Stewart Title Limited
Remuneration Disclosure 2024/2025

1. Stewart Title's Remuneration Disclosure

This Remuneration Disclosure is to document the remuneration objectives and the structure of remuneration arrangements of the Australian Branch of Stewart Title Limited "Stewart"). This Remuneration Disclosure forms part of Stewart Title Limited's *Risk Management Framework* in accordance with the Australian Prudential Regulation Authority (**"APRA"**) *CPS 220– Risk Management and Prudential Standard CPS 510 –Governance and Prudential Standard CPS 511 – Remuneration.*

2. Remuneration Objectives

Stewart has developed its remuneration structure in order to enhance Stewart's capacity to attract, retain and motivate competent and experience staff whilst at the same time managing the risks of remuneration arrangements which may place Stewart's financial soundness at risk. Stewart's remuneration framework is designed to promote effective management of financial and non-financial risks and provide remuneration outcomes which are commensurate with performance and risk outcomes.

The remuneration of the staff should be designed to achieve the following objectives:

- ensure that staff is fairly and responsibly rewarded in return for high levels of performance in the respective roles;
- support the prevention and mitigation of conduct risk;
- remuneration outcomes being commensurate with performance and risk outcomes;
- create a strong, performance-oriented environment whilst attracting, motivating and retaining talent;
- be consistent with the business plan of Stewart and risk-focused to promote sound and effective risk management;
- be aligned with the system of governance and incorporate measures that aim at avoiding conflicts of interest;
- support the prevention and mitigation of conduct risk, including discouraging risk-taking behaviour that is inconsistent with Stewart's risk management framework and risk appetite;
- encourages staff to operate the business in a sustainable manner in order for Stewart to achieve its strategic objectives;
- ensure that remuneration awards do not threaten Stewart's ability to maintain an adequate capital base; and
- ensure that Stewart maintains the ability to withhold, reduce, or reclaim variable remuneration payments in certain circumstances.

By aligning Stewart's Remuneration Policy with effective risk management, it is less likely that Stewart employees will have incentives to act in a manner that is inconsistent with the Stewart's risk appetite and contrary to the interests of stakeholders and policyholders.

3. Scope and Proportionality of the Remuneration Policy

The Remuneration Policy applies to all of Stewart's staff in Australia and/or personnel of third-party service providers. As with other aspects of Stewart's risk management framework systems, the Remuneration Policy, procedures and practices of Stewart are expected to be proportionate in recognition of the size, internal organisation and the nature, scope and complexity of its activities in the Australian market.

4. Role of the Stewart Title Limited Board

The Board is ultimately responsible for the overall governance, management and strategic direction of Stewart's operations in Australia. The Board have free and unfettered access to persons whose primary role is risk management, compliance, internal audit, financial control or actuarial control (whether internal or external) in carrying out their duties. The Board may engage third party experts as necessary to carry out the responsibilities outlined in this policy. The Board may determine the terms of engaging such experts to ensure that any advice received is independent.

The Board must approve the variable remuneration outcomes for persons within the Australian branch whose activities may in the opinion of the Board affect the financial soundness of Stewart and any other person specified by APRA.

The Board will review annually and make decisions on this Remuneration Policy. This review will include an assessment of the policy's effectiveness and compliance with the requirements of Prudential Standard CPS 511.

5. Remuneration Structure (Fixed & Variable Remuneration)

5.1 Fixed Remuneration

Fixed remuneration forms the basis of Stewart's overall remuneration structure and takes into account various factors, including the individual's skills, experience, role responsibilities, and market benchmarks. Reviews to fixed remuneration may occur periodically, generally annually, and will take into consideration factors such as market conditions, Stewart's financial performance, changes in responsibilities, and individual performance evaluations.

Stewart has adopted a simple remuneration structure of fixed remuneration with a small component of discretionary performance-based remuneration (bonuses) for all staff.

The payment of bonuses is entirely discretionary and will primarily be determined by the Board having regard to Stewart's financial performance in any given year. Staff employment contract terms reflect the discretionary nature of any performance-based bonuses which may be paid by Stewart.

5.2 Variable Remuneration

In addition to fixed remuneration, Stewart has implemented a variable remuneration component for certain key staff members (Accountable Persons) which is designed to align incentives with Stewart's financial performance, strategic objectives, and risk appetite.

Stewart's remuneration arrangements are designed to mitigate against any potential conflict of interest arising where variable remuneration is tied to profit. On this basis, risk and financial control personnel of Stewart are remunerated in such a way as to not compromise their independence in carrying out their functions or otherwise compromise the accurate and reliable reporting and calculation of measures of profit and loss.

In accordance with this Remuneration Policy, staff of Stewart will not be remunerated by way of:

- Equity or equity related components (including hedging uninvested or deferred equity)
- Equity options (deferred or otherwise)
- Executive lending or equity leverage arrangements
- Guaranteed incoming or terminating payments (other than those required according to law)

6. Variable Remuneration Risk Management (Deferrals & Adjustments)

Stewart may withhold, reduce, or reclaim variable remuneration payments in certain specified circumstances and Stewart maintains a clawback component within Stewart's remuneration framework.

Deferral of variable remuneration for staff members who are deemed to be Accountable Persons will apply to in accordance with the provisions of the Financial Accountability Regime (FAR) legislation.

In line with Stewart's overall risk appetite and low risk tolerance, variable remuneration may be withheld, reduced or clawback applied under the following conditions:

1) **Risk Mismanagement:**
   - significant failure of financial or non-financial risk management practices leading to significant adverse outcomes for customers, beneficiaries or counterparties, including, but not limited to, reputational damage and/or adverse regulatory findings and fines.

2) **Material Non-Compliance:**
   - a significant failure or breach of accountability, fitness and propriety, or compliance obligations leading to significant adverse outcomes, including, but not limited to, non-compliance with internal policies, industry regulations, or legal requirements, compromising the integrity and reputation of Stewart.

3) **Financial Misstatement:**
   - a significant error or a significant misstatement of criteria on which the variable remuneration determination was based.

4) **Conduct and Ethical Violations:**
   - Instances of unethical conduct, fraudulent behavior, or violations of our code of conduct that may have a significant impact on the organization's reputation and public trust leading to significant adverse outcomes for customers, beneficiaries or counterparties.

7. Consequence Management

Stewart's Consequence Management Policy sets out the framework and approach for managing consequences related to incidents of non-compliance with Stewart's internal policies, standards, relevant legislation and regulatory expectations by general staff and senior management.

Financial and non-financial consequence(s) of misconduct may include the following.

- Financial: May include adjustments to variable remuneration (in-period, deferred, malus, or clawback up to 100%) and/or termination.
- Non-financial: May include training, demotion, or increased oversight.

8. Remuneration Risk Management / Conflict of Interest

Stewart's remuneration arrangements are designed to mitigate against any potential conflict of interest. On this basis:

- individuals that establish, approve and review the Remuneration Policy and/ or remuneration contracts;
- persons remunerated for selling or underwriting significant new business that may impact the risk profile of the Company;
- staff involved in the Risk Management, Compliance, Internal Audit or Actuarial functions;
- Asset managers

are remunerated in such a way as to not compromise their independence in carrying out their functions or otherwise compromise the accurate and reliable reporting and calculation of measures of profit and loss.

No individual is to be involved in decisions relating to their own remuneration or where their interests might be affected. Stewart ensures that a balance between fixed and variable components of remuneration is maintained at all times in a manner that remuneration does not impair the staff's ability to act in accordance with the best interests of customers or prevent them from making a suitable recommendation or presenting information in a form that is fair, clear and not misleading.

No conflict of interest is to be permitted where the existence of such conflict would be to the detriment of Stewart's clients.

9. Third Party Service Providers

All remuneration (fees, profit shares, commissions) agreed with third party service providers shall be subject to a formal written contract. Before implementation, Stewart senior management shall ensure that the remuneration policy of the service provider in relation to the personnel that would be providing services to Stewart does not encourage risk-taking that is excessive, considers sustainability risks and that it is aligned to Stewart's risk management strategy and remuneration risk framework.

10. Remuneration Policy Framework

Stewart's Remuneration Policy is reviewed by the Board and the Australian Branch senior management team annually. At a minimum, the review considers whether:

- the established Remuneration Policy is achieving its objectives;
- pay-outs are appropriate and all relevant current and future risks are considered by the policy;
- the policy is undermined by actions of staff members;
- the solvency position, risk profile, long-term strategic objectives and goals of Stewart are adequately reflected; and
- Consistency with any group policies is achieved and maintained.

The Remuneration Disclosure Statement has been approved by the Board.