
GORDION RUNOFF LIMITED

REMUNERATION DISCLOSURES 2024

The disclosures in this statement have been prepared by Gordian RunOff Ltd (“Gordian”) in accordance with the Australian Prudential Regulation Authority’s Prudential Standard CPS 511 Remuneration (“CPS 511”) and reflect the remuneration framework and its application for Gordian’s 2024 financial year.

1. GOVERNANCE OF THE REMUNERATION FRAMEWORK

- 1.1. The Gordian Board is ultimately responsible for making decisions concerning remuneration arrangements and the effective application of the remuneration framework.
- 1.2. In the 2024 financial year, the Gordian Board was assisted by Gordian’s Board Remuneration Committee. The Gordian Board met four times and the Gordian Remuneration Committee met once in the 2024 financial year.
- 1.3. In addition to the Gordian Board Remuneration Committee, the Gordian Board seeks input from several sources in its annual determination of remuneration arrangements, including:
 - The Enstar Group Limited (“EGL”) Human Resources and Compensation Committee
 - The EGL Chief Risk Officer
 - The Enstar (EU)’s Chief Executive Officer
 - The Gordian Chief Executive Officer

The various sources provide support and recommendations to the Gordian Board including a comprehensive compensation risk assessment which is conducted by EGL’s Chief Risk Officer.

- 1.4. The Gordian Remuneration Policy provides a clear and comprehensive remuneration process in alignment with the CPS 511. The review of Gordian’s Remuneration policy is co-ordinated by the Gordian Chief Risk Officer, at least annually.
- 1.5. The Gordian Board has overriding discretion to adjust variable remuneration (downwards, including to zero) in consideration of various factors, including:
 - i. Misconduct leading to significant adverse outcomes.
 - ii. A significant failure of financial or non-financial risk management impacting Gordian’s reputation or long-term financial soundness.
 - iii. Significant adverse outcomes for customers, beneficiaries, or counterparties.
 - iv) Any other conduct the Board considers to be relevant.

2. DESIGN AND STRUCTURE OF REMUNERATION ARRANGEMENTS

- 2.1 Gordian’s Remuneration Policy is designed to:
 - Be appropriate for Gordian’s size, materiality and complexity.
 - Attract, develop, and retain the appropriate calibre of staff necessary to deliver the business strategy.

- Provide employees with a competitive and market-aligned remuneration package which includes remuneration made up of an appropriate balance of fixed and variable components.
- Create a strong positive performance ethic within a risk-aware environment.
- Reward achievement of meaningful goals and objectives that are aligned with Gordian's business plan, strategy and both financial and non-financial risk appetites over both the short and long term, whilst considering the performance of the company as a whole.
- Reflect Gordian's and EGL's objectives for sound corporate governance and risk management including not participating in excessive risk-taking and avoiding conflicts of interest.
- Be compliant with legislative and regulatory requirements.

2.2 Employees are subject to annual performance assessments based on a combination of financial and non-financial measures.

2.3 A separate risk compliance assessment is also mandatory for employees identified in the Remuneration Policy.

3. CATEGORIES OF EMPLOYEES COVERED BY THE REMUNERATION POLICY

3.1 **Specific roles:** Consistent with the requirements of CPS 511, as applicable to Gordian this includes the CEO, direct reports of the CEO, and anyone in a senior role with significant influence over risk and/or financial control functions, or any employee with a significant variable component of their total remuneration package.

3.2 The various remuneration components consist of the following categories, the Board is responsible for approving the remuneration arrangements for all categories for any in-scope employee, including:

- Fixed salary increases
- Variable remuneration made up of:
 - Short-term Incentive Plan
 - Long-term Incentive Plan
 - Any one-off type of variable remuneration payment

3.3 **Fixed Remuneration:** Staff members receive a fixed base salary which is determined primarily based on the role and position of the individual employee, reflecting professional experience, responsibility, job complexity, criticality or scarcity of skills and local market conditions. The fixed component represents a sufficiently high proportion of the total remuneration to ensure that conflicts of interest are avoided and excessive risk taking is not encouraged.

3.4 **Variable Remuneration:** Variable remuneration may be delivered via the Short-Term Incentive Plan and the Long-Term Incentive Plan. Variable remuneration is discretionary, not contractually obligated.

3.5 **Short-Term Incentive Plan:** Annual short-term incentive awards are influenced by Gordian's and EGL's financial, non-financial performance as well as the individual's performance against objectives. Financial measures selected are aligned with Gordian's and EGL's strategy and set so as not to incentivise inappropriate risk taking. Non-financial metrics will also have appropriate weighting in the assessment of performance. The EGL risk function provides input into the assessment of the measures and may recommend applying downward adjustments to consider exposure to current and future risks.

3.6 **Long-term Incentive Plan:** certain employees may be eligible for additional variable remuneration in the form of a long-term incentive. The Long-Term Incentive Plan is currently based on a three-year deferral period, with year one commencing the year following the performance period, and is aligned with the nature of the business, the risk appetite and the activities of the employees eligible. Traditionally this has been awarded in the form of EGL shares but is expected to be transitioned to a cash-based program beginning in 2026.

Employees are prohibited from engaging in short selling of EGL's shares or engaging in any hedging or derivative transactions.

3.7 Recoupment policy: Gordian has adopted the EGL Recoupment Policy. The Recoupment Policy provides that cash or equity incentive awards may be recouped, or "clawed back", where an employee engages in fraud, theft, misappropriation or embezzlement, or otherwise acts in a bad faith manner that damages or impairs the company's reputation or its business. Both short and long-term incentives are subject to the EGL Recoupment policy, which also covers recoupment or adjustment of unvested and deferred share awards due to breach and/or misconduct.

4. REMUNERATION PROCEDURES

- 4.1 As part of the annual performance assessment process, an annual calibrated performance review is completed to measure employee performance against objectives. This is a 3-tier process designed to reward sound decision making when evaluating performance outcomes.
- 4.2 The Gordian Board Remuneration Committee, which consists of three Independent Non-Executive Directors, meets at least annually to evaluate any recommendations specific to Gordian employees and to consider and approve final fixed remuneration, short-term incentive and long-term variable remuneration recommendations. They may also meet throughout the year, as required to consider additional compliance and good governance activities.

During the annual evaluation of remuneration, the Gordian Remuneration Committee will:

- Review the EGL Group annual pay planning process to ensure its appropriateness.
- Consider any budgetary constraints.
- Evaluate the performance review process that has been applied.
- Have regard to appropriate decision making and risk management when approving recommended awards.
- Consider any downward adjustments (including malus and clawback).