



Notice of Annual General Meeting

Notice is given that the 2023 Annual General Meeting of Pepper Money Limited (**Pepper Money** or the **Company**) will be held virtually on Thursday 27 April 2023 at 2.00pm (AEST).

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The AGM will be held as a virtual meeting. If you wish to virtually attend the AGM, please refer to the Meeting ID and Shareholder ID on your personalised proxy form to login to the meeting at <https://web.lumiagm.com/350157504>.

This Notice of Meeting can be accessed on the Company's website at <https://www.peppermoney.com.au/about/shareholders>. Shareholders are also strongly encouraged to lodge their completed Proxy Forms in accordance with the instructions in this Notice of Meeting.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Pepper Money will be held on:

Date: Thursday, 27 April 2023
Time: 2.00pm (AEST)
Place: To be held online (as a virtual Annual General Meeting)
Webcast: Shareholders and their proxyholders, corporate representatives and attorneys can register, view and participate in the meeting at <https://web.lumiagm.com/350157504>.
Online registration will open at 1.00pm (AEST) on Thursday, 27 April 2023. Further information on how to join the meeting virtually are set out in the Online Platform Guide.

Words that are defined in the Glossary have the same meaning when used in this Notice of Meeting unless the context requires, or the definitions in the Glossary provide, otherwise.

Ordinary Business

Financial statements and reports

To receive and consider the financial statements, the Directors' Report and the Auditor's Report of the Company for the year ended 31 December 2022.

Note: No resolution is required for this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report of the Company for the year ended 31 December 2022 as disclosed in the Directors' Report be adopted."

In accordance with section 250R(3) of the Corporations Act, the vote on Resolution 1 will be advisory only and will not bind the Directors or the Company.

Note: A voting exclusion statement applies to this item of business. See the section below headed 'Voting Exclusions' in this Notice of Meeting for further details.

Resolution 2: Re-election of Akiko Jackson as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Akiko Jackson, retiring as a Director of the Company in accordance with rule 6.2(c) of the Company's constitution and who has consented to stand for re-election (and being eligible), be re-elected as a Director of the Company in accordance with rule 6.3(a)(i) of the Company's constitution."

Resolution 3: Re-election of Robert Verlander as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Robert Verlander, retiring as a Director of the Company in accordance with rule 6.2(c) of the Company's constitution and who has consented to stand for re-election (and being

eligible), be re-elected as a Director of the Company in accordance with rule 6.3(a)(i) of the Company's constitution."

Resolution 4: Issue of Performance Rights under the Executive Rights Plan to Mario Rehayem

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to grant 1,529,120 Performance Rights to Director and Chief Executive Officer of the Company, Mario Rehayem, in respect of his long-term variable remuneration component for year ending 2023 (CY23), in accordance with the relevant Executive Rights Plan rules and on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting."

Note: A voting exclusion statement applies to this item of business. See the section below headed 'Voting Exclusions' in this Notice of Meeting for further details.

Resolution 5: Issue of Restricted Rights under the STVR Plan to Mario Rehayem

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to grant 207,038 Restricted Rights to Director and Chief Executive Officer of the Company, Mario Rehayem, in respect of his short-term variable remuneration component for CY23, in accordance with the relevant STVR Plan rules and on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting."

Note: A voting exclusion statement applies to this item of business. See the section below headed 'Voting Exclusions' in this Notice of Meeting for further details.

Resolution 6: Issue of Service Rights under the Executive Rights Plan to Mario Rehayem

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given to grant 854,749 Service Rights to Director and Chief Executive Officer of the Company, Mario Rehayem, in accordance with the relevant Executive Rights Plan rules and on the terms and conditions described in the Explanatory Memorandum accompanying this Notice of Meeting."

Note: A voting exclusion statement applies to this item of business. See the section below headed 'Voting Exclusions' in this Notice of Meeting for further details.

By order of the Board



John Williams

Company Secretary

Pepper Money Limited

Dated: 27 March 2023

Voting Exclusions

Resolution 1

Corporations Act

In accordance with sections 250R and 250BD of the Corporations Act, a vote on Resolution 1 must not be cast, and the Company will disregard any votes cast on Resolution 1:

- (a) by or on behalf of a member of the Key Management Personnel (**KMP**), whose remuneration details are included in the Remuneration Report and/or any Closely Related Party of such a member, regardless of the capacity in which the vote is cast; or
- (b) as proxy by any person who is a member of the KMP as at the time Resolution 1 is voted on at the meeting or a Closely Related Party of such a member,

unless the vote is cast as proxy for a person otherwise entitled to vote on Resolution 1:

- (a) in accordance with the express direction of the appointer; or
- (b) by the Chair where the proxy appointment does not specify the way the proxy is to vote on Resolution 1 and expressly authorises the Chair to exercise the proxy in respect of Resolution 1 even though the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Resolutions 2 and 3

There are no voting exclusions for Resolutions 2 and 3.

Resolution 4

Corporations Act

In accordance with section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 4 (in any capacity) by or on behalf a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a Related Party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a Related Party.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 4 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 4; or
- (b) the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though Resolution 4 is connected directly or indirectly with the remuneration of a member of the KMP.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 4. In exceptional circumstances, the Chair may change their voting intention on the Resolution, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 4 or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on Resolution 4.

ASX Listing Rules

The Company will disregard any votes cast in favour of the Resolution 4 by or on behalf of:

- (a) the CEO, Mario Rehayem; or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 4; and
 - (ii) the holder votes on Resolution 9 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5

Corporations Act

In accordance with section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 5 (in any capacity) by or on behalf a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a Related Party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a Related Party.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 5 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 5; or
- (b) the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though Resolution 5 is connected directly or indirectly with the remuneration of a member of the KMP.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5. In exceptional circumstances, the Chair may change their voting intention on the Resolution, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 5 or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on Resolution 5.

ASX Listing Rules

The Company will disregard any votes cast in favour of the Resolution 5 by or on behalf of:

- (a) the CEO, Mario Rehayem; or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 5; and
 - (ii) the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6

Corporations Act

In accordance with section 224 of the Corporations Act, the Company will also disregard any votes cast on Resolution 6 (in any capacity) by or on behalf a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a Related Party. However, the Company need not disregard a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a Related Party.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 6 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 6; or
- (b) the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even though Resolution 6 is connected directly or indirectly with the remuneration of a member of the KMP.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 6. In exceptional circumstances, the Chair may change their voting intention on the Resolution, in which case an ASX announcement will be made.

Shareholders may also choose to direct the Chair to vote against Resolution 6 or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on Resolution 6.

ASX Listing Rules

The Company will disregard any votes cast in favour of the Resolution 6 by or on behalf of:

- (a) the CEO, Mario Rehayem; or
- (b) an Associate of that person.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 6; and
 - (ii) the holder votes on Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

INFORMATION FOR SHAREHOLDERS

<p>Who may vote?</p>	<p>In accordance with regulation 7.11.37 of the <i>Corporations Regulations 2001</i> (Cth), the Company has determined that persons whose names are set out in the register of shareholders of the Company as at 7.00pm (AEST) on Tuesday, 25 April 2023 are entitled to vote at the AGM (subject to the applicable voting exclusions set out above).</p>
<p>How will voting be conducted?</p>	<p>In accordance with the <i>Treasury Laws Amendment (2021 Measures No. 1) Act 2021</i> (Cth), the Chair will put all Resolutions to a poll at the AGM.</p> <p>Voting results on the Resolutions that are put to the meeting (including by proxy votes) will be announced to the ASX as soon as practicable following the conclusion of the AGM.</p>
<p>How can I vote at the meeting?</p>	<p>Shareholders can vote at the meeting by:</p> <ul style="list-style-type: none"> ▪ casting a live vote during the meeting (through the AGM Online Platform); or ▪ by appointing a proxy (see below). <p>Shareholders or their attorneys wishing to vote in person should attend the meeting (via the AGM Online Platform) and can vote through the AGM Online Platform.</p>
<p>How do I appoint a proxy?</p>	<p>A Shareholder who is entitled to vote at the meeting has a right to appoint up to two proxies to attend and vote for the Shareholder at the AGM. A proxy need not be a Shareholder. A proxy may be an individual or a body corporate.</p> <p>Where a Shareholder appoints two proxies, the appointment should specify the proportion or number of votes which each proxy may exercise. Fractions of votes will be disregarded. If the appointment does not specify the proportion or number of the Shareholders' votes each proxy may exercise, then each proxy may exercise half those votes.</p> <p>A proxy may decide whether or not to vote on any proposed Resolution, except where required by law or the Company's constitution to vote, or abstain from voting, in his or her capacity as proxy. If the Shareholder appointing the proxy:</p> <ul style="list-style-type: none"> ▪ directs the proxy how to vote on a proposed Resolution, then the proxy may vote on that Resolution only in the way directed; or ▪ does not direct the proxy how to vote on a proposed Resolution, then the proxy may vote on that Resolution as the proxy thinks fit, subject to any voting exclusions that apply to the proxy; or ▪ directs the proxy to abstain, the proxy must not vote on the Shareholder's behalf and any vote will not be counted. <p>If you appoint someone as a proxy (other than the Chair) and direct them how to vote, the Chair must cast those votes on your behalf on a poll in accordance with your directions if your proxy does not do so.</p> <p>If you appoint the Chair as your proxy (or if they are appointed by default) and no direction is provided in relation to a resolution, you will be expressly authorising the Chair to exercise your proxy as the Chair sees fit in relation to that resolution even if the resolution is connected directly or indirectly with the remuneration of the KMP.</p>
	<p>If you appoint a Director (other than the Chair) or another member of the KMP or their Closely Related Parties as your proxy, you must specify how they should vote on Resolutions 1, 4, 5 and 6 by completing the "For", "Against" or "Abstain" boxes on the proxy form. If you do not, your proxy will not be able to exercise your vote for Resolutions 1, 4, 5 and 6.</p>

	<p>The Chair intends to vote all available (including undirected) proxies in favour of all Resolutions, subject to the voting exclusions described above. In exceptional circumstances, the Chair’s intentions may change. If there is a change to how the Chair intends to vote undirected proxies, the Company will make an immediate announcement to ASX stating that fact and explaining the reasons for the change.</p> <p>The appointment of one or more duly appointed proxies will not preclude a Shareholder from attending this meeting and voting personally. If the Shareholder votes on a Resolution, the proxy must not vote as the member’s proxy on that Resolution.</p>
<p>How do I appoint/lodge a proxy?</p>	<p>To be valid, a proxy form must be correctly completed and received, either online, by email, by post or fax (as per the details below), and must be received by the Company’s share registry by 2.00pm (AEST) on Tuesday, 25 April 2023 (that is, at least 48 hours before the meeting), including any power of attorney or other authority under which it is signed. Any proxy form received after this time will not be valid.</p> <p>Proxies may be lodged as follows:</p> <ul style="list-style-type: none"> ▪ to the Company’s share registry by: <ul style="list-style-type: none"> • post or facsimile – completed proxy forms may be posted to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 or sent by facsimile to 02 9290 9655 (within Australia) or +61 2 9290 9655 (outside Australia); or • lodging the proxy appointment online at https://web.lumiagm.com/350157504. To use this service, you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN), or you can access the service using your postcode and the personalised link sent to you by email if you have registered for electronic communications from the Company; or ▪ to the Company’s registered office by post to Level 27, 177 Pacific Highway, North Sydney NSW, 2060; or ▪ by email to jwilliams@pepper.com.au. <p>Given changes to Australia Post’s services which may see mail take longer to arrive and Tuesday, 25 April 2023 is a public holiday, the Company suggests that you allow additional time if you decide to send your completed proxy form by post.</p>
<p>How do I appoint a corporate representative?</p>	<p>A Shareholder who is a body corporate and who is entitled to vote at the AGM, or a proxy who is a body corporate and who is appointed by a Shareholder who is entitled to vote at the AGM, may appoint a person to act as its representative at the AGM. The body corporate will need to ensure that it:</p> <ul style="list-style-type: none"> ▪ appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act; and ▪ provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting. <p>Body corporate representatives should lodge this documentation with the Company’s share registry by no later than 2.00pm (AEST) on Tuesday, 25 April 2023, unless it has been previously given to the Company.</p> <p>Corporate Shareholders or proxies wishing to vote by corporate representative should:</p> <ul style="list-style-type: none"> ▪ obtain an appointment of corporate representative form from Boardroom; and ▪ complete and send the form in accordance with the instructions on the form.

<p>I hold my Shares jointly with another person. Are we both entitled to vote?</p>	<p>When joint holders are named in the register of members, only one joint holder may vote. If more than one of the joint holders is present at the meeting, only the person whose name appears first in the register of members will be entitled to vote. If more than one holder votes at the meeting, only the vote of the first named of the joint holders in the register of members will be counted.</p>
<p>How can I ask a question at the AGM?</p>	<p>In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders as a whole to ask questions about or to make comments upon the management of the Company including the Remuneration Report and the Resolutions at the meeting via the AGM Online Platform.</p> <p>The Company strongly encourages Shareholders to submit written questions in advance of the AGM. To submit a written question, please complete and return the shareholder question form that has been lodged on the ASX and posted on the Company's website at https://www.peppermoney.com.au/about/shareholders or submit the question online through the share registry's website at https://web.lumiagm.com/350157504 in accordance with the instructions on the form.</p> <p>Questions must be received by no later than 5.00pm (AEST) on Thursday, 20 April 2023. Questions should relate to matters that are relevant to the business of the AGM, as outlined in this Notice of Meeting and the Explanatory Memorandum.</p> <p>Questions that are relevant to:</p> <ul style="list-style-type: none"> ▪ the contents of the Auditor's Report; or ▪ the conduct of the audit of the Company's financial report, <p>may be addressed to the Company's auditor, Deloitte Touche Tohmatsu.</p> <p>Questions will be collated and, during the AGM, the Chair will seek to address as many of the more frequently raised topics as possible and, where appropriate, will give a representative of Deloitte Touche Tohmatsu, the Company's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to Shareholders.</p>
<p>How I participate virtually?</p>	<p>Shareholders and proxyholders can watch, ask questions, make comments and vote in real time during the AGM (for those who are entitled to do so) through the AGM Online Platform at https://web.lumiagm.com/350157504. Registration of attendance at the meeting will be online via the AGM Online Platform and will commence on Thursday, 27 April 2023 at 1.00pm (AEST) for those accessing the AGM Online Platform. To register, Shareholders will need their shareholder number and postcode.</p> <p>Proxyholders will need their proxy number which will be provided by Boardroom following lodgement of the proxy appointment and no later than 24 hours prior to the meeting.</p> <p>We recommend that you register at least 30 minutes before the AGM and test to see that the AGM Online Platform works on your device before the commencement of the meeting.</p> <p>Further information can be found in the Online Platform Guide which is available at https://www.peppermoney.com.au/about/shareholders and attached to this Notice of Meeting.</p>

<p>What happens if there are technical difficulties?</p>	<p>Significant planning and testing have been undertaken and the online technology being used by the Company has been successfully used by other companies. However, unforeseen technical difficulties may still arise during the course of the AGM.</p> <p>The Chair has discretion as to whether and how the meeting should proceed if a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the meeting is affected. Where he considers it appropriate, the Chair may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.</p> <p>As previously noted, Shareholders are encouraged to lodge a proxy by 2.00pm (AEST) on Tuesday, 25 April 2023 even if they plan to attend the meeting online via the AGM Online Platform.</p>
---	--

EXPLANATORY MEMORANDUM

This Explanatory Memorandum accompanies and forms part of, and should be read together with, the Notice of Meeting.

Financial statements and reports

The financial report (which includes the financial statements), the Directors' Report and the Auditor's Report for the year ended 31 December 2022 (CY22) will be put before the AGM, as required by section 317 of the Corporations Act. The Corporations Act does not require a formal resolution of Shareholders on these reports.

These reports are contained in the Annual Report, which is available on the Company's website at <https://www.peppermoney.com.au/about/corporate-governance>. During this item of business, Shareholders will be given a reasonable opportunity to ask questions about, and to make comments on, those reports and the business and management of the Company.

Shareholders will also be given an opportunity to ask a representative of the Company's auditor, Deloitte Touche Tohmatsu, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial reports and the independence of the auditor in relation to the conduct of the audit.

Resolution 1: Adoption of the Remuneration Report

Section 250R(2) of the Corporations Act requires publicly listed companies to put a resolution to shareholders to adopt the company's remuneration report for the relevant financial year.

Shareholders are asked to adopt the Remuneration Report. The Remuneration Report provides information relating to the details of the remuneration paid to the KMP and Directors for CY22, the Company's remuneration policy and the relationship between remuneration and the Company's performance, including information about performance measures applicable to variable incentives.

A copy of the Remuneration Report, which sets out remuneration arrangements for Pepper Money can be found on pages 50 to 81 of the Annual Report.

The Company's approach to remuneration was explained in the letter prefacing the Remuneration Report from the Chair of the Remuneration and Nomination Committee as follows:

- the Board has continued to develop the remuneration governance framework that supports long term value creation. The framework is designed to align the interests of KMP, the Directors and employees with Shareholders;
- CY22 reward outcomes reflect Pepper Money's performance for CY22; and
- the Board remains confident that the Executive team can deliver value for new shareholders over the long term.

Shareholders will have a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Under the Corporations Act, the vote on this resolution is advisory only and does not bind the Board or the Company. However, the Company values its Shareholders' feedback in respect of this Resolution and will take into account any discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.

In accordance with the Corporations Act, if 25% or more of the eligible votes cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution that another meeting of Shareholders be held within 90 days at which all of the Directors (other than the Managing Director and the Chief Executive Officer) who were in office at the date of issue of the relevant second consecutive remuneration report must be put up for re-election.

A voting exclusion applies to this resolution, as set out in the Notice of Meeting.

Noting that each Director has a personal interest in his/her own remuneration from the Company, the Board

unanimously recommends that Shareholders vote in favour of Resolution 1.

Resolution 2: Re-election of Akiko Jackson as a Director

Akiko Jackson was appointed as an Independent Non-Executive Director of Pepper Money on 6 May 2021 and has volunteered to retire at this meeting in accordance with rule 6.2(c) of the Company's constitution. Being eligible, Akiko stands for re-election under rule 6.3(a)(i) of the Company's constitution.

The proposed re-election of Akiko Jackson and Robert Verlander (see Resolution 3 below) satisfies the Company's obligations relating to the election of Directors at an AGM under ASX Listing Rule 14.5 and Pepper Money's constitution.

Akiko is an internationally experienced Non-Executive Director and strategy adviser. Akiko has more than 30 years' experience as an executive in the financial services industry including with Commonwealth Bank of Australia, Macquarie Bank and Westpac in Australia and MUFG and Shinsei Bank in Japan, and as a strategy management consultant in the US and Australia.

Akiko has worked in both the private and the public sectors, in large corporations and start-ups and has extensive experience in strategy & business development, risk management and large-scale transformation, including digital transformation. Akiko is a Non-Executive Director of the Australian Children's Education and Care Quality Authority (**ACECQA**) and the Foundation and Friends (**F&F**) of the Botanic Gardens, and a member of the Audit & Risk Committee of Infrastructure NSW and the Audit & Risk Committee of Transport for NSW. She also Chairs the Finance, Audit & Risk Committee of the F&F and is a member of the Audit & Risk Committee of ACECQA.

Akiko's past directorship includes a Non-Executive Director of 86 400 Limited, as well as being a member of the Advisory Committee of the Australian Treasury, the Portfolio Advisory Council of Services Australia and the Strategy Advisory Committee of the Department of Immigration and Border Protection. Akiko is a Fulbright Scholar with an MBA from Stanford University in California and has a Bachelor of Law from Keio University in Tokyo.

The Board (with Akiko Jackson abstaining) unanimously recommends that Shareholders vote in favour of Resolution 2.

Resolution 3: Re-election of Robert Verlander as a Director

Robert Verlander was appointed as an Independent Non-Executive Director of Pepper Money on 6 May 2021 and has volunteered to retire at this meeting in accordance with rule 6.2(c) of the Company's constitution and stand for re-election at this meeting. Being eligible, Robert stands for re-election under rule 6.3(a)(i) of the Company's constitution.

For over 35 years, Robert held senior positions at investment and commercial banks, in Australia and the United Kingdom, in the areas of Fixed Income, Capital Markets, Infrastructure and Securitisation. Robert's roles have included Head of DCM Origination BZW Australia (Barclays Banking Group), Head of Fixed Income Commonwealth Bank of Australia (Europe), member of Management Committee CBA (Europe), Head of Primary Markets CBA, and a leading member of CQ (CBA's Institutional Bank Diversity and Culture Council). Prior to his retirement from the banking industry in 2019, Robert was head of the Securitisation business at the Commonwealth Bank of Australia, where he acted as banker to many of Australia's major non-bank lenders, including Pepper Money. Robert holds a Bachelor of Arts and Law (University of Melbourne), Master of Applied Finance (Macquarie University) & Graduate Diploma in Commercial Law (Monash University).

The Board (with Robert Verlander abstaining) unanimously recommends that Shareholders vote in favour of Resolution 3.

Resolution 4: Grant of Performance Rights to Mario Rehayem

The resolution is being put to Shareholders to obtain approval for the grant of performance rights (**Performance Rights**) to Mario Rehayem, Director and Chief Executive Officer of the Company. The proposed grant of 1,529,120 Performance Rights relates to the long-term variable remuneration (**LTVR**) of Mario's remuneration package for CY23 and is to be made under the Executive Rights Plan.

This resolution is not seeking approval for the total remuneration of Mario. Rather it relates to the issue of Performance Rights to Mario under the Executive Rights Plan, which is one component of Mario's total remuneration package. The terms and conditions of the proposed grant are summarised in this Explanatory Memorandum.

The grant of Performance Rights is consistent with Mario’s employment agreement and the Executive Rights Plan. The Board believes that it is appropriate to proceed with granting Performance Rights (which is a key component of Pepper Money’s remuneration framework) to drive long-term business performance and shareholder value creation.

Specifically, the CY23 long-term incentive awards under the Executive Rights Plan aim to focus on repositioning the business for growth and robust financial performance. It is proposed that the CY23 long-term incentive awards for Mario under the Executive Rights Plan be allocated in the form of Performance Rights. If certain conditions (including a performance hurdle) are met over a three-year performance period, the Performance Rights will vest as set out in the Executive Rights Plan rules and the conditions of the grant letter will be provided to Mario (the terms of which are outlined below).

ASX Listing Rule 10.14.1 requires Shareholder approval for the issue of securities to a Director under an employee incentive scheme, unless certain exceptions apply. The grant of the Performance Rights to Mario falls within ASX Listing Rule 10.14.1 as he is a Director and therefore requires the approval of Shareholders under ASX Listing Rule 10.14. Approval is sought to grant Mario 1,529,120 Performance Rights under the Executive Rights Plan. The exercise price of the Performance Rights is nil.

If Shareholder approval is not obtained, the Board will consider alternative approaches to rewarding Mario. This may include purchasing shares on-market or paying him a cash equivalent, each subject to the same performance conditions as the Performance Rights would have been subject to, as described below.

The proposed CY23 grant to Mario is 1,529,120 Performance Rights. This is the maximum number of Performance Rights that will be granted to Mario and represents the long-term variable component of his CY23 remuneration package.

Based on the VWAP of Shares over the consecutive 10 day trading period from 24 February 2023 to 9 March 2023 (inclusive) (being \$1.4559), the face value of the maximum number of Performance Rights represents 160% of Mario’s total fixed remuneration as of 15 March 2023. Mario’s remuneration package for CY23 also includes:

- total fixed remuneration of \$1,090,358;
- short-term variable remuneration of up to a maximum of 105% of Mario’s total fixed remuneration, subject to the achievement of stretch performance outcome levels (customarily paid 65% in cash and 35% in Restricted Rights deferred for up to 24 months). Short-term incentives are payable based on the performance of the Company and Mario against Board approved performance measures; and
- a one off grant of 854,749 Service Rights.

The actual value (if any) that Mario will receive from the proposed CY23 long-term incentive award cannot be determined until the end of the CY25 performance period and will depend on the extent to which the performance conditions are achieved, the number of Performance Rights that vest in accordance with the performance conditions and the Pepper Money Share price at the time of vesting.

The Board determined the value and form of Mario’s CY23 long-term incentive award under the Executive Rights Plan in Performance Rights with regard to his overall remuneration package, the nature of his position, the purpose of the long-term incentive component in Pepper Money’s remuneration strategy and independent benchmarking regarding current market practice. The Performance Rights are granted under the Executive Rights Plan rules and are intended to reward superior long- term performance and encourage retention and alignment with Shareholders.

The key terms of the Performance Rights proposed to be granted to Mario for CY23, and the material terms of the Executive Rights Plan (that will apply to those Performance Rights), are outlined below.

Term	Details
Eligibility	The Board determines the employees who are eligible to participate. Currently the long-term incentive is offered to the executives, including Mario.

Term	Details						
Entitlement	1,529,120 Performance Rights, each being a right to acquire a Share for nil exercise price, upon specified performance measures being satisfied over the relevant performance period. They do not carry voting or dividend rights prior to vesting.						
Grant date	If Shareholder approval is obtained, the Performance Rights will be granted as soon as practicable after the AGM, but in any event, within 12 months of the AGM, and will have an effective grant date of when the grant notice is issued.						
Grant Calculation	<p>The number of Performance Rights proposed to be granted to Mario for CY23 are calculated via the application of the following formula:</p> $\text{Target LTVR } \$ \times \text{Tranche Weight at Target} \div \text{Right Value} \div \% \text{ Vesting at Target}$ <p>where Right Value = VWAP of \$1.4559 – Annual Dividend (\$0.105) x Years to Exercise (3) = \$1.1409</p> <p>The total number of Performance Rights to be granted to Mario is 1,529,120.</p>						
Opportunity	<p>Opportunity as % of Fixed Pay</p> <table border="1"> <thead> <tr> <th></th> <th>Target</th> <th>Stretch</th> </tr> </thead> <tbody> <tr> <td></td> <td>80%</td> <td>160%</td> </tr> </tbody> </table>		Target	Stretch		80%	160%
	Target	Stretch					
	80%	160%					
Performance period	The CY23 long-term incentive performance period is from 1 January 2023 to 31 December 2025 (three years).						
Performance conditions	The Board has discretion to set vesting conditions for each tranche of each invitation to participate in the Executive Rights Plan. For the CY23 LTVR award, the following vesting conditions are anticipated to apply (Vesting Conditions) which are set out below.						

Term	Details
------	---------

Vesting schedules

Tranche 1 (50% weight at Target) is to be subject to ranked (relative) total Shareholder return (**relative TSR**) vesting condition. The vesting of such Performance Rights will be determined by Pepper Money’s total Shareholder return (**TSR**) performance compared to a comparator group of companies comprising 16 peers from the financial industry, subject to any inclusions or exclusions determined by the Board.

The table below shows how the number of Performance Rights may convert into Shares upon vesting, based on Pepper Money’s relative TSR percentile ranking at the end of the three-year measurement period.

Performance Level	Relative TSR percentile ranking	% of Tranche Vesting
Stretch - Incentive/Upside	>= 75 th percentile	100%
Between Target and Stretch	> 50 th percentile and < 75 th percentile	Pro-rata
Target - Expected Outcome/At-Risk	= 50th percentile	50%
Between Threshold and Target	> 35 th percentile and < 50 th percentile	Pro-rata
Threshold - Minimum Acceptable Outcome	= 35 th percentile	25%
Below Threshold	< 35 th percentile	0%

This metric was selected because it is the most prevalent LTVR measure. It aligns management with Shareholders and provides a clear incentive to outperform a peer group and maximise returns to shareholders.

Tranche 2 (50% weight at Target) is to be subject to the below return on equity (**ROE**) vesting condition:

ROE Performance Level	Return on Equity (ROE)	% of Tranche Vesting
Stretch - Incentive/Upside	>= 19%	100%
Between Target and Stretch	> 17% and < 19%	Pro-rata
Target - Expected Outcome/At-Risk	= 17%	50%
Between Threshold and Target	> 15% and < 17%	Pro-rata
Threshold - Minimum Acceptable Outcome	=15%	25%
Below Threshold	< 15%	0%

This metric was selected because it has strong links to long term sustainable financial health and performance, and to long term sustainable TSR growth. It has the advantage over earnings per share of having a natural standard, which is the cost of equity.

Vesting

Based on performance relative to the performance conditions, the relevant number of Performance Rights will vest.

On vesting, each Performance Right will convert into one Share (unless the Board, in its sole discretion, determines to settle vested Performance Rights by making a cash equivalent payment in lieu of the allocation of Shares).

Term	Details
	<p>The allocation of Shares on vesting may be satisfied by issuing new Shares or by acquiring Shares on-market. If the performance conditions are not achieved for some or all of the Performance Rights granted, those Performance Rights will lapse immediately.</p> <p>The Board will determine whether, and the extent to which, the performance conditions have been met following the announcement of Pepper Money's full-year results for the final calendar year of the performance period.</p>
Malus	<p>Pepper Money's malus policy applies to unpaid variable remuneration opportunities (including unvested LTVR). LTVR awards are not subject to deferral following vesting, so cannot be clawed back, however, the pool of deferred STVR could be used as a source of clawback for overpaid LTVR.</p>
Cessation of employment	<p>Under the Executive Rights Plan rules, in addition to the performance conditions, continued service during the full first year of the measurement period is a requirement for all Rights to become eligible to vest. Termination during the first year will generally result in pro-rata forfeiture for the incomplete portion of the year, unless otherwise determined by the Board.</p>
Change of control	<p>In the case of a change in control, nothing happens by default.</p> <p>In the event of Pepper Money delists from the ASX, automatic vesting will occur based on the increase in the Share Price since the start of the measurement period for Performance Rights with a nil exercise price, with Board discretion regarding the lapsing or vesting of any remainder.</p> <p>In the event of a major return of capital or demerger, the Board has discretion to bring forward vesting or to alter the number of Rights or the Exercise Price or to alter Vesting Conditions to ensure that the outcomes are fair to participants. This is because following such an event the share price is likely to be materially different from the basis of the grant, and performance conditions previously set may be unable to be met.</p>
Other details	<p>Further information in accordance with ASX Listing Rule 10.15:</p> <ul style="list-style-type: none"> ▪ no Director other than Mario is currently eligible to participate in the Executive Rights Plan; ▪ no Director other than Mario has received a grant of any equity securities under the Executive Rights Plan; ▪ Mario has previously been granted: 1,681,618 Performance Rights as a part of the LTVR and 197,457 Restricted Rights as part of the STVR all of which were issued for nil consideration; and ▪ no loan will be provided by the Company in relation to the grant or exercise of the Performance Rights proposed to be provided to Mario. <p>Details of any securities issued under the Executive Rights Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Executive Rights Plan after this Resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.</p> <p>A voting exclusion statement applies to this Resolution, as set out in the Notice of Meeting.</p>

The Directors (with Mario Rehayem abstaining) unanimously recommend that all Shareholders vote in favour of Resolution 4 to approve the grant of Performance Rights to Mario.

Resolution 5: Grant of Restricted Rights to Mario Rehayem

The resolution is being put to Shareholders to obtain approval for the grant of restricted rights (**Restricted Rights**) to Mario Rehayem, Director, and Chief Executive Officer of the Company. The proposed grant of 207,038 Restricted Rights relates to the deferral component of the STVR of Mario's remuneration package for CY22 and is to be made under the STVR Plan.

This resolution is not seeking approval for the total remuneration of Mario. Rather it relates to the issue of Restricted Rights to Mario under the STVR Plan, which is one component of Mario's total remuneration. The terms and conditions of the proposed grant are summarised in this Explanatory Memorandum.

The grant of Restricted Rights is consistent with Mario's employment agreement and the STVR Plan. The Board believes that it is appropriate to proceed with granting Restricted Rights (which is a key component of Pepper Money's remuneration framework) to drive long-term business performance and shareholder value creation and to link long-term strategy on an annual basis.

Specifically, the CY22 short-term incentive awards under the STVR Plan aim to provide target-based incentives measured against relevant metrics of different weightings. It is proposed that the 35% of the CY22 short-term incentive awards for Mario under the STVR Plan be allocated in the form of Restricted Rights in CY23. As certain conditions were met over the CY22 measurement period, the Restricted Rights will be fully vested on grant of the Restricted Rights, however, Mario will not be able to exercise rights for a period of two years from the date of grant as set out in the conditions of the grant letter will be provided to Mario (the terms of which are outlined below).

ASX Listing Rule 10.14 requires Shareholder approval for the issue of securities to a Director under an employee incentive scheme, unless certain exceptions apply. The grant of the Restricted Rights to Mario falls within ASX Listing Rule 10.14.1 as he is a Director and therefore requires the approval of Shareholders under ASX Listing Rule 10.14. Approval is sought to grant Mario 207,038 Restricted Rights under the STVR Plan. The Restricted Rights will have an issue price of nil.

If Shareholder approval is not obtained, the Board will consider alternative approaches to rewarding Mario. This may include purchasing shares on-market or paying him a cash equivalent, each subject to the same performance conditions as the Restricted Rights would have been subject to, as described below.

The proposed CY22 grant to Mario is 207,038 Restricted Rights. This is the number of Restricted Rights that will be granted to Mario and represents 35% of the value of the approved CY22 STVR outcome.

Based on the VWAP of Shares over the consecutive 10-day trading period from 24 February 2023 to 9 March 2023 (inclusive) (being \$1.4559), the face value of the number of Restricted Rights represents 23.7% of Mario's total fixed remuneration as of 15 March 2023 being \$1,090,358. Mario's remuneration package for CY23 also includes:

- total fixed remuneration of \$1,090,358;
- long-term variable remuneration of up to a maximum 160% of Mario's total fixed remuneration, which is issued in the form of performance rights subject to vesting conditions based on TSR and ROE (see Resolution 4 above); and
- one off grant of 854,749 Service Rights.

The Board determined the value and form of Mario's CY22 short-term incentive award under the STVR Plan in Restricted Rights with regard to his overall remuneration package, the nature of his position, the purpose of the short-term incentive component in Pepper Money's remuneration strategy and independent benchmarking regarding current market practice. The Restricted Rights are granted under the STVR Plan and are intended to reward superior short-term execution of the long-term strategy and encourage retention and alignment with Shareholders.

The key terms of the Restricted Rights proposed to be granted to Mario for CY22, and the material terms of the STVR Plan (that will apply to those Restricted Rights), are outlined below.

Term	Details						
Eligibility	The Board determines the employees who are eligible to participate. Currently the STVR Plan is open to the executives and eligible employees, including Mario.						
Entitlement and conversion rate	207,038 Restricted Rights. Each Restricted Right entitles the participant to acquire one Share for nil exercise price, upon the completion of the restriction period.						
Grant date	If Shareholder approval is obtained, the Restricted Rights will be granted as soon as practicable after the AGM, but in any event, within 12 months of the AGM, and will have an effective grant date of when the grant notice is issued.						
Measurement period	1 January 2022 to 31 December 2022						
Opportunity	<table border="1"> <thead> <tr> <th colspan="2">Opportunity as % of Fixed Pay</th> </tr> <tr> <th>Target</th> <th>Stretch</th> </tr> </thead> <tbody> <tr> <td>70%</td> <td>105%</td> </tr> </tbody> </table>	Opportunity as % of Fixed Pay		Target	Stretch	70%	105%
Opportunity as % of Fixed Pay							
Target	Stretch						
70%	105%						
Outcome metrics and weightings	<p>For CY22, the following metrics and weightings were applied:</p> <table border="1"> <tbody> <tr> <td>Group pro-forma NPAT</td> <td>30%</td> </tr> <tr> <td>Total assets under management</td> <td>30%</td> </tr> <tr> <td>Individual Effectiveness (People and Risk)</td> <td>40%</td> </tr> </tbody> </table>	Group pro-forma NPAT	30%	Total assets under management	30%	Individual Effectiveness (People and Risk)	40%
Group pro-forma NPAT	30%						
Total assets under management	30%						
Individual Effectiveness (People and Risk)	40%						
Calculation	<p>For Mario’s performance against the metrics above during the measurement period, please refer to the balanced scorecard in Appendix A of this Notice.</p> <p>This performance was used to calculate the number of Restricted Rights to be granted to Mario as part of this CY22 remuneration package.</p> <p>Where STVR Right Value = Share Price – Annual Dividend x Year to Exercise = $\\$1.4559 - \\$0.105 \times 2 = \\$1.2459$</p> <p>Number of Restricted Rights for Mario = total approved 2022 STVR outcome x 35% / Right Value = $\\$736,998 \times 35\% / \\$1.2459 = \mathbf{207,038}$ (round down)</p>						
Gate	<p>The following Gates apply:</p> <ul style="list-style-type: none"> ▪ The participant’s risk measurement result for the measurement period must at least ‘Meet Expectations’ or better; and ▪ At least 85% of budgeted group pro-forma NPAT must be achieved. If both of these gates are not met or exceeded, no outcome metrics will be assessed. 						

Term	Details
Award, Settlement and Deferral	<p>Awards have been finalised following the auditing of Financial Statements.</p> <p>65% of any STVR was paid in cash via payroll, subject to statutory deductions such as PAYG tax.</p> <p>35% of any STVR is to be settled in the form of a grant of Restricted Rights subject to an exercise restriction until the end of CY24 and Securities Trading Policy. Any grant of deferred STVR Restricted Rights will be calculated based on the volume-weighted average price of Pepper Money shares over 10 trading days following the release of prior year financial results. Restricted Rights are granted under the STVR Plan and are subject to exercise restrictions for a period of 2 years to enable clawback if this is determined necessary by the Board.</p>
Corporate Actions	<p>For unpaid awards: in the event of a change in control (including a takeover) the Board has the discretion to:</p> <ul style="list-style-type: none"> ▪ terminate the plan and vest pro-rata awards based on the completed proportion of the measurement period, taking into account outcomes up to the date of the change in control, or ▪ continue the STVR Plan but make interim non-refundable pro-rata awards based on the completed proportion of the measurement period, taking into account outcomes up to the date of the change in control, or ▪ allow the STVR Plan to continue without change. For deferred awards: Restricted Rights will cease to be subject to exercise restrictions prior to the return of capital or demerger, on the date determined by the Board.
Board Discretion	<p>The Board has discretion to vary awards upwards or downwards, including to nil, if the award is viewed as inappropriate given circumstances that prevail over the measurement period (such as in the case of harm to Pepper Money's stakeholders for which participants are accountable).</p>
Malus and Clawback	<p>Pepper Money's Malus policy applies to unpaid variable remuneration opportunities (including unpaid STVR), and deferred remuneration (including deferred STVR), while the Clawback policy applies to deferred remuneration only (deferred STVR), that is, it does not apply to cash already paid.</p>

Term	Details
Other details	<p data-bbox="395 255 1070 286">Further information in accordance with ASX Listing Rule 10.15:</p> <ul data-bbox="395 304 1366 618" style="list-style-type: none"> <li data-bbox="395 304 1318 336">▪ no Director other than Mario is currently eligible to participate in the STVR Plan; <li data-bbox="395 353 1366 421">▪ no Director other than Mario has received a grant of any equity securities under the STVR Plan; <li data-bbox="395 439 1366 528">▪ Mario has previously been granted: 1,681,618 Performance Rights as a part of the LTVR and 197,457 Restricted Rights as part of the STVR all of which were issued for nil consideration; and <li data-bbox="395 546 1366 613">▪ no loan will be provided by the Company in relation to the grant or exercise of the Restricted Rights proposed to be provided to Mario. <p data-bbox="395 636 1366 869">Details of any securities issued under the STVR Plan will be published in the Company’s annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the STVR Plan after this Resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.</p> <p data-bbox="395 891 1366 958">A voting exclusion statement applies to this Resolution, as set out in the Notice of Meeting.</p>

The Directors (with Mario Rehayem abstaining) unanimously recommend that all Shareholders vote in favour of the Resolution 5 to approve the grant of Restricted Rights to Mario.

Resolution 6: Grant of Service Rights to Mario Rehayem

The resolution is being put to Shareholders to obtain approval for a one-off additional grant of service rights (**Service Rights**) to Mario Rehayem, Director and Chief Executive Officer of the Company (**Equity Recognition Award**). The proposed grant of 854,749 Service Rights is to be made under the Executive Rights Plan.

This resolution is not seeking approval for the total remuneration of Mario. Rather it relates to the issue of Service Rights to Mario under the Executive Rights Plan, which is one component of Mario's total remuneration package. The terms and conditions of the proposed grant are summarised in this Explanatory Memorandum.

The grant of Service Rights is consistent with Mario's employment agreement and the Company's remuneration framework.

Specifically, the Equity Recognition Award is to recognise, motivate and retain Mario and other key executives to continue to deliver Pepper Money's strategy and operating performance over the next 24 months. The Service Rights granted under the Equity Recognition Award will be subject to service based vesting conditions (as described below). For further background to the Equity Recognition Award is set out on pages 68 and 69 of the Remuneration Report.

ASX Listing Rule 10.14.1 requires Shareholder approval for the issue of securities to a Director under an employee incentive scheme, unless certain exceptions apply. The grant of the Service Rights to Mario falls within ASX Listing Rule 10.14.1 as he is a Director and therefore requires the approval of Shareholders under ASX Listing Rule 10.14. Approval is sought to grant Mario 854,749 Service Rights under the Executive Rights Plan. The issue price of the Service Rights is nil.

If Shareholder approval is not obtained, the Board will consider alternative approaches to rewarding Mario. This may include purchasing shares on-market or paying him a cash equivalent, each subject to the same performance conditions as the Service Rights would have been subject to, as described below.

Based on the VWAP of Shares over the consecutive 10 day trading period from 24 February 2023 to 9 March 2023 (inclusive) (being \$1.4559), the face value of Service Rights represents 100% of Mario's total fixed remuneration as of 15 March 2023. Mario's remuneration package for CY23 also includes:

- total fixed remuneration of \$1,090,358;
- long-term variable remuneration of up to a maximum 160% of Mario's total fixed remuneration, which is issued in the form of performance rights subject to vesting conditions based on TSR and ROE (see Resolution 4 above); and
- short-term variable remuneration of up to a maximum of 105% of Mario's total fixed remuneration, subject to the achievement of stretch performance outcome levels (customarily paid 65% in cash and 35% in Restricted Rights deferred for up to 24 months). Short-term incentives are payable based on the performance of the Company and Mario against Board approved performance measures (see Resolution 5 above).

The actual value (if any) that Mario will receive from the proposed Equity Recognition Award one-off grant cannot be determined until the end of the CY24 service period and will depend on the extent to which the service conditions are achieved, the number of Service Rights that vest in accordance with the service conditions and the Pepper Money Share price at the time of vesting.

The key terms of the Service Rights proposed to be granted to Mario for the Equity Recognition Award, and the material terms of the Executive Rights Plan (that will apply to those Service Rights), are outlined below.

Term	Details
Eligibility	The Board determines the employees who are eligible to participate. Currently the Equity Recognition Award is offered to the executives, including Mario. Mario is the only Director eligible for the Equity Recognition Award.
Entitlement and conversion rate	854,749 Service Rights. Each Service Right entitles the participant to acquire one Share for nil exercise price, upon specified service measures being satisfied over the relevant measurement period. They do not carry voting or dividend rights prior to vesting.
Grant date	If Shareholder approval is obtained, the Service Rights will be granted as soon as practicable after the AGM, but in any event, within 12 months of the AGM, and will have an effective grant date of when the grant notice is issued.
Measurement period	1 January 2023 to 31 December 2024.
Calculation	<p>The number of Service Rights proposed to be granted to Mario for CY23 are calculated via the application of the following formula:</p> <p>Where Right Value = Share Price – Annual Dividend x Year to Exercise =</p> <p>$\\$1.4559 - \\$0.105 \times 2 = \\$1.2459$</p> <p>The total number of Service Rights to be granted to Mario is 854,749.</p>
Gate	Individual performance rating must be at least ‘Meets Expectations’ in the final year of the measurement period.
Vesting	<p>The Services Rights will vest and become exercisable as follows:</p> <ul style="list-style-type: none"> ▪ 30% vesting following the release of the annual report in 2024; and ▪ 70% vesting following the release of the annual report in 2025. <p>In each case subject to the individual’s continued service on the vesting date. If Mario ceases to be employed on the vesting dates he will forfeit the Service Rights.</p>
Malus	Pepper Money’s malus policy applies to unpaid variable remuneration opportunities (including unvested Service Rights). Service Rights are not subject to deferral following vesting, so cannot be clawed back.
Change of control	<p>In the case of a change in control, nothing happens by default.</p> <p>In the event of Pepper Money delists from the ASX, automatic vesting will occur based on the increase in the Share Price since the start of the measurement period for Performance Rights with a nil exercise price, with Board discretion regarding the lapsing or vesting of any remainder.</p> <ul style="list-style-type: none"> ▪ In the event of a major return of capital or demerger, the Board has discretion to bring forward vesting or to alter the number of Rights or the Exercise Price or to alter vesting conditions to ensure that the outcomes are fair to participants. This is because following such an event the share price is likely to be materially different from the basis of the grant, and performance conditions previously set may be unable to be met.

Term	Details
Other details	<p data-bbox="389 255 1066 286">Further information in accordance with ASX Listing Rule 10.15:</p> <ul data-bbox="389 304 1401 640" style="list-style-type: none"> <li data-bbox="389 304 1401 367">▪ no Director other than Mario is currently eligible to participate in the Executive Rights Plan; <li data-bbox="389 385 1401 448">▪ no Director other than Mario has received a grant of any equity securities under the Executive Rights Plan; <li data-bbox="389 465 1401 564">▪ Mario has previously been granted: 1,681,618 Performance Rights as a part of the LTVR and 197,457 Restricted Rights as part of the STVR all of which were issued for nil consideration; and <li data-bbox="389 582 1401 640">▪ no loan will be provided by the Company in relation to the grant or exercise of the Restricted Rights proposed to be provided to Mario. <p data-bbox="389 658 1401 891">Details of any securities issued under the Executive Rights Plan will be published in the Company’s annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the STVR Plan after this Resolution is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.</p> <p data-bbox="389 909 1401 974">A voting exclusion statement applies to this Resolution, as set out in the Notice of Meeting.</p>

The Directors (with Mario Rehayem abstaining) unanimously recommend that all Shareholders vote in favour of Resolution 6 to approve the grant of Performance Rights to Mario.

GLOSSARY

AGM or **Annual General Meeting** or **meeting** means the annual general meeting convened by this Notice of Meeting.

AGM Online Platform means the online platform used to hold the AGM, accessible at <https://www.votingonline.com.au/ppm2023agm>.

Annual Report means the annual report of Pepper Money for CY22.

Associate has the meaning given to it in the ASX Listing Rules.

ASX means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market operated by it.

ASX Listing Rules means the official listing rules of ASX and **ASX Listing Rule** means any one of them.

Auditor's Report means the auditor's report for the Company for CY22 as contained in the Annual Report.

Board means the board of Directors.

Boardroom means Boardroom Pty Limited (ACN 003 209 836).

Chair means the person appointed to chair the Company's meeting. The Company intends to appoint Michael Culhane the Company's current non-executive chair, to act as chair at this meeting.

Closely Related Party has the meaning given to that term in section 9 of the Corporations Act.

Company or **Pepper Money** means Pepper Money Limited (ACN 094 317 665).

Corporations Act means the *Corporations Act 2001* (Cth).

CY22 means the calendar year ended 31 December 2022.

CY23 means the calendar year ending 31 December 2023.

CY24 means the calendar year ending 31 December 2024.

CY25 means the calendar year ending 31 December 2025.

Directors means the directors of the Company and **Director** means any one of them.

Directors' Report means the directors' report for the Company for CY22 as contained in the Annual Report.

Executive Rights Plan means the executive rights plan operated by the Company.

Explanatory Memorandum means the explanatory memorandum attached to, and to be read with, the Notice of Meeting.

Glossary means this glossary.

KMP means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) who are identified in the Remuneration Report.

Notice of Meeting means this notice of annual general meeting.

NPAT means net profit after tax.

Online Platform Guide means the guide for the AGM Online Platform at <https://www.peppermoney.com.au/about/shareholders>.

Performance Rights means the 1,529,120 performance rights to be granted to Mario Rehayem under the terms and conditions set out in Explanatory Memorandum under the heading Resolution 4.

Proxy Form means the proxy form included with this Notice of Meeting.

Related Party has the meaning given in section 228 of the Corporations Act.

Remuneration Report means the remuneration report for the Company for CY22 as contained in the Annual Report.

Resolution means a resolution set out in this Notice of Meeting.

Restricted Rights means the 207,038 restricted rights to be granted to Mario Rehayem under the terms and conditions set out in Explanatory Memorandum under the heading Resolution 5.

Restricted Voter means a related party of the Company to whom the Resolution would permit a financial benefit to be given or an Associate of such related party.

Rights means collectively performance rights, service rights, share appreciation rights or restricted rights issued by the Company under any of its equity incentive plans.

ROE means return on equity.

Share means a fully paid ordinary share of the Company.

Share Price means the VWAP of the Shares traded on the ASX over the 10 trading days prior to the date for which the calculation is made.



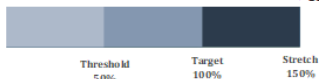



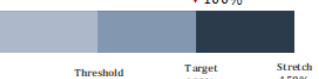
Shareholder means a holder of at least one Share at the record date.

Service Rights means the 854,749 service rights to be granted to Mario Rehayem under the terms and conditions set out in Explanatory Memorandum under the heading Resolution 6.

STVR Plan means plan relating to the grant of short-term incentives operated by the Company.

VWAP means the volume weighted average price of a share.

Appendix A | Mario Rehayem's CY22 STVR Scorecard

Metric/Measure	Weighting	Performance	Outcome (% of Target)	% of Target % Payable
Financial - 60%				
Group Pro-forma NPAT (\$m)				
Group Pro-forma NPAT provides the insight on the underlying performance for the period by excluding one off non recurring items.	30%	\$142.0	▼69% 	20.7%
Total Assets Under Management (\$bn)				
Total Assets Under Management reflects AUM from lending and servicing as at 31 December 2022 (closing).	30%	\$19.2	▼97% 	29.1%
Individual Effectiveness				
Individual - 40%				
Funding to support AUM targets (\$bn)	10%	\$18.4	▼150% 	15.0%
Risk & Compliance Measured by Issues & incidents reported within 5 days and On time completion of treatment plans.	10%	95%	▼100% 	10.0%
Leadership Effectiveness				
Executive Engagement		98		
Overall Company Engagement	10%	78	▼120% 	12.0%
Succession Planning - all key roles have identified successor/emergency		95%-99%		
Executive Attrition		0%		
Board 360		3		
Customer Satisfaction - Social Media reviews	5%	4.2	▼100% 	5.0%
Customer Satisfaction - Broker NPS scores	5%	Mortgage customer 8 Asset Finance customer 34 Mortgage broker 32	▼100% 	5.0%
Total Weighting	100%		Total % of Target % Payable	96.8%