

X Co. Limited  
ACN 999 999 999

*X Co.  
Reward & Performance Management System  
(‘RPM System’)*

**SYSTEM MANUAL**

**BRASH CONSULTING** 

*Employee Share Ownership,  
Incentive & Performance*

Phone 03 9781 0021 Fax 03 9781 0028

E-mail [enquiries@brashconsulting.com](mailto:enquiries@brashconsulting.com)

Web [www.brashconsulting.com](http://www.brashconsulting.com)

# CONTENTS

<b>EXECUTIVE SUMMARY</b>	<b>1</b>
1. Why have a Reward and Performance Management System? .....	1
2. Broad Principles .....	1
3. Remuneration Policy .....	1
3.1 Fixed and Variable Components	1
3.2 Performance Assessment	2
3.3 Performance Benchmarks	2
<b>DESIGN OF THE RPM SYSTEM</b>	<b>3</b>
<b>PART A: RPM SYSTEM OVERVIEW</b> .....	<b>4</b>
1. Broad Design Objective .....	4
2. Reward .....	4
3. Performance Management .....	4
<b>PART B: REWARD</b> .....	<b>5</b>
1. Total Remuneration Package .....	5
2. Reward Breakdown .....	8
<b>PART C: PERFORMANCE MANAGEMENT</b> .....	<b>9</b>
1. Annual Performance Assessment .....	9
2. Annual Setting of Performance Benchmarks .....	10
3. Performance Management Breakdown .....	13
<b>HOW TO IMPLEMENT THE RPM SYSTEM</b>	<b>14</b>
<b>PART D: OVERVIEW OF RPM SYSTEM SPREADSHEET</b> .....	<b>15</b>
1. Sheet 1 – Remuneration Summary .....	15
2. Sheet 2 – Data Input Sheet .....	15
3. Sheets 3 and 4 – STI and LTI Performance Assessment Sheets .....	15
4. Packaging of Fixed Remuneration .....	16
5. STI and LTI Bonuses – When the Equity Component should be Granted .....	16
<b>PART E: HOW TO USE THE SPREADSHEET</b> .....	<b>17</b>
1. Overview of Data Entry .....	17
2. Data to be Entered at the Beginning of the Relevant Assessment Period .....	17
2.1 The Data Input Sheet	17
2.2 STI and LTI Performance Assessment Sheets	19
3. Data to be Entered at the End of the Relevant Assessment Period .....	21
3.1 The Data Input Sheet	21
3.2 LTI and STI Performance Assessment Sheets	21
3.3 Measuring Outcomes – The Remuneration Summary Sheet	22
<b>SCHEDULE 1: RPM SYSTEM SPREADSHEET</b>	<b>24</b>
<b>SCHEDULE 2: RPM BENCHMARK ALLOCATION SPREADSHEET</b>	<b>25</b>