

# ASX Announcement

1 July 2021

## GRANT OF PERFORMANCE RIGHTS

Generation Development Group Limited (**ASX: GDG**) ("**Company**") announces that it has granted 2,851,856 Performance Rights to Eligible Participants under the GDG Rights Plan (Plan), the principal terms of which are as follows:

<p>Plan overview</p>	<p>The board of directors of the Company (Board) may from time to time at its absolute discretion grant Performance Rights to any employee or contractor of the Company or its related bodies corporate that the Board determines eligible to participate in the Plan (Eligible Participant).</p> <p>A Performance Right confers on the holder an entitlement, upon vesting and exercise, to the value of a fully paid ordinary share in the Company (Share) which may be settled in the form of a Share or in cash at the discretion of the Board.</p> <p>Performance Rights are not quoted securities and do not carry a right to vote or to receive dividends.</p> <p>The purpose of the Plan is to link a component of a participant's remuneration to Company performance and to act as an attraction and retention strategy for key employees.</p>
<p>GDG Performance Rights (GDGAA)</p>	<p>The Performance Rights were granted on 30 June 2021 for nil consideration. They automatically vest and exercise for nil consideration on satisfaction of the Vesting Conditions, subject to the Board's discretion to determine otherwise in certain circumstances.</p> <p>In relation to 1,617,287 rights, the Vesting Conditions are the Company having achieved the indexed total shareholder return (iTSR) target and the earnings per share growth target (EPS) over a measurement period of three years commencing on 1 July 2021 and ending on 30 June 2024. A range of performance levels have been stipulated so that only a portion of the Performance Rights may vest unless the upper level or stretch target is achieved.</p> <p>The iTSR target will apply to 50% of the Performance Rights issued to a holder (tranche 1). The vesting of tranche 1 will be determined by comparing the Company's total shareholder return over the measurement period with the movement in the small industrials total return index over the measurement period.</p>

	<p>The EPS target will apply to the other 50% of the Performance Rights issued to a holder (tranche 2). The vesting of tranche 2 will be determined by the earnings per share growth of the investment bond and funds administration business during the measurement period.</p> <p>In relation to the remaining 1,234,569 rights, the Vesting Condition is the Company reaching a target FUM of \$700m for Generation Life LifeIncome within 3.5 years of the first policy being sold. A range of performance levels have been stipulated so that only a portion of the Performance Rights may vest if \$700m in FUM is not reached within the first 3 years.</p> <p>Further details will be included in the Company's 2021 Financial Report.</p>
Dealing / disposal restrictions	Performance Rights may not be disposed of or otherwise dealt with.
Termination of employment	Unvested Performance Rights held at the date of termination and granted in the financial year of termination will be forfeited in the proportion that the remainder of the financial year following the termination bears to the full financial year. All other unvested Performance Rights will be retained for possible vesting at the end of the measurement period according to whether the Vesting Conditions are satisfied.
Change of control	<p>Unless otherwise determined by the Board, in the event of a change of control, including a takeover, the unvested Performance Rights will vest in accordance with the application of the following formula (with negative results to be taken as nil):</p> <p><i>Unvested Performance Rights x 50%</i></p> <p><i>plus</i></p> <p><i>Remaining unvested Performance Rights multiplied by (share price at the change of control minus share price at commencement of measurement period) divided by share price at commencement of measurement period.</i></p>

An Appendix 3G in relation to the grant of these Performance Rights follows.

**Authorised by and contact for further information:**

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