

Remuneration Policy

1. Introduction

- 1.1 Remuneration is overseen by the Remuneration & Nomination Committee, a committee of the Board of Directors of PolyNovo (PolyNovo or Company).
- 1.2 PolyNovo's approach to remuneration is framed by the strategic direction and operational demands of the business, the international context in which the business operates, sustainable shareholder returns, the regulatory environment and high standards of governance.

2. Principles

A number of principles underpin our approach to remuneration at PolyNovo:

2.1 *Attract, Motivate and Retain Top Talent*

PolyNovo operates in global and local markets where it competes for a limited pool of talent. In order to attract, motivate and retain high calibre people PolyNovo aims to provide a market competitive reward opportunity which encourages retention and high performance.

2.2 *Support the Execution of Business Strategy*

Apply performance metrics that support PolyNovo's strategic objectives and business performance expectations. Apply performance metrics that are explicitly defined, valid and verifiable and relevant to the employee's role in the Company.

2.3 *Alignment with Business Performance and Sustainable Shareholder Return*

Create alignment with the remuneration structure between executive remuneration, sustainable business performance and shareholder returns, including through long-term equity-based incentive plans.

2.4 *Fairness, Equity and Consistency*

Structure remuneration arrangements to achieve equity for like positions. Implement a robust remuneration decision making process and performance review system.

3. Total Reward and Structure

- 3.1 Remuneration at PolyNovo is based on a total reward framework and comprises a number of elements, including fixed remuneration, at risk remuneration and certain benefits.
- 3.2 The proportion of the total reward made up of at-risk remuneration increases with seniority and the employee's ability to impact the performance of the business. At risk elements of remuneration comprise short term incentive (which generally rewards for financial year performance) and long-term incentive (which generally rewards for performance over a three-year period).

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4 Fixed Remuneration

- 4.1 PolyNovo aims to provide fixed remuneration which is appropriate and proportionate both when compared to market and to the remuneration arrangements for other employees in the business. External market references may include information from specialist remuneration consultants, data from salary surveys referencing organisations broadly comparable to PolyNovo in terms of geographic reach, revenue, market capitalisation and complexity. Where available, direct competitor remuneration information is also utilised.
- 4.2 PolyNovo recognises that, flexibility may be required to take into account an individual's expertise or specialist skills and market demand for certain roles.
- 4.3 Fixed remuneration is reviewed on an annual basis, generally at the commencement of the financial year. Reviews are informed by market references (as noted above), general market movements, company financial performance and individual performance. In some cases, fixed remuneration may increase as a result of mandatory increases (for example, award mandated increases).

5 "At Risk" Remuneration

- 5.1 At certain levels of the business, employees have the potential to earn additional reward through short and/or long-term incentives. These incentive programs are based on achievement of performance targets. "At risk" remuneration is calculated as a percentage of annual base pay with the percentage of at-risk remuneration increasing with seniority.
- 5.2 Total "at risk" remuneration is reviewed on an annual basis. Reviews are informed by market references, company financial performance and individual performance. No component of at-risk remuneration is guaranteed to be paid. Payment of at-risk remuneration is at the discretion of the Board.

6 Short Term Incentive (STI)

- 6.1 Short term incentive is one form of "At Risk" Remuneration. Short term incentive at PolyNovo is designed to focus attention on critical performance metrics which may include a combination of key business and individual objectives. The portion of short-term incentive opportunity linked to company financial performance increases with seniority.
- 6.2 Short term incentive performance and measures are reviewed annually in line with a view of results, budgets and the annual business plan. For the CEO and certain Executives, a portion of any short-term incentive paid may be deferred into equity for a period of up to two years.
- 6.3 In order to receive a short term incentive payment the recipient must be employed and not serving notice at the time payment is due. No pro rata payments will be made if an employee has left the business or serving a notice period at the time payment is due except where the Board elects to exercise its discretion in exceptional circumstances. In the case of deferred equity, should an Executive cease employment before the end of the deferral period (for reasons that are not performance related), a pro rata portion of the equity will remain on foot until the end of the deferral period.

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6.4 An employee only becomes eligible to participate in the plan if employed for 6 or more months of the relevant financial year.

6.5 Individual short-term incentive opportunity and plan rules are set out in detail in annual remuneration review and plan invitation letters.

7 Sales Commissions

7.1 Sales commissions may be available to certain sales roles. Where this is the case the employee will be provided with an agreement outlining the accounts the employee may earn a commission on, when/how a commission is earned, the commission %, any thresholds and limits, payment timing and any recovery conditions. The intent of the commission agreement is to translate PolyNovo's strategic sales vision to the employee.

8 Long Term Incentive (LTI)

8.1 Long term incentives are provided to the CEO and certain Executives and Leadership Team members who are considered critical to the ongoing success of the business and the creation of sustainable shareholder value.

8.2 Long term incentive remuneration is offered through a grant of equity which vests upon satisfaction of certain conditions. The grant to the CEO must be approved by shareholders at the Annual General Meeting each year.

8.3 Employees must be employed at the time of allocation to receive a grant and must be employed at the time of vesting to receive an award.

8.4 Individual long-term incentive opportunity is set out in detail in annual long-term incentive offer documents. Plan rules are also provided with offer documents. Details of long-term incentive hurdles can be found in offer documents and the annual remuneration report.

9 Sign on and other Incentives

9.1 In order to attract certain candidates, PolyNovo may consider on a case by case basis a sign on incentive or other incentive such as retention. Any such incentive will be subject to certain conditions including repayment if the employee resigns within a certain time period.

10 Termination Payments

10.1 Termination payments are limited to pre-established contractual arrangements and are subject to relevant statutory and legal requirements.

11 Clawback

11.1 An Executive (including the CEO) should not receive performance-based remuneration if the Board considers that such remuneration would be an "inappropriate benefit". In such

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- instances, the Board reserves the right to clawback some or all the Executive's performance-based remuneration.
- 11.2 In this clause, performance-based remuneration includes any STI reward, LTI reward and other performance-based component of remuneration to an Executive.
- 11.3 The Board has absolute discretion in relation to determining what constitutes an "inappropriate benefit" and how to apply the clawback, subject to compliance with the law and the conditions set out in this policy. This discretion can be applied at any time.
- 11.4 Some examples of actions which may cause the Board to clawback remuneration so that an Executive does not receive an "inappropriate benefit" include (but are not limited to):
- a. committing acts of gross misconduct, fraudulence or dishonesty;
 - b. breaching their obligations to PolyNovo;
 - c. acting in a manner which has brought the Company into disrepute;
 - d. where adverse outcomes have arisen during a performance-based remuneration deferral period that reduce or cause a re-assessment of the original assessment of performance generating the deferred allocation;
 - e. where PolyNovo becomes aware of a material misstatement or omission in the financial statements of a Group company or the Group; or
 - f. acts which have the effect of delivering strong Company performance in an unsustainable manner or involving unacceptably high risk, and results which could result in a detrimental impact on Company performance following the end of the deferral or performance period; and
 - g. if any other circumstances occur which the Board determines in good faith to have resulted in an "inappropriate benefit" to the Executive.
- 11.5 The Board, in its absolute discretion, may take such clawback actions as it deems necessary or appropriate to address the events that give rise to an "inappropriate benefit". Such actions may include (but are not limited to):
- a. cancelling or requiring the forfeiture of some or all of the Executive's unvested or deferred STI or LTI awards or other performance-based remuneration;
 - b. adjusting the Executive's future performance-based remuneration;
 - c. resetting the performance conditions and/or altering the STI deferral period or the LTI performance period;
 - d. where Shares have been allocated to an employee under the STI or LTI and have subsequently been sold, requiring that the employee repay the net proceeds of such a sale;
 - e. where a cash payment has been made to an employee under the STI or LTI, requiring that the employee repay the amount of the cash payment.
 - f. initiating legal action against the Executive; and/or
 - g. any other action the Board considers appropriate.
- 11.6 The Board is not required to show loss to the Company in order to determine that an "inappropriate benefit" should be subject to clawback. The Board will act "reasonably" in determining how a clawback should be applied.
- 11.7 The Board may delegate its authority under this policy to the Remuneration & Nomination Committee.

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12 Review and Communication

- 12.1 The content of this Policy may change from time to time as approved by the Board. The policy is available on PolyNovo's [website](#).

13 Approval and adoption

- 13.1 This Policy was approved by the Board on 16 April 2024. Any amendments to this Policy are subject to approval by the Board.