

Remuneration Disclosure 2024

Introduction

The following remuneration disclosure has been prepared by Auto & General Insurance Company Limited (**AGIC**), Auto & General Holdings Pty Limited (**AGH**) and its controlled entities and Compare the Market Pty Limited (**CTM**) (collectively the “**Group**”), in accordance with the Australian Prudential Regulation Authority’s (**APRA**) remuneration disclosure under Prudential Standard CPS 511 Remuneration (**CPS 511**).

Remuneration governance

Auto & General Insurance Company Board

AGIC Board is ultimately responsible for ensuring the management and effective governance of the Group. The AGIC Board is responsible for:

- the remuneration framework and its effective application
- approving the Remuneration Policy
- nominating or approving any specified roles
- approving variable remuneration outcomes for specified roles, including exercising discretion where required
- establishing a Remuneration Committee with appropriate skills, experience and expertise to exercise competent and independent judgement and risk management.

Where appropriate, the AGIC Board consults with the Board Remuneration & Nomination and Board Risk Committees, relevant CEOs, Group Chief Risk Officer and Company Secretariat, risk and financial control personnel, or any other party for input in the course of its duties.

The AGIC Board met 11 times during the 2024 financial year.

Board Remuneration & Nomination Committee

The AGIC Board has established the AGIC Remuneration & Nomination Committee, who have the appropriate skills, experience and expertise to exercise competent and independent judgement and risk management as they relate to the Group’s people policies. The Remuneration & Nomination Committee is responsible for:

- maintaining Group remuneration policies and practices
- conducting regular reviews of and make recommendations to the Board on the Remuneration Policy at least every three years or where there are any proposed amendments
- approving the total remuneration (including short-term and long-term incentive schemes) of specified roles
- approving all incentive schemes in the aggregate

- consulting with the Board Risk Committee, Board Audit Committee, relevant CEOs, Group Chief Risk Officer and Company Secretariat, risk and financial control personnel and any other party where appropriate; and
- meeting with APRA as required.

The AGIC Remuneration & Nomination Committee met seven times during the 2024 financial year.

Remuneration principles

The Group's remuneration framework is designed to:

- align to the Group's purpose and strategy
- align with enterprise Risk Frameworks, regulatory requirements and prudential standards
- foster equity and fairness
- attract and retain talent
- reward high performance and transparent accountability
- promote long-term sustainable decision making, appropriate behaviour and culture.

Remuneration framework

An overview of the Group’s remuneration framework is below.

AGIC Board and AGIC Remuneration & Nomination Committee Oversight			
Business strategy	Risk framework	Remuneration Framework	
		Remuneration policy	<p>Remuneration objectives and principles</p> <ul style="list-style-type: none"> ● Foster equity and fairness ● Attract and retain talent, as well as reward high performance and desired behaviours ● Promote long-term sustainable decision making <p>Remuneration design</p> <ul style="list-style-type: none"> ● Fixed remuneration (base salary, superannuation and any salary sacrificed benefits) ● Variable remuneration:
	Remuneration structure	<p>Performance management</p> <ul style="list-style-type: none"> ● Annual performance, salary and incentive review processes are implemented by CEOs under the Group, to align employees’ remuneration to the market, performance, conduct, risk taking and contribution to the long-term financial soundness of the Group. ● AGIC Board have ultimate authority and discretion to amend awards. 	<p>Consequence outcome</p> <p>The Group’s consequence management framework contains provisions that address conduct and consequence management.</p>
Governance framework			

Remuneration policy

The Group's Remuneration Policy sets out the remuneration framework, structure and processes to achieve the Group's remuneration objectives.

The remuneration framework is designed to reward for contribution in achieving the Group's strategic objectives, improving long-term financial sustainability and alignment with the Risk Management Framework and Risk Appetite Statement.

The Remuneration Policy outlines roles and responsibilities of the AGIC Board and AGIC Remuneration & Nomination Committee and the remuneration design and review processes.

Specified roles

The Group's Remuneration Policy outlines the positions that are considered specified roles (Key Management Personnel). These are:

- **Senior managers:** roles including Executive Chairman, Group CEO, CEOs, Group Chiefs and Directors.
- **Accountable Persons:** a person as defined by the Financial Accountability Regime with actual or effective senior executive responsibility for the management or control of the Group or a significant or substantial part thereof.
- **Material risk-takers:** a person whose activities have a material potential impact on the entity's risk profile, performance, and long-term soundness.
- **Risk and financial control personnel:** employees working in a risk, compliance, financial control, senior pricing roles, auditing or actuarial roles as identified from time to time and approved by the AGIC Board.

Remuneration structures

The Group offers variable remuneration at multiple levels of the organisation, to reward performance, align employees with business goals and motivate and retain key employees.

The key elements of the Group's remuneration structure for specified roles consist of:

Key element	Description
Fixed remuneration	<ul style="list-style-type: none"> Fixed remuneration comprises base salary, superannuation and any salary sacrificed benefits. Base salary reflects the size and complexity of the role, capability and experience of the individual, and scarcity in the market.
Variable remuneration	<ul style="list-style-type: none"> Variable remuneration is designed to reward performance and sustain the long-term financial performance of the Group. <p><u>Short-term incentive (cash)</u></p> <ul style="list-style-type: none"> Senior management are eligible to participate in the STI plan. The scheme rewards participants up to a set opportunity for each year, with the amount dependent upon performance. The STI is distributed dependent of the performance of the individual and the business, based on scorecard objectives, demonstration of Group behaviours and transformative initiatives and activities. A certain portion of the STI may be deferred. Employees in risk management, compliance, internal audit, financial control, and actuarial control roles within the Insurance Group Business have a differentiated incentive to ensure that they are not unduly influenced by the performance of the business activities they control. <p><u>Long-term incentive (equity)</u></p> <ul style="list-style-type: none"> Certain specified roles are eligible to accrue Service Units (SU) and Performance Units (PU), to the extent certain performance conditions are met. Units vest over a two-year period. The Plan aligns employees with the long-term growth of the company, as well as acts as a retention mechanism. <p><u>Other incentive arrangements</u></p> <ul style="list-style-type: none"> The Company may also offer other incentive arrangements from time to time, at the discretion of the Group or business unit CEO. These arrangements recognise alignment to the Group's values and achievements beyond the existing schemes.

Remuneration and risk management

The Risk Management Framework (RMF) is the totality of systems, processes and people which support the effective management of risk within the Group. A key element of the RMF is the Risk Management Strategy (RMS) along with the

Remuneration Framework. The RMS describes the strategy for managing risk, including its Material Risks to ensure that decisions are well informed and aligned to both achieving strategic objectives and within the approved risk appetite statement.

Consequence management

The Group maintains a consequence management approach whereby certain matters may lead to consequences depending on the impact to business, customers and employees.

Depending on the matter, the consequence may range from training and/or performance management to remuneration adjustments including clawback/malus or downward adjustments of variable remuneration.

Deferral

Deferral is applied to short and long-term incentives where:

- risk and conduct issues may crystallise in a period longer than one financial year
- the effect of decisions and conduct can only be assessed at a future date
- it's required to align with regulatory requirements.

In-period adjustment and malus

In-period adjustment and malus of incentive plans may be applied to proportionately adjust incentive payments for:

- misconduct leading to significant adverse outcomes
- a significant failure of financial or non-financial risk management
- a significant failure or breach of accountability, fitness and propriety, or compliance obligations
- significant error or a significant misstatement of criteria on which the variable remuneration determination was based
- Significant adverse outcomes, beneficiaries, or counterparties.

Clawback

The application of clawback can occur up to two years after vesting where:

- the figures impacting incentive calculation were incorrect, misleading or inflated
- fraudulent action, dishonesty, misstatements and/or omissions are uncovered
- any actions tarnished the reputation of the Group
- decisions were made outside of the employee's delegation or the Risk Framework
- any adverse outcomes crystallising in relation to decisions in the original performance period.