CPS 511 Remuneration Disclosure

Financial Year 2026

November 2026

medibank group

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Section 1: Qualitative Disclosures

1. Basis of disclosure

This document presents the 2026 financial year (2026) remuneration disclosures of Medibank Group, as required by the Australian Prudential Regulation Authority (APRA) for private health insurers.

The disclosures contained in this document are based on information that is consistent with information provided to Medibank's external auditor. However, the information provided is for regulatory disclosure purposes and may not be comparable to other information disclosed by Medibank. Additional information on Medibank's remuneration framework is included in Medibank's 2026 Annual Report.

2. Remuneration framework governance and oversight

Medibank has a robust governance framework in place to ensure that our remuneration and performance practices are fair, reasonable and aligned with the requirements outlined in our risk management framework. Our governance framework also considers regulatory compliance, customer outcomes, community expectations and the delivery of sustainable shareholder value.

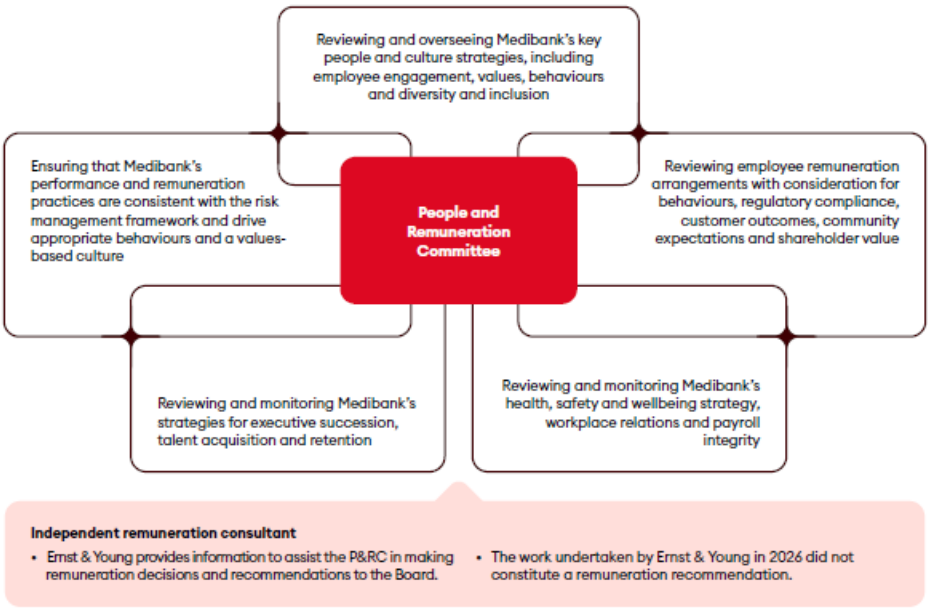
The Medibank Board is ultimately responsible for approving and actively overseeing Medibank's remuneration arrangements and their effective application. The Board is assisted in the execution of its responsibilities by the People and Remuneration Committee (P&RC) which is responsible for overseeing the design, operation and monitoring of Medibank's remuneration policy and practices and people and culture strategies. The P&RC is responsible for ensuring the effectiveness, integrity and compliance of people and remuneration practices (including in respect of applicable APRA prudential standards, the Financial Accountability Regime Act 2023 (FAR) and any other applicable legislation or regulatory requirements in force from time to time).

As at 30 June 2026, the P&RC consisted of four members, all of whom are non-executive directors. The P&RC met 5 times during 2026. While there are four permanent members of the P&RC, a standing invitation exists to all non-executive directors to attend meetings.

The People & Remuneration Committee Charter sets out the roles, responsibilities and terms of operation of the P&RC. This includes providing the P&RC with access to:

- Free and unfettered access to other Board committees;
- Free and unfettered access to Risk and Financial Control personnel and other relevant parties (external and internal); and
- The power, when choosing to engage third-party experts, to do so in a manner that ensures the engagement (including any advice received) is independent.

The diagram below outlines the role of the P&RC in assisting and advising the Board on people and culture policies and practices, including remuneration.



On behalf of the Board, the P&RC oversees remuneration policies by:

- ensuring Medibank maintains a documented remuneration policy outlining the remuneration objectives and structure of remuneration arrangements, including but not limited to, performance-based components of remuneration;
- working with the Board, other committees (including the Risk Management Committee) and management to ensure remuneration policies are consistent with Medibank's risk management framework (including the management of both financial and non-financial risk) and support prudential risk taking and Medibank's long term financial soundness;
- conducting regular reviews of Medibank's remuneration policy (including the management of both financial and non-financial risk), to ensure it supports prudential risk taking and Medibank's long term financial soundness.

Throughout the year, the P&RC obtained comprehensive reporting and consulted with the Risk Management Committee and Group Lead – Chief Risk Officer to determine all remuneration related decisions, the application of discretion and recommendations to the Board independent of management. During the year, the P&RC received information from Ernst & Young to assist in making remuneration recommendations to the Board. The work undertaken by Ernst & Young in 2026 did not constitute a remuneration recommendation.

2.1 Third-party service providers

As referenced in the Remuneration Policy, third party arrangements, including compensation, are governed by Medibank's Procurement Policy. This policy is designed to ensure that best value for money is achieved and that risks are appropriately managed for our customers, employees and shareholders.

The compensation arrangements of third-party service providers which have the potential to cause a material conflict with this policy have been identified and reviewed, and controls have been established to mitigate those potential conflicts. These compensation arrangements and mitigating controls are reviewed annually to ensure the controls are operating effectively.

Having considered the objectives of CPS 511, Medibank has identified relevant third parties as those who act as intermediaries for Medibank products, where variable compensation arrangements are in place, subject to meeting a materiality threshold.

Third party providers identified include aggregators, Corporate Brokers, Agents of Overseas Student Health Cover (OSHC) and Agents of Visitor Health Care Cover (OVHC). Controls are in place to manage the risks associated with mis-selling including having commission structures that include deferred components and opportunity for clawback, as well as regular performance reviews covering metrics such as joins, lapses and NPS.

2.2 Medibank remuneration policies

a) Remuneration Policy

The Remuneration Framework is primarily enabled by Medibank's Remuneration Policy which outlines the design and effective implementation of remuneration practices across the organisation. Medibank's remuneration practices ensure individuals are compensated fairly, motivated to achieve business goals consistent with our risk management framework and promote sustainable decision making that benefits customers, the community and shareholders. The Policy also addresses relevant regulatory requirements including the Australian Prudential Regulation Authority's ("APRA") Governance Standard (CPS 510) and Prudential Standard (CPS 511), and the Financial Accountability Regime (FAR).

Scope

Medibank's remuneration policy applies to all non-executive directors, executives and employees of the Medibank Group ("Group") and individuals retained by the Group under contract, including:

- Non-executive directors of the Group ("Non-executive Directors").
- The executive leadership team ("ELT"), which comprises the Chief Executive Officer ("CEO") and Group Leads who report to the CEO;
- The Hub Lead Group ("HLG"), which comprises Hub Leads who report to Group Leads in the Group;
- Senior Managers (SM) for CPS 511 purposes which comprise Group Leads who report to the CEO and selected Hub Leads as identified in Medibank's Fit and Proper Policy;
- Accountable Persons ("AP") for FAR purposes, who are the persons identified by Medibank as Accountable Persons;
- Material Risk-takers ("MRTs") for CPS 511 purposes who are selected Hub Leads reporting to the Group Lead – Chief Customer Officer;
- Highly paid Material Risk-takers ("Highly paid MRTs") for CPS 511 purposes, which refers to an MRT whose total remuneration in the financial year, including fixed and variable components, is equal to or greater than 1 million AUD;
- "Risk and Financial Control Personnel", who are executives or employees whose primary role is risk management, compliance, internal audit, financial control or actuarial control;
- Broad based employees covered by an Enterprise Agreement ("EA employees"); and
- Broad based employees not covered by an Enterprise Agreement ("Non-EA employees").

Specified roles

In addition to the remuneration practices that apply to all employees, APRA's remuneration standard CPS 511 requires the Board to apply specific remuneration practices, such as variable remuneration deferral, to Specified Roles. Below are the Specified Roles defined by APRA and their application for Medibank.

Where a Senior Manager is also a Material Risk-taker or Risk and Financial Control personnel, they have been reported as part of the Senior Manager cohort to avoid duplication.

Specified roles	Application
Executive Director	Chief Executive Officer of Medibank
Senior Managers	Executive leadership team members other than the CEO, Hub Lead – Internal Audit and Hub Lead – Actuarial Services & Chief Actuary are considered Senior Managers for the purposes of CPS 511.
Risk and Financial Control personnel	Senior roles leading Actuary, Group Financial Control and Internal Audit functions and all roles within their reporting structure are considered Risk and Financial Control personnel.
MRTs	Hub Lead roles reporting to the Group Lead – Chief Customer Officer who are responsible for the design and distribution of financial products where revenue exceeds $1 billion AUD are considered Material risk-takers (MRTs) for the purposes of this standard.
Highly paid MRTs	MRTs at Medibank who reach the AUD $1m threshold in the financial year based on fixed remuneration, actual STI and LTI at face value are classified as highly paid MRTs for the purposes of the Standard for that financial year. There were no highly paid MRTs in 2026.

b) Performance evaluation

Medibank uses a goal-setting framework known as Objectives and Key Results (OKRs) to promote and support accountability throughout the organisation. Medibank's OKRs are designed to balance financial and non-financial objectives and clearly define core leadership accountabilities and expected contributions to support alignment, focus on measurable outcomes, and promote a culture of ownership and transparency.

Executive performance evaluation framework

Stage	What happens	Why it matters
1. Goal setting	At the start of the year, the Board sets OKRs for Medibank and each ELT member, including both enterprise-wide goals and role-specific objectives aligned to customer and financial priorities outlined in the annual report.	Ensures executives are focused on delivering Medibank's strategic, financial and customer outcomes.
2. Cascading of objectives	ELT's OKRs are translated into objectives for their leadership teams and broader workforce, ensuring alignment across the organisation.	Promotes a consistent approach and accountability across all levels of the business.
3. Performance assessment	At year end, each ELT member is assessed against: (i) the risk, compliance and behaviour gateway and (ii) the achievement of their agreed OKRs.	Ensures that performance is assessed not only on outcomes, but also on how those outcomes are delivered, including adherence to risk and conduct expectations.
4. Individual performance rating	ELT members receive a performance rating on a 5-point scale, reflecting achievement of OKRs and demonstration of expected behaviours. A minimum rating of 3 – Achieving is required to be eligible for a remuneration increase and STI award.	Provides a structured and consistent way to differentiate performance and link outcomes to remuneration.
5. Determination of STI outcomes and fixed remuneration	Individual performance ratings are combined with Medibank's overall Company performance to determine final STI outcomes. Fixed remuneration adjustments consider individual performance, experience, role complexity and market benchmarks. Further details on fixed remuneration and STI measures are provided in section 4.1 (fixed remuneration) and section 4.2 (STI) of this report.	Aligns executive reward with both personal contribution and overall business performance.
6. Governance	The CEO assesses the performance of ELT members and makes recommendations to the Board. The Chair, in consultation with the Board, assesses the CEO. The Board retains ultimate discretion over all outcomes.	Ensures independent oversight and alignment with shareholder, customer and community expectations.

c) Malus and Clawback

Medibank's Malus and Clawback policy provides the Board with discretion to reduce, cancel, or clawback the variable remuneration of performance-based awards made to employees in certain circumstances and subject to applicable laws, including the following:

- Fraud or misconduct: any fraudulent activity or misconduct that benefits an individual financially or otherwise, or that results in significant adverse outcomes.

- Risk management failures: significant failures in managing financial or non-financial risks.
- Accountability and compliance breaches: significant failures in accountability, fitness, propriety, or compliance obligations, including failure to comply with obligations under FAR.
- Errors and misstatements: major errors or misstatements affecting variable remuneration outcomes.
- Significant adverse outcomes: actions for which the recipient is accountable leading to major negative consequences for customers, beneficiaries, counterparties or the community.
- Material reputational damage: acting, or failing to act, in a way that contributed to material reputational damage.
- Any other event as determined by the Board.

The Malus and Clawback Policy provides that if any of these events occur, the Board may, in its absolute discretion, determine if malus and/or clawback will apply. Malus provisions allow Medibank to reduce or cancel variable remuneration before it has been paid (or share awards vested) or make it subject to additional or amended conditions, while clawback provisions allow Medibank to, subject to applicable laws, recover some or all of the variable remuneration after it has been paid (or share awards vested).

d) Termination provisions in incentive plans

A summary of the key termination provisions included in relevant incentive plan documentation is included below:

Incentive Plan	Termination Provisions
Treatment of STI on termination[2]	**Good leaver[1]:** • Cash STI award in respect of the performance year in which they leave would be paid on a pro rata basis at the end of the STI performance period • The deferred component of the STI award will be paid in cash (rather than performance rights) on a pro rata basis with payment deferred on the same terms outlined in the STI plan rules. Deferred amounts are subject to Malus and Clawback. • Any previously deferred STI that has vested remains restricted until the applicable exercise date, unless determined otherwise by the Board, and subject to malus and clawback. **Participants who do not meet the good leaver definition:** • No cash STI awarded • Any previously deferred STI that has vested remains restricted until the applicable exercise date, unless determined otherwise by the Board, and subject to malus and clawback.
Treatment of LTI on termination[2]	**Unvested performance rights:** • **Good leaver:** Performance rights are retained on a pro rata basis and remain unvested and subject to the same vesting conditions that will be assessed at the end of the performance period • **Participants who do not meet the good leaver definition**: performance rights are forfeited. **Vested performance rights subject to deferral:** Any vested performance rights are retained and remain subject to deferral conditions, and malus and clawback.

[1] 'Good leaver' means a participant ceasing employment by reason of death, serious disability, permanent incapacity, redundancy or with Board approval.

[2] Further details of the termination provisions that relate to the STI and LTI plans are detailed in section 4 of this report.

2.3 Risk and remuneration

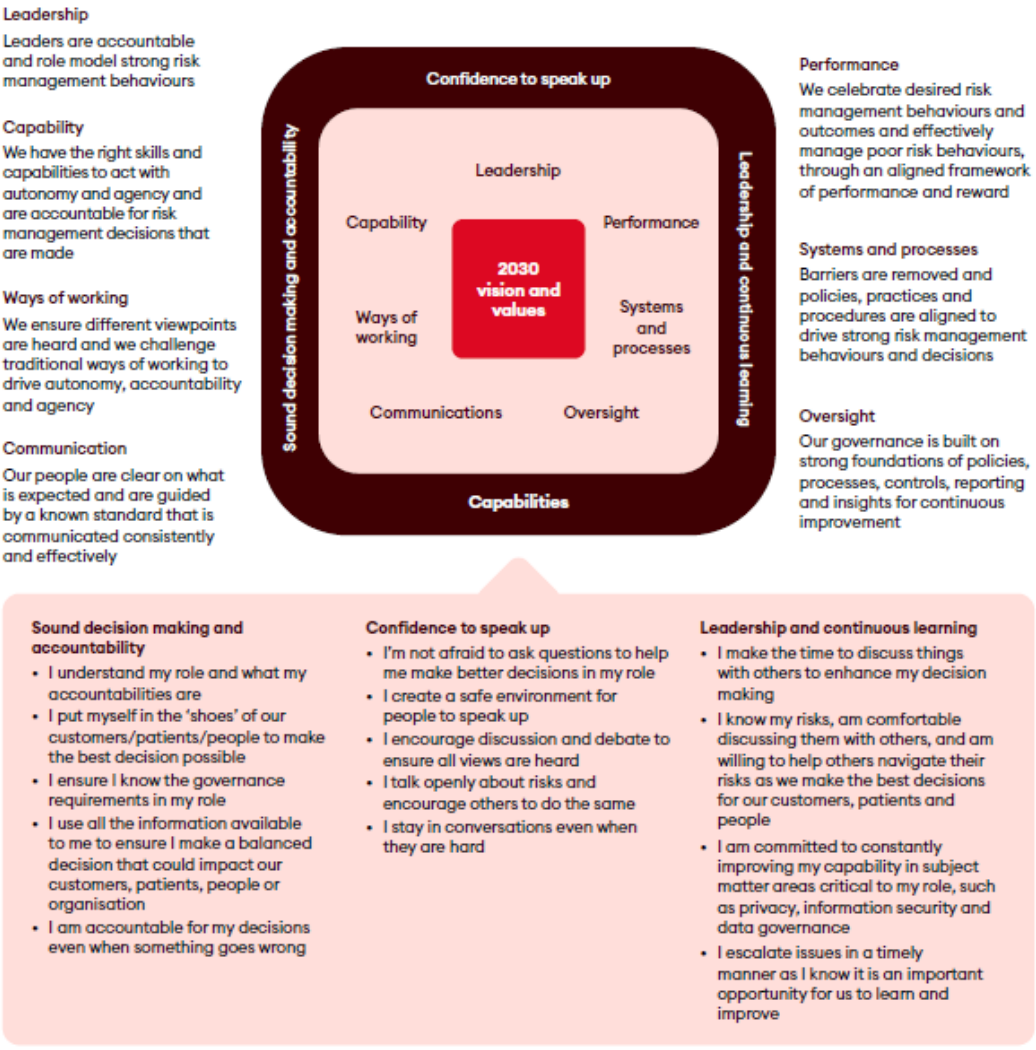
A key focus for Medibank's Board and the P&RC is ensuring our remuneration policies and practices are consistent with our risk management framework, aligned with prudent risk taking and support the effective management of financial and non-financial risks.

a) Medibank risk culture framework

Medibank is committed to building a strong risk culture that reflects who we are as an organisation. Our risk culture framework is based on our purpose, values and strategy, and outlines the behaviours we expect from our people.

We believe accountability and continuous learning are the foundations of good risk management. Everyone at Medibank is responsible for the decisions they make and for learning from the outcomes. We encourage our people to reflect on their decisions, learn from them, and share those learnings with others.

Our risk culture framework has seven key elements and three core capabilities that guide better risk management practices and behaviours across the business. We have enhanced our risk culture across the business by giving our people a greater understanding of risks to make them more confident in identifying, assessing and managing risk in their roles. We regularly review our risk culture to identify what is working well and where we can improve. These findings are shared with our people and the Board, and where more focus is needed, progress is monitored and tracked over time.



The Board, CEO and the Executive Leadership Team continue to emphasise the importance of conduct and behaviours referred to above by setting a strong and consistent tone from the top.

b) Alignment of remuneration with prudent risk taking

At Medibank, executive pay is tied to how well risks are managed. Each year, all employees are assessed on a scorecard covering both financial and non-financial goals, including how well they've met their risk, compliance, and behavioural responsibilities.

Senior executives' risk management is reviewed jointly by the Risk Management Committee (RMC) and the P&RC. They look at things like audit findings, incident management, health and safety, and risk culture. The Chief Risk Officer and the Group Lead – People, Spaces & Sustainability are responsible for flagging any risk or conduct issues that could affect pay outcomes for senior leaders, including the CEO.

To make sure risk is considered over the long term, a portion of executive incentives is deferred under both the STI and LTI plans.

c) Consequence management

Our Consequence Management Policy is a key part of our risk culture and ensures risk, compliance and behaviour outcomes are aligned with remuneration outcomes. The policy provides guidelines in the application of consequences of employees breaching Medibank's Code of Conduct or Risk Culture Framework to ensure they are fair, reasonable and proportionate to the incident or breach. Consequences are clearly articulated and may include an employee attending further training or counselling, a formal written warning being applied, or in certain circumstances, termination of employment. The issue of a final written warning automatically results in the employee being given a maximum of 'needs improvement' performance rating for the relevant performance period, meaning the individual is ineligible for any performance-based reward outcome or fixed remuneration increase. Medibank's STI plan rules also clearly articulate that failure to meet the risk, compliance and behaviour gateway in any given performance period will lead to ineligibility for a STI award for the performance period.

In 2026, 17 employees were issued with final written warnings following a breach of Medibank's Code of Conduct, or another Medibank Group policy. In all cases, each employee received a performance rating of 'unsatisfactory' and was ineligible for any applicable performance-based incentive or fixed remuneration increase. A further 6 individuals in 2026 had their employment terminated following an incident of misconduct.

3. Medibank's remuneration strategy

At Medibank, we believe that remuneration has a key influence on behaviour and is valuable in reinforcing our culture. Our people are guided by our purpose and values, which are anchored to the core pillars of our culture – health & wellbeing, customers & patients, and autonomy, accountability & agency.

Our remuneration strategy has been developed to reward our people for responsibly executing Medibank's strategy, role-modelling behaviours that strengthen our purpose and values-based culture, and achieving business objectives that increase value for our customers and shareholders. Supporting this strategy, our remuneration framework is designed to link reward to business outcomes, individual performance and behaviour, support Medibank's long-term financial success and risk management framework, and comply with APRA's CPS 511 and the Financial Accountability Regime (FAR).

The diagram below illustrates the relationship between Medibank's remuneration strategy, reward framework and the timeline of when 2026 remuneration is delivered.

Medibank's remuneration strategy

Focus employees on responsibly executing Group strategy to increase customer and shareholder value with behaviours aligned to Medibank's values and purpose

Attract and **retain**	**Incentivise** high performance through variable, at risk payments	**Reward** employees for the achievement of business outcomes aligned with Medibank's culture	**Align** the interests of executives with increasing long-term customer and shareholder value
key talent through competitive and fair fixed remuneration			

Medibank's total target reward framework

	Performance Measures	Delivery
Total fixed remuneration (TFR)	• Determined with reference to capability, experience, the complexity of the role, as well as median pay levels of Medibank's comparator group • Paid on a fortnightly basis in base salary and superannuation	
Short-term incentive (STI)	For an STI to be awarded: • Individuals must pass a risk, compliance, and behaviour gateway; and • Medibank must achieve a baseline Group operating target. Performance measures: • Group operating profit • Health Insurance revenue growth • Customer Satisfaction • Role-specific metrics	CEO, Senior Managers and Highly-paid MRTs: • 70% cash • 30% performance rights deferred for up to 5 years for the CEO and up to 4 years for Senior Managers and Highly-paid MRTS subject to a one year service condition.
Long-term incentive (LTI)	• Earnings per share compound annual growth rate • Relative total shareholder return • Growth of Medibank's private health insurance market share • Brand Sentiment - Customer Net Promoter Score (cNPS)	Performance rights with a 3-year performance period and deferral after vesting of: • 3 years for the CEO • 2 years for Senior Managers and Highly-paid MRTs

Supported by Medibank's Consequence Management Policy and the Malus & Clawback policy. The P&RC and Risk Committee may apply discretion to ensure appropriate alignment of remuneration outcomes to Medibank's risk framework and Code of Conduct.

CEO - 2026 remuneration timeline

		FY26	FY27	FY28	FY29	FY30	FY31	FY32
TFR	Base salary + super							
STI	Cash		70%					
	Deferred			6%	6%	6%	6%	6%
LTI	Relative total shareholder return (30%)							
	EPS CAGR (30%)					33%	33%	34%
	PHI market share growth (20%)							
	Customer NPS (20%)							

Senior Managers and Highly-paid MRTs- 2026 remuneration timeline

		FY26	FY27	FY28	FY29	FY30	FY31
TFR	Base salary + super						
STI	Cash		70%				
	Deferred			7.5%	7.5%	7.5%	7.5%
LTI	Relative total shareholder return (30%)						
	EPS CAGR (30%)					50%	50%
	PHI market share growth (20%)						
	Customer NPS (20%)						

□ date earned/vested ■ date granted ■ eligible for payment or exercise

The STI and LTI plans are designed with a balanced mix of financial and non-financial metrics, aligning incentives with both short-term delivery and long-term creation of shareholder and customer value. Financial measures ensure accountability for business performance, while non-financial measures, such as customer outcomes, reinforce the importance of sustainable growth and stakeholder trust over time.

The customer metrics used in the STI and LTI differ intentionally to reflect these distinct objectives. The STI uses Journey NPS to measure customer satisfaction and capture immediate, interaction-based customer experience during the year, driving accountability for service quality and responsiveness. In contrast, the LTI uses Brand Sentiment (Customer NPS) to measure broader, externally assessed perceptions of the brand over multiple years. Together, these measures provide a balanced view of customer satisfaction by rewarding strong day-to-day execution while also incentivising the long-term development of brand advocacy and trust.

4. Remuneration components

Target remuneration of the CEO and Senior Managers is designed to reward sustained business performance with behaviours aligned with Medibank's values and purpose that benefits both customers and shareholders. The Board aims to find a balance between:

- Fixed and at-risk remuneration;
- Short-term and long-term remuneration; and
- Remuneration delivered in cash and deferred equity

4.1 Total fixed remuneration

Total fixed remuneration (TFR) is the fixed portion of remuneration and includes base salary and employer superannuation contributions. Fixed remuneration is determined with reference to the employee's capabilities, experience, the complexity of the role, as well as median pay levels for similar roles at companies in the ASX 11-100 (excluding mining and energy companies). This ensures that fixed remuneration is set at competitive levels and enables Medibank to attract and retain high-quality executives.

4.2 Short-term incentive (STI)

STI is an at-risk element of remuneration, which is designed to reward employees for the creation of customer and shareholder value during the financial year. Participants must pass two separate gateways to participate in the plan. Once both gateways are achieved, participants have the opportunity to earn a percentage of their fixed remuneration as an incentive, based on Group and individual performance.

a) STI gateways

For an STI award to be made to a participant, the following gateways must be achieved:

Risk, compliance and behaviour gateway

Individually assessed, the risk, compliance and behaviour gateway requires participants to:

- Adhere to Medibank's Code of Conduct which covers standards of behaviour and conduct which include anti-harassment, anti-discrimination and anti-bribery and corruption obligations. Our Code of Conduct requires all employees to not only comply with our legal obligations, but also to act ethically and responsibly in relation to our customers, colleagues and the community;
- Complete all mandatory compliance training which includes privacy, cyber-security, health and safety, bullying and harassment, bribery and corruption and meeting our legal, ethical and governance requirements; and
- Ensure that the risks in respect of their position are well managed. Multiple factors are considered when assessing risk management (including environment, social and corporate governance and climate risks where relevant), which differ based on an executive's role. Common elements include the effective operation of divisional risk committees, incident identification, audit findings, remediation actions, health and safety, and feedback on risk culture from employees.

For the CEO and other ELT members, assessment of the risk, compliance and behaviour gateway is also subject to feedback provided by the Group Lead – Chief Risk Officer and Group Lead – People, Spaces & Sustainability.

Financial gateway

Assessed at the Group level, Medibank must achieve a baseline Group operating profit target for an STI to be awarded.

b) STI performance measurement

The Board determines challenging levels of performance for each Medibank and role-specific STI performance measure. When setting performance expectations, the Board considers numerous factors, including Medibank's strategic objectives, prior year performance, the external environment, customer outcomes and shareholder expectations. The Board also ensures that performance levels are set for the current year in the context of achieving longer term customer and financial strategic goals.

At the completion of the performance year, an assessment is first made on the achievement of the STI gateways. If achieved, STI outcomes are determined based on company and individual performance. Performance against the Group's measures determines the company component of the STI while the individual rating from the annual performance assessment process determines the individual component. There is a threshold, target and stretch

level of performance for each company measure as set by the Board and employees need to achieve a minimum rating of 3 – Achieving for an STI award to be paid.

c) Key features of the STI plan

Over what period is performance assessed?	The STI performance period is the financial year 1 July to 30 June.
How are STI payments delivered?	70% of STI awarded to the CEO and Senior Managers is paid as cash, with the remaining 30% provided in the form of deferred performance rights that are subject to a one-year service condition. The STI awarded is paid in cash for other STI participants.
When are STI payments made?	The cash component of STI is paid following the release of audited financial results, with performance rights for the deferred STI component granted shortly thereafter.
What is the deferral period for the deferred STI component?	Performance rights are deferred for: • up to five years for the CEO, with 20% of the deferred amount released each year following the conclusion of the service period; and • up to four years for Senior Managers, with 25% of the deferred amount released each year following the conclusion of the service period. The exercise of each tranche is subject to the assessment by the Board of the application of Medibank's Malus and Clawback policy to the relevant tranche and after the relevant annual results are announced to the ASX.
What method is used to determine the number of performance rights granted to each participant as part of the deferred STI?	Performance rights under the STI plan are granted at face value. The deferred STI value for each participant is divided by the volume weighted average share price (VWAP) of Medibank shares over the 10 trading days up to and including the payment date of the cash STI to determine the number of units granted.
Are deferred STI performance rights entitled to receive a dividend payment?	Deferred STI performance rights do not attract dividends during the deferral period. To align participant outcomes with shareholders, on exercise of these performance rights additional Medibank shares are granted to ensure each participant receives a benefit equivalent to any dividends paid during the deferral period on the rights being exercised.
What gateways apply to the STI plan?	For an STI award to be made to a participant, both the risk, compliance and behaviour gateway, and the financial gateway must be achieved.
What are the performance measures under the STI plan?	Performance measures under the STI plan are determined by the Board at the commencement of each performance period. For 2026, the performance measures were: • Group operating profit (excluding investment income) • Health Insurance premium revenue growth • Customer satisfaction • Role-specific metrics
Does Medibank have a malus and clawback policy that applies to the STI plan?	Medibank has a Malus and Clawback Policy that provides discretion to the Board to reduce, cancel, or recover (clawback) any award made under the STI plan to employees in certain circumstances subject to applicable laws. Further detail on this policy is outlined in section 2.2(c).
What happens to STI entitlements if a participant leaves Medibank?	If a participant is a 'good leaver' (meaning they cease employment by reason of death, serious disability, permanent incapacity, redundancy, or with Board approval), pro rata payment of STI applies. Section 2.2 (d) provides additional information on the treatment of STI for people deemed as 'good leavers' by the Board. Other than in the case of dismissal, a participant who ceases employment after meeting the service period will retain the deferred STI performance rights which will remain subject to malus and clawback and will be released as per the deferral schedule.

In what circumstances are STI entitlements forfeited?	In the event a participant is not considered a 'good leaver' (meaning they cease employment for any reason other than death, serious disability, permanent incapacity, redundancy or with Board approval), the participant will forfeit any payment under the STI plan, including any unvested deferred STI grants, unless otherwise determined by the Board.

4.3 Long-term incentive (LTI)

LTI is an at-risk element of remuneration designed to reward executives for delivering sustainable business performance over the long term. Given the nature of the private health insurance industry and the fact that it is highly regulated, the Board considers it appropriate to measure long term performance over a three-year period, with deferral conditions applying to the vested awards of Senior Managers. A three-year performance period with the additional deferral conditions, if applicable, strikes a balance between providing a reasonable period to align reward with shareholder return and the LTI acting as a vehicle for executive motivation and retention.

Each year executives are eligible to receive an LTI which is calculated as a percentage of their fixed remuneration. This incentive is subject to performance hurdles that will be tested at the end of the three-year performance period. Based on performance against these hurdles, a percentage of the incentive will be retained by the executive with the remainder being forfeited. Vested performance rights are subject to a deferral period of up to three years for the CEO and up to 2 years for Senior Managers and highly paid MRTs.

a) Key features of the LTI plan

What is the aim of the LTI plan?	The Medibank LTI plan is designed to: • Align the interests of executives more closely with the interests of customers and shareholders, by providing an opportunity for those executives to receive an equity interest in Medibank through the granting of performance rights. • Assist in the motivation, retention and reward of executives over the performance and deferral periods.
What are performance rights?	Performance rights issued to executives under the LTI plan are conditional rights for the participant to receive fully paid ordinary shares in Medibank. Each performance right entitles the executive to subscribe for one ordinary share if the performance hurdles are met at the conclusion of the performance period. No amount is payable by the participant upon the grant or exercise of the performance rights once they have vested.
What method is used to determine the number of performance rights granted to each participant?	Performance rights under the LTI plan are granted at face value. Each participant receives a percentage of their fixed remuneration in LTI. This amount is then divided by the face value of Medibank shares. For the 2026 LTI plan, the number of performance rights granted to each participant was determined using the volume weighted average price of Medibank shares on the ASX during the 10 trading days up to and including 30 June 2025. This average price was $4.94.
What is the performance period for the 2026 LTI plan?	The performance period for the 2026 LTI plan is three financial years which commenced on 1 July 2025.
When is the LTI delivered?	Following the three-year performance period any performance rights that meet the performance hurdles vest and are then subject to a deferral period of up to three years for the CEO and up to 2 years for Senior Managers and highly paid MRTs. Vested performance rights for participants outside of the Senior Manager group convert into shares as soon as practicable after vesting is approved by the Board.
What is the deferral period for LTI?	For the CEO, Senior Managers and highly paid MRTs, vested performance rights are deferred for: • Up to three years for the CEO, with one third being exercised each year starting at the beginning of the year following the end of the performance period. • Up to two years for Senior Managers and highly paid MRTs, with half being exercised at the beginning of the year following the end of the performance period, and the remaining amount being exercised in the following year.

	The exercise of each tranche is subject to the assessment by the Board of the application of Medibank's Malus and Clawback policy to the relevant tranche and after the relevant annual results are announced to the ASX.
What are the performance hurdles under the 2026 LTI plan?	Performance rights issued under the 2026 LTI plan are subject to four separate performance hurdles, providing for an appropriate balance of financial and non-financial performance: • 30% of the performance rights are subject to a performance hurdle based on Medibank's earnings per share compound annual growth rate (EPS CAGR) over the performance period. The starting point for EPS will be calculated using Medibank's underlying profit as at 30 June 2025 and the performance period for the EPS performance hurdle will run for 3 years from 1 July 2025 through to 30 June 2028. • 30% of the performance rights are subject to a relative total shareholder return (TSR) performance hurdle, measured over the performance period. Medibank's relative TSR will be compared to a comparator group comprising companies with a market capitalisation positioned within the ASX 11-100 (excluding mining and energy companies). • 20% of the performance rights are subject to a performance hurdle based on the growth of Medibank's private health insurance market share (as reported by APRA) over the performance period. • 20% of the performance rights are subject to a performance hurdle based on brand sentiment, measured as the change in Medibank's customer Net Promoter Score over the performance period. These performance hurdles were chosen by the Board as they are aligned with the interests of our customers and shareholders and represent well understood and transparent mechanisms to measure performance and provide a strong link between executive reward, customer outcomes, and shareholder wealth creation.
When do the performance rights vest?	Performance hurdles are assessed as soon as practicable after the completion of the relevant performance period. The number of performance rights that vest (if any) will be relative to the achievement against the performance hurdles.
Are the performance hurdles re-tested?	No. Performance hurdles are only tested once at the end of the performance period. Any performance rights that remain unvested at the end of the performance period are immediately forfeited.
Are LTI performance rights entitled to receive a dividend payment?	LTI performance rights do not attract a dividend during the performance period, as they are still subject to performance hurdles that will determine the number of rights that convert to ordinary Medibank shares. For the CEO, Senior Managers and highly paid MRTs, vested performance rights do not attract dividends during the deferral period. However, on exercise of the vested performance rights, additional Medibank shares are granted to ensure each participant receives a benefit equivalent to any dividends paid during the deferral period on the rights being exercised.
Does Medibank have a malus and clawback policy that applies to the LTI plan?	Medibank has a Malus and Clawback Policy that provides discretion to the Board to reduce, cancel, or recover (clawback) any award made under the LTI Plan to an employee in certain circumstances subject to applicable laws. Further detail on this policy is outlined in section 2.2(c).
What happens to LTI entitlements if a participant leaves Medibank?	If a participant is a 'good leaver' (meaning they cease employment by reason of death, serious disability, permanent incapacity, redundancy, or with Board approval), a portion of the performance rights held (granted, but not vested) by that participant on cessation of employment will be forfeited on a pro rata basis according to a formula which takes into account the length of time the participant has held the performance rights relative to the performance period for the grant. The retained performance rights will remain unvested and will be tested at the end of the performance period against the existing performance hurdles. Vested performance rights for the CEO, Senior Managers and highly paid MRTs remain subject to deferral conditions.
In what circumstances are LTI entitlements forfeited?	LTI entitlements are forfeited if performance hurdles are not met. In the event a participant is not considered a 'good leaver' (meaning they cease employment for any reason other than death, serious disability, permanent incapacity, redundancy or with Board approval), the performance rights held (granted, but not vested) by that participant on cessation of employment will be automatically forfeited.

4.4 Participation of Specified Roles in incentives

Specified roles	Incentive plans	Target remuneration mix	Eligibility for variable remuneration
CEO	STI and LTI with deferral conditions	• Fixed: 26.7% • Variable: 73.3%	Eligible for STI and LTI
Senior Managers and MRTs	STI and LTI with deferral conditions	ELT members, excluding the CEO, have an average remuneration mix at target of 42% fixed and 58% variable. Senior Managers outside of the ELT and MRTs have an average remuneration mix at target of 65% fixed and 35% variable.	100% eligible for STI and LTI
Risk and Financial Control Personnel	Employees in the cohort who meet the eligibility criteria participate in Medibank's STI. Eligible Hub Leads also participate in the LTI.	Remuneration mix varies by level, with Hub Leads having a remuneration mix at target of 69% fixed and 31% variable, and employees at lower levels having a higher proportion of total remuneration at target in fixed pay.	100% eligible for STI 100% of Hub Leads in the cohort are eligible for LTI

Target and maximum incentive opportunity increases at higher job levels. For the CEO and other ELT members, variable remuneration constitutes a larger proportion of total remuneration at target. This structure ensures that a greater share of their pay is performance-based and at risk, in the event of underperformance. It also enables Medibank to apply malus and clawback when necessary.

4.5 Remuneration of risk and financial control personnel (RFCP)

Risk and Financial Control Personnel at Medibank includes Executives, or employees, whose primary role is risk management, compliance, internal audit, financial control or actuarial control.

One of the objectives of our remuneration framework is to encourage the sound management of financial and non-financial risk over the long term, mitigate conflicts of interest and drive sustainable decision making in the interests of Medibank's stakeholders to support long term financial soundness. Considering the above, risk and financial control personnel who meet the eligibility criteria participate in STI and LTI, with the same conditions as other employees in the organisation.

The quantum, type and mix of remuneration received by employees is determined by both their role and impact on business outcomes. For Risk and Financial Control Personnel, the quantum, type and mix of remuneration is set to ensure their remuneration arrangements do not compromise the independence of these individuals and their authority in carrying out their functions.

Variable remuneration outcomes and remuneration settings for the cohort are recommended by the Chief Financial Officer, endorsed by the CEO and GL - Chief Risk Officer, and approved by the Board.

STI outcomes for the cohort for 2026 can be seen in the table below:

Division	Number of 2026 STI participants	2026 target STI opportunity $m	Calculated 2026 STI $m	Actual STI as a percentage of target
Actuarial & investment services	22	0.53	0.55	104%
Financial control	46	0.55	0.64	115%
Internal audit	9	0.22	0.22	100%
Risk & compliance	21	0.42	0.37	88%
Total	**98**	**1.72**	**1.78**	**103%**

In line with our usual practice, the Board reviewed STI outcomes from a holistic perspective. Whilst acknowledging progress made during the year, the Board determined that opportunities existed to further strengthen elements of Medibank's risk management framework. Accordingly, the Board applied a 5% downward risk adjustment to one employee in the RFCP cohort and believes the outcome reflects overall performance for the year. As a result, the STI outcome for this employee was 49% of their maximum opportunity.

For employees in the cohort who participated in the 2024 LTI grant, the performance period ended on 30 June 2026. The Board determined it was appropriate to allow the LTI to vest in line with the terms of its grant, with a vesting outcome of 75.1%.

Section 2: Quantitative remuneration disclosures

Table 2: Remuneration outcomes for the financial year

Row	A$m	CEO	Other Senior Managers	Highly paid material risk-takers[5]	Other material risk – takers[5]
Fixed Remuneration					
1	Number of employees	1	12	-	-
2	Total Fixed Remuneration[1]	1.67	7.26	-	-
3	of which: cash based	1.67	7.26	-	-
4	of which: share-based awards	-	-	-	-
5	of which: other	-	-	-	-
6	Average % increase in total fixed remuneration (row 2) on previous financial year[2]	3.5%	-3.5%	-	-

Row	A$m	CEO	Other Senior Managers	Highly paid material risk-takers[5]	Other material risk - takers[5]
Variable Remuneration					
7	Number of employees eligible for variable remuneration	1	12	-	-
8	Number of employees that received variable remuneration	1	12	-	-
9	**Total variable remuneration**	**3.83**	**6.63**	-	-
10	of which: cash based[3]	1.11	2.80	-	-
11	of which: share-based awards[4]	2.73	3.83	-	-
12	of which: other	-	-	-	-
13	**Total variable remuneration (row 9) that has been deferred**	**2.73**	**3.83**	-	-
14	of which: cash based			-	-
15	of which: share-based awards	2.73	3.83	-	-
16	of which: other	-	-	-	-
17	Average percentage increase in total variable remuneration (row 9) on previous financial year	40.6%	38.4%	-	-
18	**Total remuneration (sum of rows 2 + 9)**	**5.50**	**13.89**	-	-

[1] Fixed remuneration includes base salary and superannuation earned during the financial year.

[2] This represents the year on year variation in total value for employees in the cohort.

[3] Cash portion of the FY26 STI.

[4] Equity awards that vested in the financial year which relate to the exercise of the first tranche of the 2024 Deferred STI award (including shares allocated as dividend equivalent for the deferral period as per plan rules) and the 68.6% vesting of 2023 LTI awards (granted December 2022) following the assessment of performance hurdles. The value of vested awards is calculated using the closing share price on the vesting date.

[5] No information has been disclosed for the Material Risk Taker cohort, as there were no Highly Paid Material Risk Takers and fewer than five other Material Risk Takers during the reporting period.

Table 3: Special payments

Row	A$m	CEO	Other Senior Managers	Highly paid material risk-takers	Other material risk-takers
1	Number of employees paid a guaranteed bonus	-	-	-	-
2	**Total guaranteed bonuses $**	**-**	**-**	**-**	**-**
3	Number of employees paid a sign-on award	-	-	-	-
4	**Total sign-on awards $**	**-**	**-**	**-**	**-**
5	Number of employees paid a severance payment	-	-	-	-
6	**Total severance payments $**	**-**	**-**	**-**	**-**

Table 4: Deferred and adjusted variable remuneration

Row	A$m	A Total amount of outstanding deferred variable remuneration post adjustments[1]	B Total amount of variable remuneration not deferred post adjustments[2]	C Total amount of downward adjustments to variable remuneration reported in columns A and B[3]
1	**Total CEO**	**7.85**	**3.83**	**0.08**
2	of which: cash based	-	1.11	0.05
3	of which: share-based awards	7.85	2.73	0.02
4	of which: other	-	-	-
5	**Other Senior Managers**	**14.83**	**6.63**	**0.20**
6	of which: cash based	0.19	2.80	0.14
7	of which: share-based awards	14.64	3.83	0.06
8	of which: other	-	-	-
9	**Highly-paid Material Risk Takers**	-	-	**-**
10	of which: cash based	-	-	-
11	of which: share-based awards	-	-	-
12	of which: other	-	-	-
13	**Total other Material Risk Takers**	-	-	**-**
14	of which: cash based	-	-	-
15	of which: share-based awards	-	-	-
16	of which: other	-	-	-
17	**Total (sum of rows 1 + 5 + 9 + 13)**	**22.68**	**10.46**	**0.28**

[1] Represents the value of deferred STI, including the deferred portion of the 2026 STI, and unvested LTI. The value of deferred STI performance rights is determined by the number of units at 30 June 2026 multiplied by the unit price at grant. The value of unvested LTI is determined by the number of units at 30 June 2026 multiplied by the fair value at grant.

[2] Cash portion of the 2026 STI and equity awards that vested in the financial year, which relate to the exercise of the first tranche of the 2024 Deferred STI award (including shares allocated as dividend equivalent for the deferral period as per plan rules) and the 68.6% vesting of 2023 LTI awards. The value of the vested equity awards is calculated using the closing share price on the vesting date.

[3] Downward adjustments applied to the 2026 STI outcomes.

In line with our usual practice, the Board reviewed STI outcomes from a holistic perspective. Whilst acknowledging progress made during the year, the Board determined that opportunities existed to further strengthen elements of Medibank's risk management framework. Accordingly, the Board applied a 5% downward risk adjustment to the STI outcomes of members of the executive leadership team and one additional Senior Manager and believes these outcomes reflect overall performance for the year. As a result, Senior Managers' STI outcomes averaged 55% of their maximum opportunity.