

### ***Chubb's Remuneration Policy***

Chubb Insurance Australia Limited (**Chubb**) has a robust remuneration governance framework overseen by the Board. This ensures that the remuneration arrangements are appropriately designed and managed and that the agreed frameworks and policies are applied and monitored across the company.

The Board has established the Nomination and Remuneration Committee (the **NRC**) to assist the Board with its obligations, as the main governing body for key people and remuneration items across the Company. The NRC is responsible for reviewing the Remuneration Policy regularly, but not less than annually.

### ***Managing Risk***

Chubb's Remuneration Policy forms part of Chubb's risk management framework. It ensures that Chubb remains competitive with respect to its remuneration arrangements so as to attract and retain the right talent and to be consistent with its culture, business plan and strategic objectives.

Separate arrangements exist for Chubb's non-executive directors.

### ***Remuneration arrangements for employees***

When considering the remuneration arrangements, Chubb will be guided by a number of remuneration objectives, including, for example, attracting and retaining high quality talent and ensuring the fair compensation of all employees. In order to achieve these objectives, Chubb's design and assessment of performance-based remuneration takes into account a number of factors.

The remuneration structure for employees of Chubb is comprised of a fixed component, including salary, statutory superannuation components and packaged benefits; and two performance-based components (an Annual Incentive Plan ('AIP'), which includes a cash reward to recognise a permanent employee's achievement of financial and non-financial objectives, and a Long-Term Incentive Plan (LTIP), whereby, for example, Chubb permits the granting of equity awards as a reward for relevant contributions, with a prohibition on hedging.

The distribution of bonus and equity pools to business units takes into account 'bottom line' underwriting result as well as 'top line' premium income and other non-financial measures.

Chubb refers to general insurance industry salary and benefits survey results as well as additional sector-specific data when determining an employee's remuneration.

The Board may apply 'clawback' and malus in respect of employees who have been responsible for a material breach, risk management failure or misconduct, or who have been terminated for cause (including dishonesty or serious and willful misconduct).

### ***Chubb's remuneration process for third parties***

When Chubb enters into a contract with a third party service provider, it must ensure that the contractual terms of the engagement and associated processes adequately address the risk that the service provider's compensation arrangements may create a material conflict with the terms of Chubb's Remuneration Policy. As such, an appropriate approval regime is in place to ensure such terms are in place.