



## 1. Introduction

- 1.1 The Remuneration Policy forms part of the Remuneration Framework; which support the delivery of the NobleOak strategy by promoting the effective management of financial and non-financial risks, sustainable performance, the entities long-term soundness and the prevention and mitigation of conduct risk.
- 1.2 Remuneration is overseen by the Nomination and Remuneration Committee (referred to as RemCo/NRC), a committee of the board of directors of NobleOak Life Limited ACN 087 648 708 (**Board**) (the **Company** and, together with its controlled entities, the **Group**).
- 1.3 The objective of the NRC is to assist the Board to ensure that the Group:
  - (a) has remuneration policies and practices that attract, motivate and retain talented employees who will create value for shareholders and who are appropriately skilled and diverse;
  - (b) observes those remuneration policies and practices;
  - (c) appropriately remunerates directors having regard for market remuneration structure and quantum;
  - (d) fairly and responsibly rewards executives having regard to market remuneration structures and quantum, along with Group and individual performance outcomes;
  - (e) appropriately assesses candidate suitability and remuneration prior to appointment to roles specified under this policy; and
  - (f) integrates human capital into its overall business strategy.

## 2. Remuneration Principles

In order to fulfil the role of the NRC set out above, its members must refer to the following principles when developing recommendations to the Board regarding remuneration:

- (a) the remuneration design is transparent and supports the attraction, motivation, engagement and retention of our high performing talent, whose behaviours align with NobleOak's culture and values;
- (b) the performance design demonstrates clear alignment between the Group's overall performance against the strategic objectives and the performance of individuals;
- (c) the remuneration design and opportunity is market competitive and aligned with stakeholder expectations;
- (d) pay mix is appropriate for the role, does not encourage excessive risk taking (or discourage appropriate risk taking within risk appetite) and in the case of risk and financial control personnel has a ratio of fixed to variable remuneration that ensures their independence is not compromised;
- (e) the remuneration complies with all relevant legal and regulatory provisions; and
- (f) the remuneration supports the risk management framework of the Company.

### 3. Remuneration packages

- 3.1 Remuneration may incorporate fixed remuneration and variable components with both a short-term and long-term focus.
- 3.2 In respect of **executive remuneration**, remuneration packages should include an appropriate balance of fixed and variable remuneration and may contain any or all of the following:
- (a) **fixed remuneration** – this should:
    - (i) be reasonable and fair;
    - (ii) take into account the Group's legal, regulatory and industrial obligations and labour market conditions;
    - (iii) be relative to the scale of the Group's business; and
    - (iv) reflect core performance requirements and expectations;
  - (b) **variable remuneration** – this should:
    - (i) take into account individual and corporate performance;
    - (ii) incorporate adjustments that reflect:
      - (A) the outcomes of the business activities of the Group; and
      - (B) the risks related to the business activities of the Group taking account (where relevant) of the cost of the associated capital and the time necessary for the outcomes of such business activities to be reliably measured;
    - (iii) be linked to clearly specified performance targets, which should be:
      - (A) aligned to the Group's short and long-term performance objectives; and
      - (B) appropriate to its circumstances, goals and risk appetite; and
    - (iv) be adjustable by the NRC downwards to zero if appropriate, where adjustments are necessary to:
      - (A) protect the financial soundness of the Group; or
      - (B) respond to significant unexpected or unintended consequences that were not foreseen by the NRC at the time of determining the variable remuneration.
  - (c) **equity-based remuneration** – this can include options or performance rights under the Company's equity-based plans and is especially effective when linked to hurdles that are aligned to the Group's longer-term performance objectives. However, they should be designed so that they do not lead to 'short-termism' on the part of senior executives or the taking of undue risks. An executive will only be eligible to participate in the Company's equity-based plans if they have been in employment with the Company for a period of at least three months; and
  - (d) **termination payments** – these should be agreed in advance, and any agreement should clearly address what will happen in the case of early termination. There should be no payment for termination as a result of misconduct.
- 3.3 Remuneration of specified roles will be reviewed on at least an annual basis with consideration given to individuals' performance and their contribution to the

- Company's success (against measurable key performance indicators), external market relativities, shareholders' interests and desired market positioning.
- 3.4 With respect to **non-executive director remuneration**, remuneration packages could contain cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity) and may contain any or all of the following:
- (a) **fees (including cash, superannuation and any salary sacrifice)** – these should reflect the time commitment and responsibilities of the role;
  - (b) **variable remuneration** – non-executive directors should not receive performance-based remuneration as it may lead to bias in their decision-making and compromise their independence;
  - (c) **equity-based remuneration** – from time to time non-executive directors may receive an allocation of fully-paid ordinary securities if shareholders have approved such an allocation in accordance with the ASX Listing Rules and provided that they have been engaged by the Company for a period of at least three months. However, non-executive directors generally should not receive options with performance hurdles attached or performance rights as part of their remuneration as it may lead to bias in their decision-making and compromise their independence; and
  - (d) **termination payments** – non-executive directors should not be provided with retirement benefits other than superannuation.
- 3.5 Remuneration of directors will be reviewed on at least an annual basis with consideration given to number and frequency of Board and Committee meetings, external market relativities, shareholders' interests and desired market positioning.
- 3.6 The following roles are specified under this policy:
- (i) a director of the Company or an entity within the Group;
  - (ii) an executive director or senior manager of the Company or an entity within the Group;
  - (iii) a material risk taker, being a person whose activities have a material potential impact on the entity's risk profile, performance and long-term soundness;
  - (iv) a highly paid material risk taker, being a material risk taker whose total fixed remuneration plus actual variable remuneration is equal to or greater than \$1 million AUD in a financial year;
  - (v) risk and financial control personnel, being those persons whose primary role is in risk management, compliance, internal audit, financial control or actuarial control; and for whom remuneration is considered on a cohort basis; and
  - (vi) all other employees as specified under regulation or otherwise covered by terms within this policy.
- 3.7 Employee of the Company or an entity within the Group who is in a specified role and receives equity-based remuneration is prohibited from hedging their economic exposure to the resultant equity price risk before the equity-based remuneration is fully vested and able to be sold for cash by the director or senior manager.
- 3.8 Should an employee be found to have breached the requirement set out in clause 3.7 then the following actions may be considered depending on the severity of the breach:

- (i) Reduction or zeroing of any STI bonus for that performance year; and/or
- (ii) Warning letter (which may include a 'first warning', or a 'first and final warning'); or
- (iii) Termination of employment.

3.9 Any performance based remuneration payable to key material service providers must be assessed under the NobleOak Outsourcing Policy and considered by the NRC.

## 4. Assessing remuneration and applying adjustments

- 4.1 The NRC will make a recommendation to the Board regarding the remuneration of roles or cohorts specified under this policy having regard to various factors including performance, market data, any recommendations made by the Chief Executive Officer of the Company and its executives, and any information provided by compensation consultants and internal and external legal, accounting or other advisers.
- 4.2 The NRC will also make a recommendation to the Board regarding the remuneration of non-executive directors having regard to, amongst other things, any information provided by compensation consultants and internal and external legal, accounting or other advisers.
- 4.3 In making recommendations to the Board the NRC must consider any Remuneration Risk Reports provided by the Chief Risk Officer, overall financial and non-financial risk outcomes and a review of individual conduct with reference to the Workplace Behaviour and Professional Standards policy.
- 4.4 The NRC and Board has the discretion to apply variable remuneration adjustments (including in-period adjustments, malus or clawback) and deferral (as defined in APRA CPS 511) where this is determined to be appropriate. The details and the processes supporting the requirements of CPS511 are set out in detail in the Remuneration Framework document..

## 5. Review of, and amendments to, this policy

- 5.1 The NRC will review this policy annually or as often as it considers necessary.
- 5.2 The Board may amend this policy from time to time by resolution.

## 6. Approved and adopted

This policy was approved and re-adopted by the Board on 23 November 2023.