in the Global Equity Plan Rules and associated documentation.

Certain other senior leaders may also be invited to participate in the LTI plan at the Board's discretion.

- **Sales commissions**

Sales incentive and commission plans are governed by a formal set of plan rules and may be paid on a monthly, quarterly or annual basis.

- **One-off grants of equity or cash**

One-off grants of equity or cash may be made on a case-by-case, discretionary basis and these may include make-whole buy-outs for new hires.

Any equity grants must be approved by the Board. The Board may authorise the grant of a maximum number of performance rights and delegate to the Chief Executive Officer the authority to grant those performance rights to individual employees other than Global Executive Team members.

- **Termination**

On termination of employment, an individual will be entitled to their accrued salary, payment in lieu of any accrued but unused annual leave and any other statutory entitlements that may be owing to them as at the date of termination of employment.

An individual's variable reward entitlement on termination will be assessed in accordance with both the reason for their termination and the relevant incentive plan rules in place at the time.

- **Restrictions on securities trading**

All employees are subject to OFX's Securities Trading Policy. OFX's Securities Trading Policy includes a prohibition on directors and employees from hedging their exposure to OFX securities or otherwise limiting the economic risk of OFX securities.

### **Malus and clawback**

The Board retains wide discretion to adjust formulaic incentive outcomes up or down (including to zero) prior to their finalisation. Malus refers to the exercise of downward discretion. Clawback refers to the Board's power to recover awards or payments that have been made, granted or vested (including the forfeiture of vested equity awards, or the demand of the return of shares or the realised cash value of those shares) where the Board determines that the benefit obtained was inappropriate (for example, as a result of fraud, dishonesty or breach of employment obligations by the recipient or any employee of OFX).

### **Remuneration of non-executive directors**

The Board seeks to set fees for non-executive directors that reflect both the demands on and the responsibilities of the directors, and at a level which will attract and retain high quality directors with the requisite skills and experience. Non-executive directors are remunerated by way of fixed cash fees and



superannuation contributions for their role as directors, with additional amounts paid to directors who assume the role as committee members or as chair of the Board or Committees.

Non-executive director fees are reviewed annually and directors may seek advice from external remuneration advisers for this purpose.

Non-executive directors do not receive performance-based remuneration and do not participate in any OFX equity incentive plans. This ensures that there is no conflict with the obligation of directors to bring independent judgement to matters before the Board.

The service agreements that are entered into with non-executive directors do not provide for retirement benefits upon termination other than superannuation.

#### **Minimum shareholding requirements**

A minimum shareholding requirement for non-executive directors was introduced in FY19 and for executives in FY23. The minimum shareholding requirement seeks to align the interests of the Board, executives and shareholders with a minimum shareholding requirement.

The minimum shareholding for non-executive directors and other details are set out in OFX's Minimum Shareholding Policy which is available on OFX's website.

The minimum shareholding for executives is:

<b>Executive category</b>	<b>Percentage of annual base salary (excluding super)</b>
CEO	100%
Global Executive Team member	50%

Non-executive directors must reach the minimum holding within three years of appointment and executives within five years of the later of their appointment or 7 November 2024. Once non-executive directors and executives have met the minimum shareholding, they are expected to maintain the minimum their shareholding throughout their appointment as director or Executive.

## **6. Performance management**

Actively reviewing the performance of employees is a vital part of OFX's performance and remuneration framework. It ensures a robust link between remuneration outcomes and the achievement of OFX's strategy. Performance expectations are documented and agreed with employees at the beginning of each performance period. Where necessary the performance expectations may be amended during the performance period.

Employee performance is assessed against a set of key performance indicators or performance goals that are role specific and aligned to OFX's strategy. OFX assesses an employee's performance in terms of what they have delivered and the way in which they have demonstrated OFX's values when carrying out their work. Formal assessment of employee performance occurs at the end of the performance period.



## 7. Definitions

**Board** means the board of directors of OFX Group Limited.

**Chief Executive Officer** means the Chief Executive Officer and Managing Director of OFX Group Limited.

**Global Executive Team** means the Chief Executive Officer and those persons who are designated as Global Executive Team members and who generally have a direct reporting line to the Chief Executive Officer.

**OFX** means OFX Group Limited ACN 165 602 273 or any of its Related Bodies Corporate.

## 8. Policy review

The PCRC will review this policy to assess whether it is operating effectively and whether changes are required:

- at least once in every two years; and
- more regularly as legislative requirements change and best practice evolves.

This review will include assessing the ongoing appropriateness and relevance to requirements within each of the jurisdictions in which OFX operates.

This policy may be amended by resolution of the Board.

**Updated:** 27 March 2025

**Author:** Company Secretary

**Approved by:** OFX Group Limited Board

**Next review date:** March 2027