



DUG SHORT TERM INCENTIVE PLAN

The Board has approved a new Short-Term Incentive Plan to:

- Reward eligible participants for their contribution in ensuring that DUG achieves its annual performance targets;
- Enhance DUG's opportunity to attract, motivate and retain high calibre and high performing executives; and
- Link part of executive remuneration directly with the achievement of DUG and individual key performance indicators (**KPI's**).

The Board has absolute discretion to determine the eligible participants for the Short-Term Incentive Plan. A total of 20 participants, including the Executive Directors, Leadership Team and other key employees, have been selected to participate in the FY21 plan.

Participants who resign or are terminated during a plan year are not eligible for any payments. All payments under the Short-Term Incentive Plan will be paid in cash.

In FY21, the Short-Term Incentive plan is based on the achievement of three key performance hurdles that are independently assessed, and carry the weighting outlined in the table below:

FY21 Short Term Incentive Performance Hurdles	Allocation
Third Party Revenue	20%
EBITDA Margin %	45%
Personal Target	35%

Payment for the achievement of the Personal Target is capped at 100%. The participant has the ability to earn base, median or stretch incentives based on the Financial Performance Targets set out below:

FY21 Short Term Financial Performance Targets	Base	Median	Stretch
Revenue Growth	10%	20%	30%
EBITDA Margin %	21%	23%	25%
% earned applied on a sliding scale	50%	100%	150%

Eligible participants under the Short-Term Incentive Plan can be measured on business unit targets or on the Company as a whole depending on their specific contribution.

In the event Financial Performance Targets are between the base and expected performance range, or expected and stretch performance range, the payment will be apportioned between the levels of performance. Payment on the achievement of Financial Performance Targets under the Short Term Incentive Plan are capped at 150%, with the exception of the Dr Lamont, Ms Bower, Mr Schwan and Dr Thompson who will be entitled to payments up to a maximum of 200%, if the financial stretch targets under the Short-Term Incentive Plan are exceeded.

General terms and conditions of the STI Plan

- Participation is by invitation to eligible participants;
- The specific terms of the plan are valid for twelve months;
- The plan year runs from 1 Jul to 30 June;
- The KPIs will be defined by Management and presented to the Remuneration and Nomination Committee for recommendation to the Board for their approval prior to the commencement of the plan year;
- Management will then communicate the approved KPIs to the eligible participants;
- Achievement of the KPI's outlined in the specific terms will be measured after the announcement of DUG's results to the ASX following each plan year;
- All payments under the STI plan will be paid in cash;
- Participants who resign or are terminated during a plan year are not eligible for any payments.