generation life

Generation Life Limited

CPS 511 Remuneration Disclosure

As at 30 June 2025

1 About this disclosure

Generation Life Limited (Generation Life) is an APRA-regulated life company and is classified as a non-Significant Financial Institution (non-SFI) under APRA Prudential Standard CPS 511 Remuneration (CPS 511). This disclosure outlines the governance, structure and key features of Generation Life's Remuneration Framework, consistent with CPS 511 paragraphs 1–20 and 74–98.

The disclosure applies to the financial year 1 July 2024 to 30 June 2025 (FY25) and covers remuneration arrangements for all employees, including those in Specified Roles as defined in CPS 511.

2 Remuneration Governance

Board oversight

The Generation Life Board is responsible for the Remuneration Framework and its effective application in accordance with CPS 511. The Board reviews the Framework annually to assess its effectiveness, alignment with the Risk Management Framework, and support for prudent risk-taking, sound conduct and long-term financial sustainability.

In FY25, the Board met 6 times, including 3 meetings at which remuneration matters were considered.

The Board approves remuneration outcomes for individuals in Specified Roles, individually for Senior Managers and Executive Directors, and on a cohort basis for material risk takers and risk and financial control personnel. The Board retains discretion to adjust variable remuneration downwards, including to zero, where appropriate to reflect financial or non-financial risk outcomes. The Board also sets clear expectations for conduct, accountability and risk management, ensuring remuneration practices reinforce a strong tone from the top.

Remuneration Committee

The Board is supported by the Generation Life Remuneration Committee (RemCo), comprising three independent non-executive directors and operating under a formal charter. In FY25, RemCo met 2 times.

RemCo oversees the design, implementation and effectiveness of the Remuneration Framework and monitors its compliance with CPS 511. It reviews and recommends the list of Specified Roles, oversees remuneration structures for these roles and considers variable remuneration outcomes to ensure they appropriately reflect performance, conduct and risk outcomes. RemCo has free and unfettered access to management, risk and financial control personnel, and may seek independent external advice where required. It also periodically assesses its own performance and governance effectiveness.

3 Remuneration Framework

Generation Life's Remuneration Framework sets out the structures, governance and policies that determine how remuneration is managed across the organisation. It applies to all employees and establishes additional prudential requirements for individuals in Specified Roles under CPS 511. The Framework ensures remuneration arrangements support prudent risk-taking, align with the Risk Management Framework, encourage appropriate behaviours and operate in accordance with prudential standards.

The Framework is designed to:

- Align reward with Generation Life's strategic objectives, business plan and long-term sustainability

- Ensure remuneration outcomes reflect financial and non-financial risk management, sustainable performance and long-term financial soundness
- Clarify accountability for remuneration decisions across governance bodies
- Mitigate conduct risk and support behaviours consistent with Generation Life's values

Key Components of the Remuneration Framework

Generation Life's remuneration framework comprises the following core elements:

- **Governance oversight** - The Board and RemCo oversee the design, operation and effectiveness of the Framework.
- **Remuneration Policy** - Establishes the structure, design principles and terms of remuneration arrangements, including fixed and variable remuneration, deferral requirements and risk adjustment mechanisms.
- **Performance and risk assessment** - Performance is assessed against a balanced set of financial and non-financial measures, including role-specific risk objectives.
- **Consequence Management** - Variable remuneration may be adjusted through in-period adjustments, malus or (where applicable) clawback to reflect risk outcomes, conduct issues or financial soundness considerations.
- **Disclosure and transparency** - Governance, structure and outcomes are disclosed in accordance with CPS 511.

Pay for Performance and Risk Alignment

Generation Life operates a pay-for-performance philosophy that balances reward with prudent risk-taking and expected conduct. Remuneration outcomes reflect:

- achievement against defined performance objectives
- demonstration of behaviours aligned with Generation Life's values
- adherence to risk management obligations
- the long-term financial soundness of the company.

A mandatory Risk and Values Gate applies to all variable remuneration and is assessed individually for each employee. Where the gate is not met, due to conduct concerns, risk issues or behaviour inconsistent with expectations, STI awards are not payable. Variable remuneration for risk and financial control personnel is structured to preserve independence and is not linked to the performance of business areas they oversee.

4 Remuneration Policy

The Remuneration Policy outlines the principles and governance of remuneration arrangements across Generation Life. It forms part of the broader governance and risk management framework and is reviewed regularly to ensure it remains effective, supports prudent risk-taking and complies with CPS 511.

Remuneration Design Principles

Remuneration arrangements are designed to:

- provide a market-competitive and equitable mix of fixed and variable remuneration
- support sustainable performance and long-term financial soundness
- incorporate non-financial measures reflecting risk management and conduct expectations
- align reward with prudent risk-taking
- consider the time horizon of risks through deferral mechanisms for Specified Roles

- enable downward adjustment of variable remuneration, including in-period adjustments, malus and (where applicable) clawback
- maintain the independence of risk and financial control personnel
- ensure transparency and strong governance over remuneration decisions.

Remuneration Components

Generation Life's remuneration arrangements comprise the following components:

Fixed Remuneration

Fixed remuneration is the guaranteed component of pay and includes salary, superannuation and packaged benefits. It reflects the skills, experience, responsibilities and market value of each role. Fixed remuneration is reviewed annually with reference to market benchmarks, internal relativities, performance and budgetary considerations.

Short-Term Incentive (STI)

STI provides variable remuneration linked to performance over a 12-month period. Outcomes are based on a balanced assessment of role-relevant financial and non-financial measures, including behavioural expectations and risk objectives. STI awards are discretionary and subject to the mandatory Risk and Values Gate; where the gate is not met, or where risk or conduct outcomes warrant, STI awards may be reduced to zero. For individuals in Specified Roles, STI awards may also be subject to deferral, malus and clawback in accordance with CPS 511.

Long-Term Incentive (LTI)

LTI awards align eligible senior employees with the long-term performance and sustainability of Generation Life. Awards are typically delivered in equity or equity-linked instruments and are subject to multi-year performance and service conditions. LTI arrangements promote long-term decision-making and risk management, support the retention of critical talent, and are subject to deferral, malus and (where applicable) clawback.

Specified Roles

Generation Life identifies Specified Roles annually in accordance with CPS 511. For FY25, the following positions were classified as Specified Roles:

Specified roles	Description of positions
CEO	The CEO, Head of Sales and MD of Generation Life Limited.
Senior Managers and Executive Directors	All members of the Generation Life Senior Management Team including: • Chief Financial Officer, and Head of Fund Operations • Chief Technology Officer • Chief Risk Officer, Head of Legal and Compliance and Company Secretary • General Manager, Retirement Solutions • Head of Products, and Head of Operations • Head of Investments • Head of Marketing
Material Risk Takers (MRT) & highly paid MRTs	MRTs and highly paid MRTs for FY25 are included in the Senior Manager category above.

Risk and Financial Control Personnel positions	Risk and Financial Control Personnel are employees whose primary responsibilities involve independent risk, compliance or financial control oversight in line with CPS 511.

Individuals in Specified Roles are subject to heightened prudential requirements, including deferral of variable remuneration, explicit non-financial risk measures in performance scorecards, and assessment of performance and risk outcomes prior to vesting. Their variable remuneration is also eligible for in-period adjustment, malus and, where applicable, clawback.

The Board approves remuneration outcomes for Specified Roles, individually for Senior Managers and Executive Directors, and by cohort for risk and financial control personnel.

5 Consequence Management

Generation Life maintains a structured consequence management approach to ensure remuneration outcomes reflect individual performance, conduct and risk outcomes. This approach reinforces Generation Life's values, Code of Conduct and Risk Management Framework and operates consistently with CPS 511.

Consequence options include:

- performance coaching and management actions
- formal disciplinary measures
- in-period adjustments to variable remuneration
- malus (cancellation of deferred, unvested variable remuneration)
- clawback (recovery of paid or vested variable remuneration, where applicable to Specified Roles)

These mechanisms ensure remuneration outcomes remain aligned with prudent risk-taking and long-term financial soundness.

6 Risk Adjustment and Outcomes

Variable remuneration may be reduced, including to zero, where warranted by financial or non-financial risk outcomes. Adjustments may take the form of in-period adjustments, malus or (for Specified Roles) clawback.

Triggers include:

- Misconduct and behaviour – misconduct leading to adverse outcomes, behaviour inconsistent with Generation Life's values, breach of duties or non-disclosure of conflicts.
- Risk management failures – significant failures in financial or non-financial risk management, failure to address audit findings, exposure beyond risk appetite or breaches of the Risk Management Framework.
- Compliance, legal and regulatory matters – significant compliance breaches, regulatory actions (such as directions or enforceable undertakings), or material errors affecting remuneration determinations.
- Financial soundness or organisational impact – unexpected adverse financial outcomes, operational losses, reputational damage or capital stress.
- Employment status and eligibility – termination for serious misconduct, failure to meet performance expectations or breach of conditions associated with deferred awards.

The RemCo reviews potential triggers and recommends risk-adjustment actions for individuals in Specified Roles to the Board.

7 FY25 Variable Remuneration Outcomes (Disclosure)

Generation Life completed its FY25 performance and remuneration review process in accordance with its governance requirements.

For FY25:

- Variable remuneration outcomes reflected balanced financial and non-financial measures, including risk and conduct objectives.
- All variable remuneration outcomes for individuals in Specified Roles were approved by the Board following recommendations from the Remuneration Committee.
- No risk adjustments, malus or clawback actions were applied in FY25.
- No remuneration elements for Specified Roles were withheld, deferred beyond scheduled requirements, or adjusted for financial soundness reasons.

Generation Life will continue to apply its structured risk adjustment process throughout FY26 to ensure remuneration outcomes remain aligned with prudent risk-taking and long-term sustainability.