

Trusted partner.
Proven results.

2024 Remuneration Disclosures

RGA Reinsurance
Company of Australia Ltd



2024 Remuneration Disclosures

1. Summary

- 1.1 RGA Reinsurance Company of Australia Pty Limited (**RGAA**) is an APRA-regulated life insurance company, registered under the Life Insurance Act 1995.
- 1.2 APRA Prudential Standard CPS 511 – Remuneration (**CPS 511**) requires APRA-regulated entities to make public disclosure of information relating to their remuneration framework and practices.
- 1.3 RGAA is a non-significant financial institution (**Non-SFI**) under CPS 511 and this disclosure is limited to the information required to be disclosed by Non-SFI entities.
- 1.4 This disclosure covers RGAA's 1 January to 31 December 2024 financial year.

2. Governance of Remuneration Framework

- 2.1 The RGAA Board (**Board**) is ultimately responsible for overseeing RGAA's Remuneration Framework and for approving RGAA's Remuneration Policy. The Board delegates operational oversight of the RGAA Remuneration Framework to the Board Remuneration Committee (**Remuneration Committee**), which comprises (including the Chair) Independent Directors who are also members of the Board.
- 2.2 The Board met seven times in 2024, and the Remuneration Committee met four times.
- 2.3 The members of the Board and the Remuneration Committee are members of the RGAA Board Risk Committee and regularly consult with, and have access to, all information within the control of the RGAA Chief Risk Officer and the Director of Human Resources to enable risk outcomes to be appropriately reflected in remuneration outcomes. These remuneration outcomes are determined by the Remuneration Committee at year-end as part of the annual performance and remuneration decision-making process.

3. Remuneration Framework

- 3.1 The objectives of RGAA's Remuneration Framework, which are embedded into its Remuneration Policy, are to:
 - provide fair and competitive total compensation opportunities that will attract, retain, and motivate high-performing individuals;
 - align compensation arrangements with RGAA's business plan, strategic objectives, and risk management framework;
 - reinforce RGAA's pay for performance culture by making compensation variable and based on financial, non-financial, and individual

performance, promoting the effective management of both financial and non-financial risks;

- support RGAA's culture of being Accountable, Client Centric, Inclusive, Innovative, Purpose Driven, and Trustworthy (**RGA Global Values**); and
- provide remuneration structures that encourage responsible management behaviour that supports the prevention and mitigation of conduct risk and the sustainable performance and long-term soundness of RGAA and the RGA Group.

3.2 RGAA's Remuneration Framework also aims to appropriately incentivise individuals to prudently manage the risks that they are responsible for and to ensure that there are appropriate consequences for poor risk management practices and/or poor risk outcomes. These incentives and consequences are part of the processes documented in the Remuneration Policy and include the Performance Management process, the Total Rewards Process, and the Remuneration Committee reviews.

4. Remuneration Structures

4.1 All persons who have entered into an employment agreement with an RGA entity covered by the RGAA Remuneration Policy (**RGAA Employees**) receive fixed remuneration (base salary and superannuation) and may also be eligible to receive variable remuneration (Annual Bonus Plan and/or Flexible Stock Plan).

Annual Bonus Plan

4.2. Eligible RGAA Employees participate in the Annual Bonus Plan (**ABP**). This is a completely discretionary, top-down pool-based plan which provides annual cash incentive compensation based on a combination of financial, non-financial, and individual performance.

4.3 Non-financial risks are incorporated in the ABP through the assessment of performance against relevant business unit and individual goals designed to protect, support, and enhance RGA's brand, client partnerships, regulatory position, specific role-related material risks, and other strategic priorities. Individual impact, behaviour, and conduct are assessed as part of individual performance. All performance assessments are undertaken as part of the RGAA Performance Management process, and the RGAA Board utilises this information when making decisions on variable remuneration for any RGAA employee.

Flexible Stock Plan

4.4 Senior executives and/or employees in select roles may be eligible to participate in RGA Inc.'s Flexible Stock Plan. This is also known as the Long-Term Incentive (LTI) Plan.

- 4.5 The Flexible Stock Plan links the intermediate and long-term financial performance of the RGA Group to rewards for top executives and senior leadership/expert roles to ensure their decisions and actions drive shareholder value and long-term sustainability. LTI targets are based on the role and level, experience, and long-term personal performance of participants. It provides for the award of various types of long-term equity incentives.
- 4.6 The terms and structure of the Flexible Stock Plan, including a vesting schedule of awards granted, are linked to the plan type awarded and are reviewed and amended from time to time.

Restricted Share Unit Award Program

- 4.7 Restricted Share Unit (RSU) Award Program offers discretionary one-time stock awards to a limited number of global employees who are not participants of RGA Inc.'s Flexible Stock Plan. RSUs were not awarded to any Specified Roles in 2024.

5. Specified Roles

- 5.1 RGAA's Specified Roles for the purposes of CPS 511 included the following roles in 2024: the Managing Director, Deputy CEO, Director of Business Development, Chief Financial Officer, Chief Risk Officer, Appointed Actuary/Chief Valuation Actuary, Chief Pricing Actuary, Chief Legal Counsel, Director of Human Resources, Financial Controller, and members of the RGAA Risk and Compliance Team.
- 5.2 The Remuneration Committee is responsible for the review, and recommendation to the Board for approval, of remuneration for Specified Roles, including new appointments.
- 5.3 Specified Role holders do not have different forms of remuneration structures to other RGAA employees covered by the RGAA Remuneration Policy, though due to seniority, they are more likely to have the Flexible Stock Plan as part of their remuneration.
- 5.4 RGAA will not accelerate the vesting of unvested variable remuneration for a person in a Specified Role who is no longer employed or engaged by RGAA unless the circumstances are permitted by CPS 511.

6. Adjustment or withholding of Variable Remuneration

- 6.1 RGAA will adjust or withhold payment of an RGAA Employee's variable remuneration if any of the following Downward Adjustment Criteria are satisfied or where the Board or Remuneration Committee determines that an adjustment to variable remuneration is necessary or desirable, including where an RGAA Employee is under investigation for one of the Downward Adjustment Criteria:

- misconduct by an employee that leads to significant adverse outcomes;
- an action or inaction by a person that causes or contributes to a significant failure of financial or non-financial risk management;
- an action or inaction by a person that causes or contributes to a significant failure or breach of accountability, fitness and propriety, or compliance obligations;
- a significant error or a significant misstatement of criteria on which the variable remuneration determination was based; or
- an action or inaction by a person that causes or contributes to significant adverse outcomes for RGAA's customers, beneficiaries or counterparties.

6.2 Where this occurs, RGAA may adjust variable remuneration:

- by reducing the value of all or part of any deferred variable remuneration before it has vested, settled, or been paid;
- during the period set for measuring the performance under a variable remuneration arrangement;
- in accordance with a determination made by the Board Remuneration Committee.

6.3 RGAA may also recover an amount corresponding to some or all of an RGAA Employee's variable remuneration where necessitated by the circumstances as set out above.

6.4 The Remuneration Committee is responsible for the review and consideration of any adjustment or withholding of variable remuneration, with the final decision to be made by the Board.

6.5 The Board has overriding discretion at each decision point to adjust variable remuneration for any RGAA Employee.

7. Conduct Requirements

7.1 All RGAA Employees, including those with no variable remuneration, and contractors, are subject to:

- legal and prudential obligations;
- RGA Group policies and procedures covering conduct and ethical standards, and
- may be subject to the requirements and standards of a recognised professional body.

Individuals that breach these conduct requirements may be subject to disciplinary action up to and including termination of employment or contract.