

CPS 511 REMUNERATION DISCLOSURE

For the year ended 30 June 2025

This Remuneration Disclosure has been prepared in accordance with the Australian Prudential Regulation Authority (APRA) Prudential Standard CPS 511 – Remuneration (CPS 511). All information presented in this disclosure was effective as of 30 June 2025. It provides an overview of Hostplus' remuneration policy, practices and governance.

1. Governance of the Remuneration Framework

Responsibilities of the Board and People & Remuneration Committee

In accordance with CPS 511, the Hostplus Board (Board) is accountable for the remuneration framework and its effective application. The Board is responsible for ensuring that remuneration arrangements are consistent with the size, business mix, and complexity of the Fund, and that they promote prudent risk management and sustainable performance. The Board sets the strategic direction and oversees the governance of Hostplus, ensuring that remuneration outcomes are aligned with performance and risk outcomes, and that they support the long-term soundness of the Fund.

The People & Remuneration Committee (PRC) is a subcommittee of the Board and assists the Board in fulfilling its responsibilities under CPS 511. The PRC oversees the design, implementation, and review of the remuneration framework, including variable remuneration arrangements. It ensures that remuneration structures are aligned with Hostplus' risk management framework, corporate values, and strategic objectives. The PRC also reviews remuneration outcomes for specified roles, including the CEO and senior managers, and makes recommendations to the Board regarding adjustments, deferrals, or clawbacks where appropriate.

The Risk and Compliance Committee (RCC) is another subcommittee of the Board who consults with the PRC to ensure there is appropriate alignment between risk, performance and remuneration outcomes.

The Board and PRC are responsible for reviewing the remuneration framework annually to ensure its continued alignment with CPS 511 and Hostplus' strategic objectives. This includes assessing the effectiveness of remuneration structures in promoting sound risk management, sustainable performance, and alignment with the Fund's risk appetite.

Supported by the Chief People Officer (CPO) and Chief Risk Officer (CRO), the PRC recommends remuneration outcomes to the Board, including any discretionary adjustments, deferrals, or clawbacks. These recommendations are based on a holistic assessment of performance, risk outcomes, and market conditions. The Board ensures that remuneration arrangements are proportionate to the complexity and scale of roles and that they support the long-term financial interests of members.

Composition of the Board and the People & Remuneration Committee

The Board comprises nine directors: three independent directors (including the Chair), three employer-nominated directors (nominated by the Australian Hotels Association), and three employee-nominated directors (nominated by the United Workers Union). The Board also has three Alternate Directors. This structure ensures balanced representation and supports effective governance in line with CPS 510 and CPS 511.

The PRC consists of three directors, including one independent director, one employer-nominated director, and one employee-nominated director. The PRC is governed by a Board-approved Terms of Reference and is structured to ensure independence and objectivity in its oversight of remuneration matters. The PRC conduct an annual review of their performance and compliance against their Terms of Reference to ensure they continue to operate effectively.

In FY25, the Board held eight meetings, and the PRC held five meetings. This meeting schedule reflects Hostplus' structured approach to remuneration oversight, ensuring that key decisions are made within a framework that supports sound risk management, performance alignment, and regulatory compliance.

Board oversight of remuneration policies and outcomes

Hostplus maintains a Remuneration Policy and Consequence Management Framework that are consistent with the requirements under CPS 511 and the Financial Accountability Regime (FAR). The Board, through the PRC, oversees the application of the policy and framework to ensure that remuneration outcomes are commensurate with performance and risk outcomes. The Board exercises discretion in determining remuneration outcomes by considering both financial and non-financial performance measures, including conduct, risk behaviour, and strategic contribution.

The Board may apply downward adjustments, including malus, clawback, and in-period adjustments, in response to misconduct, risk failures, or regulatory breaches. These tools are outlined in the Remuneration Policy and Consequence Management Framework and applied proportionately to the severity of the issue. The Board ensures that remuneration arrangements do not incentivise excessive risk-taking and that they support the prevention and mitigation of conduct risk. All remuneration decisions are made with reference to Hostplus' guiding principles of fairness, transparency, and alignment with member interests.

Collaboration with the Risk & Compliance Committee (RCC) and Chief Risk Officer

Hostplus fosters strong collaboration between the Board, PRC, and the RCC, to ensure that remuneration governance is integrated with risk oversight. The RCC provides oversight of the Fund's risk management framework and advises the Board on emerging risks, compliance matters, and risk appetite. The RCC and PRC hold an annual joint meeting to review the performance of relevant personal and determine remuneration outcomes. In FY25, this meeting was held in August 2024.

The CRO also plays a critical role in supporting the Board, PRC and RCC by providing expert advice on risk identification, mitigation, and the effectiveness of controls. The CRO regularly engages with both committees to provide insights into risk exposures, emerging threats, and provides key input in assessing whether remuneration outcomes reflect the risk-adjusted performance of individuals and the Fund.

This collaboration ensures that remuneration decisions are informed by a comprehensive understanding of risk and that appropriate consequences are applied for poor risk outcomes. The CRO's independence and direct access to the Board support the integrity of the remuneration framework and reinforce Hostplus' commitment to prudent governance under CPS 511.

External Advisors

During the financial year, Ernst and Young (EY) was engaged to provide market benchmarking data of fixed, and variable remuneration for the CEO.

2. Remuneration Framework

Guiding Principles

Hostplus' remuneration framework is guided by the principles of simplicity, consistency, fairness/equity, alignment with values, appropriate risk behaviour, and transparency. These principles ensure that remuneration arrangements are clear, equitable, and aligned with Hostplus' purpose and values. The framework supports the attraction, retention, and motivation of talent while reinforcing leadership, accountability, teamwork, and innovation. It is structured to reward superior performance and long-term contribution, with remuneration outcomes linked to individual, team, and business performance. The framework is primarily operationalised through the Remuneration Policy and the Consequence Management Framework.

Objectives

The objectives of Hostplus' remuneration framework are to ensure that remuneration:

- Facilitates the delivery of superior long-term results and strategic objectives for the fund.
- Promotes sound risk management principles for both financial and non-financial risks, sustainable performance and the business' long-term soundness.
- Supports the Fund's values and desired culture.
- Supports the attraction, retention, motivation and alignment of the talent we need to achieve our business goals.
- Reinforces leadership, accountability, teamwork and innovation.
- Aligns with the business plan, to the contribution and performance of the business, teams and individuals.

The remuneration framework emphasises the Fund's duty to act in members' best financial interests and aligns reward with the prevention and mitigation of conduct risk.

Alignment to Hostplus' Business Plan, Strategic Objectives and Risk Management Framework

The remuneration framework is intrinsically aligned with Hostplus' business plan and strategic objectives. It supports the achievement of long-term goals by linking remuneration outcomes to performance at the Fund, departmental, team, and individual levels. The Remuneration Policy and Consequence Management Framework ensure remuneration arrangements are structured to comply with both CPS 511 and FAR, and are integrated with Hostplus' Risk Management Framework, as required under SPS 220.

Decisions under the remuneration framework are made with due regard to Hostplus' risk appetite and includes mechanisms to adjust remuneration outcomes based on financial and non-financial risks. This ensures that remuneration supports sustainable performance and prudent risk-taking.

Management of financial and non-financial risks

Hostplus promotes effective risk management by using risk performance metrics, deferral arrangements, and remuneration adjustment tools such as malus, clawback, and in-period adjustments. These tools are embedded in the Remuneration Policy and Consequence Management Framework and are applied to variable remuneration to ensure outcomes are aligned with long-term soundness and do not incentivise excessive risk-taking.

The Short-Term Incentive (STI) scheme for executives and the Performance Linked Incentive scheme for employees both incorporate financial and non-financial performance criteria, including risk and compliance outcomes. The Board and PRC have discretion to adjust remuneration downwards, including to zero, in cases of misconduct, poor performance, or adverse risk outcomes.

Managing Conduct Risks

Conduct risk is addressed through multiple layers of the remuneration framework. Performance assessments include behavioural gateways and adherence to Hostplus' values. The framework incorporates role accountabilities under FAR, a Code of Conduct, and a structured performance management process.

The Remuneration Policy and Consequence Management Framework outline the triggers and processes for downward adjustments in cases of misconduct or breaches of accountability obligations. Variable remuneration must not vest while an individual is under investigation, and the Board retains overriding discretion to apply malus or clawback provisions where necessary.

Best financial interests of beneficiaries

As a Registrable Superannuation Entity (RSE) licensee, Hostplus is required to act in the best financial interests of its beneficiaries. The remuneration framework supports this obligation by ensuring that remuneration decisions are aligned with member outcomes, risk management, and long-term performance. The Board and PRC oversee the framework to ensure compliance with CPS 511 and that remuneration arrangements do not compromise the financial soundness of the Fund or the interests of its members.

The framework places emphasis on Hostplus' purpose, with remuneration outcomes designed to reflect the contribution of individuals and teams to the Fund's strategic and financial performance objectives, while maintaining a strong focus on member outcomes.

Key Policies

The key policies which codify Hostplus' remuneration framework are the Remuneration Policy and the Consequence Management Framework. Hostplus' Remuneration Policy and Consequence Management Framework apply to all Directors, C-Suite Executives, employees, persons retained directly by Hostplus under contract, and all other persons employed by, or who are contractors of a body corporate (including a service company) that is a related body corporate of Hostplus.

The PRC is responsible for regularly reviewing the Remuneration Policy and Consequence Management Framework and makes recommendations to the Board for approval for all remuneration related matters. The Board approves the Remuneration Policy annually, and Consequence Management Framework at least every 3 years to ensure it remains aligned to business needs and the guiding principles of Hostplus' remuneration framework.

Both documents were amended in FY25 to incorporate changes introduced under FAR. The changes related primarily to incorporating requirements for under the Financial Accountability Regime Act 2023, including minimum deferral requirements, variable remuneration, and appropriate consequence management for Accountable Persons. These requirements are aligned with those mandated by CPS 511.

Remuneration Policy

The Remuneration Policy sets out Hostplus' principles and practices for structuring and administering remuneration in a manner that supports sustainable performance, sound risk management, and alignment with member interests. It applies to all employees, directors, contractors, and individuals in Specified Roles or designated as Accountable Persons. The policy is designed to comply with APRA Prudential Standard CPS 511 and FAR requirements, incorporating mechanisms to adjust remuneration for financial and non-financial risk outcomes.

The policy defines the components of remuneration, including fixed pay, variable remuneration (such as short-term incentives), and other benefits. It establishes clear governance over remuneration decisions, with the PRC and the Board responsible for oversight, approval of key outcomes, and ensuring compliance with regulatory standards. Variable remuneration is discretionary and performance-based, with eligibility criteria linked to organisational, departmental, and individual objectives, as well as adherence to risk and compliance obligations. The policy sets out mechanisms to ensure that remuneration outcomes reflect long-term performance and accountability.

Consequence Management Framework

The Consequence Management Framework establishes Hostplus' structured approach to managing performance, conduct, and accountability issues through the application of financial and non-financial consequences. It is designed to ensure compliance with CPS 511 and FAR, forming an integral part of the organisation's remuneration and risk management frameworks.

The framework outlines a tiered process for assessing relevant matters, which may include breaches of the Code of Conduct, risk management failures, or other significant issues. It differentiates between processes for general employees, those in Specified Roles, and Accountable Persons - with the latter subject to heightened scrutiny and regulatory reporting obligations.

Consequences under the framework range from informal counselling, performance improvement plans, and termination, as well as financial adjustments such as malus, clawback, and deferral of remuneration. The framework also includes a Relevant Matter Matrix to guide proportional responses based on the severity of impact and level of accountability, while preserving Board discretion to modify outcomes.

CPS 511 Specified Roles

The following table sets out Hostplus' definitions of Specified Roles and the types of positions under each category:

Specified Role	Hostplus definition and types of positions
CEO	The CEO is the most senior executive at Hostplus and is responsible for the overall strategic leadership and management of the Fund.
Senior Manager	Hostplus defines a Senior Manager as a person (other than a director) who makes or participates in decisions that affect a substantial part of the Fund's operations, or who materially influences its financial standing. This includes members of the C-Suite Executive Team reporting directly to the CEO, being the Chief Investment Officer, Chief Risk Officer, Chief Financial Officer, Chief Technology Officer, Chief Member Officer, Chief Administration & Insurance Officer, and Chief People Officer.
Material Risk-Taker (MRT)	Material Risk-Takers are individuals whose activities have a material potential impact on Hostplus' risk profile, performance, and long-term soundness. Hostplus includes the Deputy Chief Investment Officers whose decisions directly influence investment outcomes and operational risk.
Highly paid material risk-takers	This category includes MRTs whose total remuneration (fixed plus variable) equals or exceeds AUD \$1 million in a financial year. Hostplus did not have any highly paid material risk takers in FY25.
Risk and Financial Control Personnel (RAFCP)	RAFCP includes individuals whose primary role is in risk management, compliance, internal audit, financial control, or actuarial functions. At Hostplus, this includes employees in the Risk (noting the Risk team includes individuals responsible for compliance activities) and Finance teams. These roles are critical to maintaining the integrity of Hostplus' risk and control environment.

Specified Roles are reviewed annually by the PRC to ensure alignment with CPS 511 definitions and Hostplus' risk profile. Inclusion is based on role impact, decision-making authority, and remuneration thresholds.

3. Design of Remuneration Plans

Fixed Remuneration

All specified roles may receive their fixed remuneration as cash, or cash with non-monetary benefits such as a parking benefit. Fixed remuneration is reviewed annually, or on promotion. It is benchmarked against market data for comparable roles in other superannuation funds with similar funds under management.

Variable Remuneration Plans

Hostplus offers variable remuneration primarily through STI plan for the CEO and permanent members of the C-Suite Executive Team, which fall under the CEO, Senior Manager, and Material Risk-Taker (MRT) categories as defined by CPS 511. Acting C-Suite Executives are not eligible to participate in the STI plan. At its discretion, the Board may extend a variable remuneration scheme to non-Executive employees, linking awards to both individual performance and the overall performance of the Fund. The PRC recommends to the Board which employees should participate in the STI plan, focusing on roles that individually or collectively influence the Fund's financial soundness. From time to time the Board may also make ad hoc payments to support the attraction and retention of key talent, this would be considered variable remuneration.

Risk and Financial Control Personnel (RAFCP) who report directly to Senior Managers as well as Acting C-Suite Executive are not eligible to participate in the STI plan. These employees may instead be considered for the Performance Linked Incentive Program; a discretionary scheme aligned with Hostplus' annual performance review process.

Short Term Incentive Plan (STI)

Eligibility

The CEO and Senior Managers (excluding Acting Senior Managers) are eligible to participate in the STI plan.

Purpose and Design

The STI is a discretionary, performance-based remuneration component designed to drive and reward short to medium term results, reflecting the level of risk across both financial and non-financial measures. Performance is assessed at multiple levels including individual, team, departmental and Fund.

Performance Scorecard

Hostplus has in place a process by which the Board assesses the CEO and the C-Suite Executive Team against group key performance indicators which consist of financial and non-financial metrics, including:

- Fund performance
- Member engagement / satisfaction
- Risk
- Employee engagement
- Successful delivery of strategic projects
- Role modeling of Hostplus values and behaviors

In accordance with CPS 511, non-financial measures must carry material weight to ensure sound risk management, compliance and governance.

Variable remuneration arrangements for all employees, including those applicable to Specified Roles, are subject to adjustment and/or deferral in accordance with CPS 511 requirements. Malus and clawback provisions will be applied where necessary to address risk or conduct concerns.

Performance Linked Incentive Program

Specified Roles who are not eligible to participate in the STI plan and RAFCP are eligible to take part in the Performance Linked Incentive Program.

The Performance Linked Incentive Program is established to recognise exceptional performance among the general employee cohort and all other Specified Roles who are not invited to participate in the STI plan. This discretionary program is directly linked to outcomes from the annual performance review process.

Upon completion of the annual performance review process, the Chief People Officer will present a consolidated report of overall performance scores. This review, conducted in consultation with the relevant C-Suite Executives, will consider each employee's alignment with Hostplus values, achievement of risk-related objectives, and comparative performance against peers. Employees identified as top performers will be recommended for consideration under the Performance Linked Incentive Program. This program recognises and rewards the top 15% of employees with a bonus of up to AUD \$12,000, based on calibrated performance outcomes.

Deferral Periods and Vesting Schedules

The Remuneration Policy establishes deferral and vesting requirements in line with CPS 511 and FAR. Where both frameworks apply, the more stringent requirements will be applied. Deferral obligations apply only when an individual's deferred variable remuneration exceeds AUD \$50,000 in a financial year.

Hostplus' policy prescribes that for variable remuneration awards made to Accountable Persons on or after 15 March 2025, at least 40% of variable remuneration must be deferred for a minimum of four years where the deferred amount exceeds AUD \$50,000. The deferral period commences on the latter of either the day following the decision that remuneration is conditional on or the start of the relevant performance period. It concludes at the earliest of four years after commencement, cessation of the accountable role due to death or serious incapacity, or circumstances prescribed by regulatory determination. If compliance with accountability obligations remains unresolved at the end of this period, deferral continues until a determination is made.

For the CEO, at least 60% of variable remuneration must be deferred over six years, with vesting occurring no faster than on a pro-rata basis and only after four years.

Senior Managers must defer at least 40% of variable remuneration over five years, with vesting similarly restricted to pro-rata and commencing after four years where the deferred amount exceeds AUD \$50,000. In all cases, the deferral period includes the performance assessment period and begins at the start of that period.

Acceleration of existing vesting schedules is prohibited, with exceptions applicable only in cases of death, serious incapacity, disability, or illness, where unvested amounts may be released as soon as administratively practicable at the discretion of the Board. Exceptions apply only in cases of death, serious incapacity, disability, or illness, where unvested amounts may be released as soon as administratively practicable at the discretion of the Board. Vesting must otherwise occur progressively on a pro-rata basis throughout the deferral period.

Risk and Financial Control Personnel

The variable remuneration of risk and financial control personnel is managed through a mix of fixed and variable remuneration arrangements. Their performance is assessed via financial and non-financial performance metrics at an organisational, departmental, team and individual level. Financial measures are predominantly around expenditure management and non-financial measures include risk, people, culture and business plan delivery.

The variable remuneration arrangement is via the Performance Linked Incentive program, which is administered at the discretion of the Board, subject to Fund performance. For Risk and Financial Control Personnel, CEO approved incentive payments will be recommended by the PRC and approved by the Board on an overall cohort basis.

Variable Remuneration Adjustments

Hostplus applies a range of remuneration adjustment mechanisms to ensure alignment with risk, conduct, and regulatory obligations under CPS 511 and FAR. The Board has the discretion to adjust performance-based components of variable remuneration downwards, to zero if appropriate, in relation to persons or classes of persons in circumstances due to Hostplus' capacity to pay such STIs or if such adjustments are necessary. These tools are designed to protect the financial soundness of the Fund and uphold accountability standards.

Hostplus employs four key remuneration adjustment tools which each serve a distinct purpose and is applied based on specific triggers.

- **In-Period Adjustments:** In-period adjustment refers to changes made to variable remuneration during the performance measurement period. This tool is used when adverse risk or conduct outcomes emerge before the end of the cycle. It is particularly relevant where early signs of misconduct, operational failures, or compliance breaches are identified, or when financial soundness concerns require immediate action. By applying adjustments within the performance period, Hostplus ensures that remuneration reflects real-time risk and conduct outcomes.
- **Malus:** Malus involves reducing the value of all or part of deferred variable remuneration prior to vesting. This tool is triggered when serious misconduct or breaches of accountability obligations under FAR occur, or when there is a significant failure in financial or non-financial risk management during the deferral period.

Other triggers include regulatory breaches, material adverse outcomes for members or counterparties, and the discovery of material misstatements in performance criteria. Malus ensures that unearned rewards do not vest when standards of performance or compliance are not met.

- **Clawback:** Clawback is the recovery of variable remuneration that has already been paid or vested. It applies for a minimum of two years post-payment or vesting and is generally limited to individuals in Specified Roles. Clawback is triggered when fraud, gross negligence, or serious misconduct is identified after payment. It may also apply in cases of significant regulatory breaches or reputational damage discovered after remuneration has been delivered. This mechanism reinforces accountability for actions that come to light after payment.
- **Downward Adjustments:** Downward adjustment is the reduction of performance-based components of variable remuneration, potentially to zero. It is applied when misconduct leads to significant adverse outcomes, when there is a major failure in risk management or compliance obligations, or when accountability and fitness standards are breached. Other triggers include significant errors or misstatements in remuneration criteria, adverse outcomes for customers or beneficiaries, and circumstances where financial soundness is at risk. Downward adjustment ensures that remuneration outcomes remain proportionate to the severity of risk and conduct failures.

All adjustments are made in proportion to the severity of a failure or breach, up to nil if appropriate. Importantly, adjustments can apply to remuneration from periods other than when the failure occurred, ensuring flexibility and fairness in addressing risk and conduct issues. Other non-financial consequences may also be applied where appropriate.

Remuneration outcomes for the financial year 24/25

\$m	CEO	Other senior managers	Highly paid material risk-takers	Other material risk-takers
Fixed remuneration				
1 Number of employees paid fixed remuneration	1	7	-	-
2 Total fixed remuneration	1.200	3.673	-	-
3 <i>of which: cash-based</i>	1.200	3.673	-	-
4 <i>of which: share-based awards</i>	-	-	-	-
5 <i>of which: other</i>	-	-	-	-
6 Average percentage increase in total fixed remuneration (row 2) on previous financial year	N/A	N/A	-	N/A
Variable remuneration				
7 Number of employees eligible for variable remuneration	1	7	-	-
8 Number of employees that received variable remuneration	1	6	-	-
9 Total variable remuneration	0.597	0.969	-	-
10 <i>of which: cash-based</i>	0.597	0.969	-	-
11 <i>of which: share-based awards</i>	-	-	-	-
12 <i>of which: other</i>	-	-	-	-
13 Total variable remuneration (row 9) that has been deferred	0	0	0	0
14 <i>of which: cash-based</i>	0	0	0	0
15 <i>of which: share-based awards</i>	0	0	0	0
16 <i>of which: other</i>	0	0	0	0
17 Average percentage increase in total variable remuneration (row 9) on previous financial year	N/A	N/A	N/A	N/A
Total remuneration				
18 Total remuneration (sum of rows 2 + 9)	1.797	4.642	-	-

Special payments

\$m	CEO	Other senior managers	Highly paid material risk-takers	Other material risk-takers
Guaranteed bonuses				
1 Number of employees paid a guaranteed bonus	-	-	-	-
2 Total guaranteed bonuses	-	-	-	-
Sign-on awards				
3 Number of employees paid a sign-on award	-	-	-	-
4 Total sign-on awards	-	-	-	-
Severance payments				
5 Number of employees paid a severance payment	-	-	-	-
6 Total severance payments	-	-	-	-

Deferred and adjusted variable remuneration

\$m	A Total amount of outstanding deferred variable remuneration post adjustments	B Total amount of variable remuneration not deferred post adjustments	C Total amount of downward adjustments to variable remuneration reported in columns A and B
CEO			
1 Total CEO	0.659	0.597	-
2 <i>of which: cash</i>	0.659	0.597	-
3 <i>of which: share-based awards</i>	-	-	-
4 <i>of which: other</i>	-	-	-
Other senior managers			
5 Total other senior managers	0.466	0.969	-
6 <i>of which: cash</i>	0.466	0.969	-
7 <i>of which: share-based awards</i>	-	-	-
8 <i>of which: other</i>	-	-	-
Highly paid material-risk takers			
9 Total highly paid MRTs	-	-	-
10 <i>of which: cash</i>	-	-	-
11 <i>of which: share-based awards</i>	-	-	-
12 <i>of which: other</i>	-	-	-
Highly paid material-risk takers			
13 Total other MRTs	-	-	-
14 <i>of which: cash</i>	-	-	-
15 <i>of which: share-based awards</i>	-	-	-
16 <i>of which: other</i>	-	-	-
Total			
17 Total (sum of rows 1 + 5 + 9 + 13)	1.125	1.566	-