



RUA - Remuneration Policy (Non-Executive Directors and Senior Managers)

1. Scope and Purpose

- 1.1 This Rua Bioscience Limited (**Rua**) Remuneration Policy (**Policy**) applies to:
 - 1.1.1 the board of directors of Rua (the **Directors** and the **Board**); and
 - 1.1.2 the Chief Executive Officer (**CEO**), Chief Financial Officer and each General Manager that reports to the CEO and make up the senior management team of Rua (**Senior Management Team**) and any of its subsidiaries (the **Rua Group**).
- 1.2 The purpose of this Policy is to outline the principles which apply to the remuneration of Rua's Directors and the Senior Management Team.
- 1.3 All of Rua's remuneration decisions will be transparent, fair and reasonable and based on merit, where appropriate. Rua will not discriminate on the grounds of gender, race, religion or belief, disability, age, sexual orientation or gender identity.
- 1.4 Remuneration will be set at levels that recognise an individual's market value (i.e., level of skills and experience, the demand for skill and performance in the role and the commercial environment).

2. Non-Executive Directors

- 2.1 All Directors (excluding the Chair) will be paid an annual base fee, as recommended by the Remuneration and Nominations Committee (**Committee**) and approved by Shareholders from time to time.
- 2.2 The Chair will be paid an annual Chair's fee, as recommended by the Committee and approved by Shareholders from time to time.
- 2.3 An additional fee may be recommended by the Committee, and approved by Shareholders from time to time, to be paid to the Chair of the Audit and Risk Management Committee and the Chair of the Remuneration and Nominations Committee to reflect the additional time commitments and responsibilities that accompany such roles.
- 2.4 As at the date of this Policy, some of the Directors are participants in Rua's employee share option plan (**ESOP**). Under the ESOP, those participating Directors are granted options to purchase ordinary shares in Rua, subject to the terms and conditions of the ESOP. Each option, if vested and exercised, converts into a share each. The Board may invite further Directors to participate in the ESOP, subject to the terms and conditions of the ESOP and the requirements of the NZX Listing Rules.
- 2.5 Directors are entitled to be reimbursed for reasonable travel, accommodation and other expenses incurred by them in connection with their attendance at Board or Rua shareholder meetings, or otherwise in connection with the Rua Group's business. An additional allowance may be paid to Directors for any takeover or merger activity to remunerate the Directors for additional work required in relation to such activities.
- 2.6 The remuneration of non-executive Directors will be reviewed by the Committee, and will consider benchmarking data from similar listed companies, amongst other information.

3. The CEO and the Senior Management Team

- 3.1 Determination of remuneration for the CEO and other members of the Senior Management Team is subject to a fair and thorough process. Remuneration will be determined by the scale and complexity of the relevant employee's role. An annual remuneration review is undertaken by the Committee on behalf of the Board in the second quarter each year. Further details as to the role of the Committee are set out in the Remuneration and Nominations Committee Charter.
- 3.2 Under Rua's remuneration framework, individual performance and market relativity are key considerations, balanced by the commercial context in which Rua operates.
- 3.3 Remuneration of the Senior Management Team, including the remuneration of the CEO, includes a mix of fixed and variable components. A summary of the current provisions is as follows:
- 3.3.1 Fixed remuneration: this includes the relevant employee's base salary and cash allowances and any direct non cash benefits (for example, employer KiwiSaver contributions, health insurance and annual leave).
- 3.3.2 Short term incentive (**STI**) and long term incentive (**LTI**) schemes (including, participating in the ESOP): some Senior Management Team positions may be eligible for LTI or STI schemes (depending on the role). Eligibility will be determined by the Board and the CEO. The terms and conditions of any STI or LTI scheme will be identified in the individual employment agreement of the Senior Management Team member to whom it applies and/or other personalised documentation (such as ESOP documents). See also paragraph 2.4 of this Policy.

4. Publication

- 4.1 This Policy is available on Rua's website, www.ruabio.com.

5. Review

- 5.1 This Policy will be reviewed by the Board annually.

6. Related Documents

- 6.1 Remuneration and Nominations Committee Charter.
- 6.2 Relevant individual employment agreement.

Date adopted: 24 September 2020