generation development group

Proud owner of

generation life

EVIDENTIA GROUP

Lonsec

Annual Report 2026

Contents

Generation Development Group
ABN 90 087 334 370
ASX: GDG

One of Australia's leading financial services companies.

Founded in 1991, Generation Development Group Limited is an ASX listed company offering a diversified financial services business. As one of Australia's leading financial services companies, we're proudly ranked among the ASX Top 200, recognised for our exceptional growth, unwavering commitment to performance excellence, and a culture of innovation, integrity, and impact.

generation development group

Proud owner of

generation life EVIDENTIA GROUP Lonsec

Executive Chairman and Chief Executive Officer's Report

Mr Robert Neil Coombe
Executive Chairman

Mr Grant Hackett OAM
Group Chief Executive Officer

Strong growth and execution across multiple growth engines, underpinned by record FUM and inflows

Dear shareholders,

The 2026 financial year (FY26) was a year of strong growth and disciplined execution against Generation Development Group's long-term strategy, with Group funds under management reaching $46.5 billion, up 37% on the prior corresponding period[1].

As Australia's wealth, retirement and advice sectors evolved, advisers increasingly sought specialist partners to support retirement planning, tax-effective investment solutions, portfolio construction and investment governance. This supported growing demand for the Group's investment bonds, managed account and outsourced investment management capabilities, as well as its independent research, ratings and newly developed governance services.

Against this backdrop, GDG delivered another year of growth, increased scale across Generation Life, Evidentia Group and Lonsec Research and Ratings, while executing on its strategic priorities.

Underlying profit after tax increased to $40.7m, up 35%[1], supported by continued momentum in Generation Life, the first full year contribution from Evidentia Group and ongoing growth across Lonsec Research and Ratings. These outcomes demonstrate the benefits of GDG's increasingly diversified earnings profile, with growth now supported by multiple businesses, products and revenue streams.

Generation Life delivered another exceptional result, benefiting from growing demand for tax-effective wealth and retirement solutions. Funds under management increased to $5.95 billion, up 35% on PCP[2], while annual sales inflows reached $1.54 billion, up approximately 52% on PCP[2]. Reflecting continued adviser adoption, high customer retention and increasing demand for investment bonds, supported by Division 296[3] legislative changes, more frequent adviser masterclasses and broader demand for alternatives to traditional superannuation and trust structures.

Evidentia Group continued to strengthen its position as Australia's leading independent managed accounts provider. Managed accounts FUM[4] increased to $40.5 billion, up 37% on PCP[2], supported by strong net inflows, new client wins, expanded platform access and the successful integration of Evidentia and Lonsec Investment Solutions into a single scaled managed accounts platform, further strengthened through the acquisition of Encore Advisory. The business continues to benefit from structural growth in managed accounts, a market that is becoming increasingly important to advisers seeking scale, efficiency and investment governance support.

Lonsec Research and Ratings also delivered another year of strong performance. Product coverage increased to over 2,000 products, up 9% on PCP[2], while iRate subscribers increased 13% to 5,629. Continued progress across SuperRatings and Investment Governance Solutions reinforced Lonsec's position as Australia's leading independent research, ratings and governance businesses. These capabilities remain deeply embedded within adviser workflows and play an increasingly important role in supporting investment decision-making across the industry.

1. Percentage increase compared to FY25 reported Underlying NPAT of $30.2m.
2. PCP: Prior corresponding period refers to the 12 months to 30 June 2025.
3. Division 296 is an Australian federal tax law that commenced on 1 July 2026. It applies an extra 15% tax on superannuation earnings corresponding to the portion of an individual's total super balance above $3 million and an additional 10% (40% total effective rate) on balances exceeding $10 million.
4. FUM: Funds under management.

Collectively, these outcomes demonstrate the strength of GDG's diversified platform and our ability to execute consistently against our strategic priorities. We continue to benefit from multiple sources of earnings growth, strong strategic alliances and as scale builds across the Group, increasing operating leverage.

Encouragingly, many of the structural tailwinds supporting our businesses have strengthened during the year. The increasing focus on retirement income solutions, ongoing industry consolidation, proposed taxation reforms relating to trusts and capital gains and increasing governance requirements are driving greater demand for tax-effective investment structures and outsourced wealth infrastructure. We believe GDG is well positioned to capture these opportunities through Generation Life, Evidentia and Lonsec.

Importantly, GDG's FY26 results reflect the quality of our people and leadership teams. Across the Group, we continue to foster a culture built on accountability, curiosity and disciplined execution. As we scale the business, we believe these attributes will remain a critical source of competitive advantage and a key driver of long-term shareholder value.

During the year, Generation Life responded to a contained cyber incident that involved unauthorised access to a limited part of its network through a third-party service provider. The incident was quickly detected and contained, with no evidence of impact on Generation Life's core systems or unauthorised transactions, minimal operational disruption and no impact to Evidentia Group or Lonsec Research and Ratings systems.

GDG delivered another year of growth, increased scale across Generation Life, Evidentia Group and Lonsec Research and Ratings while executing on its strategic priorities

Executing for Scale

FY26 was a year of integration, execution and disciplined investment across the Group. Within Evidentia Group, we completed the integration of Evidentia, Lonsec Investment Solutions and Implemented Portfolios, progressed major client transitions, expanded tailored managed account capabilities and completed the Encore Advisory Services acquisition. At the Group level, we ended FY26 with 343 FTEs[5] which supports future growth and strengthens our capacity to execute on strategic priorities.

In Generation Life, we continued investing in Generation Life's technology infrastructure, new products and our Distribution team to support future scale, while Lonsec's investment in product development and governance capabilities supported continued growth.

Across the Group, these outcomes demonstrate the benefits of a more diversified earnings base, broader adviser relationships and increased position of strength for greater operating scale. They also reflect GDG's transition from a collection of specialist businesses into an increasingly integrated wealth platform.

While we are extremely pleased with the progress made in FY26, the opportunity ahead is supported by structural trends that continue to strengthen across retirement, advice, managed accounts and investment governance.

5. FTE represents full-time equivalent employees as at 30 June 2026.

Executive Chairman and Chief Executive Officer's Report continued

Structural Tailwinds are Strengthening

One of the key reasons we remain highly optimistic about GDG's future is that the structural drivers supporting our businesses continue to strengthen.

The introduction of Division 296[6], a new superannuation tax on earnings attributable to superannuation balances above $3 million, represents one of the most significant retirement savings reforms in decades. More than 90,000 Australians currently hold superannuation balances above $3 million, representing over $220 billion in assets. Over time, this population is expected to grow as wealth accumulates and retirement savings increase.

Simultaneously, broader policy discussions emerging from the May 2026 Federal Budget[7] around capital gains tax, trust taxation, negative gearing and wealth transfer arrangements continue to highlight the importance of tax-effective investment structures outside of superannuation. While many of these proposals remain subject to consultation and legislative processes, the direction of travel is clear: Australians are increasingly seeking greater flexibility, certainty and diversification in how they build and transfer wealth.

We believe Generation Life is well positioned to benefit in this environment. As advice becomes increasingly complex and clients place greater value on tax efficiency, the relevance of investment bonds has never been greater. Equally, the need for innovative, client-focused retirement solutions continues to grow as Australia's population ages and retirement needs evolve.

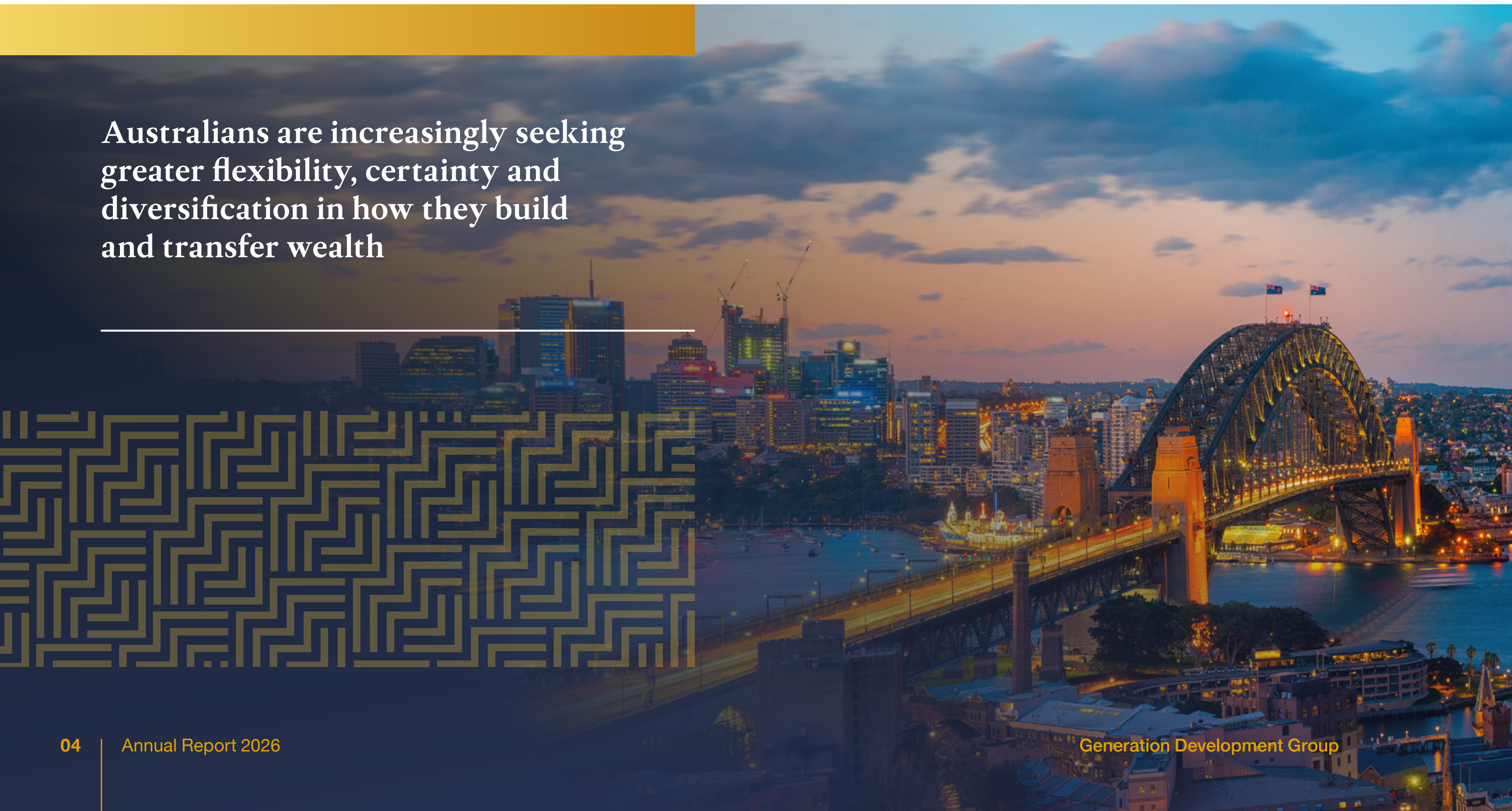
Building Australia's Leading Retirement Solutions Platform

During FY26 we continued progressing holistic retirement solutions with BlackRock and expanded institutional engagement with superannuation funds and platform providers. We were also pleased that Generation Life was selected by Colonial First State (CFS), which manages and administers more than $180 billion in investments, as its strategic retirement solutions provider, further broadening distribution opportunities into FY27 and beyond.

BlackRock's decision in FY25 to make its first Australian strategic balance-sheet investment into GDG was an important endorsement of GDG's vision and capabilities. More importantly, the alliance expands our capability to develop and distribute retirement solutions designed specifically for the evolving retirement needs of Australians.

While these initiatives remain in the early stages, we are encouraged by the progress made to date. Our focus remains on disciplined execution, product development and expanding distribution opportunities. We believe these strategic alliances have the potential to broaden access to retirement solutions while creating long-term value for shareholders.

6. Division 296 is an Australian federal tax law that commenced on 1 July 2026. It applies an extra 15% tax on superannuation earnings corresponding to the portion of an individual's total super balance above $3 million and an additional 10% (40% total effective rate) on balances exceeding $10 million.
7. The May 2026–27 Federal Budget introduced major structural reforms to negative gearing, capital gains tax (CGT), and trust taxation, effective from 1 July 2027.



Australians are increasingly seeking greater flexibility, certainty and diversification in how they build and transfer wealth

Managed Accounts: Scale Creates Advantage

The managed accounts sector remains one of the most attractive growth opportunities within Australian wealth management.

Industry forecasts continue to point to strong long-term growth, supported by increasing regulatory complexity, adviser demand for efficiency and greater adoption of professionally managed investment solutions. Over the past decade, Australia's managed accounts market has grown from approximately $18 billion to nearly $300 billion[8], with Evidentia the market leader by FUM[4].

Our acquisition of Evidentia and the formation of Evidentia Group, has created Australia's largest managed account business, more than double the size of its nearest competitor.

Scale is becoming an increasingly important competitive advantage in managed accounts, supporting deeper platform integrations, broader adviser engagement, stronger investment and governance capability and lower unit costs. These advantages benefit advisers and clients through improved service, enhanced portfolio solutions and more efficient access to high-quality outsourced investment solutions.

Our objective remains simple: to remain Australia's premier managed accounts and wealth platform partner.

Leadership for the Next Phase

As our organisation has evolved, so too must its leadership.

During FY26 we strengthened our Board and executive capability with the appointment of Shenaz Waples as a Non-Executive Director, Andrew Mellor as Group Chief Financial Officer and Louise Watson as Chief Executive Officer of Evidentia Group.

Shenaz brings deep experience across financial services, governance and risk, further strengthening the Board's capability and diversity. Andrew's extensive financial leadership experience enhances the Group's executive capability as GDG continues to integrate acquired businesses, invest for growth and execute on its strategic priorities.

Louise will commence in September 2026 and brings extensive experience across global and domestic investment management businesses, most recently country head of Natixis Investment Managers ANZ and previously with a number of leading global financial institutions. Her experience scaling investment businesses, deep distribution expertise and impressive track record of execution position Evidentia strongly for its next chapter.

Equally important is continuity.

Founder Peter Smith continues his active role across Evidentia Group and Generation Development Group, retaining his entrepreneurial expertise while adding additional institutional leadership represents an important combination for the Company's future growth.

A Platform Built for Long-Term Compounding

We continue to build a business characterised by recurring revenues, market-leading positions, attractive reinvestment opportunities and exposure to long-duration growth markets.

Our objective is not simply to grow larger, but to grow the quality and durability of earnings over time. It is to build a stronger, more resilient business capable of compounding value for clients, partners and shareholders over many years.

Looking Ahead

Our focus remains unchanged.

- We will continue executing in Generation Life's leadership position in tax-effective wealth solutions to redefine how Australians build and protect the wealth of each generation.
- We will continue scaling Evidentia's managed account platform to retain its leading position in managed accounts delivering an exceptional experience trusted by advisers and valued by investors.
- As Australia's most trusted research partner, we will continue expanding Lonsec's research, governance and ratings capabilities to bring clarity to complexity across financial services.
- We will continue to evaluate acquisition opportunities that align with our strategic priorities, are earnings accretive, capable of delivering 15–20% medium- to long-term earnings growth and benefit from strong market positions and favourable structural or regulatory tailwinds.
- We will continue allocating capital with a clear objective: investing in high growth opportunities and creating long-term shareholder value.

Australia's population is ageing. Retirement balances are growing. Tax and regulatory complexity are increasing. Advice businesses are consolidating. Managed accounts continue to gain share. Investors increasingly seek trusted partners to help navigate these changes.

We believe Generation Development Group is well positioned to benefit from each of these trends.

The transformation of GDG is well advanced. The opportunity ahead is, in our view, substantially larger.

Thank you for your ongoing support and partnership as a shareholder of Generation Development Group.

Robert Neil Coombe
Executive Chair

Grant Hackett OAM
Group Chief Executive Officer

8. IMAP/Milliman Managed Accounts FUM Census (June 2025); State Street/Investment Trends Australia Managed Accounts Report 2025

Key Group Highlights

(Unaudited)

generation life

$1.54bn

^ 52%

Investment Bonds gross inflows for 12-month period

59%

Of annual market inflows to Mar 26[1]

>15 years

Average investment term of total Investment Bonds on issue at 30 June 2026[2]

EVIDENTIA GROUP

$8.4bn

^ 14%

Managed Accounts net inflows for 12-month period

1.8x

2yr CAGR vs System[3]

$40.5bn

Managed Accounts FUM as at 30 June 2026

Lonsec

2,001

^ 9%

Products researched

5,629

^ 13%

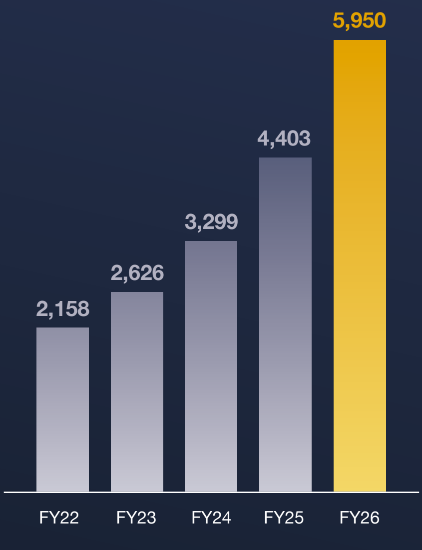
Total iRate subscribers

$129k

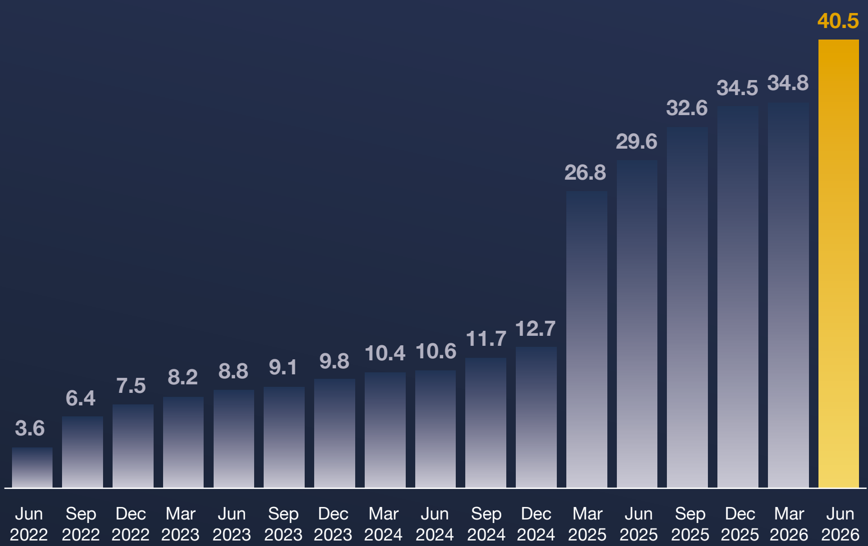
^ 9%

Average spend per active SuperRatings client

Investment Bonds Funds under Management ($bn)



Managed Accounts Closing Funds under Management[4]
Lonsec Investment Solutions and Evidentia



1. Plan for Life Investment Bond Report market share change between 30 March 2025 and 30 March 2026.
2. Investment term increased from 14.5 years reported in FY25.
3. 2-year System CAGR derived from IMAP data and Company estimates, 2-year Evidentia Group Managed Accounts CAGR calculated from reported Evidentia FUM data.
4. Generation Development Group acquired Evidentia Group Holdings Pty Ltd on 18 February 2025. Subsequent to, 18 February 2025, Evidentia Group has been combined with Lonsec Investment Solutions including Implemented Portfolios Ltd. Jun-24, Sep-24 and Dec-24 quarters exclude Evidentia as the transaction wasn't completed until 18/2/25.

Summary of Results

(Unaudited)

	2026					2025	Movement
	Group Services (Corporate) $'000	Benefit Funds Management & Funds Administration (Generation Life) $'000	Managed Accounts Business (Evidentia) $'000	Research and Ratings (Lonsec) $'000	Total Group $'000	Group[3,4] $'000	Group $'000
Life – Fees from Benefit Funds	–	59,256	–	–	59,256	44,055	15,201
Research and ratings	–	–	–	45,802	45,802	42,831	2,971
Asset consulting, investment management fees and investments solutions	–	–	58,451	–	58,451	35,412	23,039
Administration services	–	–	–	–	–	367	(367)
Other income	1,889	2,568	782	335	5,574	4,914	660
Life – Income tax benefit	–	13,512	–	–	13,512	13,718	(206)
Total revenue[1]	**1,889**	**75,336**	**59,233**	**46,137**	**182,595**	**141,297**	**41,298**
Employment expenses	(9,544)	(16,738)	(25,714)	(16,633)	(68,629)	(50,190)	(18,439)
Finance	(2,095)	(243)	(75)	(178)	(2,591)	(1,908)	(683)
Marketing and promotion	(125)	(1,885)	(399)	(841)	(3,250)	(2,109)	(1,141)
Depreciation and amortisation	(185)	(1,334)	(1,705)	(3,076)	(6,300)	(5,520)	(780)
Expenses relating to Benefit Funds	–	(11,254)	–	–	(11,254)	(7,785)	(3,469)
Other expenses	(2,578)	(20,696)	(7,607)	(5,506)	(36,387)	(28,077)	(8,310)
Total expenses[1]	**(14,527)**	**(52,150)**	**(35,500)**	**(26,234)**	**(128,411)**	**(95,589)**	**(32,822)**
Underlying profit/(loss) before income tax[2]	**(12,638)**	**23,186**	**23,733**	**19,903**	**54,184**	**45,708**	**8,476**

Notes:

1. Revenue and expenses reflected in the summary of results are attributable to the Shareholders of the Company.
2. Effective 1 July 2024, the Group formed a Tax Consolidated Group (TCG).
3. Effective 1 August 2024, the Group completed the follow-on acquisition of Lonsec Holdings Pty Ltd.
4. Effective 18 February 2025, the Group completed the acquisition of Evidentia Group Holdings Pty Ltd.

Summary of Results continued

(Unaudited)

	2026					2025	Movement
	Group Services (Corporate) $'000	Benefit Funds Management & Funds Administration (Generation Life) $'000	Managed Accounts Business (Evidentia) $'000	Research and Ratings (Lonsec) $'000	Total Group $'000	Group $'000	Group $'000
Income tax expense	4,405	(2,477)	(6,658)	(4,391)	(9,121)	(11,195)	(2,074)
Investment–linked lifetime annuity product – Lifeincome	–	(4,350)	–	–	(4,350)	(4,308)	(42)
Underlying profit after tax	**(8,235)**	**16,359**	**17,075**	**15,512**	**40,711**	**30,205**	**10,506**
Other Items							
Gain on remeasurement of interest in Lonsec	–	–	–	–	–	75,142	(75,142)
Remeasurement of contingent consideration	18,655	–	–	–	18,655	(48,028)	66,683
Amortisation of customer relationships & intangibles	–	–	(7,863)	(4,786)	(12,649)	(10,293)	(2,356)
Transaction costs including tax adjustment	(1,717)	–	–	–	(1,717)	(11,202)	9,485
Integration costs	(1,360)	(4,663)	(6,947)	(478)	(13,448)	(1,493)	(11,955)
Profit after tax (excluding AASB 17)	**7,343**	**11,696**	**2,265**	**10,248**	**31,552**	**34,331**	**(2,779)**
AASB 17 adjustments	–	378	–	–	378	1,143	(765)
Statutory profit after tax	**7,343**	**12,074**	**2,265**	**10,248**	**31,930**	**35,474**	**(3,544)**

	2026[4] $'000	2025 $'000
Cash, cash equivalents and investments – term deposits less than 3 months[1]	114,774	105,804
Income tax receivable	9,446	10,504
Trade and other receivables	9,739	8,082
Right-of-use assets	3,956	5,896
Property, plant and equipment and software	1,580	1,523
Software and other intangibles	223,158	238,996
Goodwill	517,079	515,765
Deferred tax assets	7,992	1,809
Financial assets[2]	–	1,175
Other assets	12,642	9,639
Total assets[3]	**900,366**	**899,193**
Trade and other payables	(21,074)	(91,341)
Lease liabilities	(4,982)	(7,033)
Provisions and other liabilities	(102,394)	(102,806)
Borrowings FY26	(40,000)	–
Total liabilities[3]	**(168,450)**	**(201,180)**
Net assets	**731,916**	**698,013**
Weighted average number of shares used for NTA purposes	398,694,551	328,889,264
NTA per share (cents)	(2.09)	(17.25)

Notes:

1. In prior period the cash and cash equivalents include $150m raised to fund the cash consideration portion and transaction costs associated with the acquisition of remaining shares in Lonsec Holdings Pty Ltd and became 100% owned subsidiary of Generation Development Group.
2. Term deposits greater than 3 months.
3. Assets and Liabilities reflected in the summary of results pertain to the Shareholders of the Company and excludes the assets and liabilities attributable to the policyholders of the benefit funds.
4. In FY25, the Group has consolidated with Lonsec Holdings Pty Ltd and Evidentia Group Holdings Pty Ltd businesses on a line-by-line basis.

Sustainability Report

About this report

Generation Development Group Limited (Group or GDG or Company) is pleased to present its first Sustainability Report (Report) for the financial period 1 July 2025 to 30 June 2026 (FY26). GDG is an ASX-listed diversified financial services group operating through three subsidiaries: Generation Life, Evidentia Group (Evidentia) and Lonsec Research and Ratings (Lonsec). Generation Life provides investment bonds and lifetime annuities; Evidentia provides managed account solutions for licensees, financial advisers and their clients; and Lonsec provides investment research, ratings and related insights. GDG's business is primarily service based, generating revenue from product administration, investment management, research and related services. While clients gain exposure to underlying investment assets through GDG's products and services, investment performance and associated investment risks are generally borne by policyholders and investors rather than GDG. This Report sets out the climate-related disclosures for GDG and its controlled entities and relates to the same consolidated reporting entity and reporting period as presented in GDG's FY26 financial statements. It should be read in conjunction with those financial statements.

Statement of compliance

The Report has been prepared in accordance with Australian Accounting Standards Board *(AASB) S2 Climate-related Disclosures* and the requirements of the *Corporations Act 2001* (Cth).

Basis of Preparation

As this is the first year in which the Group has applied AASB S2, it has applied the following transition reliefs for the first annual reporting period:

i. Not to disclose comparative information in this report; and

ii. Not to disclose Scope 3 greenhouse gas (GHG) emissions.

For the purposes of this Report, information is considered material where its omission, misstatement or obscuration could reasonably be expected to influence the decisions of primary users of the Group's general purpose financial reports.

This Report is intended to support stakeholders in understanding the Group's exposure to climate-related risks and opportunities (CRROs) and how these may impact the Group over time.

Limitations, judgements, estimates, and assumptions

This Sustainability Report may contain forward-looking statements and is prepared using management judgements and estimates. Forward-looking statements reflect the Company's views and assumptions regarding future events as at the date of this Report. Climate-related disclosures are subject to significant limitations, assumptions, and variables.

Judgements

Topic	Description
Identification of CRROs	The Group applied judgement to determine which CRROs and related information were relevant for disclosure, considering the impacts and dependencies that could reasonably be expected to affect its operations, products and services, financial position and performance.
GHG emissions	The Group applied judgement when selecting appropriate emission factors. Where factors were not available from applicable legislative or regulatory sources, the Group used factors from other credible and authoritative sources.
Scenario analysis	The Group applied judgement to choose scenarios covering different warming levels at 1.5 degree and well above 2.0 degrees Celsius and pathways for the transition to a lower-carbon economy.

Measurement uncertainty

Topic	Description
GHG emissions	GHG emissions measurement is subject to inherent uncertainty due to limitations in the availability and quality of underlying data, emission factors and estimation methods. The use of other reasonable emission factors or measurement approaches could result in materially different reported emissions.

Accordingly, actual outcomes may differ materially from those expressed or implied in this Report. Forward-looking statements are not guarantees or predictions of future events or performance. However, they are based on the best information presently available to GDG. Certain data, methodologies, assumptions, and processes underpinning this Report continue to develop and may be refined over time as the Group's climate-related governance and reporting capabilities evolve, and the effects of climate change become clearer. The Group is committed to continually strengthening our climate-related governance, risk management, data collection and reporting practices over time.

Section 1: Governance

1.1 GDG's climate-related governance framework, roles and responsibilities

GDG Board Oversees management of GDG for shareholders, approves the strategic plan and risk appetite.	**Membership** • GDG Directors
Audit, Risk and Compliance Committee Oversees climate-related disclosures and reporting and CRROs to GDG.	**Membership** • Independent Non-Executive Directors • Standing invite: Group CEO
GDG Management Committee Responsible for GDG's risk management framework and managing key risks, including CRROs.	**Membership** • Group Executive Committee • Head of Group Risk/Company Secretary, GDG • Other key executives as appropriate
Climate Risk Working Group Responsible for subsidiary level risk management framework and managing key CRROs at subsidiary level.	**Membership** • Head of Group Risk (Chair) • Subsidiaries' Chief Risk Officers • Heads of Risk and Compliance • Risk Specialists • Other key members as appropriate

1.2 Board committees

The Board has ultimate responsibility for oversight of GDG's CRROs alongside all risks. As part of its governance responsibilities, the Board annually reviews and approves:

- GDG's Risk Management Framework (RMF), including the Risk Appetite Statement
- GDG's approach to managing CRROs
- GDG's annual Sustainability Report.

During FY26, the Audit Committee operated under its existing mandate, which covered financial reporting and audit processes but did not include specific oversight of climate-related matters.

From FY27, the Audit Committee will be renamed the Audit, Risk and Compliance Committee (ARCC), and its mandate is planned to expand to include oversight of the Group's RMF. Its climate-related responsibilities are planned to include reviewing climate risk assessments, scenario analysis, climate-related disclosures, assurance readiness and the processes used to identify, assess and manage CRROs. The Board Charter is planned to be updated to formally reflect the Board's oversight responsibilities under the RMF.

The Board will retain ultimate responsibility for climate-related governance alongside all other risks. Following the finalisation of GDG's CRRO register in late FY26, in FY27, the ARCC is planned to report to the Board semi-annually on CRROs expected to affect the Group's prospects, reporting obligations, assurance outcomes and matters requiring the Board's consideration or approval. This arrangement is intended to support the Board's oversight by drawing on the ARCC's detailed review.

The expanded responsibilities for FY27 are expected to include oversight of climate-related matters, including:

- overseeing GDG's annual sustainability reporting obligations and recommending the Sustainability Report to the Board for approval
- overseeing independent audit and assurance processes relating to sustainability reporting
- reviewing and recommending GDG's Risk Appetite Statement and Risk Management Strategy to the Board for approval
- overseeing and monitoring CRROs
- reviewing CRROs which could reasonably be expected to affect the Group's prospects and recommending them to the Board for approval, where required
- approving the annual CRRO assessment.

1.3 Management committees

The GDG Management Committee (Committee) is a management-level forum that provides operational coordination between subsidiary risk forums and the Board. The Committee meets quarterly and is chaired by the Head of Group Risk/Company Secretary, GDG. Its members include relevant Group executives, subsidiary Chief Risk Officers, Heads of Risk and Compliance, and employees from subsidiary risk functions who report to their respective Chief Risk Officers.

During FY26, the Committee has overseen all categories of risk across the Group, including climate-related risks. Its responsibilities have included:

- reviewing subsidiary risk reports and identifying cross-group risk themes and concentrations
- monitoring compliance with GDG's risk appetite
- overseeing the implementation of risk treatment plans
- providing oversight of risks that are, or may become, outside Group Risk Appetite
- escalating material risks to the Audit Committee between scheduled quarterly meetings, where required
- overseeing the management of material incidents, compliance breaches and near misses.

At management level, in FY27, GDG plans to establish a Climate Risk Working Group (Working Group), which is planned to be led by the Head of Group Risk/Company Secretary, GDG, with support from the Chief Financial Officer. The Working Group is planned to be responsible for conducting climate risk assessments within each subsidiary and supporting reporting to the Head of Group Risk by providing relevant information and evidence. It will be involved in supplying the underlying data required for GHG emissions measurement and climate scenario analysis in the future.

In FY27, the Working Group is expected to meet semi-annually and report to the Committee, ARCC and Board through the quarterly Board reporting cycle. The Working Group will bring together risk and business expertise to review the CRRO Register, monitor the management of CRROs across the Group and undertake scenario testing, with external support where required. It will also review GHG emissions data, climate-related metrics and AASB S2 disclosure readiness as part of the annual reporting cycle. Material developments arising between meetings will be escalated as required; where no material developments occur, a separate climate-related update will not be provided for that quarter.

1.4 Management responsibilities

In FY26, day-to-day responsibility for identifying and assessing CRROs was delegated to the Head of Group Risk/Company Secretary, GDG, supported by management executives with defined climate-related responsibilities through the Committee. Management is responsible for operational delivery, including maintaining relevant data and documentation, coordinating internal reporting and supporting the preparation of climate-related disclosures.

During FY26, CRROs were incorporated for the first time into GDG's management-level risk processes, following a Group-wide review of identified CRROs. As the climate risk register was finalised late in FY26, the Board and the ARCC did not consider climate-related matters when overseeing strategy, major transactions or associated trade-offs during the reporting period. These matters will form part of their climate oversight processes from FY27.

1.5 Management controls and procedures

GDG has not set climate-related targets at this stage. Management's oversight of CRROs is supported by controls and procedures embedded within GDG's RMF.

Climate risk is treated as a material Level 1 Investment risk[1] within the RMF and is considered across relevant internal functions. GDG's risk management system enables documentation of climate-related risks, existing controls and mitigating actions and accountable risk owners.

1.6 Board skills and remuneration

GDG is committed to maintaining a Board with an appropriate mix of skills, experience and diversity to support effective decision-making, including oversight of CRROs.

In FY26, the Board completed a Board Skills Matrix, which identifies the skills and experience considered important to the Board's current and future responsibilities. The matrix supports the Board and its committees in discharging their responsibilities under their respective charters and provides visibility over the collective capability represented across Board members.

The FY26 Board Skills Matrix assessed sustainability and ESG as broad competency areas and indicated that the Board has appropriate collective experience in these areas. Climate-specific skills, including capabilities relating to the oversight of CRROs and response strategies, were not separately identified or evaluated.

During FY26, external consultants briefed the Board on AASB S2 reporting requirements and directors' responsibilities for climate-related financial disclosures. This strengthened the Board's understanding of its regulatory obligations and oversight role.

Recognising that climate governance expectations will continue to evolve, relevant training is planned to be provided to Board and ARCC members in FY27. Head of Group Risk/Company Secretary, GDG will also attend the Australian Institute of Company Directors' Climate Governance course. These initiatives will support continued capability development in relation to emerging CRROs and governance responsibilities.

The Board and management will continue to be supported by external consultants, advisers and subject matter experts as required, particularly as climate-related governance, risk management, reporting and assurance expectations continue to evolve.

1.7 Executive remuneration

The Remuneration and Nomination Committee is responsible for recommending and overseeing executive remuneration arrangements at least annually. The Remuneration and Nomination Committee reviews and recommends to the Board performance goals for the Group CEO and the Group CEO's direct reports.

The Group's executive remuneration framework does not include direct climate-related performance metrics. The Board and the Remuneration and Nomination Committee will continue to review and assess the measures within the remuneration framework to ensure alignment with the Company's strategic objectives and governance.

1. Investment risk is the risk of financial loss or adverse policyholder and client outcomes arising from investment decisions, portfolio management or market movements.

Section 2: Strategy

The Group is committed to ensuring that CRROs are appropriately identified, assessed and managed and that the business remains prepared to adapt to evolving climate-related developments where required.

GDG's CRRO assessment considered both direct corporate-level impacts for the Group, its subsidiaries, and value chain, including governance, compliance, reporting and operational obligations and indirect impacts arising through the Group's investment-related activities and underlying investment exposures. As noted earlier, while clients gain exposure to underlying investment assets through GDG's products and services, investment performance and associated investment risks are generally borne by policyholders and investors rather than GDG. This enabled GDG to identify where climate-related matters could potentially affect strategy, business model resilience, stakeholder expectations and outcomes for policyholders, clients and investors.

GDG's value chain is predominantly service based, with products and services delivered through employees, technology platforms, investment managers, advisers and distribution partners. Consequently, GDG's climate-related exposures are primarily indirect and arise through its operations, counterparties and investment-related activities rather than significant physical assets or emissions-intensive operations.

The roles and activities of the Group are outlined below.

Entity	Role in the Group	Activities
Generation Development Group	Listed parent company and corporate head office, providing strategic oversight, governance, risk management, capital management and corporate support across the Group.	Sets the Group's strategic direction, oversees subsidiary performance, allocates capital and supports Group-wide governance, risk, compliance, sustainability and reporting obligations.
Generation Life	Provides investment bonds and lifetime annuities designed to support tax-effective investing, wealth transfer, retirement income and long-term financial planning.	Develops and administers investment products through a structured fund-of-funds basis, working with financial advisers and platforms to provide policyholder investment solutions designed to meet client investment, wealth accumulation and retirement needs. Investment performance and associated investment risks are generally borne by policyholders and investors rather than GDG.
Evidentia	Provides managed account solutions for licensees, financial advisers and their clients.	Designs, manages and supports managed account portfolios, including portfolio construction, investment governance, administration support and reporting. Investment performance and associated investment risks are borne by GDG's clients rather than GDG itself.
Lonsec	Provides qualitative investment research, ratings and insights across financial products and investment strategies.	Conducts due diligence on investment products, fund managers and strategies, producing research reports, ratings and tools used in investment decision-making.

2.1 Climate-related scenario analysis

In late FY26, the Group engaged external consultants to perform (i) climate-related scenario analysis to explore its climate resilience; and separately (ii) identify and assess its CRROs across its Group and operations, which were reviewed and adopted by management as part of the preparation of this report.

As a diversified financial services company, GDG's operations are mainly office-based. Appropriate climate indicators and transition variables were identified for assessment purposes, covering both physical and transition-related risks.

The scenario analysis is qualitative and directional in nature, reflecting the uncertainty in which climate change may affect capital markets and investor behaviour as well as the interrelated effects of climate change on the broader economy and capital markets. The Group expects to further develop the sophistication of its scenario analysis over future reporting periods as methodologies, analytical tools and internal capability continue to mature.

The Network for Greening the Financial System (NGFS) climate scenarios was used as an external reference point because they provide a credible and widely recognised framework for assessing climate-related risks across the financial system.

The NGFS is a group of central banks and supervisors committed to sharing best practice, contributing to the development of climate and environment-related risk management in the financial sector, and mobilising mainstream finance to support the transition toward a sustainable economy. This makes the NGFS scenarios particularly relevant to GDG's business model and operating context as a financial services group.

The scenarios provided under the NGFS framework are also aligned with global climate-related risk management practices and broader international ambitions to support an orderly transition to a lower-carbon economy. They consider both transition and physical climate risks, including potential impacts from policy change, market adjustment, technology development, macroeconomic conditions and increasing physical climate impacts.

This provides a useful basis for assessing how different climate pathways may affect GDG's operations, investment activities and broader business strategy.

Climate-related scenario	Scenario description	Medium term	Long term
Low warming scenario **NGFS Net Zero 2050**	The NGFS Net Zero 2050 scenario represents an orderly transition pathway that limits global warming to 1.5°C through early, coordinated and increasingly stringent climate policy action. The scenario assumes a substantial reduction in greenhouse gas emissions, supported by changes in energy systems, technology, investment patterns and market behaviour. Under this pathway, transition risks are more immediate due to policy, market and technology changes, while longer-term physical risks are moderated compared with higher warming scenarios.	• Climate policy, market expectations, and disclosure requirements continue to strengthen. • Transition risks increase as companies respond to decarbonisation expectations, changing investor preferences, evolving regulation and shifts in capital allocation. • Low-emissions technologies, renewable energy, and electrification continue to scale, influencing customer expectations, investor products, and market demand. • Physical climate risks continue to emerge but are expected to be lower over time if global decarbonisation remains on track.	• The transition to a low-emissions economy becomes more embedded across financial markets, investment decision-making and customer expectations. • Transition risks may reduce for entities that adapt early, while slower-moving entities may face greater reputational financing, regulatory, and market risks. • Opportunities may increase for entities with credible transition strategies, climate-aligned products, resilient operations and reliable climate data systems. • Physical risks remain locked-in warming but are expected to be lower than under delayed transition or high warming pathways.

Climate-related scenario	Scenario description	Medium term	Long term
High warming scenario **NGFS Current Policies**	The NGFS Current Policies scenario assumes that only currently implemented climate policies are maintained, with limited additional policy ambition. This scenario represents a well above 2°C pathway, with emissions continuing to grow until around 2080 and global warming reaching approximately 3°C by 2100. As a result, the pathway is associated with severe long-term physical climate risks. Transition risks are comparatively lower in the near term, as policy and market changes are less stringent, but may increase over time if delayed or fragmented policy responses are introduced later.	• Climate policy ambition remains limited, with fewer immediate transition pressures than under a net zero pathway. • Fossil fuel use remains material across parts of the economy, and the pace of decarbonisation is slower. • Transition risks are moderate but continue through disclosure requirements, investor expectations, customer preferences, technology shifts and market developments. • Physical risks increase over time, including extreme heat, flooding, storms, asset damage, operational disruption, and high insurance costs.	• Physical climate risks become more pronounced as emissions remain above levels required for a low-warming pathway. • Acute and chronic climate impacts may increase, including infrastructure stress, productivity impacts, business interruption, higher operating costs and insurance availability or affordability pressures. • Transition risks may become more disorderly if future policy action is delayed, fragmented or introduced abruptly. • Adaptation, resilience investment, robust risk management and climate data capability become increasingly important to support long-term business resilience.

The Group's scenario analysis used 2040 and 2050 as reference points for assessing medium and long-term climate-related transition risks, respectively. These reference points align with the Group's planning horizons and commonly used policy and scientific milestones.

For the Group's defined short-term horizon, the analysis used qualitative, directional insights based on current conditions and observed policy and market trends across its operating jurisdictions. The assessment assumed that currently implemented climate, energy and emissions policies would remain in force, announced reporting and assurance requirements would proceed broadly as expected, and investor, adviser and customer preferences would continue to develop in line with observed market trends.

2.2 Climate scenario analysis findings

The CRROs have been categorised according to the scenario under which each risk is expected to have the most significant potential impact on us. The relevant time horizon over which these impacts may emerge is also outlined.

Scenarios	Climate risk or opportunity	Impact type	Time horizon: Short	Time horizon: Medium	Time horizon: Long
Net Zero	Emerging climate-related regulation may increase reporting and compliance obligations for GDG and its subsidiaries	Transition risk	●		
Net Zero	Delayed adoption of technology by underlying assets may affect their ability to provide credible, timely and relevant climate-related information to the Group	Transition risk		●	●
Current Policies	Changes in investor preferences and climate-related market uncertainty may affect demand for products, sectors or assets with higher climate exposure	Transition risk		●	●
Current Policies	Changing investor expectations and climate-related market uncertainty may affect investor confidence in GDG	Transition risk		●	●

Sustainability Report continued

2.3 Climate-related risks and opportunities

The Group conducted a CRRO assessment to identify and evaluate matters that could reasonably be expected to affect its prospects over the short, medium and long term.

The assessment was conducted in accordance with the Group's RMF, with input from internal and external subject matter experts. The process used qualitative insights to assess potential impacts on the Group's business model and operations strategy, decision-making, financial position, financial performance, and cash flows.

The Group considered CRROs across the following time horizons:

Short term, now – 2030: Aligned to the Group's budgeting, operational planning and divisional business planning cycles. This horizon supports assessment of CRROs that may affect the Group's operations, financial performance, compliance obligations and near-term business planning.

Medium term, 2030 – 2040: Aligned to the Group's medium-term strategic planning horizon and relevant policy, market and transition developments expected to emerge towards 2030. This horizon supports assessment of CRROs that may develop beyond the immediate planning cycle and influence strategic priorities, capital allocation, risk management and operational resilience.

Long term, 2040 – 2050: Aligned to the Group's longer-term strategic positioning, asset resilience and exposure to evolving transition and physical climate risks. This horizon supports assessment of CRROs that may materialise over extended timeframes, where regulatory expectations, market shifts and physical climate impacts may become more pronounced.

2.3.1 Financial effects

In late FY26, the Group's RMF was approved, establishing thresholds for identifying and assessing the financial, operational, legal and regulatory, customer and reputational impacts of risk.

For FY26, the Group qualitatively assessed the potential effects of its identified climate-related risks on its financial position, financial performance and cash flows, including the business areas most likely to be affected. This assessment did not identify any material effect on the Group's FY26 financial results or financial position.

There remains considerable uncertainty about how climate change will unfold and the impacts that could be experienced by GDG. A qualitative approach was therefore used because the timing, extent and financial consequences of climate-related effects remain uncertain across different scenarios. Accordingly, the level of measurement uncertainty involved in estimating the financial effects is so high that it limits the Group's ability to provide sufficiently reliable quantification of these effects on financial markets and GDG's business activities. In addition, the interaction between climate related effects and broader economic effects on capital markets means that the aggregated effects would not be useful to primary users of this report.

Business area	Type of risk/ opportunity	Description of risk	Time horizon	Potential business, financial or strategic impacts	Risk mitigants	Residual Risk Rating[2]
Corporate Financial Statement line items effected: • Other expenses • Operating cash flows • Distribution and dividend income • Revenue from contracts with customers • Revaluation of investments • Financial Assets • Intangible Assets • Investment contract liabilities	Transition risk	Emerging climate, energy, emissions and other related regulation that may increase operational, reporting compliance and assurance obligations for GDG and its subsidiaries.	Short	Increased scrutiny and regulatory requirements may require GDG and its subsidiaries to strengthen emissions reporting systems and capability, reduce emissions, and allocate additional financial and human resources to meet evolving climate and energy obligations. Failure to meet these obligations could result in regulatory scrutiny, reputational impacts, increased compliance costs or reduced stakeholder confidence, leading to a reduction in funds under management which is the principal driver of revenue for the Group.	• Monitor climate reporting and emissions-related obligations. • Maintain Board and management oversight of reporting readiness, supported by external advisers where required. • Continue measuring emissions to understand key emission sources and improve data quality.	Medium

2. Transition risks were considered on an inherent and residual risk basis.

Business area	Type of risk/ opportunity	Description of risk	Time horizon	Potential business, financial or strategic impacts	Risk mitigants	Residual Risk Rating[2]
	Transition risk	Changing investor expectations and climate-related market uncertainty may affect how investors assess GDG's governance, strategy, emissions management and transition planning.	Medium – long	GDG may face increased scrutiny from investors, analysts and other stakeholders for credible climate governance, emissions management, transition planning and other climate expectations. If expectations are not met, this could affect market and investor perception about investing through GDG, which may ultimately impact GDG's funds under management which are the principal driver of revenue, cost of capital, access to capital and valuation over time.	• Monitor investor, analyst and market expectations on climate-related matters. • Maintain clear, evidence-based climate disclosures and stakeholder engagement. • Maintain Board and management oversight of material climate-related matters.	Medium
Underlying assets Financial Statement line items effected: • Other expenses • Operating cash flows • Distribution and dividend income • Revenue from contracts with customers • Revaluation of investments • Distribution and dividend income • Financial Assets • Intangible Assets • Investment contract liabilities	Transition risk	Delayed adoption of technologies that improve efficiency, emissions reduction, data management or climate risk monitoring by entities in which GDG has invested client funds may result in competitive disadvantage, higher operating costs or reduced ability to provide credible, timely and relevant climate-related information to the Group.	Medium – long	Delayed technology adoption may affect competitiveness and emissions management of underlying assets within the funds under management. For GDG, the impact would be through investment performance, asset valuation or increased portfolio monitoring requirements. This could reduce the quality of climate-related data available to GDG, affecting reporting reliability and limit the Group's ability to assess CRROs across its investment portfolio leading to less informed investment decisions which may negatively impact facts under management.	• Monitor technology and data capability through climate due diligence and asset manager reporting. • Engage with underlying assets on climate data quality and reporting expectations. • Escalate material data or technology gaps for further review.	Medium
	Transition risk	Changes in investor preferences and climate-related market uncertainty may affect demand for products, sectors or assets in funds under management with higher climate exposure.	Short – long	This could affect asset valuations, portfolio performance, positioning, investment timing and outcomes for policyholders and clients across funds under management. This may impact GDG's trade volumes and revenue for certain types of investments as investment mandates for funds under management change.	• Monitor market demand and investor expectations through asset manager reporting. • Assess climate exposure and transition readiness through due diligence questionnaires. • Consider climate risk insights in investment decision-making where relevant.	Medium

The Group considers that there could be an opportunity for revenue and growth aligned to Generation Life's product lines over the longer term and it plans to monitor developments in the market, regulations and from investor sentiment, and will continue to consider climate-related matters as part of its strategic planning and product development evolution.

GDG has considered climate-related physical risks on an inherent and residual risk basis at both the corporate level and in relation to its underlying assets in its investment portfolios, noting that GDG's clients bear the underlying risk of performance of investments. This included considering the impacts of the physical hazards of bushfires, floods, tropical cyclones and storms on employee commuting, office access, and infrastructure in the cities in which GDG operates in (i.e. New South Wales, Victoria, South Australia and Queensland), the exposure of investment asset classes, and the impact of sustained temperature increases on mortality and morbidity rates over the long term. GDG concluded that physical risks are not reasonably expected to impact the prospects of GDG. GDG's business model is primarily based on providing investment management, administration and related financial services on behalf of clients. The financial risks associated with the performance of underlying investments, including losses arising from climate-related events, are generally borne by investors rather than GDG. This structure supports the resilience of GDG's business model by limiting its direct exposure to changes in the value of underlying assets.

2.4 Climate resilience

GDG recognises the importance of building resilience to climate-related risks and continues to explore opportunities to embed adaptation and resilience into its strategy. This includes identifying actions that support long-term business sustainability and strengthen the Group's capacity to respond to evolving CRROs.

2.4.1 Implications on strategy and business model

Although GDG does not have a standalone climate transition plan, GDG's business strategy includes measures that support the mitigation and management of climate-related and other risks, including:

- **Product and service innovation:** GDG continues to enhance its investment-linked and life products in response to evolving customer needs. This supports the opportunity identified in the Group's climate risk assessment to maintain readiness to develop low-emission products and climate-aligned investment options where customer, adviser and market demand emerges. Strengthening digital capabilities and adviser tools may also help GDG respond to changing investor preferences and climate-related market expectations, supporting its approach to addressing transition risks and opportunities associated with underlying assets.
- **Distribution and adviser relationships:** Lonsec strengthens the Group's connections with advisers, institutions and investment managers, providing insights into changing investor expectations, adviser needs and market demand. These insights support GDG's monitoring of transition risks relating to investor scrutiny and changing preferences for products, sectors and assets with differing levels of climate exposure. They may also inform future product development and the Group's response to demand for climate-aligned investment options, supporting its approach to addressing both corporate and underlying asset transition risks and opportunities.
- **Technology and operational efficiency:** GDG's technology investments focus on improving efficiency, scalability, data management and customer experience. Evidentia's data and analytics capabilities may strengthen investment insights, portfolio monitoring and decision-making. These capabilities respond to the identified risk that delayed technology adoption or inadequate climate data from underlying investments GDG make on behalf of clients could reduce competitiveness, constrain emissions and climate risk monitoring, and affect the reliability of climate-related reporting. Over time, they may also support the development and delivery of climate-aligned investment options where sufficient demand exists, supporting the Group's approach to addressing both corporate and underlying asset transition risks.

Climate scenario analysis supports GDG in understanding the potential impacts of different climate-related outcomes across short, medium and long-term time horizons. It also informs the Group's consideration of appropriate future actions to manage CRROs. Over the next 12 months, the Group intends to continue to explore the effects CRROs as the effects of climate change become clearer across its operations and value chain, and in turn the effectiveness of existing risk mitigants.

These actions support the Group's long-term resilience and position us to respond to evolving regulatory expectations, stakeholder demands and market opportunities associated with climate change.

2.4.2 Significant areas of judgements and uncertainties considered in the assessment of climate resilience

As part of the Group's climate resilience assessment, we used scenario analysis to assess key areas of uncertainty that may affect our ability to adapt and respond to identified CRROs. These uncertainties are relevant to understanding how different climate futures may affect the Group's business model, strategy, operations and value chain.

The scenario analysis considered two plausible climate futures. Through this process, GDG identified several areas of uncertainty that could influence its resilience and strategic response, including areas where judgement has been applied:

- **Policy and regulatory change:** There is uncertainty around the timing, scope and enforcement of climate-related regulations, including evolving sustainability related disclosure requirements.
- **Market dynamics and technology adoption:** The pace of innovation and adoption of low-emissions technologies, together with changes in customer, adviser and investor expectations, may affect the Group's product offerings, investment solutions and strategic decision-making. GDG's capacity to adapt its strategies and business model to address climate-related challenges and capitalise on emerging opportunities may influence its long-term resilience and competitiveness.

GDG's climate resilience depends on its ability to mitigate CRROs. This includes the capacity to respond to changes in global decarbonisation pathways, regulatory requirements, market conditions and stakeholder expectations. It is not expected that climate related matters will significantly alter the business model.

2.4.3 Financial flexibility

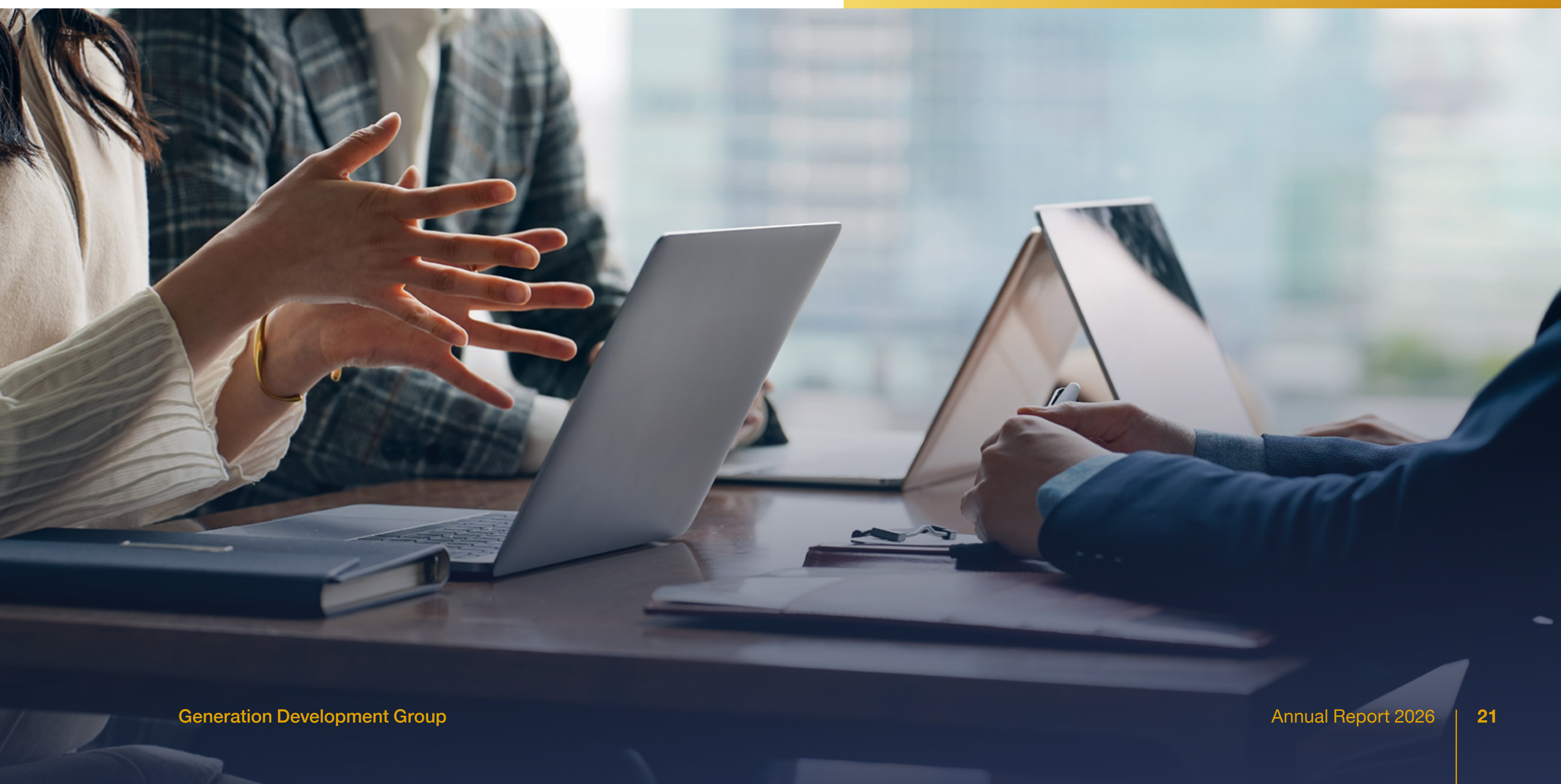
In assessing climate resilience, GDG considered the extent to which its capital management approach provides flexibility to respond to CRROs that may affect the Group's strategy, cash flows, access to finance or cost of capital over time.

2.4.4 Redeploying, repurposing and upgrading existing assets

As a financial services organisation, the Group does not directly own or operate significant physical assets in industries, sectors or locations exposed to climate-related physical or transition risks. Accordingly, the Group does not currently expect to require material redeployment or repurposing of assets in response to climate-related risks.

2.4.5 Investment in climate-related mitigation, adaptation and opportunities

In FY26, the Group did not invest in climate adaptation or mitigation measures, or on activities responding to identified CRROs.



Section 3: Risk Management

3.1 Risk management approach

GDG recognises the importance of maintaining a structured and appropriate risk management process to identify, assess, treat, monitor and report risks, including climate-related risks. This process applies consistently across the Group, with each subsidiary applying the methodology in a manner proportionate to the size, complexity and nature of its business.

The process is iterative rather than linear. Risks are reviewed through scheduled risk management activities and reassessed as business conditions, regulatory requirements, external developments or internal circumstances change.

The effectiveness of the process is not measured solely by whether risks are documented. It is measured by whether risks are proactively identified, understood, managed and, where required, escalated in a timely manner to support decision-making and maintain risk exposures within appetite.

3.1.1 Risk identification

Risk identification is a critical first step in GDG's risk management process. We use both top-down and bottom-up approaches to support the identification of material risks, including climate-related risks, regardless of where they originate.

The top-down approach involves identifying risks at Board, committee and strategic planning levels. The bottom-up approach involves risk and incident identification by management and employees across the business, including frontline teams. This combined approach is intended to support proactive identification and timely management of risks.

Risks are identified through a range of mechanisms, including:

- annual Board strategic risk reviews
- subsidiary risk reviews led by subsidiary Chief Risk Officers, Heads of Risk and Compliance, or equivalent risk specialists
- incident and near-miss reporting
- regulatory change monitoring
- external environment scanning, including market, economic, political, technology and climate-related developments
- targeted working groups and workshops, including the Working Group
- for Generation Life, actuarial risk identification through the Appointed Actuary's Financial Condition Report process.

For CRROs, this process was supplemented by climate-specific inputs, including scenario analysis, observed extreme weather trends, evolving climate-related regulation, market and investor expectations, technological developments and engagement with relevant Group and subsidiary risk representatives.

Identified risks are recorded in the GDG Risk Register. Where applicable, each risk is assigned a unique identifier, risk owner, risk category, sub-category, review or due date, and current controls. This supports consistent monitoring, accountability and escalation across the Group.

3.1.2 Risk assessment and rating

Once risks are identified, they are assessed to understand their significance and prioritise the appropriate response. Each risk is assessed by considering both likelihood and impact at two levels:

- **inherent risk**, before the application of controls
- **residual risk**, after existing controls are considered.

The difference between inherent and residual risk ratings informs management's view of the effectiveness of existing controls and the extent to which GDG relies on those controls to manage the risk. The use of a standardised assessment scale across GDG supports consistent evaluation, comparison and reporting of risks across subsidiaries and risk categories.

This assessment produces a risk rating of Low, Medium, High or Very High.

Likelihood is assessed using five bands, ranging from Rare to Almost Certain. Rare risks are those with a low probability of occurrence, such as less than a 5% chance of occurring or that may occur within a 10-year period. Almost Certain risks are those expected to occur frequently, such as those with more than an 80% chance of occurring or that may occur multiple times within the next year.

Impact is also assessed using five bands, ranging from Insignificant to Severe. An Insignificant impact may involve annual financial impacts of less than $100,000 and negligible effects on business operations, legal and regulatory matters, stakeholders, reputation or market share. A Severe impact may involve annual financial impacts greater than $5 million, together with serious impacts on business operations, legal and regulatory matters, reputation, market share or stakeholders.

3.2 Climate-related risk and opportunity assessment

In FY26, the Group conducted its first dedicated CRRO assessment to identify and evaluate physical risks, transition risks, and potential opportunities that could reasonably be expected to affect its prospects over the short, medium and long term.

Scenario analysis provided a directional basis for considering how different climate pathways could affect GDG's operations, subsidiaries and underlying investment exposures over time. These insights helped inform potential timing, likelihood and consequence of identified CRROs, particularly in relation to transition risks and emerging market opportunities.

The outcomes of the assessment informed the CRROs disclosed in Section 2.3 Climate-related risks and opportunities.

3.3 Internal validation and prioritisation

The identified CRROs were assessed and validated through an internal workshop attended by the Chief Financial Officer and Head of Group Risk/Company Secretary, GDG. The Chief Risk Officers of each subsidiary were also given an opportunity to review the outcomes and provide input.

Following validation, CRROs were assessed and prioritised with reference to GDG's risk assessment methodology and risk appetite. This process considered the nature of each risk or opportunity, the relevant business area, expected time horizon, existing controls and potential impacts on GDG's strategy, operations, investment exposures, financial position and stakeholders.

CRROs rated Medium and above were prioritised for disclosure and ongoing management attention. Lower-rated CRROs remain captured in the CRRO register and will continue to be reviewed as GDG's climate-related data, capability and understanding of potential impacts mature.

At the corporate level, ESG risks, including climate-related risks, are captured within GDG's Level 1 Strategic Risk[3] category. This reflects the risk that GDG's strategy, business model or competitive position may be adversely affected by external or internal factors, or by a failure to execute its strategy effectively.

At the underlying asset level, climate-related risks are considered within GDG's Level 1 Investment Risk[1] category, which may affect Generation Life and Evidentia. Investment risk refers to the risk of financial loss, or adverse policyholder and client outcomes, arising from investment decisions, portfolio management or market movements.

By mapping CRROs to existing Level 1 risk categories, GDG ensures climate-related matters are assessed, monitored and escalated through the same governance channels as other material risks under the Group's RMF. The status of identified CRROs, including related mitigation plans and any changes in risk profile, is planned to be discussed at semi-annual Working Group meetings and reported to the Committee.

3.4 Managing and monitoring climate-related risks and opportunities

CRROs are monitored and managed in accordance with GDG's RMF, supported by the following processes:

Risk Register and periodic reviews: Climate-related risks are recorded in the Group Risk Register and reviewed periodically to reflect changes in the Group's operating environment, regulatory landscape and risk profile. Climate-related opportunities are monitored through the Group's strategic planning and business development processes. Material changes in the nature or magnitude of an identified opportunity are reported to the Committee as part of scheduled management updates.

Management reporting: In accordance with the Group's RMF, the Committee provides reporting to the ARCC. Material matters are escalated to the Board, with ad hoc updates provided where significant developments arise between scheduled meetings.

Policy framework: The Group's RMF and supporting policies establish the controls and procedures for identifying, assessing, monitoring and treating CRROs across the Group's operations.

3. Strategic risk is the risk that GDG's strategy, business model or competitive position is adversely affected by external or internal factors, or by failure to execute strategy effectively.

Section 4: Metrics and Targets

4.1 Methodology for calculation of greenhouse gas emissions

GDG's Scope 1 and Scope 2 GHG emissions have been calculated in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (GHG Protocol).

For the purposes of this assessment, the Company applied the operational control approach to define its organisational boundary, consistent with the GHG Protocol. This approach was selected because it reflects the Company's operational structure and captures entities over which GDG exercises operational control.

Scope 1 and Scope 2 emissions were calculated using internal and external data sources, with consideration given to data quality, data availability and measurement uncertainty.

4.1.1 Greenhouse gas emissions

For this reporting period, Generation Development Group's total gross Scope 1 and 2 emissions are listed below. During FY26, the Company did not purchase renewable energy or enter any renewable energy contracts.

In FY26, GDG's Scope 1 emissions arose from refrigerant use associated with Group-owned and operated fridges provided for employee use in its offices. Activity data was based on the refrigerant type and charge capacity recorded for each relevant fridge. Fugitive emissions from refrigerants are determined by applying standard refrigerant leakage rates multiplied by the global warming potential applicable to the gas.

Scope 2 emissions arose from purchased electricity across the Group's offices in New South Wales, Victoria, South Australia and Queensland. Source data was obtained from electricity invoices. Scope 2 emissions are determined by multiplying electricity consumption by the applicable emission factors from the National Greenhouse Accounts.

GDG does not have any associates or other unconsolidated investees whose emissions are not included in the table below.

Scope	Absolute gross emissions (tCO_2-e)
Scope 1	0.00[4]
Scope 2 – location-based	117.78
Total Scope 1 and 2 – location-based	117.78

4. GDG's Scope 1 emissions were calculated as 0.000014 tCO_2-e. As emissions are reported to two decimal places, this has been presented as 0.00 tCO_2-e in the table above.

4.2 Other cross-industry metrics

4.2.1 Vulnerability of assets and business activities to climate-related physical and transition risks

The Group has not yet developed a methodology to quantify its vulnerability to the potential financial effects of the identified transition risks. The Group intends to progress this through the Working Group and relevant entities in future reporting periods. No material physical climate-related risks were identified for the Group's business activities or assets.

4.2.2 Alignment of business activities with climate-related opportunities

No assets or business activities were identified as aligned with a specific climate-related opportunity in the current reporting period.

4.2.3 Capital deployment

In FY26, the Group did not deploy any capital towards CRROs as the resources necessary are part of the ordinary course of business.

4.2.4 Internal carbon price

The Company does not currently apply an internal carbon price in its decision-making processes.

4.2.5 Remuneration

As mentioned in Section 1.7 Executive Remuneration, no portion of executive management or Board remuneration is linked to climate-related considerations or performance metrics in FY26.

4.2.6 Climate-related Targets

The Company has not set climate-related targets for the FY26 reporting period, including GHG-related targets. The Group considers that at least three consecutive years of data, trends and insights will be required before it can determine whether target setting is appropriate and, if so, establish a meaningful target.

Independent Auditor's Review Report

Independent Auditor's Review Report

To the shareholders of Generation Development Group Limited

Report on specified Sustainability Disclosures of Generation Development Group Limited presented in the Sustainability Report titled "Sustainability Report" prepared in accordance with the Corporations Act 2001

Review Conclusion on specified Sustainability Disclosures as required under the Corporations Act 2001

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Generation Development Group Limited titled "Sustainability Report" for the year ended 30 June 2026 in accordance with Australian Standards on Sustainability Assurance (ASSA) 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB).

specified Sustainability Disclosures subject to review	***Reporting requirement of Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) (the Criteria)***	***Locations in Sustainability Report***
Governance disclosures	*Paragraph 6*	*Section 1 "Governance"*
Strategy (risk and opportunities) disclosures	*Subparagraphs 9(a), 10(a) and 10(b)*	*Section 2.3 "Climate-related risks and opportunities"*
Scope 1 greenhouse gas emissions	*Subparagraphs 29(a)(i)(1) to (2) and 29 (a)(ii) to (v)*	*Section 4 "Metrics and Targets" Subsections:* • *4.1 Methodology for calculation of greenhouse gas emissions* • *4.1.1 Greenhouse gas emissions*
Scope 2 greenhouse gas emissions		

The requirements of AASB S2 identified in the table above form the Criteria relevant to the specified Sustainability Disclosures subject to review and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the specified Sustainability Procedures in the table above do not comply with Division 1 of Part 2M.3 of the Corporations Act 2001.

Independent Auditor's Review Report continued

Basis for Conclusion

Our review has been conducted in accordance with ASSA 5000 *General Requirements for Sustainability Assurance Engagements* issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures subject to review are free from material misstatement.

In applying the relevant Criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the "Summary of the Work Performed in our Review" section of our report. Our responsibilities under ASSA 5000 are further described in the "Auditor's Responsibilities" section of our report.

We comply with the independence and other ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited.

Our firm applies Auditing Standard ASQM1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, issued by the AUASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

The Directors of Generation Development Group Limited are responsible for the other information. The other information comprises Generation Development Group's Annual Report including the Financial Report Sustainability Report, Directors Report and Remuneration Report but does not include the specified Sustainability Disclosures and our review report thereon. Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of conclusion thereon, with the exception of the Financial Report and Remuneration Report and our respective audit reports.

In connection with our review and audit of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures

The Directors of Generation Development Group Limited are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act;
- Designing, implementing and maintaining a system of internal control that it determines is necessary to enable the preparation of specified Sustainability Disclosures in accordance with the Act that are free from material misstatement, whether due to fraud or error.

KPMG

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or material misstatement in the specified Sustainability Disclosures may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

For climate risks and opportunities, there is inherent uncertainty as a result of using assumptions about future events and management's actions that may not occur.

Greenhouse gas quantification is subject to inherent uncertainty due to the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases.

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of our review in accordance with ASSA 5000, we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify and assess the risks of material misstatement, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to the assessed risks of material misstatement at the disclosure level.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed in our Review

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures subject to review. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Enquired with relevant Generation Development Group Limited Personnel to understand the internal controls, governance structure and reporting process of the specified Sustainability Disclosures.
- Assessed the appropriateness of the reporting boundary applied by Generation Development Group Limited to understand the entities within scope of the specified Sustainability Disclosures.

KPMG

- Enquired with management responsible for developing the climate-related governance disclosures to consider whether the specified Sustainability Disclosures were aligned with our understanding of Generation Development Group Limited.
- Obtained an understanding of processes and information flows related to the specified Sustainability Disclosures by performing walkthroughs.
- Reviewed internal documentation including policies, charters, minutes of Board and committee meetings, technical papers documenting positions, risk management frameworks and basis of preparation documents.
- Obtained an understanding of the Generation Development Group Limited process for identifying and assessing potential climate related risks and opportunities. We did this through inquiries with management, reading the minutes and other relevant documentation of the Generation Development Group Limited Board of Directors and various committees.
- On a sample basis, tested greenhouse gas emission activity records and related emissions factors applied to source documentation. We also re-performed emissions calculations based on the underlying data.
- Reconciled the specified Sustainability Disclosures to underlying data sources on a sample basis.

KPMG

KPMG

Glenn Austin

Partner

Melbourne

26 August 2026

Auditor's Independence Declaration

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Generation Development Group Limited

I declare that, to the best of my knowledge and belief, in relation to the review of the specified sustainability disclosures in the sustainability report of Generation Development Group Limited for the financial year ended 30 June 2026, there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

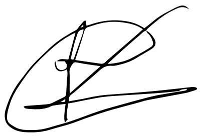
G.Austin

Glenn Austin
Partner
Melbourne
26 August 2026

Directors' Declaration

In the opinion of the Directors of Generation Development Group Limited (the 'Company'), reasonable steps have been taken to ensure the substantive provisions of the sustainability report, including the climate statements and notes for the Group set out on pages 10 to 29, are in accordance with the *Corporations Act 2001* (Cth), including section 296C and section 296D, and are in compliance with the Australian Sustainability Reporting Standards (being AASB S2 Climate-related Disclosures).

Signed in accordance with a resolution of the Directors. On behalf of the Directors.



Mr Robert Neil Coombe
Executive Chairman

26 August 2026

Directors' Report

The Directors of Generation Development Group Limited (the "Company") present the annual financial report and auditor's report therein for the Group, being the Company and its subsidiaries, for the financial year ended 30 June 2026. In order to comply with the provisions of the *Corporations Act 2001*, the Directors' report is as follows:

The names and particulars of the Directors of the Company during or since the end of the financial year are:

Mr Robert Neil Coombe
LLB (Hons)
Executive Chairman

Rob was appointed Executive Chairman of Generation Development Group on 1 January 2025 transitioning from his Non- Executive Chairman position.

Rob is presently Non-Executive Chairman of Colonial First State, a leading Australian superannuation and wealth management business owned by KKR and CBA. He also chairs Tibra Capital, a privately owned global multi-strategy hedge fund business, and Expert360, Australia's leading online talent marketplace. He is also a member of the Board of URBNSURF Group Pty Ltd.

On top of Rob's commercial interests, he is Chair of the Australian Indigenous Education Foundation (AIEF).

Between 2013 and 2019, Rob was CEO (2013-2017) then Chairman of Craveable Brands, the largest Australian owned Quick Service Restaurant business. Rob's tenure with this business was during its ownership by Archer Capital and culminated in a successful exit to PAG in August 2019.

Before joining Craveable Brands, Rob was responsible for all of Westpac's Australian Retail, Business and Agri banking operations. Prior to this role, Rob spent six years as the CEO of BT Financial Group, responsible for all of Westpac's funds management, financial planning, insurance, private banking, broking, platform and superannuation businesses.

Rob has 40 years' corporate experience in Australia and Asia, primarily in financial services. He has had extensive experience on the Boards of listed and private companies both domestically and internationally.

In 2011 Rob was awarded the prestigious UTS Alumni of the Year for Excellence and in 2021 he was appointed as a Fellow of the university. Both awards were in recognition of his achievements in the business community and social sector.

Ms Giselle Marie Collins
B.Ec, CA, GDipAppFin, GAICD
Independent Non-Executive Director,
Lead Independent Director

Giselle was appointed a Director of Generation Development Group in November 2021, having served previously on the Generation Life Board since 2018. She is Chair of the Audit, Risk and Compliance Committee and a former member of the Remuneration and Nomination Committee.

She was recently Non-Executive Chairman of both Hotel Property Investments (ASX:HPI) and also Pacific Smiles Group (ASX: PSG) as well as a Non-Executive Director of Amplitude Energy (ASX:AEL) and Peak Rare Earths (ASX:PEK). Giselle now sits on the board of Liontown Limited (ASX:LTR) as well as two unlisted boards – Journey Beyond and Videri Australia Pty Ltd.

Giselle has a Bachelor of Economics degree from the University of Sydney and a Graduate Diploma in Applied Finance and Investments from the Securities Institute. She is a Graduate Member of the Australian Institute of Company Directors and a Member of Chartered Accountants Australia and New Zealand.

Ms Christine Christian, AO
BA
Independent Non-Executive Director

Christine was appointed a Director of Generation Development Group on 8 October 2024. She is Chair of the Remuneration and Nomination Committee and a member of the Audit, Risk and Compliance Committee.

Christine is a leading Australian business executive with over 35 years of experience in financial services, investment, private equity, and credit risk. Christine is an independent chair of Pier 12 Capital Ltd and Tanarra Credit Partners and currently holds Non-Executive Director roles with MaxCap Group, Affinda, and Victorian Legal Aid. She is also Chair of the Advisory Board of The Nature Conservancy.

Previously, she has held a range of senior executive roles with Dun & Bradstreet including as Chief Executive Officer for over 15 years (from 1997 to March 2013). In addition, Christine was a Non-Executive Director of Generation Development Group's wholly owned subsidiary, Lonsec Holdings Pty Ltd, from January 2016 until February 2024 and President of the State Library of Victoria from May 2021 through to March 2026.

She is a member of the Australian Institute of Company Directors and past president and member of Chief Executive Women. In 2020, she was awarded an Officer of the Order of Australia in recognition of her distinguished service to the financial and investment sectors, to women in business and through support for emerging entrepreneurs.

Mr Peter Anthony Smith
B.Ec, GDipAppFin, DipFinServ
Executive Director

Peter was appointed as Executive Director of Generation Development Group on 18 June 2025.

Peter is a business leader with 30 years' experience at a Senior Executive, Board, and Business Owner level and has operated in the Wealth Management segment over this whole period.

Peter is the Executive Chairman and Co-Founder of Evidentia Group.

Peter has a Bachelor of Economics from the University of Queensland, a Graduate Diploma in Applied Finance and Investments from FINSIA, and a Diploma in Financial Services. He has also completed the Executive Program at Stanford Business School in the USA.

Mrs Shenaz Waples
eMBA
Independent Non-Executive Director

Shenaz was appointed a Director of Generation Development Group on 1 October 2025. She is also a member of the Remuneration and Nomination Committee and Audit, Risk and Compliance Committee.

Shenaz is currently the Group Executive, People and Culture at Colonial First State having previously held senior human resources leadership roles at MLC Australia and Westpac. Her previous board experience includes the Women's Community Shelters and MLC Wealth Limited.

Shenaz has an eMBA from UNSW and has completed the Advanced Management Program at Insead, the Strategic IQ program at Harvard University and the Australian Institute of Company Directors course.

Mr William Eric Bessemer
(ceased 20 November 2025)
MBA, B.Ec
Non-Executive Director

Bill initially joined the Group in 1995 and became chairman in 1999 until 2010.

Following a brief retirement, Bill resumed as a Director on 9 February 2012 and became Chief Executive Officer on 29 May 2012, a position he held until 18 July 2017.

Bill remained on the Board of the Company as a Non- Executive Director until his retirement on 20 November 2025. He was a member of the Audit Committee and has over 40 years' experience in banking and finance, specifically in the areas of debt and equity structuring, mergers and acquisitions and business recoveries.

Directorship of other listed companies

Directorships of other listed companies held by directors in the last three years immediately before the end of the financial year are as follows:

Director	Company	Period from	Period to
C Christian	Self Wealth Ltd	18 April 2023	7 May 2025
GM Collins	Liontown Limited	8 April 2026	Current
	Hotel Property Investments Limited	19 April 2017	26 March 2025
	Amplitude Energy Limited	19 August 2021	15 April 2025
	Pacific Smiles Group Limited	22 November 2023	16 December 2024

Directors' shareholdings

The following table sets out the number of each director's contracts relating to shares of the Company or a related body corporate as at the date of this report:

Director	Fully paid ordinary shares	Indirect interest in shares
R N Coombe	5.901,074	3,082,887
C Christian	–	647,425
S Waples	–	30,756
G M Collins	–	90,560
P A Smith	–	2,165,000

Remuneration of Directors and Senior Management

Information about the remuneration of Directors and key management personnel is set out in the Remuneration Report from page 44.

In addition to the Directors, the following executives were key management personnel (KMP) during the year:

Mr Grant Hackett OAM

Group Chief Executive Officer

GradDipFinPlan, EMBA (First Class Honours), GAICD

Grant served as Chief Executive Officer and Managing Director of Generation Life Limited until 31 December 2024, and was appointed Group Chief Executive Officer of GDG effective 1 January 2025.

Mr Felipe Araujo

Chief Executive Officer and Managing Director, Generation Life Limited

BBus, Economics and Finance, GAICD

Felipe served as General Manager of Distribution, Marketing and Operations until 31 December 2024, and was appointed Chief Executive Officer and Managing Director of Generation Life Limited effective 1 January 2025.

Mr Michael Wright

Chief Executive Officer, Evidentia Group

BBus, PG FINSIA, GAICD

Michael was appointed Chief Executive Officer of the Lonsec Group on 5 July 2021. He was appointed as the Chief Executive Officer of Evidentia Group in 2025 following the merger of Lonsec Investment Solutions and Evidentia Group.

Ms Lorraine Robinson

Chief Executive Officer, Lonsec Research and Ratings

BCom (Hons)

Lorraine was appointed as Chief Executive Officer of Lonsec Research and Ratings in July 2025.

Mr Andrew Mellor

Chief Financial Officer (from 2 March 2026)

BEc, CA

Andrew was appointed Chief Financial Officer of the Group on 2 March 2026.

Mr Terence Wong

Chief Financial Officer (until 1 March 2026)

CA, BCom (Hons), LLB (Hons), Grad Dip FINSIA

Terence was appointed Chief Financial Officer of the Group on 19 March 2018 and ceased on 1 March 2026. He remained employed with the Group until 30 June 2026.

Operating and financial review

Group overview

Generation Development Group (GDG, the Group) is a diversified financial services group operating across Australia's wealth, retirement and advice markets, with exposure to investment bonds, retirement income solutions, managed accounts, investment research, ratings and governance services.

The Group's principal activities comprise:

- Investment bonds and retirement income solutions through Generation Life.
- Investment research, ratings, governance and portfolio solutions through Lonsec.
- Outsourced investment management and managed account solutions through Evidentia.

Together, these businesses enable financial advisers to support their clients across portfolio construction, implementation, governance, retirement planning and long-term wealth accumulation.

The Group's strategy is centred on building a scalable, advice-led wealth platform with diversified sources of recurring earnings and exposure to structural growth in retirement, managed accounts, independent research and ratings and investment governance.

Operating Segments and Principal Activities

Generation Life

Generation Life provides tax-effective investment bond and retirement income solutions designed to assist Australians with long-term wealth creation, retirement planning and intergenerational wealth transfer.

The business distributes primarily through financial advisers and remains one of the few specialist providers focused exclusively on investment bonds within the Australian market.

Evidentia Group

Evidentia provides outsourced investment management, portfolio construction and tailored managed account solutions for financial advisers.

The business enables advisers to access institutional-quality investment capabilities and consulting while maintaining focus on client relationships and advice delivery.

Lonsec Research and Ratings

Lonsec is a leading independent provider of investment research, ratings and governance services.

The business supports financial advisers, licensees and institutional clients with independent research and governance frameworks that assist investment decision-making and regulatory obligations.

Review of Operations

Generation Development Group delivered another year of strong growth and operational execution. Group funds under management in FY26 reached $46.5 billion at 30 June 2026, up 37% on PCP, based on FY25 comparative fund numbers for the managed account business. Growth was supported by record Generation Life gross sales and FUM, outstanding execution and expansion in Evidentia managed accounts, and increased product coverage and subscriber growth across Lonsec Research and Ratings.

The Group's strategy remains focused on attractive structural growth themes across Australia's wealth, retirement and advice markets. Through investment bonds, retirement income solutions, managed accounts, portfolio construction, investment research and governance services, GDG is increasingly positioned as an integrated partner to advisers seeking scalable solutions for their clients.

During the year, the Group benefited from sustained adviser engagement, high client retention, expanding distribution relationships and increasing demand for outsourced investment and governance capabilities. These characteristics support earnings quality and provide a more resilient platform as the business scales.

Generation Life

Generation Life delivered record FUM and sales inflows during FY26, supported by sustained adviser demand, strong investment performance and continued momentum across the investment bond offering.

Key outcomes included:

- Annual gross sales inflows of $1.54 billion for FY26, up approximately 52% on PCP, including record quarterly gross sales inflows of $442 million in the June quarter.
- Funds under management of $5.95 billion at 30 June 2026, up 35% on PCP.
- Net inflows of $1.25 billion for FY26, up approximately 61% PCP, reflecting continued demand for tax-effective long-term investment solutions.
- LifeIncome in-force annuities of $76 million at 30 June 2026, up 28% on PCP.
- Continued growth in adviser-supported distribution channels.
- Ongoing product enhancements designed to improve adviser efficiency and client outcomes.

Demand for investment bonds increased during the year, supported by adviser engagement, Division 296 superannuation tax changes and broader demand for alternatives to traditional superannuation and trust structures. The business was also selected by Colonial First State as its strategic retirement solutions provider, further broadening its distribution opportunity.

Generation Life continued to invest in technology, adviser support and distribution capability ahead of future scale, while maintaining disciplined execution and service standards.

Evidentia Group

Evidentia Group delivered outstanding growth and execution during FY26, reinforcing its position as Australia's leading independent managed accounts provider.

Funds under management reached $40.5 billion at 30 June 2026, up 37% on PCP, based on FY25 comparative fund numbers for the managed account business, supported by organic client growth, strategic transitions and positive market movements.

The business provides advisers with outsourced investment management, portfolio construction and tailored managed account solutions, helping them access institutional-quality capability while maintaining focus on client advice and relationship management.

Key areas of progress during the year included:

- Completed the integration of Evidentia and Lonsec[1] in June 2026, unlocking efficiencies and future synergies
- Completion of the $1.8 billion Xplore Wealth transition into Evidentia's MDA Model Management business on the HUB24 platform.
- Expansion of tailored managed account capabilities and broader distribution through strategic partnerships with Vanguard and Ironbark.
- Addition of Encore Advisory Services, expanding consulting and practice transformation capabilities.

Evidentia's capabilities complement Lonsec's research and governance expertise, creating a more complete outsourced wealth infrastructure proposition for advisers seeking scale, efficiency and stronger investment governance.

Lonsec Research and Ratings

Lonsec Research and Ratings continued to perform strongly, supported by demand for independent research, ratings, governance tools and adviser workflow solutions.

During the year, Lonsec:

- Increased products researched to 2,001, up 9% on PCP.
- Grew iRate subscribers to 5,629, up 13% on PCP.
- Progressed Investment Governance Solutions through pilot client engagement across platforms, licensees and superannuation providers.
- Maintained high retention within strategic accounts and continued to strengthen recurring subscription and contracted revenue streams.

Lonsec's capabilities remain embedded in adviser and institutional workflows, supporting investment decision-making, governance requirements and portfolio construction. Continued investment in research capability and governance solutions positions the business for further commercial expansion.

Strategic Integration

The integration of Evidentia, Lonsec Investment Solutions and Implemented Portfolios was completed during FY26, creating a more scalable managed accounts platform with broader distribution, deeper client relationships and improved operating leverage over time.

Management remained focused on disciplined integration, preserving the strengths of each operating platform while building a simpler, more scalable proposition for advisers and institutional partners.

Areas of focus included:

- Enhanced product and service distribution.
- Shared technology and data capabilities.
- Alignment of governance, risk and compliance frameworks.
- Operational efficiencies and scalable infrastructure.

The Group believes the combination of investment bonds, managed accounts, investment research and advice support services creates a strongly differentiated platform with multiple avenues for long-term growth.

1. On 18 February 2025, GDG completed the acquisition of Evidentia Group Holdings Pty Ltd which includes Lonsec Investment Solutions (LIS) and Implemented Portfolios PTY LTD (IPL) to form Evidentia Group.

Financial Performance

FY26 financial performance reflected continued growth across the Group's core operating businesses together with contributions from acquired businesses.

Key metrics included:

Metric	FY26	FY25 (PCP)	Movement
Revenue[1]	$178.7	$141.3	26% PCP
Underlying NPAT (after annuity business costs)	$40.7	$30.2m	35% PCP
Group FUM	$46.5bn	$34.1bn	37% PCP
Generation Life FUM	$5.95bn	$4.40bn	35% PCP
Generation Life annual sales IB inflows	$1.54bn	$1.02bn	~52% PCP
Generation Life FY26 net inflows	$1.25bn	$780m	61% PCP
Evidentia managed accounts FUM	$40.5bn	$29.6bn	37% PCP
Lonsec products researched	2,001	1,836	9% PCP
iRate subscribers	5,629	4,966	13% PCP

1. Revenue includes tax benefit and excludes interest income.

Earnings growth was supported by increasing scale, recurring revenue streams, strong adviser engagement and a more diversified earnings base across the Group.

Capital Management

GDG maintained a strong balance sheet throughout FY26, supporting a disciplined capital allocation framework focused on long-term shareholder value.

The Group's capital allocation priorities are:

- **Organic growth and expansion of economic moat:** reinvesting in the business remains the most value-accretive use of capital, given the Group's growth opportunities across investment bonds, retirement solutions and managed accounts.
- **Accretive acquisitions:** selectively investing in businesses where GDG is best positioned to grow the asset, realise synergies and deliver attractive returns for shareholders.
- **Dividends and return of capital:** returning capital where reinvestment opportunities do not exceed the Group's cost of capital, while seeking to increase the dividend payout ratio over time as the business scales.

Management continues to assess opportunities that strengthen the Group's position across the advice, retirement and wealth management value chain.

Outlook

The long-term drivers supporting GDG continue to be extremely favourable.

Australia's ageing population, increasing retirement balances, legislative changes to superannuation, tax reform and regulatory complexity, adviser consolidation and continued demand for outsourced investment and governance solutions are creating opportunities across each of the Group's businesses.

In FY27, the Group will continue to execute on and take advantage of these long-term trends, including Generation Life's retirement and longevity offering, Evidentia's managed account platform, Lonsec's research and governance solutions, and initiatives arising from the Group's partnership and strategic alliance with Colonial First State and BlackRock.

Management remains focused on disciplined execution, integration benefits, prudent investment for scale and selective growth opportunities that strengthen GDG's position across the wealth, retirement and advice ecosystem.

Significant Changes in State of Affairs

Change in Operating Segments

As at 1 July 2025, the Group underwent a review of its Operating Segments and updated these segments to more accurately align to the current operations of the business. Accordingly, the Group has restated the previously reported segment information for the 12 months ended 30 June 2025.

All segments' operating results are regularly reviewed by the Group's Chief Operating Decision Maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Material Business Risks

In preparing the financial report, the Group has considered the impact of economic conditions and its implications on the Group's financial position and profitability. The Group has identified material business risks detailed below:

Risk	Description	Mitigant
Decline in Funds under Management (FUM)	GDG derives a significant proportion of its earnings from fees and charges based on the level of FUM. A decline in FUM will have a negative impact on earnings	• Well defined budgeting process including sensitivity analysis • Ongoing monitoring of financial performance to improve performance • Actively managing our liquidity and funding position including cash on balance sheet and debt facilities to cover any shortfall in cash flow from lower earnings • Ability to reduce discretionary expenditure to offset reduced revenue
Cybersecurity and data governance	There is a risk of significant failure in GDG's operations or material data and financial loss as a result of cyber-attacks	• Clear information security strategy, programs and IT security policies • Implementation of operational security technology (including firewalls and antivirus) • Security assurance testing of key systems (including penetration testing, red teaming and vulnerability management) • Business continuity planning and disaster recovery programs • Independent IT assurance • Information security risk training and awareness programs
Regulatory and legislative risk	The financial services sectors in which GDG operates are subject to extensive legislation and regulation. Changes could adversely impact business operations and earnings	• Understanding applicable laws, developing compliance strategies and continuously monitoring changes to maintain adherence • Risk-based approach utilising technology and fostering a strong compliance culture • Provide training to employees on their compliance obligations and responsibilities • Regularly evaluate the effectiveness of mitigation strategies and make necessary adjustments • Analyse compliance failures to identify root causes and prevent recurrence
New product development	Successful product development requires capital, time, resources and various approvals before it can be brought to market. These factors could delay or derail a successful product development leading to financial loss and reputation damage	• Conduct extensive market research, user testing and competitor analysis to identify potential risks and develop effective strategies • Detailed business planning including resourcing, financing and contingency planning • Embrace iterative development process to adapt to changing requirements and mitigate risks • Foster collaboration between different teams to ensure alignment and address potential risks from various perspectives • Contingency planning including developing backup plans to address potential challenges to minimise the impact of unforeseen events

Risk	Description	Mitigant
Staff retention	Success is dependent on ability to attract and retain skilled and experienced staff. Failure to retain key staff will have an adverse impact on business reputation, financial position and performance	• Proactively identify factors that can lead to employee turnover and implementing strategies to address them including competitive compensation, career development opportunities, a positive work culture, work life balance and effective communication • Improve onboarding processes to ensure new hires feel supported and integrated into the company from the start • Prioritise employee wellbeing through wellness programs, mental health support and resources for stress management • Equip managers with the skills and resources to effectively manage their teams, address employee concerns and foster a positive work environment • Promote a sense of purpose by connecting employees to the Company's overall strategy and values to foster a sense of purpose and engagement
Climate	Failure to identify and manage climate and other ESG risks or meet ESG commitments or expectations could harm the Group's reputation, impact performance, limit access to capital or impact the Group's ability to attract and retain talent	• Board oversight of climate-related risks and opportunities, supported by a dedicated climate risk working group • Integration of climate and broader ESG risks into the Group's enterprise risk management framework, including ongoing monitoring of physical and transition risks across operations and investments • Climate scenario analysis and forward-looking risk assessment using NGFS climate scenarios, with climate-related due diligence incorporated into investment manager and underlying asset assessments • Preparation of climate-related disclosures in accordance with AASB S2 requirements, supported by continued enhancement of climate data, emissions measurement, reporting and assurance capabilities • Ongoing monitoring of stakeholder expectations and use of external expertise, adviser support and training to strengthen climate governance, risk management and reporting capabilities
AI Adoption	There is a risk that GDG adopts AI too slowly, missing productivity and competitive opportunities, with ineffective guardrails that stifle innovation or increase security, compliance and reputational risks	• Develop and implement an AI strategy with clear priorities, use cases, success measures and an adoption roadmap aligned to business objectives • Adoption of risk-based AI Governance Framework, supported by a Group AI Governance Committee that enables innovation while applying appropriate controls based on the level of risk • Leverage external partners to accelerate capability and access specialist expertise • Invest in AI capability development through training and awareness to build workforce confidence and responsible use • Conduct AI security, privacy and compliance assessments for AI solutions before production deployment

Subsequent Events

There has not been any other matter or circumstances that has arisen since 30 June 2026 that has significantly affected or may significantly affect the operations of the Group.

Dividends

The Company paid a fully franked final 2025 dividend of $0.01 per ordinary share on 7 October 2025 and a fully franked 2026 interim dividend of $0.01 per ordinary share on 1 April 2026. A dividend reinvestment plan (DRP) was in operation for these dividends.

On 26 August 2026, the Company declared a fully franked final 2026 dividend of $0.01 per ordinary share to be paid on 6 October 2026. The dividend is to be paid out of the profits reserve. The Company's DRP will continue to operate for this dividend.

Environmental Regulation and Sustainability Reporting

The Group's operations are not subject to environmental regulations that have a material impact on its activities. The Directors are not aware of any material breaches of environmental laws or regulations during the year.

As a Group 1 reporting entity under Australia's climate-related financial disclosure requirements, GDG has published its inaugural Sustainability Report for FY26. Prepared in accordance with AASB S2 Climate-related Disclosures and the *Corporations Act 2001* (Cth), the report outlines the Group's approach to climate-related governance, strategy, risk management, metrics and targets. During the year, GDG completed its first Climate-Related Risks and Opportunities (CRRO) assessment, incorporating climate scenario analysis to identify and evaluate physical and transition risks and opportunities that could reasonably be expected to affect the Group's prospects over the short, medium and long term.

Indemnification and Insurance of Officers

During the financial year, the Company paid premiums based on normal commercial terms and conditions to insure all Directors, officers and employees of the Group, against the costs and expenses in defending claims brought against the individual while performing services for the Group. The premium paid has not been disclosed as it is subject to the confidentiality provisions of the insurance policy. The Company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify directors, officers, employees or auditors of the Company or of any related body corporate against a liability incurred.

The Company has entered into a Deed of Indemnity, Insurance and Access with all of its directors. The purpose of the Deed is to:

- confirm the indemnity provided by the Company in favour of directors under the Company's constitution
- include an obligation upon the Company to maintain adequate Directors and Officers liability insurance; and
- confirm the right of access to certain documents under the *Corporations Act 2001*.

Directors' Meetings

The following table sets out the number of Directors' meetings (including meetings of Committees of Directors) held during the financial year and the number of meetings attended by each director (while they were a Director or Committee member). During the financial year, there were 12 Board meetings, 3 Audit, Risk and Compliance Committee meetings and 8 Remuneration and Nomination Committee meetings held.

Board

Director	Eligible to attend	Attended
R N Coombe	12	12
W E Bessemer*	4	4
G M Collins	12	12
C Christian	12	12
P A Smith	12	12
S Waples**	9	9

* Mr Bessemer ceased as a Director of the Board on 20 November 2025

** Mrs Waples was appointed as a Director of the Board on 1 October 2025

Audit, Risk and Compliance**

Director	Eligible to attend	Attended
G M Collins	3	3
C Christian	3	3
S Waples*	2	2
W E Bessemer*	1	1

* Mrs Waples was appointed as a member of the Audit, Risk and Compliance Committee on 20 November 2025 at which time Mr. Bessemer ceased to be a member.

** The Audit Committee was expanded to the Audit, Risk and Compliance Committee on 1 July 2026.

Remuneration and Nomination

Director	Eligible to attend	Attended
C Christian	8	8
G M Collins*	7	7
S Waples**	6	4

* Mrs Collins ceased as a member of the Remuneration and Nomination Committee on 15 June 2026.

** Mrs Waples was appointed as a member of the Remuneration and Nomination Committee on 1 October 2025.

Corporate Governance Statement

The Company's Corporate Governance Statement together with the Appendix 4G, can be viewed at www.gdgaustralia.com/corporate-governance and has been lodged with the ASX.

Audit, Risk and Compliance Committee

The Audit Committee was re-established effective 1 July 2023 and expanded on 1 July 2026 to encompass risk and compliance oversight responsibilities. Refer to the Corporate Governance Statement for further information.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee was established on 4 March 2025. Refer to the Corporate Governance Statement for further information.

Non-audit services

The Group's external auditor is KPMG who are engaged to provide audit and audit related services in relation to the Group's financial statements and regulatory reporting obligations.

It is often in the interests of the Group to engage the services of its external auditor to assist in a range of related projects. The Directors are aware of the issues relating to auditor independence and have in place policies and procedures to address actual, potential and perceived conflicts of interests in relation to the provision of non-audit related services by its external auditor.

During the financial year ended 30 June 2026, the Group engaged its external auditors to provide professional services in relation to assurance and general consultancy for $737k. The Group has considered these services and is satisfied that the provision of these services by the auditors is compatible with, and did not compromise the auditor independence requirements of, the *Corporations Act 2001*.

Auditor's independence declaration

The auditor's independence declaration is included on page 79 of the financial report and forms part of the Directors' Report for the year ended 30 June 2026.

Rounding off of amounts

The Group is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument and in accordance with that Class Order amounts in the Directors' Report and the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Remuneration Report

Remuneration & Nomination Committee Chair's Letter (Unaudited)

On behalf of the Board, I am pleased to present the FY26 Remuneration Report for Generation Development Group (GDG).

As outlined in the Chairman and CEO's Letter, FY26 was another year of strategic progress for the Group. GDG continued to strengthen its leadership capability, execute on its strategic priorities and invest in opportunities that support long-term shareholder value. The Group also delivered resilient operational and financial performance while further strengthening its governance framework to support its next phase of growth.

While these achievements strengthened the Group's long-term position, shareholder returns over FY26 did not fully reflect the Company's operational progress. The Committee recognises that remuneration decisions should support the delivery of sustainable long-term value and therefore considered both the Company's underlying performance and stakeholders' experience when exercising its judgement.

As the Group continues to grow in scale and complexity, the Committee has continued to evolve the remuneration framework to ensure it remains fit for purpose, supports prudent risk management and aligns executive reward with sustainable long-term value creation.

Key developments during FY26 included:

- strengthening executive capability through key leadership appointments, including Andrew Mellor as Group Chief Financial Officer;
- establishing the Risk & Reward Oversight Committee to enhance oversight of remuneration risk and consequence management;
- implementing the Group Consequence Management Framework to reinforce accountability and support consistent remuneration outcomes; and
- enhancing the Group's long-term incentive framework and remuneration disclosures to reflect evolving governance expectations, regulatory developments and market practice.

These initiatives reflect the Committee's ongoing commitment to ensuring the Group's remuneration framework supports strategic execution, prudent risk management and sustainable value creation.

In determining FY26 remuneration outcomes, the Committee exercised careful judgement having regard to the Group's financial and strategic performance, individual contribution, and risk and conduct outcomes.

The Group CEO achieved a scorecard outcome of 96% of target, resulting in an STI award of approximately 64% of maximum opportunity. STI awards for the other Executive KMP ranged from 65% to 129% of target, reflecting individual performance against business and strategic objectives. The Risk and Reward Oversight Committee also confirmed there was no basis to adjust remuneration outcomes having regard to risk or conduct matters. Long-term incentive outcomes tested during FY26 also reflected performance over the applicable three-year performance period, with the FY23 Performance Rights achieving 100% vesting following the achievement of both the relative TSR and EPS performance hurdles.

This year's report also includes further enhancements to our remuneration disclosures, providing greater transparency into the Group's remuneration framework, incentive arrangements and governance processes. We trust these enhancements assist shareholders in understanding how remuneration decisions are made and how executive reward supports long-term performance and sustainable value creation.

On behalf of the Committee, I thank our shareholders for their continued engagement and support. We remain committed to maintaining a remuneration framework that promotes accountability, supports the execution of the Group's strategy and rewards the delivery of sustainable long-term performance.

Ms Christine Christian AO
Remuneration & Nomination Committee Chair

Introduction

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of Generation Development Group Limited's key management personnel (KMP) for the financial year ended 30 June 2026 and has been prepared in accordance with the *Corporations Act 2001* (Cth). The KMP for FY26 are:

Name	Role	Term as KMP
Non-Executive Directors (NEDs)		
Christine Christian AO	Non-Executive Director (Chair of Remuneration and Nomination Committee)	Full year
Giselle Collins	Non-Executive Director (Chair of the Audit, Risk and Compliance Committee), and Lead Independent Director	Full year
Shenaz Waples	Non-Executive Director	Appointed 1 October 2025
William Bessemer	Non-Executive Director	Retired 20 November 2025
Executive KMP		
Robert Coombe	Executive Chairman[1]	Full year
Peter Smith	Executive Director, GDG	Full year
Grant Hackett OAM	Group Chief Executive Officer	Full year
Felipe Araujo	CEO & Managing Director, Generation Life	Full year
Michael Wright	CEO, Evidentia Group[2]	Full year
Lorraine Robinson	CEO, Lonsec Research and Ratings[3]	Full year
Terence Wong	Chief Financial Officer[4]	Until 1 March 2026
Andrew Mellor	Chief Financial Officer[5]	From 2 March 2026

1. Commenced as Executive Chairman on 1 January 2025, having previously served as Non-Executive Chairman.
2. Mr Wright was appointed CEO of Evidentia Group on 1 July 2025 following GDG's acquisition of the business. He previously served as CEO of Lonsec Research and Ratings.
3. Ms Robinson was appointed CEO of Lonsec Research and Ratings on 1 July 2025.
4. Mr Wong ceased to be a KMP on 1 March 2026 following the appointment of Mr. Mellor as Chief Financial Officer. He remained employed in a non-KMP capacity until 30 June 2026 to support transition before leaving the Group.
5. Mr Mellor was appointed Chief Financial Officer on 2 March 2026. In accordance with the Corporations Act, remuneration is disclosed only for the period during which he was a KMP.

Remuneration Report continued

The Remuneration Report has been set out in the following sections:

1. FY26 Remuneration at a glance

FY26 remuneration outcomes reflected a balanced assessment of financial performance, strategic delivery and risk outcomes, consistent with the Group's pay-for-performance philosophy.

FY26 GROUP PERFORMANCE

Group revenue[1]
$178.7m
vs FY25 **$141.3m**

Underlying NPAT
$40.7
vs FY25 **$30.2m**

Basic EPS
8.01c
vs FY25 **10.79c** (restated)

TSR – 1 year
-33.8%
3-year TSR **184.5%**

Full discussion of Group performance is provided in Section 3.

1. Revenue includes tax benefit and excludes interest income.

FY26 REMUNERATION OUTCOMES

Group CEO Variable Remuneration Outcomes

FY26 STI Outcome
96%
of target opportunity (64% of maximum)

FY23 LTI Outcome
100% vested
506,330 rights
Three-year performance period ended 30 June 2026[1]

1. FY23 LTI outcome determined in FY26; shares to be allotted in FY27. The 100% vesting outcome excludes the one-off FY21 GLI grant, which lapsed in full during FY26.

Other Executive KMP Variable Remuneration Outcomes

FY26 STI outcomes ranged from 65% to 129% of target opportunity, reflecting individual and business performance. LTI vesting outcomes for awards assessed during FY26 ranged from 0% to 100%, reflecting the performance conditions applicable to each award.

Executive-by-executive detail is provided in Section 3.

FY26 GOVERNANCE HIGHLIGHTS

New Risk & Reward Oversight Committee – strengthening oversight of risk and conduct in remuneration outcomes across the Group.

Consequence management/ Clawback – risk-based remuneration adjustment now applies across all GDG subsidiaries.

2. Remuneration philosophy and framework

2.1 Remuneration strategy

Our purpose	**Helping Australians make smarter financial decisions and achieve better long-term outcomes**			
Strategic priorities	**Growth** Accelerate FUM, net flows and revenue across the Group's businesses.	**Execution** Deliver integration benefits, operating leverage and sustainable earnings growth.	**Clients & Innovation** Strengthen strategic partnerships and enhance adviser and client solutions.	**People & Governance** Maintain prudent risk management, strong governance and a high-performance culture.
Our values	Clarity	Innovation	Integrity	
Remuneration guiding principles	Shareholder alignment	Pay for Performance	Risk & Conduct	Talent Retention
	These four principles guide every remuneration decision at GDG – ensuring reward is earned through performance, aligned with shareholder outcomes, and consistent with prudent risk and sound conduct.			

2.2 Executive remuneration framework overview

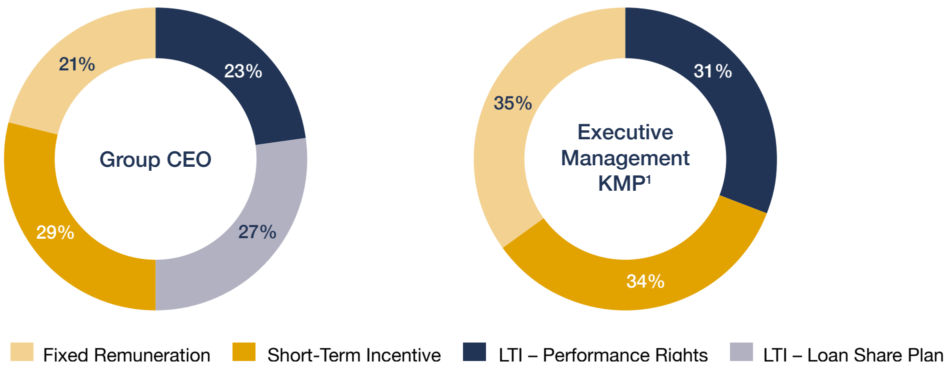
GDG's executive remuneration framework comprises three components – fixed remuneration, short-term incentive and long-term incentive – set out below. Together they are designed to reward performance, align executives with shareholder outcomes, and reinforce prudent risk management. Certain executives also participate in the Loan Share Plan, described in Section 3.3.2.

	Fixed Remuneration (FR)	Short-Term Incentive (STI)	Long-Term Incentive (LTI)
Purpose	Provide market-competitive remuneration to attract and retain the executive talent required to deliver GDG's strategy.	Reward delivery of annual financial and strategic objectives that build toward GDG's longer-term goals.	Reward sustained creation of shareholder value over a multi-year horizon and support retention of key executives.
Performance alignment	Reflects role scope, capability, experience, leadership contribution and market positioning; reviewed annually against external benchmarks.	Assessed through a balanced scorecard of financial and non-financial measures, including business performance, strategic execution, client outcomes and people and risk objectives.	**Performance Rights:** tested against GDG's relative TSR (ASX 100-300 Index) and EPS growth; subsidiary-aligned executives are also tested on business EBITDA growth. **Loan Share Plan:** tested against share price growth and relative TSR, each weighted 50%.
Risk alignment	Governance oversight and market benchmarking ensure outcomes remain appropriate and not excessive.	Subject to a Risk and Values Gate; awards may be reduced, including to zero, for conduct or risk failures, and remain subject to the Group's malus and clawback provisions.	Awards remain subject to vesting conditions, Board discretion, and malus and clawback provisions that apply across the Group.
Delivery	Cash and superannuation.	Cash.	Performance Rights; and for certain executives, shares acquired under the Loan Share Plan (Section 3).
Time horizon	Ongoing.	1-year performance period.	**Performance Rights:** 3-year performance period. **Loan Share Plan:** 5-year performance period.

Further detail on the STI and LTI, including FY26 performance measures, targets and outcomes, is provided in Section 3.

2.3 FY26 Remuneration mix

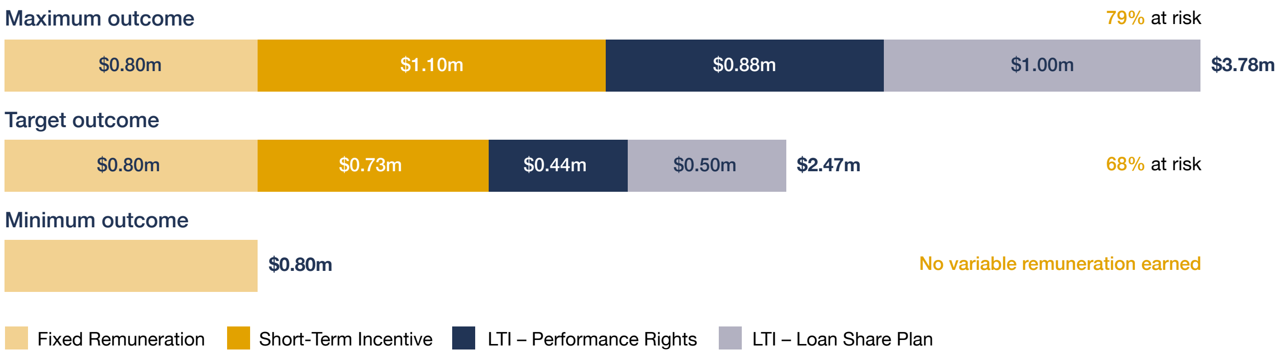
GDG's executive remuneration is deliberately weighted toward variable, performance-based remuneration to align executive remuneration outcomes with long-term shareholder value creation. A significant proportion is delivered through equity that vests only where sustained performance conditions are achieved over multiple years. The charts below illustrate the maximum remuneration mix for the Group CEO and Executive Management KMP, assuming all performance conditions are achieved in full.



1. The Executive Chairman is excluded from the remuneration mix above as the remuneration arrangements for that role differ from those of the Executive Management team and is disclosed separately in Section 3. The Executive Management KMP chart represents the average maximum remuneration mix across Executive Management KMP and excludes the Loan Share Plan, which applies only to selected executives. Further information on the Loan Share Plan is provided in Section 3.3.2.

2.4 Range of FY26 remuneration outcomes

The diagram below shows the range of remuneration outcomes available to the Group CEO under the Group's remuneration framework. Fixed remuneration is guaranteed, while short-term and long-term incentives remain entirely performance dependent. As performance outcomes increase, a greater proportion of remuneration is earned through variable incentives that are subject to stretching financial and non-financial conditions.



Minimum

No short-term or long-term incentive vests. The Group CEO receives fixed remuneration only, inclusive of superannuation.

Target

Incentives are awarded where target performance is achieved. Short-term incentive vests at 67% of the maximum opportunity; performance rights and the Loan Share Plan each vest at 50%.

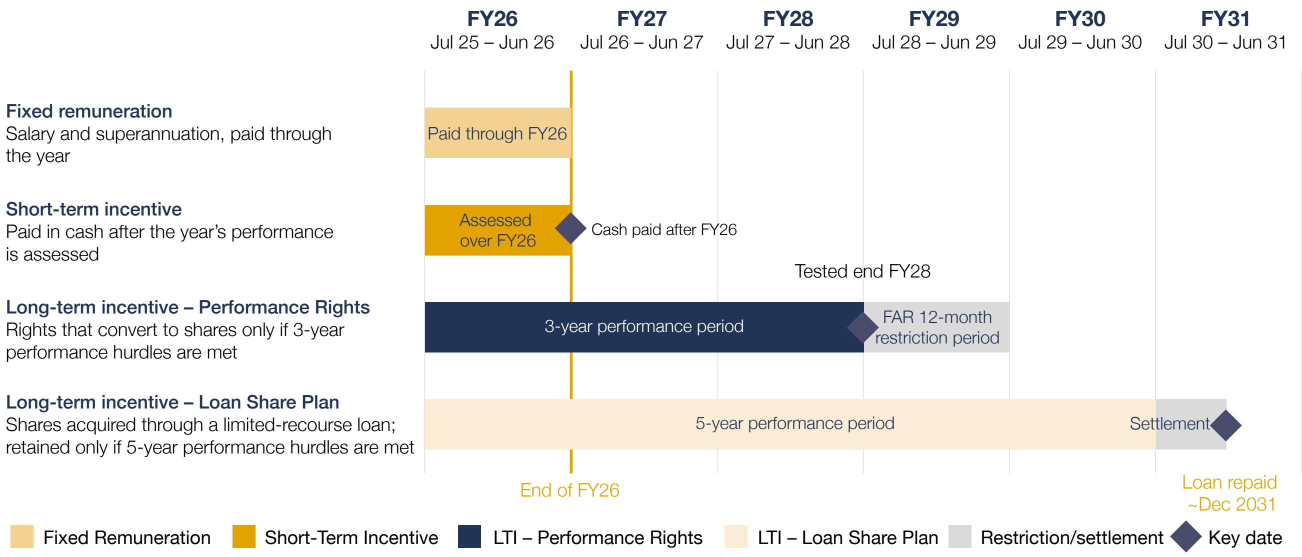
Maximum

Incentives are awarded where stretch performance is achieved. Short-term incentive vests at 150% of the target opportunity and all long-term incentives vest in full.

Remuneration is shown on a face-value basis and does not represent remuneration actually received. The Loan Share Plan has no single defined target; at target it is shown at 50% vesting. The maximum total includes its annualised face value of $1.0m per year.

2.5 Remuneration timeline and vesting horizons

Each element of GDG's remuneration is earned and delivered over a horizon matched to the performance it rewards. This ensures executives remain exposed to the longer-term outcomes of decisions taken in FY26. The timeline below sets out when each component is granted, tested, and received.



The timeline reflects FY26 remuneration grants. Grant and vesting dates are indicative and may be adjusted by the Board.

2.6 FY26 Framework updates

During FY26, GDG strengthened its remuneration governance framework to match the Group's increased scale and complexity as a diversified, regulated financial services group and its inclusion in the ASX 200. The following changes were made proactively, as part of the Group's ongoing governance maturity.

Risk & Reward Oversight Committee

The Board established a dedicated Risk & Reward Oversight Committee (RROC) during FY26 to strengthen oversight of risk- and conduct-related considerations in variable remuneration outcomes across the Group. Chaired by the Group CEO and comprising the Group Head of People & Culture and the Group Chief Risk Officer, the RROC assesses risk matters identified across GDG and its businesses and recommends remuneration adjustments, including the application of malus and clawback, to the Remuneration & Nomination Committee and relevant Boards.

The Remuneration & Nomination Committee and relevant Boards retain decision-making authority. Executives do not participate in discussions or decisions relating to their own remuneration, with affected executives absent where a conflict of interest exists. Further information on the RROC's role, composition and governance is provided in Section 4.2

Consequence management

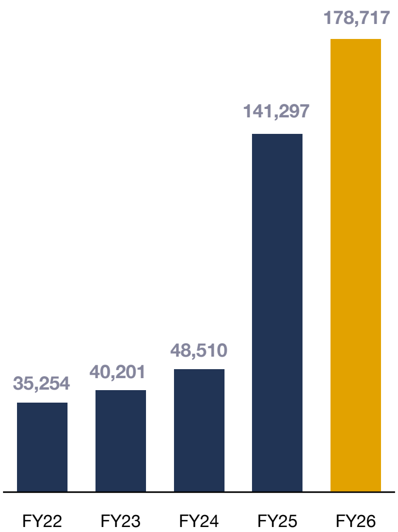
The Group's malus and clawback provisions, previously applied within Generation Life, were extended across all subsidiaries during FY26. Variable remuneration – including unvested awards – may now be adjusted, reduced or forfeited where conduct or risk failures occur, with outcomes assessed by the RROC under the framework described above. The framework's operation is described in Section 4.2.

3. Pay for performance

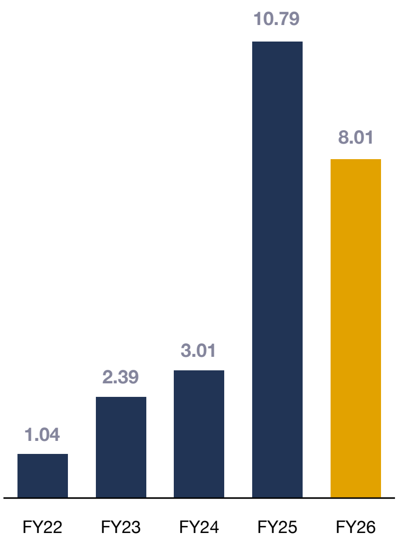
3.1 FY26 Company Performance

The charts and table below show GDG's financial performance over the past five years.

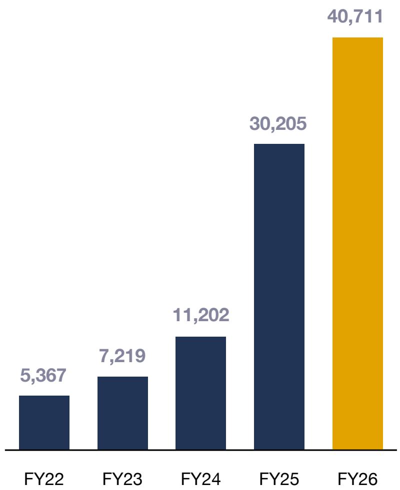
Revenue[1] ($'000s)



Basic EPS (Cents per Share)



Underlying NPAT ($'000s)



	FY22	FY23	FY24	FY25	FY26
Revenue[1] ($'000s)	35,254	40,201	48,510	141,297	178,717
Underlying NPAT ($'000s)	5,367	7,219	11,202	30,205	40,711
Profit Attributable to Owners of the Company ($'000s)[2]	1,901	4,497	5,840	35,474	31,930
Basic EPS (Cents per Share)[2]	1.04	2.39	3.01	10.79	8.01
Share Price at End of Year ($ per Share)	$1.25	$1.26	$2.60	$5.50	$3.58
Share Price Change (%)	45.3%	0.8%	106.3%	111.5%	-34.9%
Dividend (Cents per Share)	2.00	2.00	2.00	2.00	2.00

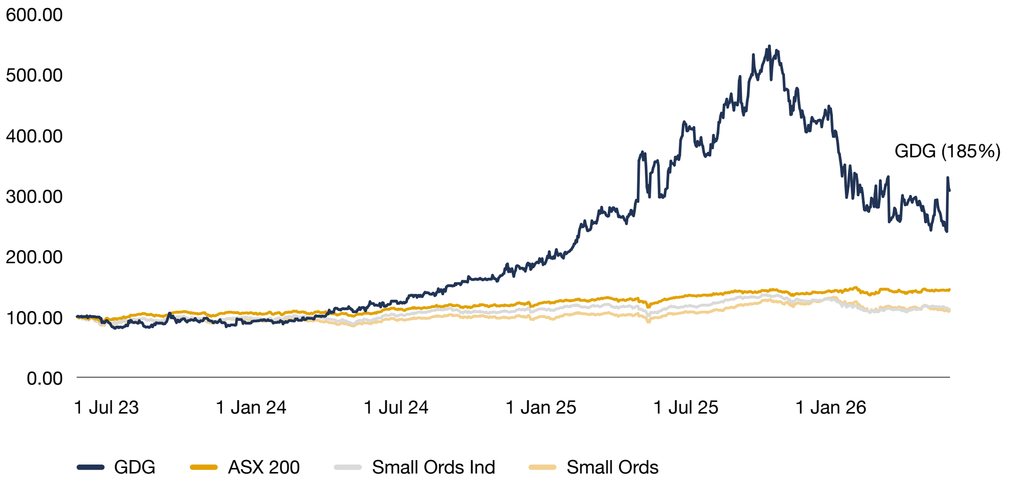
1. Revenue includes tax benefit and excludes interest income.

2. FY25 comparative figures for Profit Attributable to Owners of the Company and Basic EPS have been restated.

3-year TSR performance

Despite a more challenging FY26 operating environment, GDG delivered a three-year TSR of 184.5%, outperforming the relevant ASX indices over the measurement period.

3-year TSR – GDG vs. rTSR Peer Group (ASX Small Ordinaries)



3.2 Short-Term Incentive outcomes

GDG's short-term incentive rewards executive KMP for performance against a balanced scorecard of financial, client and people measures, assessed annually by the Board.

STI structure and assessment

STI is an annual at-risk reward that recognises performance against a balanced scorecard of financial, client and people measures set by the Board at the start of the year. Each scorecard is subject to two gate openers – values and expected behaviours, and risk and compliance conduct – which must be passed before any STI is payable.

Each measure carries a weighting, a target level and, where applicable, a stretch level. Performance between target and stretch is assessed on a graduated basis. Achievement against each objective is shown on a three-point scale – not met, met, or exceeded.

STI deferral

Following its FY25 commitment to shareholders, the Board continued to assess the introduction of an equity-based deferral arrangement for short-term incentives during FY26. The Board recognises that executive STI deferral remains an area of increasing focus for investors, and that a formal deferral mechanism could further strengthen the alignment between executive reward and sustained performance.

The Board's assessment includes consideration of the appropriate form, quantum, and deferral period, and how any future arrangement would interact with the Group's existing long-term incentive framework, including the 3-year Performance Rights Plan and the 5-year Loan Share Plan.

Separately, eligible executives currently have the option, through the annual LTI grant process, following Board approval of STI outcomes, to elect to receive a portion of their STI as Performance Rights under the existing LTI Performance Rights Plan. The Board considers this feature supports long-term alignment while it continues to assess whether a formal executive STI deferral framework is appropriate.

The Board expects to conclude its assessment during FY27, with its position to be communicated in the FY27 Remuneration Report.

Group CEO FY26 balanced scorecard

The Group CEO's FY26 balanced scorecard is set out below. The Board assessed performance against the approved FY26 scorecard, together with the applicable gate openers, in determining the FY26 STI outcome.

Gate openers:

- **Gate 1 – Values & Expected behaviours:** assess whether conduct throughout the year was consistent with the Group's values and behavioural expectations.
- **Gate 2 – Risk & Compliance conduct:** assesses compliance with regulatory obligations, risk management requirements and conduct expectations.

Both gate openers must be satisfied before any STI is payable. For FY26, both gates were met.

Objective/measure	Key indicator	Performance scale	FY26 Outcome	FY26 performance commentary
***Financial** (60% weighting)*				
GDG underlying NPAT (50%)	Group underlying net profit after tax.	Target: $38.5m – $41.9m Stretch: $42.0m		$40.7m, up 35% from $30.2m in FY25.
Evidentia normalised EBITDA (10%)	Normalised EBITDA of the Evidentia business.	Target: $27.3m – $29.9m Stretch: $30.0m		$25.1m, up 45% from $17.3m in FY25. No STI award for this measure.
***Client** (30% weighting)*				
Institutional Partnership (10%)	Delivery of agreed strategic Institutional Partnership programme milestones.	Generation Life institutional partnership and new annuity product in market.		Institutional partnership announced; annuity product awaiting APRA approval. No STI award for this measure.
Evidentia net flows (10%)	Net fund inflows for Evidentia.	Target: $12.65bn – $13.8bn Stretch: $13.9bn		$8.5bn, up 15% from $7.4bn in FY25. No STI award for this measure.
Lonsec revenue (10%)	Total revenue for the Lonsec business.	Target: $44.1m – $45.3m Stretch: $45.4m		$45.8m, up 9% from $42.0m in FY25.
***People** (10% weighting)*				
GDG high performer/key talent retention (10%)	Retention of employees identified as high performers or key talent.	Target: 90% – 94% Stretch: 95%		100% retention.

 Outcome

Below target | Target | Stretch

Other executive KMP – FY26 scorecards

The FY26 scorecards for the other Executive KMP are summarised below. Consistent with the Group's commitment to enhance disclosure of executive performance metrics, the key performance measures and weightings applicable to each executive are presented below. Each scorecard is also subject to the applicable values and risk and compliance gate openers.

Executive KMP	Key performance measures	Weighting
Felipe Araujo CEO & MD, Generation Life	Financial: Normalised EBITDA; Total sales Client: Institutional partnerships; Technology strategy delivery People: Talent and succession	Financial: 60% Client: 30% People: 10%
Lorraine Robinson CEO, Lonsec	Financial: Normalised EBITDA; Lonsec revenue Client: Adviser NPS; AI adoption; Investment Governance Solutions (IGS) implementation People: Talent retention	Financial: 60% Client: 30% People: 10%
Michael Wright CEO, Evidentia	Financial: Normalised EBITDA Client: Net inflows; Investment performance People: Talent retention; Integration and change programme	Financial: 50% Client: 30% People: 20%
Peter Smith[1] Executive Chairman, Evidentia	Financial: Normalised EBITDA Client: Net inflows; Investment performance People: Talent retention; Integration and change programme	Financial: 50% Client: 30% People: 20%
Terence Wong[2] CFO (1 July 2025 to 1 March 2026)	Financial: GDG underlying NPAT; capital management Client: Workday and Concur implementation; Investor relations	Financial: 70% Client: 30%
Andrew Mellor[3] CFO (from 2 March 2026)	Financial: GDG underlying NPAT; capital management Client: Investor relations	Financial: 70% Client: 30%

1. Peter Smith's FY26 scorecard and associated STI arrangements relate solely to his executive role as Executive Chairman of Evidentia and not to his role as Executive Director of GDG. The Board determined that an FY26 STI opportunity was appropriate having regard to Mr Smith's executive responsibilities and contribution to the strategic and operational priorities of Evidentia during FY26.
2. Terence Wong ceased as Chief Financial Officer and KMP on 1 March 2026. His FY26 scorecard reflects the period during which he served as KMP.
3. Andrew Mellor was appointed Chief Financial Officer and became KMP on 2 March 2026. His FY26 scorecard reflects the period during which he served as KMP.

FY26 STI outcomes – summary[1]

The table below summarises the FY26 STI outcomes for each executive KMP, including the target and maximum STI opportunity, the STI awarded, and the outcome as a percentage of both the target and maximum opportunity. No STI is payable where the Board determines that the minimum required level of performance has not been achieved or where the applicable gate openers are not satisfied.

Executive KMP	Target STI ($)	Maximum STI ($)	STI outcome ($)	STI outcome (% of target)	STI outcome (% of maximum)
Grant Hackett Group CEO	733,333	1,100,000	702,500	95.8%	63.9%
Felipe Araujo CEO & MD, Generation Life	353,333	530,000	357,500	101.2%	67.5%
Lorraine Robinson CEO, Lonsec	353,333	530,000	457,500	129.5%	86.3%
Michael Wright CEO, Evidentia	353,333	530,000	332,500	94.1%	62.7%
Peter Smith Executive Chairman, Evidentia	100,000	150,000	95,000	95.0%	63.3%
Terence Wong[2] CFO (1 July 2025 to 1 March 2026)	200,000	300,000	130,000	65.0%	43.3%
Andrew Mellor[3] CFO (from 2 March 2026)	112,500	168,750	112,500	100%	66.7%

1. Rob Coombe (Executive Chairman) is not eligible to participate in the FY26 Short-term Incentive plan and therefore does not appear in this table or the FY26 STI scorecards. Mr Coombe is also not eligible to participate in the Long-term incentive plan until the end of the current LTI measurement period (31 December 2027). His FY26 remuneration is disclosed in the statutory remuneration tables.
2. Terence Wong's FY26 STI opportunity and outcome reflect the portion of FY26 during which he was KMP.
3. Andrew Mellor's FY26 STI opportunity and outcome reflect the portion of FY26 during which he was KMP.

3.3 Long-term incentive outcomes

Long-term incentives are the principal mechanism aligning executive reward with long-term shareholder outcomes. Performance Rights and the Loan Share Plan place a significant portion of executive remuneration at risk over multi-year periods, and reward outcomes linked to shareholder returns, earnings growth and, for subsidiary CEOs, the performance of the businesses they lead. Both plans are subject to malus and clawback provisions.

FY26 was the first full year in which the Group's long-term incentive framework operated across the integrated business following the acquisition of Lonsec and Evidentia. During the year, the framework was strengthened to further align executive reward with business performance, including the introduction of subsidiary EBITDA performance hurdles for executives responsible for subsidiary operations.

The Group also updated the plan rules during FY26 to reflect amendments relating to leaver treatment, change of control provisions and Accountable Person arrangements. The sections below set out FY26 vesting and forfeiture outcomes, FY26 grants, on-foot grants at year-end, and the current status of the Loan Share Plan.

3.3.1 Performance Rights

During FY26, the FY22 grant vested in full following achievement of both performance conditions. The one-off FY21 Generation Life Insurance (GLI) grant completed its measurement period and lapsed in full, while the Lonsec FY25 earn-out scheme vested in full. The FY23 grant also completed its performance period during FY26, with the outcome determined by the Board following the release of the FY26 full-year results. Plan mechanics are summarised in the Plan Summaries on page 74.

a. FY22 grant – vested in full

The FY22 grant had a three-year performance period ending 30 June 2025, and was subject to two equally weighted performance conditions: iTSR (50%) and EPS growth (50%).

Both performance conditions were achieved at the stretch level. GDG delivered rTSR of 1,145% of the S&P/ASX Small Industrials Total Return Index against a stretch hurdle of 200% and EPS growth of 31.1% per annum against a stretch hurdle of 30%, resulting in 100% vesting of both tranches. Shares were allotted on 28 August 2025.

The performance conditions and outcomes are summarised below.

Performance condition assessment

Measure	Threshold	Stretch	Actual outcome	Vesting outcome
rTSR against the S&P/ASX Small Industrials Total Return Index[1]	100% of index	200% of index	1,145% of index	100%
EPS growth (3-year CAGR)[2]	10.0% p.a.	30.0% p.a.	31.1% p.a.	100%

1. Relative TSR (iTSR) measures GDG's total shareholder return relative to the S&P/ASX Small Industrials Total Return Index over the three-year performance period.
2. EPS growth is measured on the underlying investment bond business on a comparable basis and excludes LifeIncome, acquisitions, equity investments and corporate tax expense associated with the utilisation of carry-forward tax losses.

Participant outcomes

Executive KMP	Total rights	50% iTSR	50% EPS	Outcome
Grant Hackett	300,000	150,000	150,000	Vested
Felipe Araujo	219,620	109,810	109,810	Vested
Terence Wong	366,033	183,017	183,016	Vested
Total	**885,653**	**442,827**	**442,826**	

b. FY21 GLI grant – lapsed in full

The FY21 GLI grant was a one-off award made to three executive KMP at the launch of the Generation Life investment-linked lifetime annuity product. The grant was subject to a single performance condition requiring the Generation Life Insurance FUM to reach $700 million over the 3.5-year measurement period ending 22 September 2025.

Actual FUM at the end of the measurement period was less than 10% of the $700 million target and the rights lapsed in full.

Executive KMP	Total rights	Target	Vesting outcome
Grant Hackett	555,556	GLI FUM $700m	**Lapsed**
Felipe Araujo	432,099	GLI FUM $700m	**Lapsed**
Terence Wong	246,914	GLI FUM $700m	**Lapsed**
Total	**1,234,569**		

c. Lonsec FY25 earn-out scheme – vested in full

The Lonsec FY25 earn-out scheme was established in connection with the acquisition of Lonsec and granted 499,999 indeterminate Performance Rights to selected Lonsec employees. Of these, 233,333 rights were held by executive KMP and are disclosed below.

Vesting was assessed against a Threshold EBITDA performance condition defined in the Share and Option Sale Agreement. Threshold EBITDA of $33.99m exceeded the $27.4m vesting threshold, resulting in full vesting. The outcome was independently reviewed by McGrath Nicol and approved by the Board, subject to continued employment at 31 October 2025. All participants satisfied this requirement and the rights vested in full. Shares were allotted on 31 October 2025.

Performance condition assessment

Measure	Threshold	Actual outcome	Vesting outcome
Threshold EBITDA	$27.4m	$33.99m	100%

Participant outcomes

Recipient (now executive KMP)	Total rights	Vesting condition	Outcome
Michael Wright[1]	150,000	Lonsec FY25 EBITDA + service	**Vested**
Lorraine Robinson[2]	83,333	Lonsec FY25 EBITDA + service	**Vested**
Total	**233,333**		

1. Mr Wright was appointed CEO Evidentia Group on 1 July 2025, having been CEO Lonsec from 1 August 2024 to 30 June 2025 and executive KMP from 1 August 2024.
2. Ms Robinson became executive KMP as CEO Lonsec on 1 July 2025. The earn-out scheme rights were granted prior to Ms Robinson's KMP appointment and prior to Mr Wright's appointment as CEO Evidentia.

Remuneration Report continued

d. FY23 grant – vested in full

The FY23 grant completed its three-year performance period on 30 June 2026 and was assessed against two equally weighted performance conditions: iTSR (50%) and EPS growth (50%).

Following the release of the FY26 full-year results, the Board assessed performance against both conditions and determined that 100% of the grant vested. The iTSR tranche achieved 100% vesting, and the EPS growth tranche also achieved 100% vesting. Shares relating to the vested portion of the award will be allotted in FY27.

The performance conditions and outcomes are summarised below.

Performance condition assessment

Measure	Threshold	Stretch	Actual outcome	Vesting outcome
rTSR	100% of index	200% of index	889% of index	100%
EPS growth (3-year CAGR)	10.0% p.a.	30.0% p.a.	34.9%	100%

Participant outcomes

Executive KMP	Total rights	50% iTSR	50% EPS	Outcome
Grant Hackett	506,330	253,165	253,165	**Vested**
Felipe Araujo	246,414	123,207	123,207	**Vested**
Terence Wong	379,747	189,874	189,873	**Vested**
Total	**1,132,491**	**566,246**	**566,245**	

FY26 LTI grants

Three categories of LTI grant were made to executive KMP during FY26: standard annual grants to executive KMP under the FY26 framework, voluntary STI-into-LTI awards to participants electing to convert a portion of their FY25 STI, and the FY26 grant to the Executive Chairman approved by shareholders at the FY25 AGM.

(a) FY26 LTI grants

Standard FY26 LTI grants were made to eligible executive KMP during FY26. The grants are subject to a three-year performance period from 1 July 2025 to 30 June 2028 and are assessed against performance conditions aligned to the relevant business.

The Group CEO, Group CFO and CEO & MD of Generation Life received their FY26 standard LTI awards through the FY25 LTI grant cycle on 30 June 2025, consistent with the Group's annual grant timetable.

The awards are subject to the amended Plan rules approved during FY26, including the Eligible Leaver provisions described later in this section.

Executive KMP	Stretch opportunity ($)[1]	Rights granted	Performance condition	Performance period
Peter Smith Executive Chairman Evidentia	200,000	41,099	100% Evidentia normalised EBITDA growth (3-yr CAGR)	1 Jul 25 – 30 Jun 28
Michael Wright[2] CEO Evidentia	450,000	92,472	100% Evidentia normalised EBITDA growth (3-yr CAGR)	1 Jul 25 – 30 Jun 28
Lorraine Robinson CEO Lonsec	600,000	123,296	100% Lonsec normalised EBITDA growth (3-yr CAGR)	1 Jul 25 – 30 Jun 28

1. Rights were allocated by dividing the stretch opportunity by the 90-day VWAP of GDG shares up to and including 27 June 2025 ($4.866), rounded up to the nearest whole number.
2. Mr Wright's FY26 grant remains subject to the pre-July 2025 Eligible Leaver provisions, consistent with commitments made on appointment and approved by the Board. The treatment is specific to Mr Wright's award and does not establish a precedent for future grants.

(b) STI-to-LTI conversion grants

The STI-to-LTI election allows participants to convert a portion of their FY25 STI into long-term incentive awards at a 1-for-1 conversion ratio based on target LTI value or a 2-for-1 conversion ratio based on stretch LTI value, subject to performance conditions.

The election is voluntary and places a portion of the STI at multi-year performance and employment risk. Three executive KMP elected to participate during FY26.

The conversion grants are subject to the same performance conditions and measurement period as the FY25 standard LTI cohort.

Executive KMP	STI sacrificed ($)	Additional LTI opportunity ($)	Rights granted[1]	Performance period
Grant Hackett	418,200	836,400	171,874	1 Jul 2025 – 30 Jun 2028
Terence Wong	100,000	200,000	41,099	1 Jul 2025 – 30 Jun 2028
Felipe Araujo	75,000	150,000	30,824	1 Jul 2025 – 30 Jun 2028
Total KMP election	**593,200**	**1,186,400**	**243,797**	

1. Rights were allocated using the 90-day VWAP of GDG shares up to and including 27 June 2025 ($4.866), rounded up to the nearest whole number.

(c) Executive Chairman LTI grant

The Executive Chairman's FY26 LTI grant was approved by shareholders at the FY25 AGM and issued on 20 November 2025.

The grant differs from the executive KMP standard LTI grants in three respects. It is assessed against a single performance condition (relative TSR against the S&P/ASX 101-300 Index), has a performance period from 1 January 2025 to 31 December 2027, and applies a more demanding vesting scale than the standard Plan.

Executive KMP	Rights granted	Performance condition	Performance period
Robert Coombe	2,000,000	Relative TSR against the S&P/ASX 101-300 Total Return Index	1 Jan 2025 – 31 Dec 2027

The vesting scale applicable to the Executive Chairman grant is set out below.

Performance level	Coombe grant – rTSR vs Index	Standard Plan – rTSR vs Index	Vesting
Stretch	≥ 175% of Index	≥ 200% of Index	100%
Between Target and Stretch	>150% & <175% of Index	>150% & <200% of Index	Pro-rata
Target	150% of Index	150% of Index	62.5%/50%[1]
Between Threshold and Target	>125% & <150% of Index	>100% & <150% of Index	Pro-rata
Threshold	125% of Index	100% of Index	25%
Below Threshold	< 125% of Index	< 100% of Index	0%

1. At target performance (150% of Index return), the Executive Chairman grant vests at 62.5% compared to 50% under the standard Plan scale. This reflects the higher threshold and steeper vesting profile applying to the grant.

On-foot LTI grants – KMP

The table below summarises Performance Right cohorts outstanding to executive KMP at the end of FY26.

Cohort	Grant date	Period end	Performance condition	KMP recipients
FY23 LTI	29 Jun 2023	30 Jun 2026	50% rTSR / 50% EPS	Hackett, Araujo, Wong
FY24 LTI – standard	21 Aug 2024	30 Jun 2027	50% rTSR / 50% NPAT	Hackett, Wong
FY24 LTI – STI conversion	21 Aug 2024	30 Jun 2027	50% rTSR / 50% NPAT (GLL)	Araujo
FY25 LTI – standard	30 Jun 2025	30 Jun 2028	50% rTSR / 50% EPS growth	Hackett, Wong
FY25 LTI – subsidiary	30 Jun 2025	30 Jun 2028	100% Gen Life normalised EBITDA (3-yr CAGR)	Araujo
FY26 LTI – STI conversion	15 Oct 2025	30 Jun 2028	50% rTSR / 50% EPS growth (Araujo: 100% Gen Life EBITDA)	Hackett, Wong, Araujo
FY26 LTI – standard	15 Oct 2025	30 Jun 2028	100% subsidiary normalised EBITDA growth (3-yr CAGR)	Wright, Robinson
FY26 LTI – standard	20 Nov 2025	30 Jun 2028	100% subsidiary normalised EBITDA growth (3-yr CAGR)	Smith
FY26 Exec Chairman	20 Nov 2025	31 Dec 2027	100% rTSR (Coombe vesting scale)	Coombe

Three executive KMP (Mr Hackett, Mr Wong, and Mr Araujo) hold two FY25-FY28 grant cohorts that share a common performance period ending 30 June 2028. Mr Coombe's Executive Chairman grant remains on foot until 31 December 2027. Rights forfeited during the year and appointment grants issued prior to an executive becoming KMP are disclosed in the statutory remuneration tables in Section 7.

Subsidiary EBITDA hurdles

From FY25 onwards, executive KMP with responsibility for a Group subsidiary are assessed against the normalised EBITDA growth (3-year CAGR) of the relevant business, in place of the Group-wide rTSR and EPS hurdles applied to other executive KMP. This directly links executive reward with the operating performance of the relevant subsidiary, while maintaining alignment with GDG shareholder outcomes through settlement in GDG shares.

Each subsidiary hurdle operates on the same threshold/target/stretch architecture as the standard Plan – 25% vesting at threshold, 50% at target, 100% at stretch, with straight-line pro-rata vesting between bands and no vesting below threshold. The Board calibrates the specific growth-rate thresholds for each subsidiary against the strategic business plan presented to the Board, and reviews the calibration ahead of each grant cycle.

Given the commercial sensitivity of forward-looking financial targets for the Group's subsidiary businesses, the Group has not disclosed specific EBITDA growth thresholds or underlying baseline figures. Vesting outcomes against these performance conditions will be disclosed following completion of the applicable performance period.

FY26 Performance Rights Plan amendments

The Board amended the Performance Rights Plan during FY26 to align with evolving market practices, the ASX Listing Rules, and Financial Accountability Regime requirements.

Eligible Leaver provisions

Under the amended rules, Eligible Leavers retain a pro-rata number of rights reflecting the proportion of the performance period completed at cessation. The retained rights remain subject to performance testing at the end of the measurement period. The amended treatment applies to FY26 standard subsidiary grants and future grants. FY25 grants, including the 30 June 2025 standard grants and 15 October 2025 STI-to-LTI conversion grants, remain subject to the previous framework under which they were issued.

Change of control

For grants issued prior to August 2025, vesting on a change of control is determined using a defined formula comprising 50% of unvested rights plus a share-price uplift component reflecting the elapsed portion of the performance period. For grants from August 2025 onwards, the Board may determine vesting outcomes on a change of control. In the absence of such a determination, vesting is assessed on a pro-rata basis reflecting the elapsed portion of the performance period.

Financial Accountability Regime (FAR) alignment

Deferral provisions for Accountable Persons have been incorporated into the Plan documentation to support compliance with remuneration deferral requirements under the Financial Accountability Regime.

ASX Listing Rule 6.23.3

Any positive Board discretion to increase or accelerate vesting outcomes now requires shareholder approval and any required ASX waiver. Negative discretion to reduce vesting outcomes continues to apply without waiver.

Administrative amendments

The Plan acceptance process has moved to an opt-out basis and redundant administrative provisions have been removed.

3.3.2 Loan Share Plan

The Loan Share Plan (LSP) aligns selected executives with long-term shareholder outcomes through direct share ownership over a five-year period. The Board uses the Plan selectively where it considers an extended period of shareholder alignment appropriate.

Participants acquire GDG shares at market value on the grant date using an interest-free, limited recourse loan from the Company. Shares vest only if both shareholder-aligned performance hurdles are achieved at the end of the five-year performance period. If the hurdles are not achieved, the shares are surrendered in full satisfaction of the loan, and the participant captures no value, subject to the limited cessation provisions set out in the Plan Summaries.

The Plan operates under the same malus, clawback and risk adjustment framework applicable to other executive incentive arrangements.

Following shareholder feedback received in FY25 regarding disclosure of the Plan, the Board enhanced the disclosures in this section to provide greater transparency regarding its operation. Full plan mechanics are summarised in the Plan Summaries.

Performance framework

The Plan incorporates two equally weighted shareholder-aligned performance hurdles:

- **Share price growth (50%)** – measured against the acquisition price, requiring a minimum 1.5x increase before any vesting commences and 2.0x growth for full vesting.
- **Relative TSR (50%)** – measured against the S&P/ASX 101–300 index, requiring performance above the 50th percentile before any vesting occurs and 100th percentile performance for full vesting.

Both hurdles must be achieved for participants to retain value. The Plan operates on a threshold-to-maximum basis, with no intermediate vesting structure.

Participants – FY26 status

Three executive KMP participated in the Loan Share Plan across two cohorts. The FY25 cohort was granted in October 2024 and remains on foot. During FY26, an additional out-of-cycle grant was made to the CEO of Evidentia Group following his appointment and integration responsibilities.

FY25 cohort – granted October 2024

Executive KMP	Role	Loan amount ($)	Shares issued	Grant date	Period end
Grant Hackett	Group CEO	5,000,000	1,408,450	Oct 2024	30 Jun 2030
Felipe Araujo	CEO & MD, Generation Life	2,000,000	563,380	Oct 2024	30 Jun 2030

Performance period 1 July 2025 to 30 June 2030. Loan repayment is due within six months of any vested share entitlement being determined following the end of the performance period.

FY26 cohort – out-of-cycle grant

Executive KMP	Role	Loan amount ($)	Shares issued	Grant date	Period end
Michael Wright	CEO Evidentia Group	1,000,000	227,921	17 Feb 2026	31 Dec 2030

Performance period 1 January 2026 to 31 December 2030. Loan repayment is due within six months of any vested share entitlement being determined following the end of the performance period.

Total LSP exposure

Across both cohorts, total executive KMP loan exposure under the Plan was $8.0m at FY26 year-end. Non-KMP participants also hold LSP interests on substantially the same terms and are subject to the same performance conditions. Consistent with the remuneration report disclosure requirements, only executive KMP interests are reported separately in this section.

FY26 performance to date

The FY25 cohort's performance period commenced on 1 July 2025 and the FY26 cohort's on 1 January 2026. Performance against the hurdles will be assessed at the end of each cohort's five-year performance period. No vesting can occur before the end of the relevant performance period.

Board rationale of the Loan Share Plan

The Board considers the Loan Share Plan an appropriate long-term alignment mechanism for the FY25-FY30 phase of GDG's growth strategy. Four judgements underpin this view.

Horizon

The integration and value-delivery cycle of Lonsec and Evidentia extends beyond a standard three-year performance period. The five-year horizon of the LSP allows executive reward to be assessed over the period in which value creation is expected to emerge.

Risk

The limited recourse loan structure delivers genuine downside risk. If the share price growth hurdle and relative TSR hurdle are not achieved, participants surrender the shares and capture no value.

Concentration

The Plan is used selectively and complements the Performance Rights framework. Other executive KMP continues to participate through Performance Rights arrangements.

Total compensation calibration

Across participating executives, the combined value of Performance Rights and Loan Share Plan exposure is intended to provide a broadly comparable long-term remuneration opportunity. STI outcomes remain the primary differentiator for annual performance outcomes.

The Board remains committed to transparent disclosure regarding the structure, operation and performance of the Plan and continues to review the Plan as part of its broader remuneration governance framework.

3.4 Board discretion

The Board retains discretion to adjust the formulaic outcomes of GDG's incentive arrangements where, in its judgement, those outcomes do not appropriately reflect underlying performance, shareholder experience, or material risk and compliance events arising during the performance period. The framework for risk-adjusted remuneration outcomes, including malus and clawback, is described in Section 4.2.

During FY26, the Board did not exercise upward discretion in determining variable remuneration outcomes for executive KMP.

4. Remuneration governance

4.1 Governance framework

The Board has ultimate responsibility for GDG's remuneration framework, policies and processes, supported by the Remuneration and Nomination Committee. Following the establishment of the Remuneration and Nomination Committee in FY25, the Group's governance has been further strengthened in FY26 with the formation of the Risk and Reward Oversight Committee, an executive committee that assesses risk-adjusted remuneration outcomes before they are tabled with the Remuneration and Nomination Committee.

Board

The Board has overall responsibility for approving the executive KMP and NED remuneration framework, outcomes, policies and processes.

Other Committees

The RNC liaises with other Board Committees, including the Audit, Risk and Compliance Committee and Subsidiary Board Committees, on remuneration matters.

Risk and Reward Oversight Committee

Executive committee chaired by the Group CEO. Assesses risk matters, recommends risk-adjusted variable remuneration outcomes, malus and clawback to the RNC and Board.

External Advisors

The RNC and management may seek external advice on benchmarking and framework design. In FY26, no remuneration recommendations as defined by the Corporations Act were obtained.

Remuneration and Nomination Committee

Advises and makes recommendations to the Board on remuneration and nomination matters. The Committee receives input from external advisors and other Board Committees as required.

On remuneration matters, it is responsible for overseeing:

- The remuneration framework;
- Incentive schemes and equity plans;
- Remuneration policies, practices and disclosures;
- The performance evaluation outcomes of the CEO and direct reports to the CEO;
- Risk-adjusted variable remuneration decisions on recommendations of the Risk and Reward Oversight Committee.

Management

Responsible for preparing relevant materials and analysis to the Board and RNC to inform its decision-making, liaising with external advisors where appropriate. Management would not be involved in the final decision-making of outcomes involving their own remuneration.

For executive KMP and Accountable Persons of Generation Life, risk-adjusted outcomes are also tabled at the Generation Life Remuneration Committee and approved by the Generation Life Board, in addition to the GDG Board approval pathway. This reflects Generation Life's status as an APRA-regulated entity and the requirements of CPS 511 and the Financial Accountability Regime, as further explained in Section 4.3.

4.2 Risk-adjusted remuneration

GDG's remuneration framework aligns reward with prudent risk-taking and conduct consistent with the Group's values, regulatory obligations, and duties to shareholders and clients. Two mechanisms operate together: Gate Openers, which determine eligibility for variable remuneration, and the Risk and Reward Oversight Committee, which assesses risk-adjusted outcomes.

Gate Openers

All employees participating in variable remuneration are subject to two mandatory Gate Openers:

- **Risk and Compliance** – assessment against the Group's risk and compliance expectations, including completion of mandatory training and attestations, demonstration of sound risk-aware behaviours, and adherence to escalation and issue-management protocols. Outcomes are validated by the second-line Risk and Compliance functions.
- **Values and Behavioural** – assessment against the GDG Values and Code of Conduct. For Generation Life and Evidentia, this assessment operates as a formal Gate Opener; for Lonsec, values are embedded as a core performance KPI within the balanced scorecard.

Risk and Reward Oversight Committee

The Risk and Reward Oversight Committee (RROC) is an executive committee established to oversee the application of risk- and conduct-related adjustments to variable remuneration across the Group. Its mandatory members are the Group Chief Executive Officer (Chair), the Group Head of People and Culture (Secretary), and the Group Chief Risk Officer. The Committee meets at least twice each year and more frequently as required.

The Committee considers risk matters identified across GDG and its businesses, assesses individual accountability, and recommends risk-adjusted outcomes – including malus, clawback, deferral adjustment, or zero vesting – to the Remuneration and Nomination Committee. Where the matter relates to a KMP or Accountable Person of Generation Life, the recommendation is also tabled at the Generation Life Remuneration and Nomination Committee, prior to escalation to the relevant Board.

Consequence management

GDG's malus and clawback provisions, previously applied within Generation Life, were extended across all GDG subsidiaries during FY26 as part of the Group's broader governance maturity (see also Section 2.6).

Risk matters identified under each business's incident or breach management framework may trigger a remuneration consequence assessment by the Risk and Reward Oversight Committee. Four adjustment mechanisms may be applied:

- **Malus** – reduction (to zero) of unvested variable remuneration before vesting.
- **Clawback** – recovery of variable remuneration after payment or vesting, for up to two years.
- **Deferral adjustment** – extension or reduction of the deferral period where risk or conduct reviews are in progress.
- **Zero vesting or forfeiture** – where performance or risk outcomes fall materially below expectations.

No malus or clawback triggers were identified during FY26. Further detail and FY26 outcomes are set out in Section 3.4.

Risk culture monitoring

The Board monitors risk culture across the Group as part of its broader oversight of the risk and remuneration frameworks. Risk-related questions are embedded in the Group's employee engagement survey, with results reviewed by the Remuneration and Nomination Committee and the GDG Board.

4.3 CPS 511 and the Financial Accountability Regime

While GDG is not an APRA-regulated entity, its wholly owned subsidiary Generation Life is subject to APRA Prudential Standard CPS 511 Remuneration and the Financial Accountability Regime (FAR). The GDG remuneration framework incorporates CPS 511-aligned principles where appropriate at the Group level. Mandatory CPS 511 and FAR requirements apply only to executives, Accountable Persons and, where identified, Material Risk Takers of Generation Life. Lonsec and Evidentia are licensed under the Australian Financial Services Licence regime administered by ASIC and are not subject to CPS 511 or FAR.

Generation Life is classified as a non-significant financial institution under CPS 511. The Generation Life CPS 511 remuneration disclosure is published separately and available on the Generation Life website.

For FY26, the executive KMP subject to CPS 511 and FAR are the Group CEO (Mr Hackett), the CEO & MD of Generation Life (Mr Araujo) and the Group CFO (Mr Wong, to 1 March 2026). For these executives, mandatory deferral arrangements under FAR apply to variable remuneration, including a four-year total holding period for relevant components. The application of malus and clawback is consistent with both the Group framework and CPS 511. No other executive KMP is subject to these regimes.

4.4. Other governance matters

Benchmarking and adviser independence

In setting FY26 remuneration arrangements for executive KMP, the Remuneration and Nomination Committee reviewed publicly available remuneration data disclosed by ASX-listed peers, together with market data from the Financial Industry Remuneration Group (FIRG) survey. Any remuneration recommendation, as defined in section 9B of the *Corporations Act 2001*, is commissioned by, and provided directly to, the Committee Chair to safeguard the independence of the advice. The formal statutory declaration in respect of FY26 is set out in Section 7.4.

Minimum Shareholding Policy

The Group's Minimum Shareholding Policy sets minimum shareholding requirements and accumulation periods for the roles set out below.

Role	Minimum shareholding	Time to accumulate
Executive Chairman and Group CEO	Five times annual fixed remuneration	Five years from appointment or the effective date of the Policy, whichever is later
Other Executive Directors	Two times annual base fixed remuneration	Two years from appointment or the effective date of the Policy, whichever is later
Non-Executive Directors	One times annual Board base fee	Two years from appointment or the effective date of the Policy, whichever is later

Compliance with the Group's Minimum Shareholding Policy is reviewed annually by the Board. As at 30 June 2026, all individuals subject to the Policy had either met the applicable minimum shareholding requirement or remained within the permitted accumulation period. Individual progress against the applicable minimum shareholding requirements is set out in Section 7 on page 72.

Securities trading and hedging

All employees and directors of GDG are required to comply with the GDG Securities Trading Policy. Trading is subject to pre-clearance and is not permitted during designated blackout periods unless exceptional circumstances apply. Hedging or otherwise limiting economic exposure to GDG share price in relation to unvested equity-based remuneration is prohibited; breaches will result in disciplinary action, including forfeiture of unvested awards.

Gender pay equity

GDG is committed to all employees being remunerated fairly and equitably. Annual gender pay equity reviews are completed and submitted via the Workplace Gender Equality Agency (WGEA) process. Outcomes are made available to GDG employees and reviewed at both the Remuneration and Nomination Committee and the GDG Board.

Loans and transactions with KMP

Other than loans provided under the Loan Share Plan, transactions between the Group and KMP or their related parties during FY26 were entered into only on terms reasonably expected to apply to dealing at arm's length between independent parties. The formal statutory declaration in respect of FY26 is set out in Section 7.4.

5. Executive service agreements

5.1 Overview

The remuneration and other terms of employment for each member of executive KMP are formalised in written employment agreements. Each agreement is of unlimited duration and is reviewed annually by the Remuneration and Nomination Committee.

5.2 Key contractual terms

Details of the service agreements entered into with each executive KMP are outlined below.

	Rob Coombe	Peter Smith	Grant Hackett	Terence Wong[1]	Andrew Mellor	Felipe Araujo	Michael Wright	Lorraine Robinson
Contract duration	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Notice period – either party	6 months	3 months	6 months	3 months	4 months	16 weeks	16 weeks	16 weeks

1. Mr. Wong ceased to be a KMP upon the appointment of Mr Andrew Mellor as Chief Financial Officer on 2 March 2026. Mr Wong continued in an executive transition role until 30 June 2026. Both individuals are included in this table as executive KMP during FY26.

The Group may terminate an executive's employment immediately, without notice and without payment in lieu of notice, in the event of serious misconduct. In all other cases, the Group may terminate the employment by giving the notice period set out in the table above, or by making a payment in lieu of notice. No contractual termination payments are payable to any executive over and above pay in lieu of notice and statutory entitlements (including accrued annual leave, long service leave where applicable, and superannuation).

Each executive's service agreement contains post-employment non-competition and non-solicitation restraints. These contractual restraints supplement the alignment provided by the Group's multi-year equity-based retention arrangements (including Performance Rights and, where applicable, the Loan Share Plan), under which executives forfeit significant unvested value if they leave to join a competitor. The terms of the contractual restraints are determined by the seniority and nature of the executive's role.

5.3 Treatment of unvested equity and change of control

The treatment of unvested Performance Rights and Loan Share Plan holdings on cessation of employment, and in the event of a change of control, is determined by the rules of the relevant plan. Detailed plan mechanics, including good-leaver and bad-leaver treatment, pro-rata vesting provisions, and Board discretion, are set out in the Plan summaries in the back matter of this report.

5.4 Executive Chairman

The Executive Chair is appointed to that position by the Board pursuant to the Company's constitution, effective 1 January 2025. He will continue to act as Executive Chairman until 31 December 2026 and will remain as a Director until 31 December 2027.

6. Non-Executive Director remuneration

6.1 Fee philosophy and guiding principles

Non-Executive Director (NED) remuneration is designed to fairly recognise the responsibilities and contributions of Directors while preserving the independence and objectivity of the Board in its oversight of management and remuneration outcomes. NEDs are remunerated only through fixed fees. NEDs do not participate in any performance-based incentive plan, do not receive equity, and are not eligible for any retirement benefit beyond statutory superannuation.

On appointment, each NED enters into a letter of appointment that sets out the terms of office, including the fees payable. NED fees are set within the maximum aggregate fee pool approved by shareholders and are reviewed annually by the Remuneration and Nomination Committee (RNC) against market data and industry benchmarks. The Committee makes recommendations to the Board having regard to the relative size and complexity of the Group, the time commitment required, and the responsibilities arising from GDG's status as an ASX 200 company with three regulated operating businesses.

6.2 Market benchmarking

NED fees are benchmarked annually against a peer group of ASX-listed financial services companies of comparable size and complexity. The RNC reviews benchmark data drawn from publicly available remuneration reports and external survey data, and makes fee recommendations to the Board as appropriate.

The benchmarking exercise indicated that GDG's current NED fees sit within the range observed across this peer group. The Committee considers the current fee levels appropriate to attract and retain Directors of suitable calibre, having regard to the complexity of the Group.

6.3 NED fee pool

The NED fee pool was increased from $900,000 to $1,300,000, as approved by shareholders at the Annual General Meeting on 20 November 2025. The increase provides capacity for the FY26 fee structure set out below and for future Board renewal. No further increase to the fee pool is proposed for FY27.

6.4 FY26 NED fee structure

The following NED fees apply for FY26. The Lead Independent Director premium was introduced from 1 June 2026. Changes to the Audit Committee and its fees applying from FY27 are described in Note 1 below. All amounts are inclusive of superannuation. The statutory remuneration for Directors is shown in Section 7.

Role	Chair	Member	Notes
Board	N/A	$140,000	
Audit Committee[1]	$30,000	$20,000	
Remuneration and Nomination Committee	$30,000	$20,000	
Lead Independent Director[2]	–	$15,000	From 1 June 2026

1. The Audit Committee will be expanded to the Audit, Risk and Compliance Committee from FY27. The annual Chair fee will increase from $30,000 to $40,000, and the annual member fee from $20,000 to $25,000, reflecting the broader scope and responsibilities of the expanded Committee.
2. The Lead Independent Director (LID) role was created in June 2025. An annual premium of $15,000 applies from 1 June 2026, recognising the additional responsibilities of the role.

6.5 Minimum shareholding requirement

Under the Group's Minimum Shareholding Policy, each NED is required to hold GDG Shares with a value equal to one times their annual base Board fee, to be achieved within two years of appointment or the effective date of the Policy, whichever is later. Compliance with the requirement is reviewed annually by the Board. Details of NED shareholdings at the end of the financial year are set out in the statutory remuneration tables (Section 7).

6.6 Other benefits and independence

Non-Executive Directors receive reimbursement for reasonable business-related expenses incurred in the performance of their duties and are covered by the Group's Directors' and Officers' liability insurance policy. No additional benefits, retirement payments, or termination payments are payable to Non-Executive Directors beyond statutory superannuation.

All Non-Executive Directors other than the Executive Chairman, are considered by the Board to be independent in accordance with the ASX Corporate Governance Principles and Recommendations (4th edition), being independent of management and free of any business or other relationship that could, or could reasonably be perceived to, materially interfere with the exercise of their independent judgement. The independence of Non-Executive Directors is reviewed by the Board at least annually.

7. Statutory tables

Remuneration shown below relates to the period in which the individual was a member of KMP.

7.1 KMP statutory remuneration

Remuneration shown below relates to the period in which the Director or executive was a member of Key Management Personnel for the year ended 30 June 2026.

	Short-term employment benefits			Post-employment benefits	Long-term employment benefits				
2026	Salary and fees	Cash bonus	Non-monetary benefits	Super-annuation	Annual & Other Leave	Long service leave	Long-term incen-tives[6]	Total	Perfor-mance-based pro-portion
Directors									
C Christian	169,643	–	–	20,357	–	–	–	190,000	0%
G M Collins	169,643	–	–	20,357	–	–	–	190,000	0%
S Waples[1]	123,661	–	–	14,839	–	–	–	138,500	0%
W E Bessemer[2]	56,227	–	–	6,747	–	–	–	62,974	0%
Sub total	519,174	–	–	62,300	–	–	–	581,474	0%
Other Senior Executives									
R N Coombe	340,625	–	–	7,500	35,385	833	1,736,000	2,120,342	81.9%
P A Smith	441,552	95,000	–	46,220	1,534	1,534	8,521	594,361	17.4%
G Hackett	770,000	702,500	–	30,000	26,605	54,745	524,756	2,108,606	58.2%
T Wong[3]	246,667	130,000	–	20,000	(7,798)	10,422	80,028	479,319	43.8%
A Mellor[4]	154,702	112,500	–	11,964	13,588	141	–	292,895	38.4%
F Araujo	475,000	357,500	–	30,000	44,906	30,661	77,787	1,015,854	42.8%
M Wright	476,923	332,500	–	30,000	(15,167)	2,608	79,580	906,444	45.5%
L Robinson[5]	464,615	457,500	–	30,000	7,886	19,043	198,507	1,177,551	55.7%
Sub total	3,370,084	2,187,500	–	205,684	106,939	119,987	2,705,179	8,695,372	56.3%
Total	**3,889,258**	**2,187,500**	**–**	**267,985**	**106,939**	**119,987**	**2,705,179**	**9,276,846**	**52.7%**

1. Shenaz Waples was appointed as a Non-Executive Director on 1 October 2025.
2. William Bessemer retired from the Board in November 2025. His fees are pro-rated to the date of retirement.
3. Terence Wong ceased to be a KMP on 1 March 2026 when Mr. Andrew Mellor commenced as Chief Financial Officer. Mr Wong remained employed by the Group in a transition capacity until 30 June 2026.
4. Andrew Mellor was appointed Chief Financial Officer on 2 March 2026 and became KMP from that date.
5. Lorraine Robinson commenced as Chief Executive Officer, Lonsec Research and Ratings on 1 July 2025 and became a KMP from that date.
6. Accounting treatment reflects performance period and conditionality.

Remuneration shown below relates to the period in which the Director or executive was a member of Key Management Personnel for the year ended 30 June 2025.

	Short-term employment benefits			Post-employment benefits	Long-term employment benefits			
2025	**Salary and fees**	**Cash bonus**	**Non-monetary benefits**	**Super-annuation**	**Long service leave**	**Long-term incen-tives[5]**	**Total**	**Perfor-mance-based pro-portion**
Directors								
W E Bessemer	88,291	–	–	10,153	–	–	98,444	0%
G M Collins	105,440	–	–	12,126	–	–	117,566	0%
C Christian[1]	78,794	–	–	9,061	–	–	87,855	0%
Sub total	272,525	–	–	31,340	–	–	303,865	0%
Other Senior Executives								
R N Coombe[2]	218,750	125,000	–	5,391	–	897,000	1,246,141	82.0%
P A Smith[3]	123,560	–	–	13,057	–	–	136,617	0%
G Hackett	662,432	104,550	–	29,932	14,136	420,601	1,231,651	42.6%
T Wong	333,184	92,000	–	29,932	11,595	144,206	610,917	38.7%
F Araujo	412,463	215,250	–	29,932	8,176	121,434	787,255	42.8%
M Wright[4]	485,018	–	–	27,438	7,503	–	519,959	0%
Sub total	2,235,407	536,800	–	135,682	41,410	1,583,241	4,532,540	46.8%
Total	**2,507,932**	**536,800**	**–**	**167,022**	**41,410**	**1,583,241**	**4,836,405**	**43.8%**

1. Christine Christian joined the GDG Board on 8 October 2024.
2. Robert Coombe's FY25 remuneration comprises his remuneration as Non-Executive Chairman (until 31 December 2024) and Executive Chairman (from 1 January 2025) during FY25.
3. Peter Smith was termed KMP from 18 February 2025, following the acquisition of Evidentia, and he joined the GDG Board on 18 June 2025.
4. Michael Wright was a KMP from 1 August 2024 following the acquisition of Lonsec.
5. Accounting treatment reflects performance period and conditionality.

7.2 Executive KMP Performance Right Holdings

The table below sets out details of Performance Rights held by executive KMP during FY26, including rights granted in the current or prior financial years and movements in those rights during the year.

Directors/ Executives	Type of instrument	Grant date	Fair value per right at grant date	Performance measure	Number granted
Grant Hackett	2021 GDG Performance Rights (GLI)	30 Jun 2021	$0.166	100% FUM	555,556
	2022 GDG Performance Rights	29 Jun 2022	$0.711	50% TSR	150,000
	2022 GDG Performance Rights	29 Jun 2022	$0.418	50% EPS	150,000
	2023 GDG Performance Rights	29 Jun 2023	$0.688	50% TSR	253,165
	2023 GDG Performance Rights	29 Jun 2023	$0.325	50% EPS	253,165
	2024 GDG Performance Rights	21 Aug 2024	$1.400	50% TSR	167,073
	2024 GDG Performance Rights	21 Aug 2024	$0.725	50% NPAT	167,073
	2025 GDG Performance Rights	30 Jun 2025	$2.990	50% TSR	89,903
	2025 GDG Performance Rights	30 Jun 2025	$1.688	50% EPS	89,903
	2026 GDG Performance Rights	15 Oct 2025	$6.900	50% TSR	–
	2026 GDG Performance Rights	15 Oct 2025	$3.480	50% EPS	–
					1,875,838

1. All rights vested during the year are exercisable.

Balance at 1 July 2025	Issued during the year	Vested[1]	Vested %	Lapsed	Lapsed %	Balance at 30 June 2026	Financial Year of actual performance vesting
555,556	–	–	–	555,556	100	–	2026
150,000	–	150,000	100	–	–	–	2026
150,000	–	150,000	100	–	–	–	2026
253,165	–	–	–	–	–	253,165	2027
253,165	–	–	–	–	–	253,165	2027
167,073	–	–	–	–	–	167,073	2028
167,073	–	–	–	–	–	167,073	2028
89,903	–	–	–	–	–	89,903	2028
89,903	–	–	–	–	–	89,903	2028
	85,937					85,937	2028
	85,937					85,937	2028
1,875,838	**171,874**	**300,000**	**–**	**555,556**	**–**	**1,192,156**	

Directors/ Executives	Type of instrument	Grant date	Fair value per right at grant date	Performance measure	Number granted
Felipe Araujo	2021 GDG Performance Rights (GLI)	30 Jun 2021	$0.166	100% FUM	432,099
	2022 GDG Performance Rights	29 Jun 2022	$0.711	50% TSR	109,810
	2022 GDG Performance Rights	29 Jun 2022	$0.418	50% EPS	109,810
	2023 GDG Performance Rights	29 Jun 2023	$0.688	50% TSR	123,207
	2023 GDG Performance Rights	29 Jun 2023	$0.325	50% EPS	123,207
	2024 GDG Performance Rights	21 Aug 2024	$1.400	50% TSR	77,968
	2024 GDG Performance Rights	21 Aug 2024	$0.725	50% NPAT	77,968
	2025 GDG Performance Rights	30 Jun 2025	$1.688	100% EBITDA	71,923
	2026 GDG Performance Rights	15 Oct 2025	$6.900	100% EBITDA	–
					1,125,992
Terence Wong	2021 GDG Performance Rights (GLI)	30 Jun 2021	$0.166	100% FUM	246,914
	2022 GDG Performance Rights	29 Jun 2022	$0.711	50% TSR	183,017
	2022 GDG Performance Rights	29 Jun 2022	$0.418	50% EPS	183,016
	2023 GDG Performance Rights	29 Jun 2023	$0.688	50% TSR	189,874
	2023 GDG Performance Rights	29 Jun 2023	$0.325	50% EPS	189,873
	2024 GDG Performance Rights	21 Aug 2024	$1.400	50% TSR	66,830
	2024 GDG Performance Rights	21 Aug 2024	$0.725	50% NPAT	66,829
	2025 GDG Performance Rights	30 Jun 2025	$2.990	50% TSR	30,824
	2025 GDG Performance Rights	30 Jun 2025	$1.688	50% EPS	30,824
	2026 GDG Performance Rights	15 Oct 2025	$6.900	50% TSR	
	2026 GDG Performance Rights	15 Oct 2025	$3.480	50% EPS	
					1,188,001
Michael Wright	2025 GDG Performance Rights (Lonsec)	21 Aug 2024	$1.869	100% EBITDA	150,000
	2026 GDG Performance Rights	15 Oct 2025	$6.900	100% EBITDA	
					150,000
Lorraine Robinson	2025 GDG Performance Rights (Lonsec)	21 Aug 2024	$1.869	100% EBITDA	83,333
	2026 GDG Performance Rights	15 Oct 2025	$6.900	100% EBITDA	
					83,333
Robert Coombe	2026 GDG Performance Rights	20 Nov 2025	$3.720	100% TSR	
Peter Smith	2026 GDG Performance Rights	20 Nov 2025	$6.220	100% EBITDA	

Balance at 1 July 2025	Issued during the year	Vested[1]	Vested %	Lapsed	Lapsed %	Balance at 30 June 2025	Financial Year of actual performance vesting
432,099	–	–	–	432,099	100	–	2026
109,810	–	109,810	100	–	–	–	2026
109,810	–	109,810	100	–	–	–	2026
123,207	–	–	–	–	–	123,207	2027
123,207	–	–	–	–	–	123,207	2027
77,968	–	–	–	–	–	77,968	2028
77,968	–	–	–	–	–	77,968	2028
71,923		–	–	–	–	71,923	2028
	30,824					30,824	2028
1,125,992	**30,824**	**219,620**	**–**	**432,099**	**–**	**505,097**	
246,914	–	–	–	246,914	100	–	2026
183,017	–	183,017	100	–	–	–	2026
183,016	–	183,016	100	–	–	–	2026
189,874	–	–	–	–	–	189,874	2027
189,873	–	–	–	–	–	189,873	2027
66,830	–	–	–	–	–	66,830	2028
66,829	–	–	–	–	–	66,829	2028
30,824		–	–	–	–	30,824	2028
30,824		–	–	–	–	30,824	2028
	20,550					20,550	2028
	20,549					20,549	2028
1,188,001	**41,099**	**366,033**	**–**	**246,914**	**–**	**616,153**	
150,000		150,000	100	–	–	–	2026
	92,472					92,472	2028
150,000	**92,472**	**150,000**	**–**	**–**	**–**	**92,472**	
83,333		83,333	100	–	–	–	2026
–	123,296	–	–	–	–	123,296	2028
83,333	**123,296**	**83,333**	**–**	**–**	**–**	**123,296**	
	2,000,000	–	–	–	–	2,000,000	2028
	2,000,000	**–**	**–**	**–**	**–**	**2,000,000**	
	41,099					41,099	2028
	41,099					**41,099**	

7.3 KMP Shareholdings

Details of the shareholdings of KMP are set out below.

2026

Directors/ Executives	Class	Balance at 1-Jul-25/ date of appointment as KMP	Received on vesting of performance rights	Loan-funded Shares	Shares Acquired	Shares Disposed	Others	Balance at 30-Jun-26/ date of cessation as KMP	Status against Minimum Shareholding Requirement
R N Coombe	Ordinary	9,495,809	0	0	68,152	580,000	0	8,983,961	Met
W E Bessemer[1]	Ordinary	11,477,699	0	0	0	170,000	0	11,307,699	Met
G M Collins	Ordinary	85,560	0	0	5,000	0	0	90,560	Met
C Christian	Ordinary	605,395	0	0	42,030	0	0	647,425	Met
S Waples[2]	Ordinary	0	0	0	30,756	0	0	30,756	Within accumulation period
P Smith	Ordinary	2,148,872	0	0	25,010	8,882	0	2,165,000	Met
G Hackett	Ordinary	2,901,128	300,000	0	86,885	1,561,831	0	1,726,182	Met
F Araujo	Ordinary	1,172,548	219,620	0	0	0	0	1,392,168	N/A
T Wong[3]	Ordinary	1,565,236	366,033	0	32,771	0	0	1,964,040	N/A
M Wright	Ordinary	1,028,183	150,000	227,921	71,818	0	0	1,477,922	N/A
L Robinson[4]	Ordinary	189,252	83,333	0	10,214	0	0	282,799	N/A
A Mellor[5]	Ordinary	1,500	0	0	0	0	0	1,500	N/A

1. William Bessemer retired from the Board in November 2025. His closing balance reflects his shareholding at the date of cessation
2. Shenaz Waples was appointed as a Non-Executive Director on 1 October 2025. Her opening balance reflects her shareholding at the date of appointment. She remains within the permitted two-year accumulation period under the Minimum Shareholding Policy.
3. Terence Wong ceased to be a KMP on 1 March 2026 following the appointment of Andrew Mellor as Chief Financial Officer. His closing balance reflects his shareholding at the date of cessation
4. Lorraine Robinson commenced as Chief Executive Officer, Lonsec Research and Ratings on 1 July 2025 and became a KMP from that date. Her opening balance reflects her shareholding at the date of appointment
5. Andrew Mellor was appointed Chief Financial Officer on 2 March 2026 and became KMP from that date. His opening balance reflects his shareholding at the date of appointment

2025

Directors/ Executives	Class	Balance at 1-Jul-24/ date of appoint-ment as KMP	Received on vesting of perfor-mance rights	Loan-funded Shares	Shares Acquired	Shares Disposed	Others	Balance at 30-Jun-25/ date of cessation as KMP
R N Coombe	Ordinary	9,012,792	0	0	483,017	0	0	9,495,809
W E Bessemer	Ordinary	13,169,699	0	0	0	1,692,000	0	11,477,699
G M Collins	Ordinary	75,075	0	0	10,485	0	0	85,560
C Christian[2]	Ordinary	0	0	0	605,395	0	0	605,395
P Smith[3]	Ordinary	0	0	0	2,148,872	0	0	2,148,872
G Hackett	Ordinary	653,083	493,828	1,408,450	1,245,767	900,000	0	2,901,128
F Araujo	Ordinary	465,206	246,914	563,380	12,048	115,000	0	1,172,548
T Wong	Ordinary	813,132	493,828	0	438,276	180,000	0	1,565,236
M Wright[4]	Ordinary	0	0	0	1,028,183	0	0	1,028,183

1. FY25 comparative amounts have been reclassified to separately present loan-funded shares. There is no change to total shareholdings previously reported.
2. Christine Christian joined the GDG Board on 18 October 2024. Her shareholding is shown from this date.
3. Peter Smith is termed as KMP from 18 February 2025, following the acquisition of Evidentia, and he joined the GDG Board on 18 June 2025.
4. Michael Wright, CEO of Lonsec Group is a KMP of the Group from 1 August 2024.

Note: The following Group executives of GDG held shares in the acquired entity – Lonsec Holdings Pty Ltd that was subsequently converted to cash/rolled over to GDG ordinary shares on 1 August 2024:

- R N Coombe 180,000 ordinary shares of which 135,000 converted to cash and the balance 45,000 rolled over to 243,053 GDG shares.
- G Hackett 226,000 ordinary shares rolled over to 1,215,647 GDG shares.
- T Wong 77,000 ordinary shares rolled over to 414,180 GDG shares.

7.4 Statutory declarations

This section sets out the formal statutory declarations required under the *Corporations Act 2001* in respect of FY26. The substantive remuneration governance arrangements supporting these declarations are set out in Section 4.

Use of remuneration consultants

Section 300A(1)(h) of the *Corporations Act 2001* requires disclosure of any remuneration consultant from whom a Remuneration Recommendation (as defined in section 9B) was obtained during the year, together with the fees paid and the protocols followed to ensure the recommendation was made free from undue influence.

During FY26, no Remuneration Recommendation, as defined in section 9B of the *Corporations Act 2001*, was obtained by the Group. Accordingly, no disclosure is required under section 300A(1)(h) in respect of FY26.

The Remuneration and Nomination Committee engaged the Financial Industry Remuneration Group (FIRG) to provide market benchmarking data for executive Key Management Personnel and Non-Executive Director remuneration. Benchmarking data of this kind does not constitute a Remuneration Recommendation within the meaning of section 9B. The Committee's framework for engaging external advisers, including the protocols designed to ensure adviser independence from management, is set out in Section 4.4.

Hedging of remuneration

Section 206J of the *Corporations Act 2001* prohibits Key Management Personnel and their closely related parties from entering into arrangements that limit the economic risk of holding GDG securities granted as part of their remuneration that have not yet vested or remain subject to a holding lock or other restriction on disposal.

The Board confirms that, during FY26, no Key Management Personnel or closely related party entered into any arrangement of the kind prohibited by section 206J. The Group's Securities Trading Policy reinforces this prohibition and extends it to all employees in respect of unvested equity-based remuneration. The policy and the FY26 compliance position are described further in Section 4.4.

8. Plan summary

8.1 Performance Rights Plan

The GDG Performance Rights Plan governs Performance Rights granted to executive KMP and other participants. Three grant variants operate under the Plan: Group Executive awards, Subsidiary CEO awards and the Executive Chairman award. FY26 grant activity, vesting outcomes and Board decisions are discussed in Section 3.3.1.

Element	Description
Plan	GDG Rights Plan (the Plan). Amended by Board resolution on 12 August 2025. Grants issued under invitations dated August 2025 or later operate under the amended rules.
Variants	• Group Executive awards • Subsidiary CEO awards • Executive Chairman award (approved separately at the FY25 AGM)
Delivery	• One Performance Rights entitles the participant to one GDG ordinary share (or Restricted Share) on vesting • No payment required on grant • Board may settle vested rights in cash or shares
Allocation methodology	• Number of rights determined by dividing the approved LTI opportunity by the applicable VWAP-based share price at grant date • 90-day VWAP for FY25 LTI and FY26 grants: $4.866
Measurement period	• Standard awards: 3 years from 1 July of the grant year • Executive Chairman award: 1 January 2025 to 31 December 2027
Performance measures	**Group Executive awards** Two equally weighted performance conditions tested independently: • Relative TSR (50%) vs S&P/ASX 101-300 Index • EPS Growth CAGR (50%)
	Subsidiary CEO awards 100% weighted to three-year CAGR growth in Normalised EBITDA of the business led by the participant.
	Executive Chairman award Single performance condition: relative TSR against the S&P/ASX 101-300 Index.
Normalised EBITDA	Calculated consistently with approved strategic business plans. The Board may determine whether material acquisitions, one-off items or capital management decisions should be included or excluded.
Termination of employment	Eligible Leaver treatment depends on the applicable grant rules. Pre-amendment grants generally retain full testing at period end. Post-amendment grants are generally subject to pro-rata retention. Unvested rights of non-Eligible Leavers are forfeited.

Element	Description
Forfeiture provisions	Unvested rights may be forfeited for fraud, defalcation, gross misconduct, serious misconduct or conduct materially detrimental to the Group. Malus and clawback provisions under the Group Consequence Management Framework may also apply.
Disposal and trading restrictions	Performance Rights cannot be transferred, assigned, pledged or otherwise disposed of before vesting. Shares allocated on vesting remain subject to the Group Securities Trading Policy and applicable insider trading laws.
FAR alignment (Accountable Person)	Generation Life Accountable Persons are subject to an additional 12-month disposal restriction following the end of the three-year measurement period, resulting in a minimum four-year holding period. The Board may adjust vesting or disposal arrangements where necessary to comply with regulatory requirements.
Change of Control	Under the current Plan Rules, vesting on a Change of Control generally reflects the proportion of the performance period completed. The Board retains discretion to determine an alternative outcome where appropriate, including to comply with regulatory requirements.
Board discretion	The Board retains discretion to administer the Plan and determine outcomes in accordance with the Plan Rules. Positive discretion to increase or accelerate vesting remains subject to applicable ASX Listing Rule requirements and shareholder approval where required. Negative discretion to reduce vesting may be exercised where appropriate.

8.2 Loan Share Plan

The GDG Loan Share Plan (LSP) is a limited recourse, loan-funded share plan. The key terms of the Plan are summarised below. FY26 grants, participant outcomes and the Board's rationale for the Plan are discussed in Section 3.3.2.

<table>
<tr><th>Element</th><th>Description</th></tr>
<tr><td>Plan</td><td>Limited-recourse, interest-free loan provided by GDG to acquire GDG ordinary shares.

Participants hold legal title to shares from grant date and retain voting and dividend rights, subject to the Plan Rules.</td></tr>
<tr><td>Performance conditions</td><td>Shares acquired under the Plan are subject to the following performance conditions.

1. Share Price Growth (50%)
<table>
<tr><th>Performance Target</th><th>Vesting (%)</th></tr>
<tr><td>< 1.5 x share price growth over the acquisition price</td><td>0%</td></tr>
<tr><td>1.5x share price growth over the acquisition price</td><td>50%</td></tr>
<tr><td>Between 1.5x and 2x share price growth over the acquisition price</td><td>Straight line vesting between 50% to 100%</td></tr>
<tr><td>>= 2x share price growth over the acquisition price</td><td>100%</td></tr>
</table>
The share price at the end of the performance period will be calculated based on the volume weighted average price (VWAP) for the 30 trading days prior to the end of the performance period.

2. rTSR (50%)

Measured against the S&P/ASX 300 Index:
<table>
<tr><th>Performance Target</th><th>Vesting (%)</th></tr>
<tr><td>Less than 50th percentile</td><td>0%</td></tr>
<tr><td>50th percentile</td><td>50%</td></tr>
<tr><td>Between 50th and 75th percentile</td><td>Straight line vesting between 50% to 100%</td></tr>
<tr><td>75th percentile or above</td><td>100%</td></tr>
</table>
The share price data used for the TSR calculation is based on:
• The 30-trading day VWAP up to but not including the first day of the performance period; and
• The 30-trading day VWAP up to and including the final day of the performance period.</td></tr>
<tr><td>Performance period</td><td>Five years from the commencement date specified in the relevant invitation.</td></tr>
<tr><td>Testing and vesting</td><td>Performance is tested at the end of the five-year performance period. Shares corresponding to the vested portion of the award are retained by the participant. Shares relating to the unvested portion are surrendered in satisfaction of the corresponding portion of the outstanding loan balance.</td></tr>
</table>

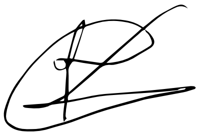
Element	Description
Loan repayment	Outstanding loan is repayable within six months of the end of the performance period. Repayment amount is the lower of the market value of vested shares and the outstanding loan balance. Where share value exceeds the loan balance, participants retain the excess value.
Termination of employment	Treatment depends on the participant's cessation circumstances. Eligible Leavers generally retain a pro-rated entitlement that remains subject to performance testing. Other unvested shares are generally surrendered in satisfaction of the outstanding loan.
Forfeiture provisions	Shares may be forfeited in circumstances including fraud, defalcation, gross misconduct, serious misconduct or conduct materially detrimental to the Group. Malus and clawback provisions under the Group Consequence Management Framework may also apply.
Disposal and trading restrictions	Participants cannot transfer, assign, pledge or otherwise dispose of shares during the performance period except as permitted under the Plan Rules. Following vesting, shares remain subject to the Group Securities Trading Policy and applicable insider trading laws.
FAR alignment (Accountable Persons)	Where a participant is an Accountable Person, additional disposal restrictions and other regulatory requirements may apply to ensure compliance with the Financial Accountability Regime.
Change of control	On a Change of Control, performance conditions generally cease to apply and participants retain a pro-rated number of Shares reflecting the portion of the performance period elapsed, with remaining shares surrendered in satisfaction of the corresponding loan balance. The Board retains discretion to determine alternative treatment where appropriate.
Board discretion	The Board retains discretion to administer the Plan and determine outcomes in accordance with the Plan Rules, subject to applicable legal, regulatory and shareholder approval requirements.

9. Loans and related party transactions

Other than the limited-recourse loans provided to executive KMP under the Loan Share Plan, which are disclosed in Section 3.3.2 and Section 8, the Group did not provide any loans or enter into any transactions with Key Management Personnel or their related parties during FY26 other than on terms reasonably expected to apply to dealings at arm's length.

Directors, KMP, and their family members have investments in Benefit Funds managed by Generation Life Limited and Managed Funds managed by Evidentia Group Pty Ltd. These investments were undertaken on commercial terms. The value of these investments as at 30 June 2026 is $1,964,836 (2025: $1,818,257) in Benefit Funds and $508,727 (2025: $400,000) in Managed Funds.

The Directors' Report is signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the *Corporations Act 2001*.



Mr Robert Neil Coombe
Executive Chairman

26 August 2026

Auditor's Independence Declaration

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Generation Development Group Limited

I declare that as at the date of this declaration, both the Firm and I are independent in accordance with professional rules and statutory requirements on auditor independence. To the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2026, the only matter which requires disclosure in relation to auditor independence requirements, as set out in the Corporations Act 2001 or any applicable code of professional conduct, is the situation described below:

i. In February 2026, a Partner in the KPMG Melbourne office acquired a financial interest in Generation Life Investment Bond. The Partner has provided no services to Generation Development Group Limited or any entity of Generation Development Group Limited, on behalf of the Firm during this time, and was not part of the audit engagement team. The partner disposed of the interest on 8 April 2026.

KPMG

KPMG

Joshua Pearse

Partner

Melbourne

26 August 2026

Financial Report

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Revenue, other income and investment revaluations			
Revenue from contracts with customers	7 (a)	120,140	90,322
Interest income	7 (b)	11,523	9,710
Revaluation of investments	7 (c)	216,563	332,447
Other income	7 (d)	2,017	2,164
Gain on remeasurement of previously existing interest in Lonsec		–	75,142
Gain on provision for deferred consideration		18,655	–
Distribution and dividend income		207,388	106,036
Total Revenue, other income and investment revaluations		**576,286**	**615,821**
Insurance revenue	8	7,550	6,349
Insurance service expenses	8	(10,920)	(7,690)
Insurance service result from insurance contracts issued		**(3,370)**	**(1,341)**
Income from reinsurance contracts held	8	341	(606)
Insurance service result		**(3,029)**	**(1,947)**
Net investment income/(expenses)	8	**5,354**	**4,544**
Insurance finance income/(expenses) from insurance contracts issued	8	(5,462)	(3,904)
Finance income/(expenses) from reinsurance contracts held	8	(5)	116
Net insurance finance income/(expenses)		**(5,467)**	**(3,788)**
Net insurance result	8	**(3,142)**	**(1,191)**
Expenses			
Personnel expenses	10 (a)	(71,126)	(52,329)
Occupancy expenses		(1,307)	(1,523)
Communication expenses		(188)	(180)
Finance expenses		(2,616)	(1,908)
Dealing and settlement expenses		(17,576)	(12,468)
Marketing and promotional expenses		(3,647)	(2,783)
Depreciation and amortisation expenses	10 (b)	(24,252)	(18,554)
Impairment expenses		–	(5)
Other expenses	10 (c)	(54,269)	(88,072)
Policyholder withdrawals		(64)	(88)
Total Expenses		**(175,045)**	**(177,910)**
Profit/(loss) before income tax expense		**398,099**	**436,720**
Income tax expense	12 (a)	(97,251)	(108,679)
(Profit)/loss attributable to policyholders		(268,918)	(292,567)
Net Profit attributable to shareholders of the Company		**31,930**	**35,474**
Total comprehensive income attributable to shareholders of the Company		**31,930**	**35,474**
Earnings Per Share			
Basic (cents per share)	23	8.01	10.79
Diluted (cents per share)	23	7.90	10.66

A subsidiary of the Company, Generation Life Limited, is a Friendly Society in accordance with the *Life Insurance Act 1995*. The funds operated by Generation Life Limited and any trusts controlled by those funds, are treated as statutory funds in accordance to the *Life Insurance Act 1995*. These statutory funds are required to be consolidated in accordance to Accounting Standards.

The accompanying Notes 1 to 38 form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	2026 $'000	2025 $'000
Assets:			
Cash and cash equivalents	13	192,763	180,213
Income tax receivable		9,899	10,517
Trade and other receivables		22,185	27,336
Other assets	15	109,336	59,848
Financial assets	14	6,051,265	4,480,530
Right-of-use assets	25 (a)	3,956	5,896
Plant and equipment		1,580	1,523
Intangible assets	16	740,237	754,761
Reinsurance contract assets	33	1,476	1,131
Total assets		**7,132,697**	**5,521,755**
Liabilities:			
Trade and other payables	17	51,225	124,828
Contract liabilities	20	12,738	13,905
Current tax liabilities		66,014	28,853
Lease liabilities	25 (b)	4,982	7,033
Other liabilities		23,075	16,139
Provisions	18	7,223	6,490
Deferred tax liabilities	12 (c)	270,906	237,845
Insurance contract liabilities	32 (c)	85,021	68,471
Investment contract liabilities	30	5,837,525	4,320,611
Borrowings	21	42,397	–
Total liabilities		**6,401,106**	**4,824,175**
Net assets		**731,591**	**697,580**
Equity:			
Issued capital	19	707,272	699,838
Share-based payment reserve		7,989	5,487
Profits reserve	22	67,046	67,867
Accumulated losses	22	(50,716)	(75,612)
Total equity		**731,591**	**697,580**

A subsidiary of the Company, Generation Life Limited, is a Friendly Society in accordance with the *Life Insurance Act 1995*. The funds operated by Generation Life Limited and any trusts controlled by those funds, are treated as statutory funds in accordance to the *Life Insurance Act 1995*. These statutory funds are required to be consolidated in accordance to Accounting Standards.

The accompanying Notes 1 to 38 form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the Financial Year Ended 30 June 2026

	Issued Capital $'000	Share-based payment reserve $'000	Profits reserve^ $'000	Accumu-lated Losses $'000	Total $'000
Year End 30 June 2026					
Balance at 1 July 2025 (restated)*	**699,838**	**5,487**	**67,867**	**(75,612)**	**697,580**
Net profit for the year	–	–	7,146	24,784	31,930
LifeIncome Cash Benefit fund retained earnings	–	–	–	112	112
Total comprehensive income for the year	**–**	**–**	**7,146**	**24,896**	**32,042**
Transactions with owners					
Issue of ordinary shares	606	–	–	–	606
Issue of ordinary shares related to business combinations	5,140	–	–	–	5,140
Share-based payments	1,688	2,502	–	–	4,190
Dividend paid	–	–	(7,967)	–	(7,967)
Balance at 30 June 2026	**707,272**	**7,989**	**67,046**	**(50,716)**	**731,591**

	Issued Capital $'000	Share-based payment reserve $'000	Profits reserve^ $'000	Accumu-lated Losses $'000	Total $'000
Year End 30 June 2025					
Balance at 1 July 2024	239,557	3,205	48,920	(80,299)	211,383
Net profit for the year	–	–	25,787	9,687	35,474
Total comprehensive income for the year	**–**	**–**	**25,787**	**9,687**	**35,474**
Transactions with owners					
Issue of ordinary shares	305,294	–	–	–	305,294
Issue of ordinary shares related to business combinations	154,987	–	–	–	154,987
Share-based payments	–	2,282	–	–	2,282
Dividend paid	–	–	(6,840)	(5,000)	(11,840)
Balance at 30 June 2025 (restated)*	**699,838**	**5,487**	**67,867**	**(75,612)**	**697,580**

* The accumulated loss and associated totals have been restated to reflect the measurement period adjustment regarding the amortisation of identified intangible assets associated with the Evidentia acquisition during FY25.

^ The profits reserve represents accumulated profit of the parent entity to preserve their profit character. Such profits are available to enable payment of franked dividends in the future should the Directors declare by resolution.

The accompanying Notes 1 to 38 form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the Financial Year Ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Cash Flows from Operating Activities:			
Receipts from customers		164,762	228,796
Distributions and dividends received		162,981	111,893
Payments to suppliers and employees		(195,797)	(228,086)
Interest received – benefit funds		5,273	7,540
Finance and borrowing costs		(2,616)	(1,470)
Income tax received/(paid)		(26,730)	(10,986)
Net cash outflow from sales and purchases of investments – benefit funds		(1,338,856)	(889,046)
Policyholder's contributions on insurance contracts – premium received		17,056	25,576
Policyholder's withdrawals on insurance contracts – claims and other insurance service expenses paid		(7,932)	(6,281)
Acquisition cash flows		(2,012)	(1,618)
Net receipts/(payments) from/to reinsurers		9	216
Policyholders contributions received on investment contracts		1,543,861	1,011,668
Policyholders withdrawals paid on investment contracts		(285,336)	(236,047)
Net cash flow from/(used in) operating activities	29	**34,663**	**12,155**
Cash Flows from Investing Activities:			
Interest received		3,906	9,711
Cash consideration for shares in Lonsec and Evidentia		–	(372,180)
Earn-out payment for Lonsec acquisition		(48,979)	–
Term deposit (invested)/matured		–	1,354
Purchase of property, plant and equipment		(528)	(283)
Purchase of software		(6,494)	(3,865)
Net cash flows from/(used in) investing activities		**(52,095)**	**(365,263)**
Cash Flows from Financing Activities:			
Dividends paid		(7,967)	(9,117)
Payment of lease liabilities		(1,629)	(1,857)
Interest paid on finance lease liabilities		(422)	(438)
Proceeds from issue of additional shares		–	312,913
Receipt (Repayments) of borrowings		40,000	(19,335)
Capital raising costs		–	(8,677)
Net cash flows (used in)/from financing activities		**29,982**	**273,489**
Net increase/(decrease) in cash held		12,550	(79,619)
Cash and cash equivalents at beginning of the year		180,213	259,832
Cash and cash equivalents at end of the year		**192,763**	**180,213**

The accompanying Notes 1 to 38 form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1. Corporate Information

About Generation Development Group

This consolidated financial report for the year ended 30 June 2026 was authorised for issue by the Directors on 26 August 2026.

Generation Development Group Limited (the "Company") is a for profit public company listed on the Australian Securities Exchange (ASX: GDG) incorporated in Australia. The Company's registered office and principal place of business is:

Generation Development Group Limited
Level 17, 447 Collins Street
Melbourne, Victoria, Australia, 3000
Telephone: +61 (3) 8601 2040
Fax: +61 (3) 9200 2281
Website: www.gdgaustralia.com

The consolidated financial statements of the Company as at and for the year ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The Group is involved in the provision of Life investment services within the Australian Life Insurance sector, as well as Research and Ratings, Investment Solutions and separate managed accounts. These expanded service offerings reflect the acquisitions of Lonsec Holdings Pty Ltd on 1 August 2024 and Evidentia Group Holdings Pty Ltd on 18 February 2025.

Statement of compliance

The consolidated financial report is a general purpose financial report (Tier 1) which has been prepared in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

The consolidated financial report of the Group complies with International Financial Reporting Standards (IFRSs) and interpretations issued by the International Accounting Standards Board (IASB).

Basis of preparation

The consolidated financial report has been prepared on the basis of historical cost, subject to certain exceptions. The most significant exception relates to the revaluation of certain financial instruments, which are recognised and measured at fair value, and the policyholder liabilities relating to life investment contracts and life insurance contracts with discretionary participating features are measured in accordance with AASB 17 *Insurance Contracts*. All amounts have been rounded to the nearest thousand dollars in accordance with ASIC Corporations Instrument 2026/183. Unless otherwise stated, all amounts are presented in Australian dollars, which is the functional currency of the Company and its subsidiaries.

Use of estimates and judgements

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. Refer to Note 4 for a discussion of critical estimates and judgements in applying the Group's accounting policies and key sources of estimation uncertainty.

2. Changes in accounting policies

New standards, interpretations and amendments adopted

The Group has adopted all the new or revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations effective for an accounting period that begins on or after 1 July 2025.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

3. Summary of material accounting policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. The consolidated financial report has been prepared on a going concern basis which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business and at the amounts stated in the financial report.

The following material accounting policies have been adopted in the preparation and presentation of the financial report and have been applied consistently to all periods presented.

3.1. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries as at 30 June 2026 and the results of all controlled subsidiaries (see Note 3.1ii) for the year then ended. This includes the benefit funds of its subsidiary, Generation Life Limited.

The benefit funds are treated as statutory funds in accordance with *Life Insurance Act 1995*. These statutory funds, in addition to the statutory funds of the life insurance business conducted by the Group, are shown separately from shareholder funds in the notes to the financial statements.

A list of controlled entities appears in Note 27 to the financial statements.

Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

i. Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately.

The transaction costs incurred by the Group in connection with the business combination, such as finders' fees, legal fees, due diligence fees and other professional and consulting fees are expensed as incurred, except if related to the issue of debt or equity securities. Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. Under the acquisition method, the Group has up to 12 months following the acquisition date to finalise the assessment of fair value of identifiable assets and liabilities.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Intra-group balances and transactions

Intra-group balances, transactions, income, and expenses are eliminated in full on consolidation. Profits and losses resulting from intra-group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full.

iv. Non-controlling interests

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of financial position, and the consolidated statement of changes in equity.

Non-controlling interests are initially measured at either:

- fair value, or
- the non-controlling interest's proportionate share of the acquiree's identifiable net assets, on a transaction-by-transaction basis.

3.2. Revenue recognition

The Group's accounting policy for revenue within the scope of AASB 15 is to recognise revenue as performance obligations are satisfied.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The Group's revenue consists of management fees for rendering of services.

The following specific recognition criteria must also be met before revenue is recognised:

i. Rendering of services

Revenue from the rendering of services is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income when the service is performed and there are no unfulfilled service obligations that will restrict the entitlement to receive the sales consideration.

Funds administration fee income

Funds administration fee income is calculated based on daily FUM, paid monthly in arrears. This is recognised over time.

Initial and ongoing adviser fees

Initial and ongoing adviser fees are calculated based on the policyholders' agreements with their advisers, and paid monthly in arrears. Initial fees are recognised at a point in time, and ongoing fees are recognised over time.

ii. Subscriptions

Where revenue relates to a subscription service, the contract contains a single performance obligation, being the right to access the Group's intellectual property, revenue is recognised over the period in which the customer has access to and benefits from the subscription service, commencing when access to the service is made available to the customer and recognised evenly over the subscription term.

iii. Products and Reports

Where revenue relates to products and reports, revenue is recognised as, or when, goods or services are transferred to the customer, and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods or services. The directors have assessed that the stage of completion is the proportion of the total time applied to complete the report that has elapsed at the end of the reporting period.

iv. Investment Management Fees

For the management of clients' funds, the Group receives a fee, typically a number of basis points of the average funds under management. Revenue under these contracts is recognised over time, as the customer benefits from the fund management services provided by the Group. All other revenue is recognised at a point in time when the customer obtains control of the promised asset and the Group satisfies its performance obligation.

v. Receivables from contracts with customers (Contract asset)

A receivable from a contract with a customer represents the Group's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e. only the passage of time is required before payment of the consideration is due). Subsequent to initial recognition, receivables from contracts with customers are measured at amortised cost and are tested for impairment. The Group's maximum standard credit term is 30 days.

3. Summary of material accounting policies continued

3.2. Revenue recognition continued

vi. Contract liabilities

A contract liability represents the Group's obligation to transfer goods or services to the customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Amounts recorded as contract liabilities are subsequently recognised as revenue when the Group transfers the contracted goods or services to the customer.

The Group's accounting policy for income within the scope of AASB 9 is to recognise distribution and dividend income and interest income using the effective interest method.

The following specific recognition criteria must also be met before revenue is recognised:

i. Distribution and dividend revenue

Distribution and dividend revenue from investments is recognised when the owners' right to receive payment has been established. Distribution and dividend income receivable is recognised as accrued income.

ii. Interest income

Interest income is recognised on an accruals basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3.3. Equity accounting in associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investment in associates is accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost including acquisition related costs. On the date of acquisition of an equity-accounted investee, fair values are attributed to the investee's identifiable assets and liabilities. Any positive difference between the cost of the investment and the investor's share of the fair value of the identifiable net assets acquired is goodwill, which is included in the carrying amount of the investment in the equity-accounted investee and is not shown separately.

After initial recognition, the consolidated financial statements include the Group's share of profit or loss of equity accounted investees. Dividends received or receivable reduce the carrying amount of the equity accounted investment. There were no investments made in associates in FY26.

3.4. Employee benefits

i. Short-term employee benefits

Provisions are made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date, discounted using the Milliman Group of 100 Discount Rate attaching to the Group of 100.

ii. Share-based payments

Equity-settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. The equity instruments provided in these arrangements are equity instruments of the ultimate parent entity, Generation Development Group Limited.

The fair value determined at the grant date of the award is recognised over the vesting period, based on the Group's estimate of the value of the award that will eventually vest, with the corresponding increase to share-based payments reserve.

iii. Loan Share Plan

Equity-settled interest free loan share plan was introduced in FY25 and offered to certain senior employees. The performance period is 5 years and the vesting of these performance rights is subject to the continued employment of the executive over the performance period. The loan must be repaid in full by the loan repayment date. More information on the loan plan can be found in the notes to the accounts. Refer to Note 10A(vii).

3.5. Foreign currency

The individual financial statements of each group entity are presented in its functional currency being the currency of the primary economic environment in which the entity operates. For the purposes of the consolidated financial statements, the results and financial position of each entity are expressed in Australian dollars, which is the functional currency of Generation Development Group Limited and the presentation currency of the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions.

At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences are recognised in profit or loss in the period in which they arise.

3.6. Cash and cash equivalents

Cash and cash equivalents includes cash on hand and in banks (net of outstanding bank overdrafts), which meet the offsetting requirements of AASB 132, and other cash equivalents that are short-term, highly liquid investments, readily convertible to known amounts of cash subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of recognition.

This also includes restricted cash in the Group's accounts reserved for unallocated application monies from investors, as well as redemptions payable to exited policyholders of the Benefit Funds as at 30 June 2026. The unallocated monies is recognised as cash and cash equivalents with the corresponding liability recognised until the receipt is allocated.

3.7. Trade and other receivables

Trade receivables are recognised at amortised cost using the effective interest method, less any allowance for expected credit losses (ECL). The Group has applied a simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, receivables have been grouped based on days overdue. Details of the modelling methodology applied in estimating ECL in these financial statements can be found in Note 3.9(iii). Trade receivables include unsettled investment transactions in the Benefit Funds.

3.8. Trade and other payables

Trade and other payables are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services, including unsettled investment transactions in the Benefit Funds. The carrying value of payables are assumed to approximate their fair values due to their short-term nature and normally settled within 30 to 45 days.

3. Summary of material accounting policies continued

3.9 Financial assets

i. Recognition of financial assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value (net of transaction costs) through profit or loss.

ii. Classification & measurement of financial assets

There are three measurement classifications for financial assets under AASB 9: amortised cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI). Financial assets are classified into these measurement classifications based on the business model within which the financial assets are managed and the contracted cash flow characteristics of the financial asset (specifically whether the contractual cash flows represent solely payments of principal and interest).

The resultant financial asset classifications are as follows:

- Amortised cost: Financial assets with contractual cash flows that comprise solely payments of principal and interest only and which are held in a business model whose objective is to collect their cash flows;
- FVOCI: Financial assets with contractual cash flows that comprise solely payments of principal and interest only and which are held in a business model whose objective is to collect their cash flows or to sell; and
- FVTPL: Any other financial assets not falling into the categories above are measured at FVTPL.

All of the Group's financial assets are managed within business models whose objective is solely to collect contractual cash flows and are classified as amortised cost, except for the financial instruments including cash and cash equivalents, and unlisted unit trusts within the Policyholder Benefit Funds, which are not held for trading and continue to be classified as fair value through profit or loss. Term deposits are measured at amortised costs.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial assets. Fair value is determined in the manner described in Note 30. All benefit fund assets represent assets backing either life insurance or life investment policyholder liabilities. All financial assets belonging to the life insurance or life investment contracts are classified as financial assets at fair value through profit or loss.

iii. Impairment of financial assets

Under AASB 9, the Group uses the expected credit loss (ECL) model to recognise impairment losses against financial assets not recognised at FVTPL.

Under the ECL model, a dual measurement approach applies whereby a financial asset will attract an ECL allowance equal to either 12 months of expected credit losses (losses resulting from possible defaults within the next 12 months), or lifetime expected credit losses (losses resulting from possible defaults over the remaining life of the financial asset). The latter applies if there has been a significant deterioration in the credit quality of the asset since origination, albeit lifetime ECLs will always be recognised for assets without a significant financing component.

The Group applies the simplified approach permitted by AASB 9 to trade receivables that do not contain a significant financing component, whereby lifetime expected credit losses are recognised from initial recognition.

For debt instruments subject to the general ECL model, the Group recognises 12 month-expected credit losses where the financial instrument is determined to have low credit risk at the reporting date and there has not been a significant increase in credit risk since initial recognition.

ECLs are a probability weighted estimate of credit losses, measured as the present value of all cash shortfalls. This is the difference between the cash flows due to the entity in accordance with the contract, and the cash flows that the Group expects to receive, discounted at the effective interest rate of the financial asset.

The Group's financial assets not recognised at FVTPL are represented by short term trade receivables and investments in term deposits with investment grade domestic bank counterparties. Therefore, credit risk is considered low with minimal ECLs recognised. These financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. Where a trade receivable is uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

iv. De-recognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

3.10. Impairment of non-financial assets (excluding goodwill)

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, Group assets are also allocated to individual cash-generating units. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.11. Plant and equipment

i. Recognition and measurement

Plant and equipment, leasehold improvements and equipment are measured at cost less accumulated depreciation and impairment.

Cost includes expenditure that is directly attributable to the acquisition of the item. If significant parts of an item of plant and equipment have different useful lives, then they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment is recognised in profit or loss.

ii. Depreciation

Depreciation is provided on plant and equipment and is calculated on a straight line basis so as to write-off the net cost of each asset over its estimated useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes recognised on a prospective basis.

The rates used in the calculation of depreciation for the current and comparative period are as follows:

Category	Rates
Leasehold improvements	20%
Computer equipment	25% – 33%
Computer software	20% – 25%
Furniture and fittings	20% – 25%

3. Summary of material accounting policies continued

3.12. Goodwill

The Group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Goodwill is not amortised and subsequently measured at its cost less any accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to the Group's cash-generating units (CGU). The CGU to which goodwill has been allocated is tested for impairment annually, or more frequently, if events or changes in circumstances indicate that goodwill might be impaired.

If the recoverable amount of the CGU is less than the carrying amount of the CGU, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss for goodwill is recognised immediately in profit or loss and is not reversed in subsequent periods.

On disposal of an operation within a CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal of the operation.

3.13. Intangible assets

Costs incurred in acquiring software and licenses that will contribute to future period financial benefit through revenue generation and/or cost reduction are capitalised as computer software. Computer software is initially recognised at cost. Following initial recognition, computer software is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of software, licenses over the estimated useful life, which is 4-5 years.

Other intangible assets such as customer relationships and brand name acquired as part of a business combination are recognised separately from Goodwill. The customer relationships and brand name are carried at their fair value at the date of acquisition, less accumulated amortisation and impairment losses. Amortisation is based on the timing of projected cash flows of the contracts over their estimated useful life, which is between 10 to 17 years.

3.14. Right-of-Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability and the provision for the restoration of the site, adjusted for, as applicable, any lease payment made at or before the commencement date net of any lease incentives received, and any initial direct costs incurred.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjustment for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use assets and a corresponding lease liability for short-term leases with term of a 12 months or less, and lease of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

3.15. Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price or a purchase option when exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost, using the effective interest method. The carrying amounts are measured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or profit or loss if the carrying amount of the right-of-use asset is fully written down.

3.16. Issued capital

Ordinary shares are classified as equity. Ordinary issued capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

3.17. Income tax

GDG Limited (the head entity) and its wholly owned Australian resident subsidiaries have formed an income tax consolidated group under the Australian tax consolidation regime.

Members of the Group have entered into a tax funding agreement and a tax sharing agreement with GDG Limited. The tax funding agreement requires each subsidiary to pay to the head entity the amount equal to the current tax liability or deferred tax balances relating to their taxable profit or loss. The funding amounts are recognised as intercompany payables or receivables.

A tax sharing agreement governs the allocation of income tax liabilities should the head entity default on its obligations. This agreement provides for the allocation of any tax liabilities between the entities in the group, ensuring that no single entity bears an unfair portion of tax liabilities upon default.

i. Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributable to that asset or liability for taxation purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the assets and liabilities giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

iii. Current and deferred tax for the period

Current and deferred tax is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

3. Summary of material accounting policies continued

3.18. Goods and service tax

Revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flow.

3.19. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation, its carrying amount and the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

3.20. Benefit Funds

Under the *Life Insurance Act 1995* (Life Act), the Group's Life Insurance and Life Investment business is conducted with external policyholders within separate statutory funds ('Benefit Funds'), which are distinguished from each other and from Shareholders' Funds ('the Management Fund'). Policyholder assets and liabilities are not attributable to shareholders. The profit or loss each year is 100% fully attributable to policyholders.

This financial report therefore comprises the Generation Life Limited Management Fund and 120 Benefit Funds. The Benefit Funds have been classified as either holders of life investment or life insurance contracts according to the rules of the benefit funds (refer Note 31), as required under AASB 17, AASB 9 and other requirements of the Life Act. There are 89 life investment contract holding benefit funds and 31 life insurance contract holding benefit funds. The assets of each benefit fund are regarded as assets backing either life investment or life insurance contract liabilities according to the classification of the fund to which they belong.

The operating expenses of the benefit funds have been apportioned between contract acquisition, contract maintenance, investment management and other expenses according to the descriptions given in the Product Disclosure Statement (PDS) and the fund rules.

i. Assets backing Policyholder Liabilities

The assets of the Group are assessed under AASB 17 *Insurance Contracts* to be assets that are held to back life insurance policy liabilities and assets that represent owners' funds.

The Group has determined that all financial assets held within its statutory funds are assets backing policy liabilities. The assets of one benefit fund cannot be used to support the liabilities of another. These financial assets include investment securities that are designated as fair value through profit or loss as they are managed and their performance evaluated on a fair value basis for internal and external reporting in accordance with the investment strategy.

ii. Restriction on use

Assets held in the Benefit Funds are subject to the distribution and transfer restrictions and other requirements of the *Life Insurance Act 1995*. Monies held in the Benefit Funds and controlled trusts are held for the benefit of the Policyholders of those funds, and are subject to the constitution and rules of those funds.

Restrictions on the use of assets invested for policyholders in statutory funds include:

- Benefit fund rules;
- *Life Insurance Act 1995* requirements;
- Prudential Standards;
- Actuarial Standards; and
- Company policies and procedures.

iii. Classification of Benefit Funds

The 120 Benefit funds are classified as either holding Life Insurance or Life Investment contracts according to the Benefit Fund rules. Criteria considered in the classification process include the level of insurance risk accepted under the contract and the existence of discretionary participation features (such as discretion by the Board over the level of bonus).

3. Summary of material accounting policies continued

3.21. Policyholder liabilities

i. Life insurance contracts

During the year, there were 31 funds which hold life insurance contracts per AASB 17 *Insurance Contracts*, being the Oddfellows Fund and 30 LifeIncome Benefit Funds.

Generation Life Limited has appointed an actuary to determine that the value of the policy liabilities and the solvency of the funds have been determined using methods and assumptions consistent with the actuarial standards and in accordance with the *Life Insurance Act 1995*.

The Oddfellows Fund contains a guaranteed component (refer to Note 5D) within the Fund, as follows:

Participating policies – Oddfellows Fund	2026 $'000	2025 $'000
"Guaranteed" component of participating policies	4,770	4,819

The key assumptions for the policy liability calculation have been a discount rate based on the expected future earnings on the assets and future mortality, resignations and retirements, refer to Note 31.

The Oddfellows Benefit Fund is classified as defined benefit. However, as these contracts are now operating as accumulation accounts, it is valued the same way as the remaining account-based Benefit Funds at the fair value of the assets. There is no mortality risk and no projection is being performed for these funds. The Oddfellows Benefit Fund holds insurance contracts classified as life insurance contracts under AASB 17.

The LifeIncome held contracts meet the definition of a life insurance contract under AASB 17 and are valued in accordance with AASB 17 as explained in the accounting policies below.

ii. Life investment contracts

The Group's remaining 89 benefit funds are classified as holders of life investment contracts and are measured under AASB 9. The following 4 benefit funds include a non-guaranteed terminal bonus which may be reduced:

- Heritage Investment Bond Fund
- Deferred Annuity Achiever
- Funeral Plan Fund
- Select Mortgage Annuity

The following 2 funds are capital guaranteed:

- Funeral Benefit Fund
- Flexible Insurance Fund

Capital guaranteed component	2026 $'000	2025 $'000
Funeral Bond Fund (Druids)	3,701	3,772
Flexible Insurance Fund No. 1	3,358	3,345

For these investment account products, the policy liability is the accumulation of amounts invested by policyholders less fees specified in the policy, plus investment earnings allocated as a bonus plus unallocated surplus. Where exit fees are payable, no reduction in the accumulation is made because exit fees are a liability to the management fund.

For the remaining 89 investment linked benefit funds, the policy liability is the accumulation of amounts invested by policyholders less fees specified in the policy plus investment earnings allocated. Where exit fees are payable, no reduction in the accumulation is made because exit fees are a liability to the management fund.

No investment linked policy is subject to any investment guarantee. The surrender value of investment account policies is $8,540,082 (2025: $8,934,209).

3.22. Insurance contracts issued, and reinsurance contracts held

i. Summary of measurement methods

The Group issues the following types of insurance contracts that are accounted for in accordance with AASB 17.

Life business – direct participating insurance contracts issued

The Group issues investment-linked lifetime annuity insurance contracts which provide life insurance coverage and an investment component. Under the terms of insurance contracts issued, the Group has an obligation to pay policyholders an amount equal to the fair value of specified underlying items, minus a variable fee for service.

The Group measures these policies applying the Variable Fees Approach (VFA).

Reinsurance contracts held

The Group reinsures longevity and mortality risk on insurance contracts issued, using proportional quota share reinsurance treaties.

The Group measures these contracts applying the General Measurement Model (GMM).

The inputs to the models used to measure insurance contracts issued and reinsurance contracts held and the processes for estimating the inputs, have been detailed in Note 3.22vii and 3.24, respectively.

ii. Definitions and classifications

Products sold by the Group are classified as insurance contracts when the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

This assessment is made on a contract-by-contract basis at the contract issue date. In making this assessment, the Group considers all its substantive rights and obligations, whether they arise from contract, law, or regulation.

The Group determines whether a contract contains significant insurance risk by assessing if an insured event could cause the Group to pay to the policyholder additional amounts that are significant in any single scenario with commercial substance, even if the insured event is extremely unlikely or the expected present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract.

Participating contracts meet the definition of insurance contracts with direct participating features if the following three criteria are met:

1. The contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items.
2. The Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns from the underlying items.
3. A substantial proportion of the cash flows that the Group expects to pay to the policyholder vary with the cash flows from the underlying items.

The Group assesses whether the above conditions and criteria are met using its expectations at the issue date for new contracts.

The Group also issues investment contracts with discretionary participation features. Defined contribution funds could fall within the scope of AASB 17 where there is transfer of significant insurance risk. However, based on an assessment, the Group has concluded that there is no transfer of significant insurance risk on defined contribution funds. These contracts are accounted for under AASB 9.

The Group has entered into quota share proportional reinsurance contracts held to mitigate risk arising from portfolios of insurance contracts issued. The relevant treaties qualify for classification under AASB 17.

3. Summary of material accounting policies continued

3.22. Insurance contracts issued, and reinsurance contracts held continued

iii. Separating components from insurance and reinsurance contracts

The Group assesses its products to determine whether there are distinct investment components that need to be separated and accounted for applying AASB 9. When these non-insurance components are non-distinct, they are accounted for together with the insurance component applying AASB 17.

The Group first considers the need to separate distinct embedded derivatives and investment components, before assessing the need to separate any goods and non-insurance services components. Refer to below 1 to 3.

1. Separating embedded derivatives

When an embedded derivative is not closely related to the host insurance contract, it is separated and accounted for under AASB 9 as if it was a standalone derivative and measured at FVTPL. The Group has not identified any embedded derivatives in insurance contracts issued that are required to be separated from the host contract.

2. Separating investment components

The insurance contracts issued by the Group include an investment component, whereby the initial investment received from the policyholder is invested into a list of investment options.

In assessing whether an investment component is distinct and therefore required to be accounted for separately apply AASB 9, the Group considers if the investment and insurance components are highly interrelated or not.

A contract with equivalent terms to the investment component is sold (or could be sold) separately in the same market or in the same jurisdiction by other entities, including those issuing insurance contracts.

In determining whether investment and insurance components are highly interrelated, the Group assesses if it is unable to measure one component without considering the other and whether the policyholder is unable to benefit from one component unless the other component is present, i.e. whether lapse of one component also terminates the other. The Group has not identified any distinct investment components in relation to insurance contracts issued and reinsurance contracts held.

3. Separating promises to transfer distinct goods or non-insurance services

After the Group has determined whether to separate embedded derivatives and investment components, it considers the separation of any promise to transfer goods or non-insurance services embedded in the contract.

In determining whether an obligation to deliver a good or non-insurance service promised to a policyholder is distinct, the Group considers whether the policyholder can benefit from the good or service either on its own or together with other resources readily available to the policyholder (i.e. resources that are either sold separately or already owned by the policyholder).

A good or non-insurance service that is promised to the policyholder is not distinct if the cash flows and risks associated with the good or service are highly interrelated with the cash flows and risks associated with the insurance components.

The Group has not identified any distinct goods or non-insurance services.

4. Separating insurance components of a single insurance contract

Once any embedded derivatives, investment components and the goods and non-insurance services components are separated, the Group assesses whether the contract should be separated into several insurance components that, in substance, should be treated as separate contracts to reflect the substance of the transaction.

To determine whether insurance components should be recognised and measured separately, the Group considers whether there is an interdependency between the different risks covered, whether components can lapse independently of each other and whether the components can be priced and sold separately.

When the Group enters into one legal contract with different insurance components operating independently of each other, insurance components are recognised and measured separately applying AASB 17.

iv. Level of aggregation

The Group identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the Group considers the similarity of risks rather than the specific labelling of product lines. The Group has determined that all contracts within a product line, as defined for management purposes, have similar risks. The Group has only issued one insurance product, the annuity business, and hence, one portfolio has been identified.

The portfolio is sub-divided into groups of contracts to which the recognition and measurement requirements of AASB 17 are applied.

At initial recognition, the Group arranges contracts based on when they were issued. A cohort contains all contracts that were issued within a 12-month period. Each portfolio is then further disaggregated into three groups of contracts:

- Contracts that are onerous on initial recognition.
- Contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently.
- Any remaining contracts in the portfolio.

The determination of whether a contract or a group of contracts is onerous is based on the expectations as at the date of initial recognition, with fulfilment cash flow expectations determined on a probability-weighted basis.

The Group determines the appropriate level at which reasonable and supportable information is available to assess whether the contracts are onerous at initial recognition and whether the contracts not onerous at initial recognition have a significant possibility of subsequently becoming onerous. The Group applies significant judgement in determining at what level of granularity the Company has sufficient information to conclude that all contracts within a set will be in the same group. In the absence of such information, the Group assesses each contract individually. The Group arranges insurance contracts issued into annual cohorts based on financial year i.e. 1 July to 30 June.

The composition of groups established at initial recognition is not subsequently reassessed.

Reinsurance contracts held are assessed separately from underlying insurance contracts issued. The general principles for defining the portfolio of insurance contracts issued, are equally applicable to reinsurance contracts held.

For reinsurance contracts held, the risks that must be similar relate to those transferred from the underlying contract to the issuer of the reinsurance contract. When deciding whether these risks are similar, reference is made to the risk profile of underlying contracts as well as the nature of the risks that are transferred to the reinsurer.

As at the reporting date, one portfolio has been identified for reinsurance contracts held.

Insurance contracts issued are accounted for separately from the underlying reinsurance contracts held. The liability/asset for insurance contracts issued is presented separately on the face of the statement of financial position from the liability/asset for reinsurance contracts held.

v. Initial recognition

The Group recognises the group of insurance contracts issued from the earliest of the following dates:

- The beginning of the coverage period of the group of contracts;
- The date when the first payment from a policyholder becomes due (in the absence of a contractual due date, this is deemed to be when the first payment is received);
- The date when a group becomes onerous.

The Group recognises only contracts issued within a one-year period meeting the recognition criteria by the reporting date. Subject to this limit, a group of insurance contracts can remain open after the end of the current reporting period. New contracts are included in the group when they meet the recognition criteria in subsequent reporting periods until such time that all contracts expected to be included within the group have been recognised.

The Group's recognition date for the reinsurance contracts held is the later of:

- The beginning of the coverage period, or
- The initial recognition of underlying insurance contracts issued.

The Group delays the recognition of reinsurance contracts held until the date that underlying insurance contracts are initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

3. Summary of material accounting policies continued

3.22. Insurance contracts issued, and reinsurance contracts held continued

vi. Contract boundaries

The Group includes in the measurement of a group of insurance contracts all the future cash flows expected to arise within the boundary of each of the contracts in the group.

In determining which cash flows fall within a contract boundary, the Group considers its substantive rights and obligations arising from the terms of the contract, and also from applicable laws, regulations, and customary business practices. The Group determines that cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums or the Group has a substantive obligation to provide the policyholder with services.

A substantive obligation to provide services ends when:

- The Group has the practical ability to reassess the risks of a particular policyholder and as a result change the price charged or the level of benefits provided for the price to fully reflect the new level of risk; or
- If the boundary assessment is performed at a portfolio rather than individual contract level, there are two criteria that both need to be satisfied: the Group must have the practical ability to reprice the portfolio to fully reflect risk from all policyholders and the Group's pricing must not take into account any risks beyond the next reassessment date.

In determining whether all the risks have been reflected either in the premium or in the level of benefits, the Group considers all risks that policyholders would transfer had it issued the contracts (or portfolio of contracts) at the reassessment date. Similarly, the Group concludes on its practical ability to set a price that fully reflects the risks in the contract or portfolio at a renewal date by considering all the risks that it would assess when underwriting equivalent contracts on the renewal date for the remaining service.

The assessment of the Group's practical ability to reprice existing contracts takes into account all contractual, legal, and regulatory restrictions. In doing so, the Group disregards restrictions that have no commercial substance.

The Group also considers the impact of market competitiveness and commercial considerations on its practical ability to price new contracts and repricing existing contracts. Judgement is required to decide whether such commercial considerations are relevant in concluding as to whether the practical ability exists at the reporting date.

The Group assesses the contract boundary at initial recognition and at each subsequent reporting date to include the effect of changes in circumstances on the Group's substantive rights and obligations.

vii. Measurement of insurance contracts issued

A. Measurement on initial recognition

The Group measures the portfolio of insurance contracts issued on initial recognition as the sum of expected Fulfilment cash flows (FCF) within the contract boundary and the CSM representing the unearned profit in the contracts relating to services that will be provided under the contracts.

Fulfilment cash flows (FCF) within the contract boundary

The FCF are the current unbiased and probability-weighed estimates of the present value of the future cash flows, including a risk adjustment for non-financial risk. In arriving at a probability-weighted mean, the Group considers a range of scenarios to establish a full range of possible outcomes incorporating all the reasonable and supportable information available without undue cost or effort about the amount, timing, and uncertainty of expected future cash flows. The estimates of future cash flows reflect conditions existing at the measurement date including assumptions at that date about the future.

The Group estimates expected future cash flows for a group of contracts at a portfolio level and allocates them to the groups in that portfolio in a systematic and rational way.

When estimating future cash flows, the Group includes all cash flows within the contract boundary including:

- Premiums and any additional cash flows resulting from those premiums, including admin charges on investment balances to cover costs incurred in providing investment-related service that forms part of the insurance contract services.
- Reported claims that have not yet been paid, claims incurred but not yet reported, future claims expected to arise from the policy and potential cash inflows from recoveries on future claims covered by existing insurance contracts.
- Expected LifeIncome protection cost.
- Payments that vary based on the returns on underlying items.
- An allocation of insurance acquisition cash flows attributable to the portfolio of insurance contracts issued *(see Insurance acquisition cash flows section for further details)*.
- Claims handling costs.
- Policy administration and maintenance costs.
- Transaction-based taxes and levies, such as stamp duty and goods and services tax (GST).
- An allocation of fixed and variable overheads directly attributable to the fulfilment of insurance contracts including overhead costs such as accounting, human resources, information technology and support, building depreciation, occupancy, and utilities.
- Costs incurred for providing investment-related service and investment-return service that form part of the insurance contract services.
- Costs incurred for performing investment activities that enhance insurance coverage benefits for the policyholder.
- Other incurred insurance service costs.

See Note 3.24 for FCFs of reinsurance contracts held.

The insurance contracts issued result in policyholders sharing the returns on a specified pool of underlying items. The cash flows are determined at a policy level and then aggregated into groups of insurance contracts issued.

The cash flow estimates include both market variables, which are consistent with observable market prices, and non-market variables, which are not contradictory with market information and based on internally and externally derived data.

The Group updates its estimates at the end of each reporting period using all newly available information, as well as historic evidence about trends. The Group determines its current expectations of probabilities of future events occurring at the end of the reporting period. In developing new estimates, the Group considers the most recent experience and earlier experience, as well as other information.

Discount rates

The time value of money and financial risk is measured separately from expected future cash flows with changes in financial risks recognised in Insurance Finance income and expense (IFIE). The Group has elected to include all IFIE for the period in profit or loss, as per the presentation choice available.

The Group measures the time value of money using discount rates that reflect the liquidity characteristics of the insurance contracts and the characteristics of the cash flows, consistent with observable current market prices. They exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts.

Expected future cash flows that vary based on the returns on any financial underlying items are discounted at rates that reflect this variability.

The Group uses the top down approach to determine the discount rate to use for insurance contracts issued. The discount rate is aligned with the single rate of expected investment return on the underlying assets and varies across investment options.

The Group estimates the discount rate applicable to each group of contracts on initial recognition. In the following reporting period, as new contracts are included in the group, the discount rate applicable is the rate of expected investment return at that time.

For accounting policy in relation to discounting on reinsurance contracts held, refer Note 3.24.

For details on key sources of uncertainty involved in estimating discount rates, refer Note 4b.

3. Summary of material accounting policies continued

3.22. Insurance contracts issued, and reinsurance contracts held continued

Risk adjustment for non-financial risk

The Group measures the compensation it would require for bearing the uncertainty about the amount and timing of cash flows arising from insurance contracts, other than financial risk separately as an adjustment for non-financial risk. The risk adjustment is based on the Board's risk appetite and the Board's Risk Management Statement. The Group uses the cost of capital method in estimating the risk adjustment. The level of capital and the cost of capital rate used in this estimation technique are calibrated from Generation Life Ltd's regulatory capital and target capital and related return on equity and average earning rate on capital assets.

The Group is exposed to longevity risk and expense risk. No diversification is allowed between longevity risk and expense risk under AASB 17.

For details on key sources of uncertainty involved in estimating risk adjustment, refer Note 4b.

The Group has elected not to disaggregate and presents the entire change in the risk adjustment for non-financial risk as part of the insurance service result.

Contractual Service Margin (CSM)

The Contractual Service Margin (CSM) is a component of the overall carrying amount of a group of insurance contracts representing unearned profit that the Group recognises as it provides insurance contract services over the coverage period.

At initial recognition, the Group measures the CSM at an amount that, unless a group of insurance contracts is onerous, results in no gains recognised in profit or loss arising from:

- The expected fulfilment cash flows of the group.
- The amount of any derecognised asset for insurance acquisition cash flows allocated to the group.
- Any other asset or liability previously recognised for cash flows related to the group.
- Any cash flows that have already arisen on the contracts as of that date.

If a group of contracts is onerous, the Group recognises a loss on initial recognition, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows, and the CSM of the group being nil. A Loss Component (LC) is recognised for any loss on initial recognition of the group of insurance contracts. Refer Note 3.23 for further details on onerous contracts accounting.

The Group determines, at initial recognition, the coverage units and allocates the CSM balance based on the coverage units provided in the period.

Insurance acquisition cash flows

The Group includes insurance acquisition cash flows in the measurement of a group of insurance contracts if they are directly attributable to either the individual contracts in a group, the group itself or the portfolio of insurance contracts to which the group belongs.

The Group estimates at a portfolio level, insurance acquisition cash flows not directly attributable to the group but directly attributable to the portfolio. The Group then allocates them to the group of newly written and renewed contracts on a systematic and rational basis.

The Group recognises an asset in respect of costs to secure a portfolio or group of insurance contracts, such as costs of selling and underwriting, when these costs are incurred before the recognition of the group of insurance contracts to which these costs relate. The Group recognises such an asset for each existing or future group of insurance contracts to which insurance acquisition cash flows are allocated. The related portion of the asset for insurance acquisition cash flows is derecognised and included in the measurement of the fulfilment cash flows of the associated group of contracts when the group is initially recognised.

B. Subsequent measurement

In estimating the total future fulfilment cash flows, the Company distinguishes between those relating to already incurred claims and those relating to future service.

At the end of each reporting period, the carrying amount of the group of insurance contracts will reflect a current estimate of the Liability for Remaining Coverage (LRC) as at that date and a current estimate of the Liability for Incurred Claims (LIC).

The LRC represents the Group's obligation to investigate and pay valid claims under existing contracts for insured events that have not yet occurred, amounts that relate to other insurance contract services not yet provided (i.e. provision of investment-return and investment-related services) and investment components and other amounts not related to insurance contract services that have not yet been transferred to the LIC. The LRC is comprised of (a) the FCF relating to future service, (b) the CSM yet to be earned.

The LIC includes the Group's liability to pay valid claims for insured events that have already been incurred, other incurred insurance expenses arising from past coverage service and includes the liability for claims incurred but not yet reported. It also includes the Group's liability to pay amounts the Group is obliged to pay the policyholder under the contract. This includes repayment of investment components when a contract is derecognised. The current estimate of LIC comprises the FCF related to current and past service allocated to the group at the reporting date.

Changes in FCF

At the end of each reporting period, the Group updates the FCF for both LIC and LRC to reflect the current estimates of the amounts, timing, and uncertainty of future cash flows, as well as discount rates and other financial variables.

Experience adjustments are the difference between:

- The expected cash flow estimate at the beginning of the period and the actual cash flows for premiums received in the period (and any related cash flows paid such as insurance acquisition cash flows, GST and stamp duties).
- The expected cash flow estimate at the beginning of the period and the actual incurred amounts of insurance service expenses in the period (excluding insurance acquisition expenses).

Experience adjustments relating to current or past service are recognised in profit or loss, with premium experience variances included in insurance revenue. For incurred claims (including incurred but not reported) and other incurred insurance service expenses, experience adjustments always relate to current or past service. They are included in profit or loss as part of insurance service expenses.

Experience adjustments relating to future service are included in the LRC by adjusting the CSM.

At the end of each reporting period, the Group re-estimates the LRC fulfilment cash flows, updating for changes in assumptions relating to financial and non-financial risks.

Adjustments to the CSM

The Group issues insurance contracts with substantial investment-related services. When assessing whether a contract meets the definition of a direct participating contract, the Group applies the definition of AASB 17.

In applying the definition of a direct participating contract, the Group considers the legal enforceability of the contractual link with the participating policyholder to a share of returns from a clearly defined pool of underlying items.

The Group's obligation to the policyholders consists of the obligation to pay policyholders the fair value of the underlying items less a variable fee for future service provided under the insurance contract.

In determining the policyholder's share of returns from the underlying items and how substantial the degree of variability in total payments to the policyholder is due to returns from underlying items, the Company makes the assessment:

- Over the duration of the insurance contracts issued.
- On a present value probability-weighted average basis.

3. Summary of material accounting policies continued

3.22. Insurance contracts issued, and reinsurance contracts held continued

The carrying amount of the CSM for insurance contracts issued, at the end of the reporting period is the carrying amount at the beginning of reporting period adjusted for:

- The effect of any new contracts added to the group
- The change in the amount of the entity's share of the fair value of the underlying items except for:
  - The decrease in the amount of the Group's share of the fair value of the underlying items that exceeds the carrying amount of the CSM giving rise to a loss that makes the associated group of contracts onerous, or that results in a loss for an existing onerous group becoming more onerous
  - The increase in the amount of Group's share of the fair value of the underlying items that reverses a previously recognised loss on an onerous group of contracts
- The changes in FCFs relating to future service, i.e. actual FCF less expected FCF measured at current valuation date, except for:
  - Such increases in the fulfilment cash flows that exceed the carrying amount of CSM and the group of contracts becomes onerous or more onerous
  - Such decreases in the fulfilment cash flows that reverse a previously recognised loss on an onerous group of contracts
- The amount recognised as insurance revenue because of the transfer of services in the period. This amount is determined by the allocation of the CSM remaining at the end of the reporting period (after all other adjustments but before any allocation) over the current and remaining coverage period based on the amount of coverage units provided in the period. This process is explained in the note 'recognition of the CSM in profit or loss'. When determining the number of coverage units for contracts accounted for under VFA, the Group applies the following methods:
  - The Group weights the benefits from investment-related services and insurance coverage services to calculate the total coverage units of the group based on the relative weight that the FCFs associated with these two services have in the determination of the CSM balance. This calculation is updated at each reporting date, taking into account the experience to date and the current estimate of future cash flows at the reporting date. The total quantity of coverage units is then allocated based on the expected duration of the contracts.

All CSM adjustments are calculated using the current discount rates with full allowance of its dependency on the financial variables affecting the fair value returns of the underlying items. Under the VFA, economic movements are brought into the CSM each period.

Applying the VFA, the changes in fulfilment cash flows that adjust the CSM are changes in the amount of the Group's share of the fair value of the underlying items and changes in fulfilment cash flows that do not vary based on the returns of the underlying items. The changes in fulfilment cash flows that do not vary based on the returns of the underlying items are:

- Changes in the effect of the time value of money and financial risks not arising from the underlying items.
- Experience adjustments arising from premiums received in the period related to future service.
- Changes in the estimate of future expected cash flows of the liability for remaining coverage.
- Differences arising from timing of payment of investment components.
- Changes in the risk adjustment for non-financial risk related to future service.

Insurance acquisition cash flows

When only some of the insurance contracts expected to be included within the group are recognised as at the end of the reporting period, the Group determines the related portion of the asset that is derecognised and included in the group's fulfilment cash flows. The related portion is determined on a systematic and rational allocation method that considers the timing of recognition of the contracts in the group.

At each reporting date, the Group reviews the carrying amounts of the asset for insurance acquisition cash flows to determine whether there is an indication that the asset has suffered an impairment. If any such indication exists, the Group adjusts the carrying amount of the asset so that the carrying amount of the asset does not exceed the expected net cash inflow for the associated future groups of contracts. An impairment loss is recognised in profit or loss for the difference.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the extent the impairment conditions no longer exist or have improved and the cumulative amount of impairment loss reversal does not exceed the impairment loss recognised for the asset in prior years.

Insurance acquisition cash flows included among the other FCF for an annual cohort of insurance contracts, in measuring the LRC, are amortised (expensed) on a straight-line basis over the coverage period, together with the same amount recognised in insurance revenue. See further details on insurance revenue and insurance service expense recognition in Note 3.25.

3.23. Onerous contracts

The Group considers an insurance contract to be onerous if the expected fulfilment cash flows allocated to the contract, any previously recognised acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total result in a net cash outflow.

On initial recognition, the onerous contract assessment is done on an individual contract level assessing the present value of future expected cash flows on a probability-weighted basis including a risk adjustment for non-financial risk. Contracts expected on initial recognition to be loss-making are grouped together and such groups are measured and presented separately. Once contracts are allocated to a group, they are not re-allocated to another group, unless they are substantively modified.

On initial recognition, the CSM of the group of onerous contracts is nil and the group's measurement consists entirely of fulfilment cash flows. A net outflow expected from a group of contracts determined to be onerous is considered to be the group's 'loss component'. It is initially calculated when the group is first considered to be onerous and is recognised at that date in profit or loss.

The amount of the group's LC is tracked for the purposes of presentation and subsequent measurement.

After the LC is recognised, the Group allocates any subsequent changes in fulfilment cash flows relating to future service to the LC. Any changes not related to future service are allocated on a systematic basis between the LC and the LRC excluding LC.

The subsequent changes in the fulfilment cash flows of the LRC to be allocated are:

- IFIE.
- Changes in risk adjustment for non-financial risk recognised in profit or loss representing release from risk in the period.
- Estimates of the present value of future cash flows for claims and expenses released from the LRC because of incurred insurance service expenses in the period.

The Group determines the systematic allocation of insurance service expenses incurred based on the percentage of LC to the total fulfilment cash outflows included in the LRC, including the risk adjustment for non-financial risk, excluding any investment component amount.

Any subsequent decreases in fulfilment cash flows relating to future service allocated to the group (arising from changes in estimates of future cash flows and the risk adjustments for non-financial risk) are allocated first to the LC only. Once it is exhausted, any further decreases in fulfilment cash flows relating to future service results in the establishment of the group's CSM.

3. Summary of material accounting policies continued

3.23. Onerous contracts continued

For onerous groups of contracts, revenue is calculated as the amount of insurance service expenses expected at the beginning of the period that form part of revenue and reflects only:

- The change in the risk adjustment for non-financial risk due to expected release from risk in the period (excluding the amount systematically allocated to the LC).
- The estimates of the present value of future cash flows related to claims expected to incur in the period (excluding the systematic allocation to the LC) and excluding any non-distinct investment component.
- The allocation, based on the coverage units, of the portion of premiums that relates to the recovery of the insurance acquisition cash flows.

All these amounts are accounted for as a reduction of the LRC excluding the LC.

The Group recognises amounts in insurance service expenses related to the LC arising from:

- Changes in fulfilment cash flows arising from changes in estimates related to future service that establish or further increase the LC.
- Subsequent decreases in fulfilment cash flows that relate to future service and reduce the LC until it is exhausted.
- Subsequent decreases in the entity's share of the fair value of the underlying items, that result in or further increase the LC.
- Subsequent increases in the entity's share of the fair value of the underlying items that reduce the LC until it is exhausted.
- Systematic allocation to the LC arising both from changes in the risk adjustment for non-financial risk and from incurred insurance services expenses.

3.24. Reinsurance contracts held

i. Measurement on initial recognition of reinsurance contracts held

FCF within the contract boundary

Reinsurance contracts held are accounted under AASB 17 when they meet the definition of an insurance contract, which includes the condition that the contract must transfer significant insurance risk. The Group uses quota share proportional cover to mitigate its risk exposures.

The Group's reinsurance contracts held are accounted for applying the measurement requirements of GMM for estimates of cash flows and discount rates.

The FCF are the current unbiased and probability-weighed estimates of the present value of the future cash flows, including a risk adjustment for non-financial risk, and the effect of any reinsurer non-performance risk. In arriving at a probability-weighted mean, the Group considers a range of scenarios to establish a full range of possible outcomes incorporating all the reasonable and supportable information available without undue cost or effort about the amount, timing, and uncertainty of expected future cash flows.

The Group measures the time value of money using discount rates that reflect the liquidity characteristics of the reinsurance contracts held and the characteristics of the cash flows, consistent with observable current market prices. They exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the reinsurance contracts held.

The Group uses the bottom-up approach to determine the discount rate to use for reinsurance contracts held. Discount rates are determined at initial recognition.

Discount rates

Financial risk related changes (e.g. impact of locked-in rates vs. current rates) are presented in the line item 'finance income/(expenses) from reinsurance contracts held', in profit or loss.

For details on key sources of uncertainty involved in estimating discount rates, refer Note 4b.

Risk adjustment for non-financial risk

The Group is exposed to non-financial risks being longevity risk and expense risk. The longevity risk is ceded under the reinsurance contracts held. For reinsurance contracts held, the risk adjustment is determined using the cost of capital (CoC) method at a total level and allocated down to groups of insurance contracts using present value claims in the scalar approach.

For details on key sources of uncertainty involved in estimating risk adjustment, refer Note 4b.

CSM and loss recovery component

The CSM on reinsurance contracts held can be either positive or negative, representing the net cost or gain of purchasing the reinsurance contract held.

On initial recognition, the Group recognises any net cost or net gain on purchasing the group of reinsurance contracts held as a reinsurance CSM, unless the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the group of reinsurance contracts held, where the Group recognises such a cost immediately in profit or loss as an expense as part of insurance service result.

For a group of reinsurance contracts held on initial recognition of an underlying onerous group of insurance contracts or on addition of onerous underlying insurance contracts to a group, the Group establishes a loss recovery component and, as a result, recognises a gain in profit or loss. The amount of the loss recovery component adjusts the CSM of a group of reinsurance contracts held. It is calculated at an amount equal to the loss recognised on the underlying insurance contracts multiplied by the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held.

Non-performance risk

The Group has considered whether it is exposed to the risk of non-performance by the issuer of reinsurance contracts held and has concluded that there is limited exposure to risk, given reinsurer credit ratings.

Where reinsurer non-performance risk becomes material, changes in the FCF that result from changes in the risk of non-performance by the issuer of a reinsurance contract held do not relate to future service and do not adjust the CSM. Changes in FCF arising from changes in unexpired reinsurer risk are reported under the Assets for Reinsurance Contracts Held (ARC). Changes in FCF arising from changes in expired reinsurer risk are reported under the Asset for Incurred Claims (AIC).

The effect of non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in IFIE in profit or loss.

ii. Subsequent measurement of reinsurance contracts held

FCF within the contract boundary

The estimates of future cash flows reflect conditions existing at the measurement date including assumptions at that date about the future.

Discount rates

For subsequent measurement of FCF, the discount rate is set using the bottom-up approach, with current risk-free rates and an illiquidity premium.

CSM and loss recovery component

After initial recognition, the carrying amount of the loss-recovery component shall not exceed the portion of the carrying amount of the LC of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held. Reversal of the loss recovery component adjusts the

CSM and the risk adjustment of the group of reinsurance contracts held. After establishing a reinsurance loss recovery component, except for further additions of onerous contracts to the underlying groups, its amount is adjusted for:

- Changes in fulfilment cash flows of underlying insurance contracts related to future service and do not adjust the CSM of their respective groups.
- Loss recovery component reversals to the extent those reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held.

These adjustments are calculated and presented in profit or loss.

The Group adjusts the carrying amount of the CSM of a group of reinsurance contracts held at the end of a reporting period to reflect changes in the fulfilment cash flows applying the same approach as for insurance contracts issued, except when the underlying contract is onerous and the change in the fulfilment cash flows for underlying insurance contracts is recognised in profit or loss by adjusting the LC. The respective changes in reinsurance contracts held is also recognised in profit and loss by adjusting the loss recovery component.

3. Summary of material accounting policies continued

3.25 Presentation of insurance contracts issued and reinsurance contracts held

The Group has presented separately in the consolidated statement of financial position the carrying amount of portfolio of insurance contracts that are assets and those that are liabilities, and portfolio of reinsurance contracts held that are assets and those that are liabilities.

The Group includes any assets for insurance acquisition cash flows recognised before the corresponding groups of insurance contracts are recognised in the carrying amount of the portfolio of insurance contracts issued.

The Group disaggregates the amounts recognised in the consolidated statement of profit or loss into an insurance service result sub-total that comprises insurance revenue and insurance service expenses and, separately from the insurance service result, the IFIE. The Group has included the IFIE line in another sub-total: net insurance finance income or expenses, which also includes the policyholder's share of the investment income from all the underlying assets of insurance contracts measured under the VFA.

The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

i. Insurance revenue

The Group reduces its LRC, CSM and risk adjustment and recognises insurance revenue as it provides insurance services under a group of insurance contracts issued.

The insurance revenue is measured at the amount of consideration the Group expects to be entitled to in exchange for those services, as well as the amount of insurance revenue to recover the amortised acquisition costs.

Insurance revenue consists of the sum of the changes in the LRC due to:

a. the insurance service expense incurred in the period measured at the amounts expected at the beginning of the period, excluding:
    - amounts allocated to the LC of the LRC.
b. the change in the risk adjustment for non-financial risk, excluding:
    - changes that relate to future service that adjust the CSM.
    - amounts allocated to the LC.
c. the amount of CSM for the services provided in the period.
d. Other amounts, such as experience adjustments in relation to the difference between the expected cash flow estimates at the beginning of the period and the actual amounts of premiums in relation to current service.

ii. Insurance service expense

Insurance service expense arising from groups of contracts issued comprise:

- changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components.
- changes in the LIC related to claims and expenses incurred in prior periods (related to past service).
- other directly attributable expenses incurred in the period.
- amortisation of insurance acquisition cash flows, which is recognised at the same amount in both insurance service expense and insurance contract revenue.
- loss component of onerous groups of contracts initially recognised in the period.
- changes in the LRC related to future service that do not adjust the CSM, because they are changes in the LCs of onerous groups of contracts.
- impairment and reversal of impairment of insurance acquisition cost assets, being acquisition costs incurred prior to recognition of groups of insurance contracts (as applicable).

iii. Income or expenses from reinsurance contracts held

The Group has adopted a net presentation in the profit or loss for income or expenses from a group of reinsurance contracts held. Income or expenses from reinsurance contracts held consists of the following amounts:

- reinsurance premiums paid to the reinsurers.
- annuity mortality reinsurance adjustments receivable/payable based on expected versus actual mortality experience.

iv. Insurance finance income or expenses (IFIE)

IFIE presents the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changes in financial risk of a group of insurance contracts issued and a group of reinsurance contracts held.

The Group recognises all IFIE in profit or loss only, with no disaggregation between profit or loss and OCI.

Changes in the obligation to pay the policyholders their share of the fair value of underlying items are presented in IFIE.

For reinsurance contracts held, the Group adjusts the FCF for the time value of money using current discount rates, the changes to CSM and interest accretion on CSM are adjusted at discount rates determined at initial recognition. The Group has elected not to disaggregate and presents the 'finance income/(expenses) from reinsurance contracts held' in profit or loss.

3.26. Taxes

Taxes specifically chargeable to policyholders

Revenues and expenses are recognised net of the amount of taxes collected in a fiduciary capacity. Taxes recoverable from policyholders in a fiduciary capacity and payable to the ATO are included in the LRC fulfillment cash flows. The net amount of taxes recoverable from, or payable to, the taxation authority are included as part of LRC. Cash flows are included in the statement of cash flows on a gross basis.

When income taxes are specifically chargeable to the policyholder under the terms of the contract, these are measured applying AASB 112, and the Company includes those amounts in the FCF applying AASB 17. The Group accounts for them as a reduction in the LRC and recognises insurance revenue when incurred.

3.27. Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3. Summary of material accounting policies continued

3.28. Segment reporting

Generation Development Group Limited ("GDG" or "the Group") has identified its operating segments based on the internal reports reviewed regularly by the Group's Chief Financial Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

On 1 August 2024, GDG completed the acquisition of remaining shares in Lonsec, increasing its holding to 100%. Following this acquisition, GDG gained full control in Lonsec, transitioning Lonsec from associate to subsidiary. On 18 February 2025, GDG completed the acquisition of Evidentia. As a result, as at 1 July 2025, the Group changed its internal organisation and the composition of its operating segments. Accordingly, the Group has restated the previously reported segment information for the financial year ending 2025.

The Group's operations and customer base are predominantly located in Australia, with all revenue from external customers generated in Australia.

The Group has a diversified customer base and no individual external customer accounted for 10% or more of the total revenue for the year.

i. Operating segments

Group Services (Corporate)

This represents the Group's centralised corporate functions, including executive management, finance, legal, risk and compliance, people and culture, information technology, capital management, treasury and other group wide activities. This segment is responsible for managing the Groups central costs and shared services.

Benefit Funds Management and Fund Administration (Generation Life)

This represents Generation Life which specialises in the provision of investment-linked savings and retirement income solutions through benefit fund-structures. Generation Life provides investment bond products, funeral bond products and investment linked lifetime annuities solutions to support long-term savings, wealth accumulation and retirement income needs for clients and advisors.

Managed Accounts Business (Evidentia)

This represents Evidentia Group which specialises in the provision of discretionary managed account and portfolio implementation solutions to financial advisers and their clients to support efficient portfolio construction, implementation and ongoing management. The Evidentia Group under the new operational restructuring have integrated previous operational components from the Lonsec segment which are now included in the managed accounts business. Evidentia provides tailored portfolio solutions, standardised implementation portfolio solutions and private market portfolio solutions through a range of managed account structures including separately managed accounts, managed discretionary accounts and individually managed accounts.

Research and Ratings (Lonsec)

This represents Lonsec which specialises in connecting financial advisers, fund managers and super funds with the tools, data and insights to make better investment decision, grow their funds, engage better with members and meet their best interest obligations.

ii. Non-operating segment

Benefit Funds represents the operating result and financial position of the Benefit Funds which are required to be consolidated in the Group's financial statements in accordance with the accounting standards. Where relevant, comparative financial information has been restated to ensure consistency in presentation of financial information across the applicable comparative periods.

The reportable segments are divisions engaged in providing either different products or services. The statutory benefit funds are classified as a non-operating segment. Details of the operating and non-operating segments are detailed below:

	Operating Segments					Non-operating Segment		
30 June 2026	Group Services (Corporate) $'000	Benefit Funds Management & Funds Administration (Generation Life) $'000	Managed Accounts Business (Evidentia) $'000	Research and Ratings (Lonsec) $'000	Operating Segments Total $'000	Benefit Funds $'000	Elimination $'000	Consolidated Total $'000
External revenue	20,544	14,572	63,161	46,137	144,412	431,873	–	576,286
Inter-segment revenue	–	47,513	–	–	47,513	–	(47,513)	–
Segment revenue	**20,544**	**62,085**	**63,161**	**46,137**	**191,925**	**431,873**	**(47,513)**	**576,286**
Insurance revenue – external	–	2,124	–	–	2,124	5,426	–	7,550
Insurance service expenses	–	(5,587)	–	–	(5,587)	(5,333)	–	(10,920)
Income/(expenses) from reinsurance contracts held	–	307	–	–	307	34	–	341
Insurance service result	**–**	**(3,156)**	**–**	**–**	**(3,156)**	**127**	**–**	**(3,029)**
Net investment income/(expenses)	–	**93**	–	**–**	**93**	**5,261**	**–**	**5,354**
Insurance finance income/(expenses) from insurance contracts issued	–	116	–	–	116	(5,577)	–	(5,462)
Finance income/(expenses) from reinsurance contracts held	–	(6)	–	–	(6)	–	–	(6)
Net insurance finance income or expenses	**–**	**110**	**–**	**–**	**110**	**(5,577)**	**–**	**(5,467)**
Net insurance result	**–**	**(2,953)**	**–**	**–**	**(2,953)**	**(189)**	**–**	**(3,142)**
Expenses	(18,194)	(61,924)	(58,556)	(34,347)	(173,021)	(49,538)	47,513	(175,045)
Income tax benefit/(expense)	4,993	14,866	(2,340)	(1,542)	15,977	(113,228)	–	(97,251)
Loss/(profit) attributable to policyholders	–	–	–	–	–	(268,918)	–	(268,918)
Net profit/(loss) after tax	**7,343**	**12,074**	**2,265**	**10,248**	**31,930**	**–**	**–**	**31,930**
Segment assets and liabilities								
Segment total assets	35,600	53,533	627,527	170,705	887,365	6,245,332	–	7,132,697
Segment total liabilities	(36,933)	(16,932)	(53,231)	(48,791)	(155,887)	(6,245,219)	–	(6,401,106)
Segment net assets	(1,333)	36,601	574,296	121,914	731,478	113	–	731,591
Other Segment Information								
Depreciation and amortisation	185	1,376	12,938	9,753	24,252	–	–	24,252
Goodwill	547		456,966	59,566	517,079	–	–	517,079
Movement in non-current assets	(1,813)	–	82,514	(84,230)	(3,529)	1,267,655	–	1,264,126

3. Summary of material accounting policies continued

3.28. Segment reporting continued

30 June 2025	Operating Segments*					Non-operating Segment		
	Group Services (Corporate) $'000	Benefit Funds Management & Funds Administration (Generation Life) $'000	Managed Accounts Business (Evidentia) $'000	Research and Ratings (Lonsec) $'000	Operating Segments Total $'000	Benefit Funds $'000	Elimination $'000	Consolidated Total $'000
External revenue	77,485	10,777	39,046	43,079	170,387	445,434	–	615,821
Inter-segment revenue	–	36,158	–	–	36,158	–	(36,158)	–
Segment revenue	**77,485**	**46,935**	**39,046**	**43,079**	**206,545**	**445,434**	**(36,158)**	**615,821**
Insurance revenue – external	–	2,710	–	–	2,710	3,639	–	6,349
Insurance service expenses	–	(3,479)	–	–	(3,479)	(4,211)	–	(7,690)
Income/(expenses) from reinsurance contracts held	–	(447)	–	–	(447)	(159)	–	(606)
Insurance service result	**–**	**(1,216)**	**–**	**–**	**(1,216)**	**(731)**	**–**	**(1,947)**
Net investment income/(expenses)	**–**	**7**	**–**	**–**	**7**	**4,537**	**–**	**4,544**
Insurance finance income/(expenses) from insurance contracts issued	–	45	–	–	45	(3,949)	–	(3,904)
Finance income/(expenses) from reinsurance contracts held	–	116	–	–	116	–	–	116
Net insurance finance income or expenses	–	161	–	–	161	(3,949)	–	(3,788)
Net insurance result	**–**	**(1,048)**	**–**	**–**	**(1,048)**	**(143)**	**–**	**(1,191)**
Expenses	(69,721)	(37,992)	(32,925)	(37,259)	(177,897)	(36,171)	36,158	(177,910)
Income tax benefit/(expense)	(1,550)	14,278	(2,972)	(1,882)	7,874	(116,553)	–	(108,679)
Loss/(profit) attributable to policyholders	–	–	–	–	–	(292,567)	–	(292,567)
Net profit/(loss) after tax	**6,214**	**22,173**	**3,938**	**3,149**	**35,474**	**–**	**–**	**35,474**
Segment assets and liabilities								
Segment total assets	81,052	54,395	611,650	139,999	887,096	4,634,659	–	5,521,755
Segment total liabilities	(74,963)	(16,714)	(59,807)	(38,032)	(189,516)	(4,634,659)	–	(4,824,175)
Segment net assets	**6,089**	**37,681**	**551,843**	**101,967**	**697,580**	**–**	**–**	**697,580**
Other Segment Information								
Depreciation and amortisation	124	1,491	6,488	10,451	18,554	–	–	18,554
Goodwill	547	–	455,652	59,566	515,765	–	–	515,765
Movement in non-current assets	15,561	–	601,877	130,755	748,193	–	–	748,193

* As a result of the acquisition of Evidentia Group Holdings Pty Ltd (Evidentia) on 18 February 2025, the Group has changed its internal organisation and the composition of its operating segments, which resulted in a change in reportable segments. Accordingly, the Group has restated the previously reported segment information for the financial year ended 30 June 2025.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, described in Note 2 and 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the significant areas of estimation uncertainty and critical judgements that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Intangible assets

Management judgement is used to assess the recoverable value of goodwill and other intangible assets. The carrying amount of goodwill is based on assumptions including forecasts used for determining cashflows, available headroom, and the sensitivities of the recoverable amount to reasonably possible changes in assumptions. The Group undertakes an annual assessment to evaluate whether the carrying value of goodwill on the balance sheet is impaired.

Judgement is needed in determining the useful lives of other intangible assets such as capitalised software, customer relationships and brand names. These intangible assets are assessed for indicators of impairment annually, including those assets not ready for use. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the carrying value of the asset is written down immediately.

Valuation of financial assets

The fair value of assets that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance sheet date.

For investments with no active market, fair value for units in managed unlisted funds are calculated using disclosed offer prices provided from the responsible entity through third party data or directly from the responsible entity. Fair value from fixed interest assets where the principle prices are derived from the most liquid over the counter markets are provided via a reputable third party data vendor.

Management uses their judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market.

Share-based payments

When determining the grant date fair value of share-based payments, the Group utilises standard market techniques for valuation, including a Monte-Carlo Simulation pricing model, which take into account performance hurdles.

Further details of the significant assumptions employed are disclosed in Note 10.

Deferred tax assets

Management uses their judgement in determining the value of carry forward tax losses. Reference is made to forecasts and budgets to ensure the recoverability of tax losses remains probable over the foreseeable future. Tax losses are only recognised as deferred tax assets to the extent that management considers it is probable that there will be future taxable profit available against which the tax losses can be utilised.

Business Combinations

The Group accounts for business combinations using the acquisition method. Identifiable assets, liabilities and contingent liabilities acquired and measured at fair value at the acquisition date when control is transferred.

Judgements and estimates have been made to determine the fair value of intangible assets, leases, customer relationships, technology, and brands. The determination of fair value involved developing estimates and assumptions consistent with how market participants would price the assets.

The fair value of the consideration transferred comprises the initial cash paid to the sellers and an estimate for any future payment the Group may be liable to pay, based on future performance of the business. The latter amount is classified as contingent consideration and is classified as a financial liability. Amounts classified as a financial liability are subsequently measured at fair value with any changes in fair value recognised in profit or loss. Acquisition related costs are expensed as incurred in profit or loss.

4. Critical accounting judgements and key sources of estimation uncertainty continued

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (no more than 12 months from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately.

The previously held interest is remeasured at fair value at the acquisition date, with the gain or loss recognised in profit or loss.

Assumptions and estimates applied in the valuation of the LifeIncome insurance contract liabilities

Policyholder liabilities

The appointed actuary of Generation Life Limited uses their judgement in determining the fair value of policyholder liabilities related to life insurance contracts and life investment contracts with discretionary participating features. Refer to Note 5d for terms and conditions of insurance business, including key variables affecting timing and uncertainty of future cash flows and Note 31 for critical estimation assumptions for determining insurance policyholder liabilities.

i. Assessment of significance of insurance risk

The Group applies its judgement in assessing whether a contract transfers significant insurance risk to the issuer. A contract transfers significant insurance risk only if an insured event could cause the Group to pay additional amounts that are significant in any single scenario, and only if there is a scenario that has commercial substance in which the issuer has a possibility of a loss on a present value basis upon an occurrence of the insured event, regardless of whether the insured event is extremely unlikely. This assessment is performed at initial recognition on a contract-by-contract basis. The type of contracts where this judgment is required are those that transfer both financial and insurance risk and result in the insurance risk comprising 5% to 10% of the benefit provided. The application of judgement in this area is aided by the Group's processes to filter contracts where the insurance risk amounts referred to above are more than 5% but less than 10% of the amounts paid if the insured event does not occur. Amounts that are less than 5% are considered by the Group as not transferring significant insurance risk. This assessment is performed after separation of distinct investment components and promises to transfer distinct goods and non-insurance services. See Note 3.22iii for more details.

ii. Assessment of the eligibility for meeting the criteria for direct participating contracts

Direct participating contracts are considered to be sufficiently different from other participating contracts due to the enforceable link to the underlying items, the significance of policyholders' share in the pool and the significance of those returns to the overall policyholder payments. The Group assesses whether a contract meets the definition of a direct participating contract using the Group's expectations existing at inception of the contract or at transition date (as applicable). This assessment is performed, on a contract-by-contract basis, for all insurance contracts with direct participating features. In assessing the significance of the policyholder's share of returns from the underlying items and the degree of variability in total payments to the policyholder, the Group applies significant judgement. The Group considers that variable annual charges applied to the policyholder amount reduce the policyholder share of fair value returns. The Group considers it significant if, over the duration of the contract, on a present value probability-weighted average basis, the Group expects to pay to the policyholder more than 5% of the fair value returns from underlying items. At inception (or transition), in considering the expected degree of variability in total payments to the policyholder with the changes in fair value of underlying items, the Group considers the range of possible scenarios and estimates their probabilities.

The Group considers a change in payments to the policyholder is a substantial proportion of the change in fair value of the underlying items, if on a present value probability-weighted average of all scenarios such proportion exceeds 5%.

iii. Consideration whether there are investment components

The Group considers all the terms of the contracts it issues (and reinsurance contracts it holds) to determine whether there are amounts payable to the policyholder (receivable from the reinsurer) in all circumstances, regardless of contract cancellation, maturity, and the occurrence or non-occurrence of an insured event.

The Group uses the value of amounts payable to the policyholder depending on whether the insured event occurs and, if so, the timing of the insured event (i.e. longevity of policyholders). This is notwithstanding that the amount might vary over the term of the contract. Refer to Note 3.22iii for more details.

iv. Separation of non-insurance components from insurance contracts

The Group issues some insurance contracts that could have several elements in addition to the provision of the insurance coverage service, such as an investment management service, an embedded derivative and other goods or services. Some of these elements may need to be separated and accounted for by applying other Standards, while other elements remain within the insurance measurement model. In assessing whether components meet the separation criteria and should be separated, the Group applies significant judgement. Refer to Notes 3.22iii for more details.

v. Separation of insurance components of an insurance contracts

The Group issues insurance contracts that combine protection for the policyholder against different types of insurance risks in a single contract. AASB 17 does not require or permit separating insurance components of an insurance contract unless the legal form of a single contract does not reflect the substance of its contractual rights and obligations. In such cases, separate insurance elements must be recognised. Overriding the 'single contract' unit of account presumption involves significant judgement and is not an accounting policy choice. When determining whether a legal contract reflects its substance or not, the Group considers the interdependency between different risks covered, the ability of all components to lapse independently, and the ability to separately price and sell the components.

vi. Determination of the contract boundary

The measurement of a group of insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within a contract boundary, the Group considers its substantive rights and obligations arising from the terms of the contract, and also from applicable law, regulation, and customary business practices.

Cash flows are considered to be outside of the contract boundary if the Group has practical ability to reprice existing contracts to reflect their reassessed risks and if the contract's pricing for coverage up to the date of reassessment considers only the risks until that next reassessment date. The Group has reviewed its ability to reprice the insurance contracts issued and cancellation clauses to assess the contract boundary. Refer to Note 3.22vi for contract boundary details.

vii. Identification of portfolios

The Group defines a portfolio as insurance contracts subject to similar risks and managed together. Contracts within the same product line are expected to be in the same portfolio as they have similar risks and are managed together. The assessment of which risks are similar and how contracts are managed requires the exercise of judgement. The Group's insurance contracts issued participate in the same pool of underlying items and are considered to be in one portfolio.

viii. Level of aggregation

The Group applies judgement when distinguishing between contracts that have no significant possibility of becoming onerous, onerous contracts and other profitable contracts. Refer to Note 3.22iv for more details.

ix. Assessment of directly attributable cash flows

The Group uses judgement in assessing whether cash flows are directly attributable to the portfolio of insurance contracts issued or reinsurance contracts held. Acquisition cash flows are included in the measurement only if they are directly attributable to either the individual contracts in a Group, or to the group itself, or the portfolio of insurance contracts issued or reinsurance contracts held to which the group belongs. When estimating FCF, the Group also allocates to the FCF fixed and variable overheads directly attributable to the fulfilment of the contracts. Refer to Notes 3.22vii and 3.24 for more details.

x. Assessment of significance of modification

The Group derecognises the original contracts and recognises the modified contract as a new contract, if the derecognition criteria are met. The Group applies judgement to assess whether the modified terms of the contract would result in the original contract meeting the criteria for derecognition.

xi. Level of aggregation for determining the risk adjustment for non-financial risk

AASB 17 does not define the level at which the risk adjustment for non-financial risk should be determined. The level of aggregation for determining the risk adjustment for non-financial risk is not an accounting policy choice and involves judgement. The Group determined that no diversification will be allowed for under AASB 17 due to no correlation between risks. This is subject to consideration of future product changes, which could expose the Group to additional risk types. The risk adjustment is determined using the Cost of Capital (CoC) method.

This is calculated at a total entity level and allocated down to groups of insurance contracts using present value of claims as the driver. The reinsurance risk adjustment is set equal to the underlying contracts' risk adjustment for longevity risk only. See Notes 3.22vii and 3.24 for more details.

4. Critical accounting judgements and key sources of estimation uncertainty continued

xii. Selecting a method of allocation of coverage units

AASB 17 establishes a principle for determining coverage units, not a set of detailed requirements or methods. The selection of the appropriate method for determining the amount of coverage units is not an accounting policy choice. It involves the exercise of significant judgement and development of estimates considering individual facts and circumstances.

In determining the appropriate method, the Group considers the likelihood of insured events occurring to the extent that they affect expected period of coverage in the Group, different levels of service across the period and the quantity of benefits expected to be received by the policyholder. The insurance product is a lifetime annuity. This has a long contract boundary, ending when insurance coverage ends. Insurance and investment-related services are provided (income paid and underlying investments managed) for the lifetime of the policyholder. As such, coverage units are required to be set using a measure that will demonstrate the relative quantity of benefits arising from both the insurance and investment-related services which are expected to be provided over the life of the contract (the policyholder's lifetime).

The expected benefit payments provide a reflection of the quantity of benefits expected to be provided over the life of the contract. The Group uses benefit payments as the coverage units for insurance contracts issued. Coverage units in relation to reinsurance contract held are based on quantity of benefits from the underlying insurance contracts issued. See Notes 3.22vii and 3.24 for more details.

A. Key sources of estimation uncertainty

i. Technique for estimation of future cash flows

The estimate of expected future cash flows shall be an estimate of the probability-weighted mean of the full range of outcomes within the boundary of the contract. The Group estimates the expected cash flows for insurance contracts issued and reinsurance contracts held separately. The cash flows are determined at a policy level and then aggregated into groups of insurance contracts issued and reinsurance contracts held.

Methods of estimating discount rates

For underlying cash flows of insurance contracts issued, measured under the VFA, the Group adopts a top-down approach and discounts those cash flows using a rate that reflects the variability of the cash flows. The cash flows are projected based on the expected real returns of the financial underlying items, and the discount rate (or curve) to be used reflects that variability. The Group uses a single discount rate aligned with the expected investment return on the underlying assets, net of investment management fees and gross of administration fees. The discount rate varies for each investment option.

The Group uses the bottom-up approach to determine discount rates in relation to reinsurance contracts held. The bottom-up approach involves using risk-free rates and an illiquidity premium. The discount rate is set and locked in as at the effective date of each new cohort.

The Group uses the following yield curves to discount cash flows in relation to reinsurance contracts held for the year ended:

	1 year	2 years	3 years	4 years	5+ years
2026	4.6%	4.5%	4.6%	4.7%	5.1%-6.6%
2025	3.3%	3.5%	3.9%	4.2%	4.6%-6.5%

ii. Risk adjustment for non-financial risk

The risk adjustment is held to reflect the compensation the Group requires to bear the uncertainty about the amount and timing of the cash flows that arise from non-financial risks. The Group is exposed to longevity risk on insurance contracts issued due to the guarantee that payments of a set number of units will be made until death of the policyholder. It is also exposed to expense risk, being the risk that expenses associated with the costs of servicing the underlying insurance contracts will be larger than expected.

The Group determines the risk adjustment at a total entity level and allocates it down to groups of insurance contracts using PV Claims in the scalar approach. The risk adjustment for groups of insurance contracts is calculated based on the ratio of total risk adjustment relative to total PV claims. This ratio is pro-rated for the PV claims amount in relation to groups of insurance contracts issued.

In estimating the risk adjustment, the Group uses the cost of capital (CoC) method. The method involves estimating the additional amount of capital required for the amount of uncertainty, and then estimating the expected cost of that capital over the period of the risk.

Capital held for longevity risk constitutes the material portion of total capital. The capital held for expense risk is short term in nature and hence, the CoC on expense risk is immaterial. The expected CoC is calculated as the difference between the Generation Life

Ltd's target return on equity and the average earning rate of the capital assets. No diversification is allowed for due to no correlation between longevity and expense risks. The Group determines the implied confidence level using the risk adjustment and statistical techniques, assuming losses are normally distributed, referencing a mean of 0 at 50% confidence level and the required capital which assumes that losses over the next year will be covered at an 80% confidence level (2025: 80%). The implied confidence level is recalculated annually.

Confidence levels are applied to LRC and LIC and are expected to be consistent unless facts and circumstances clearly indicate otherwise.

Reinsurance contract held risk adjustment is set equal to the underlying contracts' risk adjustment for longevity risk only.

iii. Coverage unit methodology and CSM release

Coverage units are required to be set using a measure that will demonstrate the relative quantity of benefits expected to be provided over the life of the contract (the policyholder's lifetime).

The benefit payments (which include both annuity outgo and death benefit payment) provide a reflection of the quantity of benefits expected to be provided over the life of the contract and are, thus, used as coverage units. The initial expected benefit payments are determined by considering the probability-weighted average duration of contracts at inception.

CSM release for the period is based on the ratio of actual benefits paid during the period relative to (actual benefits paid during the period and PV of expected benefit amounts from the end of the period). For reinsurance contracts held, CSM release for the period is determined using the same method, however, benefit amounts used relate to the underlying insurance contracts issued.

iv. Allocation of asset for insurance acquisition cash flows to current and future groups of contracts

The Group allocates the asset for insurance acquisition cash flows to an associated group of contracts and to any future groups that include the contracts that are expected to arise from the renewals of the contracts in that group using a systematic and rational method. In doing so, the Group estimates the expected contracts to be included within a future group or the number of renewals that may arise from an original group when allocating the asset.

B. Actuarial methods and assumptions

Sensitivity analysis of carrying amounts to changes in assumptions

	2026		2025	
Changes in assumptions	Insurance contract liabilities $'000	Reinsurance contract liabilities $'000	Insurance contract liabilities $'000	Reinsurance contract liabilities $'000
Mortality				
-10% change	1,385	(1,133)	1,005	(817)
+10% change	(1,245)	1,024	(904)	738
Expenses				
-10% change	(712)	–	(602)	–
+10% change	726	–	615	–
Investment returns				
-10% change	245	(6)	216	(4)
+10% change	(209)	8	(184)	5
Discount rates				
-10% change	–	(28)	–	(10)
+10% change	–	22	–	8

A sensitivity analysis of exposure to insurance risk and its impact on profit or loss and equity is included in Note 5e.

5. Risk management

The Group has exposure to the following risks from its use of financial instruments, insurance contracts issued and reinsurance contract held:

- Credit risk.
- Liquidity risk.
- Market risk.
- Insurance risk.
- Underwriting risk.
- Capital risk.
- Operational risk including Cyber security.
- Climate change risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further qualitative disclosures are included throughout this financial report.

Risk Management Framework

During FY2026, oversight of the Group's risk management framework (RMF) was undertaken by the Board of Directors. The Group's RMF provides the overarching structure through which risks are identified, assessed, managed, monitored and reported across the Group. The RMF establishes the Group's risk appetite and thresholds for determining the potential impact and significance of risks, including financial, operational, legal and regulatory, customer and reputational risks. It supports a consistent and systematic approach to risk management by defining responsibilities, escalation requirements, monitoring processes and controls for managing material risks. The framework also provides a basis for the Board and relevant Board committees to oversee the Group's risk profile and assess whether risks are being managed within approved appetite and tolerance levels. From 1 July 2026, oversight of these matters was further strengthened through the expansion of the Audit Committee's remit to include risk and compliance, resulting in its renaming as the Audit, Risk and Compliance Committee.

The Board recognises the broad range of risks that the Group faces as a participant in the financial services industry.

Day-to-day responsibility for risk management has been delegated to executive management, with review occurring at Audit and Risk Committees, and Board level. The Chief Executive Officer and Chief Financial Officer of the Group are required to provide to the Board an annual certification that the Group's risk management system is operating efficiently and effectively in all material respects.

A. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables and financial assets. The Group does not have any specific concentration of credit risk with a single counterparty.

Trade and other receivables

The credit risk for trade receivables for the Group is the risk that financial assets recognised on the statement of financial position exceed their carrying amount, net of any provisions for doubtful debts.

Financial assets

Investments backing policyholder liabilities in investment linked product are invested with reputable counterparties in the managed funds sector with an investment governance framework ensuring that assets are in line with authorised investment ranges and liquidity arrangements. The Company is of the view that all counterparties are expected to meet their policyholder obligations. Furthermore, all credit and investment risk associated with investments within these investment linked Benefit Funds are borne by its policyholders.

i. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties including the Group's bank counterparties.

The Group manages credit risk in financial assets through a stringent set of counterparty limits contained in investment policy statements containing direct debt securities. The management of portfolios holding these securities are outsourced to licensed fixed interest fund managers who have designated credit teams and a defined and annually reviewed credit rating process.

ii. Credit quality analysis

The credit quality of reinsurance held assets based on the Counterparty's internal ratings is as follows:

	Consolidated	
	2026 $'000	2025 $'000
Risk Grade 1	–	–
Risk Grade 2	1,476	1,131

iii. Exposure to credit risk

The carrying amount of the Group's financial assets represents the Group's maximum exposure to credit risk:

		Consolidated	
	Note	2026 $'000	2025 $'000
Financial assets designated as fair value through profit and loss	14	5,893,183	4,390,537
Financial assets carried at amortised cost	14	158,082	89,993
Reinsurance contracts held		1,476	1,131
Accrued income	15	105,765	56,499
Trade receivables		22,185	27,336
Cash and cash equivalents		192,763	180,213
Total		**6,373,454**	**4,745,709**

All receivables are denominated in Australian dollars and relate to Australian customers.

iv. Impairment losses

The aging of the Group's trade and other receivables at balance sheet date was:

	Consolidated	
	2026 $'000	2025 $'000
Not past due	18,840	26,334
Past due 1 to 30 days	1,036	666
Past due 31 to 90 days	1,646	334
Past due more than 91 days	663	2
Total	**22,185**	**27,336**

In determining the recoverability of receivables, the Group considers any change in the credit quality of the receivable from the date recognised to balance sheet date. The Group has recognised a loss of $293,215 in the profit or loss in respect of impairment of receivables for the period ended 30 June 2026 (2025: $118,889).

5. Risk management continued

B. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining reserves, banking facilities and reserve borrowing facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group prepares rolling cash projections which assists in monitoring cash flow requirements and optimising its cash return on investments.

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments, at reporting date:

	Carrying amount $'000	Contractual cash flows $'000	6 months or less $'000	6 to 12 months $'000	1 to 2 years $'000	2 to 5 years $'000	More than 5 years $'000	Investment Linked $'000
As at 30 June 2026								
Trade and other payables	51,225	(51,225)	(51,225)	–	–	–	–	–
Lease liabilities	4,982	(5,478)	(1,281)	(1,185)	(1,807)	(1,205)	–	–
Subtotal	**56,207**	**(56,703)**	**(52,506)**	**(1,185)**	**(1,807)**	**(1,205)**	**–**	**–**
Policyholder liabilities (investment)[1]	5,837,525	–	–	–	–	–	–	(5,837,525)
Insurance contract liabilities (insurance) – Oddfellows[2]	7,037	(6,803)	(373)	(373)	(653)	(1,592)	(3,812)	–
Insurance contract liabilities (insurance) – LifeIncome[3]	77,984	(77,984)	(3,910)	1,776	(2,328)	(6,796)	(66,726)	–
Reinsurance contracts held assets (insurance) – LifeIncome[3]	(1,476)	1,476	71	(8)	83	224	1,106	–
Subtotal	**5,921,070**	**(83,311)**	**(4,212)**	**1,395**	**(2,898)**	**(8,164)**	**(69,432)**	**(5,837,525)**
Total	**5,977,277**	**(140,014)**	**(56,718)**	**210**	**(4,705)**	**(9,369)**	**(69,432)**	**(5,837,525)**
As at 30 June 2025								
Trade and other payables	124,828	(124,828)	(124,828)	–	–	–	–	–
Lease liabilities	7,033	(8,742)	(143)	(1,072)	(2,205)	(5,322)	–	–
Subtotal	**131,861**	**(133,570)**	**(124,971)**	**(1,072)**	**(2,205)**	**(5,322)**	**–**	**–**
Policyholder liabilities (investment)[1]	4,320.611	–	–	–	–	–	–	(4,320,611)
Insurance contract liabilities (insurance) – Oddfellows[2]	6,928	(6,725)	(337)	(337)	(604)	(1,512)	(3,935)	–
Insurance contract liabilities (insurance) – LifeIncome[3]	61,543	(61,543)	(4,007)	837	(2,363)	(6,116)	(49,894)	–
Reinsurance contracts held assets (insurance) – LifeIncome[3]	(1,131)	1,131	8	–	73	200	850	–
Subtotal	**4,387,951**	**(67,137)**	**(4,336)**	**500**	**(2,894)**	**(7,428)**	**(52,979)**	**(4,320,611)**
Total	**4,519,812**	**(200,707)**	**(129,307)**	**(572)**	**(5,099)**	**(12,750)**	**(52,979)**	**(4,320,611)**

1. For investment linked business the liability to policyholders is linked to the performance and value of the assets that back those liabilities. The shareholders of the Company has no direct exposure to any risk in those assets. Therefore, the tables in this section show the policyholder liability without any maturity profile analysis. There is low liquidity risk for these Policyholder liabilities as these are considered long term investments by the policyholders and any redemptions by the policyholders are fully supported by the sale of the underlying investments of the benefit funds.
2. Policyholder liabilities – Oddfellows, relating to insurance products are mostly due upon death of the policyholder and therefore an estimate of maturity has been made.
3. Policyholder liabilities – LifeIncome, relating to insurance products are calculated using a projection method based on the best estimate mortality basis and discounted. These funds commenced on 22 March 2022.

The following table sets out the carrying amounts of the insurance contract liabilities and reinsurance contract liabilities that are payable on demand.

	2026		2025	
	Amount payable on demand $'000	Carrying amount $'000	Amount payable on demand $'000	Carrying amount $'000
Insurance contracts issued	52,527	76,653	41,220	60,519
Reinsurance contracts held	–	1,572	–	1,334
Total	**52,527**	**78,225**	**41,220**	**61,853**

C. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the income or the value of the Group's holdings of financial instruments.

Market risk management

The objective of market risk management at the group level is to manage and control market risk exposures within acceptable fund parameters, while optimising the return for policyholders.

Concentration risk in any asset class, counterparty or sector is low with financial instruments held in a diversified manner across the asset class universe. The makeup of the financial asset book has a diversified profile which mostly reflects the duration profile of policyholders in the Group's products. The Group's subsidiary – Generation Life Ltd is required to submit information to APRA of the large exposure for assets for all non-investment linked benefit funds and management fund and measures single counterparty exposures to minimise the capital risk charge of its underlying holdings.

Currency risk

It is the Group's policy to minimise the exposure of all statement of financial position items to movements in foreign exchange rates. The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales and purchases or investments are denominated and the respective functional currencies of the Group. The functional currency of the Company is primarily the AUD with certain investments denominated in US Dollar (USD), Swiss Francs (CHF), Euro (EUR), Great Britain Pound (GBP), Hong Kong Dollar (HKD), Canadian Dollar (CAD), New Zealand Dollar (NZD), Japanese Yen (JPY), Norwegian Krone (NOK), Danish Krone (DKK), Swedish Krona (SEK), Singapore Dollar (SGD), Israeli Shekel (ILS) and Polish Zloty (PLN). It is the Group's policy to minimise the exposure of management account expenses to movements in foreign exchange rates by either pricing contracts in AUD or where not available hedging material exposures back to AUD. For investment linked products, the Group is agnostic to currency exposure as this risk is passed through to investors. Funds with guarantees have no exposure to foreign currency as at 30 June 2026.

5. Risk management continued

At the reporting date, the Group had the following exposures in foreign currency assets:

	2026			2025		
Currency	Cash and cash equivalents $'000	Financial assets $'000	Total $'000	Cash and cash equivalents $'000	Financial assets $'000	Total $'000
USD	2,758	264,059	**266,817**	5,578	181,757	**187,335**
CHF	6	2,508	**2,514**	60	7,567	**7,627**
EUR	128	37,489	**37,617**	162	49,629	**49,791**
GBP	762	20,676	**21,438**	67	13,214	**13,281**
HKD	4	3,095	**3,099**	10	1,945	**1,955**
CAD	30	3,047	**3,077**	45	5,494	**5,539**
NZD	15	861	**876**	19	–	**19**
JPY	18	5,320	**5,338**	1	646	**647**
NOK	4	116	**120**	1	25	**26**
DKK	3	333	**336**	1	31	**32**
SEK	3	98	**101**	–	129	**129**
SGD	1	49	**50**	–	10	**10**
ILS	3	46	**49**	1	5	**6**
PLN	–	94	**94**	–	–	**–**

Sensitivity analysis

A 10% change in the exchange rates will have the following effect on the financial statements for the financial year ended 30 June 2026:

Currency	Movement in variable against	2026 Change in Profit/(loss) $'000	2025 Change in Profit/(loss) $'000
USD	+ 10%	26,682	18.733
	- 10%	(26,682)	(18,733)
CHF	+ 10%	251	763
	- 10%	(251)	(763)
EUR	+ 10%	3,762	4,979
	- 10%	(3,762)	(4,979)
GBP	+ 10%	2,144	1,328
	- 10%	(2,144)	(1,328)
HKD	+ 10%	310	195
	- 10%	(310)	(195)
CAD	+ 10%	308	554
	- 10%	(308)	(554)
NZD	+ 10%	88	2
	- 10%	(88)	(2)
JPY	+ 10%	534	65
	- 10%	(534)	(65)
NOK	+ 10%	12	3
	- 10%	(12)	(3)
DKK	+ 10%	34	3
	- 10%	(34)	(3)
SEK	+ 10%	10	13
	- 10%	(10)	(13)
SGD	+ 10%	5	1
	- 10%	(5)	(1)
ILS	+ 10%	5	1
	- 10%	(5)	(1)
PLN	+ 10%	9	–
	- 10%	(9)	–
Total	**+ 10%**	**34,153**	**26,640**
	- 10%	**(34,153)**	**(26,640)**

5. Risk management continued

C. Market risk continued

Interest rate risk

Interest rate risk arises from the potential for changes in interest rates to have an adverse effect on the net earnings of the Group. The Group's earnings are affected by movements in market interest rates due to funds borrowed, assets held in guaranteed products and/or funds held in high interest deposit accounts. Deposits are managed to a rolling maturity profile that includes a target level of interest rate duration which sits within 12 months. Borrowed funds interest rate exposure is considered in the wider capital management framework. Guaranteed investment products have interest rate exposure managed within internal investment policy statements with interest rate exposure inside 12 months at all times.

At the reporting date the interest rate profile of the Group interest bearing financial instruments was:

	Consolidated	
	2026 $'000	2025 $'000
Fixed rate instruments		
Financial assets	173,165	110,657
	173,165	**110,657**
Variable rate instruments		
Financial assets	246,457	232,300
	246,457	**232,200**

Sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates would have the following effect on the statement of comprehensive income:

	Consolidated	
	1% Increase $'000	1% Decrease $'000
30 June 2026		
Variable rate instruments	3,133	(2,140)
Total	**3,133**	**(2,140)**
30 June 2025		
Variable rate instruments	2,785	(2,761)
Total	**2,785**	**(2,761)**

Interest rate sensitivity analysis – LifeIncome

The following table details the Group's sensitivity to a 1 per cent increase and decrease in interest rates. A 1 per cent increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

	Profit or loss		Equity	
	1% increase $'000	1% decrease $'000	1% increase $'000	1% decrease $'000
30 June 2026				
Insurance contracts issued	(218)	218	(218)	218
Reinsurance contracts held	–	–	–	–
Financial assets	213	(213)	213	(213)
	(5)	**5**	**(5)**	**5**

	Profit or loss		Equity	
	1% increase $'000	1% decrease $'000	1% increase $'000	1% decrease $'000
30 June 2025				
Insurance contracts issued	(172)	172	(172)	172
Reinsurance contracts held	–	–	–	–
Financial assets	168	(168)	168	(168)
	(4)	**4**	**(4)**	**4**

Equity price risk

The Group is exposed to equity price risk. Any overall downturn in the equities market may impact on the future results of the Group as a whole, however the explicit form of this risk is borne by policyholders.

The Group is exposed to equity price risk from its insurance contracts issued. The benefits under these contracts are linked to the fair value of underlying items, including equity instruments. The Group has no significant concentration of equity price risk.

At the reporting date the carrying amount of the Group's assets exposed to equity price risk was:

	Consolidated	
	2026 $'000	2025 $'000
Financial assets at fair value through profit or loss		
Units in managed funds and equities[1]	5,882,580	4,379,235
	5,882,580	**4,379,235**

1. All risk relating to equity prices is borne by policyholders.

A change of 10% in equity prices would have the following effect on the statement of comprehensive income:

	Consolidated	
	10% Increase $'000	10% Decrease $'000
30 June 2026		
Units in managed funds and equities[1]	588,258	(588,258)
	588,258	**(588,258)**
30 June 2025		
Units in managed funds and equities[1]	437,924	(437,924)
	437,924	**(437,924)**

1. All risk relating to equity prices is borne by policyholders.

5. Risk management continued

D. Insurance risk

Insurance risk is the likelihood and financial impact of events which may occur that will expose the Group to financial loss and consequently the inability to meet its liabilities. Life insurance contract liabilities are calculated in accordance with actuarial standards.

The Group's objective is to satisfactorily manage these risks in line with the Risk Management Statement approved by the board. In addition, the Group's wholly owned subsidiary – Generation Life Limited receives advice from the Appointed Actuary, in accordance with APRA Prudential Standard LPS 310. The longevity risk is 100% reinsured to Hannover Life Re of Australia Limited (HLRA) and the Group carries no longevity risk.

Solvency

Solvency margin requirements established by actuarial professional standards and by regulators are in place to reinforce safeguards for policyholders' interests, being primarily the ability to meet future payments to Policyholders. The solvency requirement establishes the required excess of the value of the insurers' assets (at a Benefit Fund level) over the value of its liabilities, each element being determined in accordance with the applicable valuation rules. This margin must be maintained throughout the period, not just at period end. These solvency requirements take into account specific risks faced by the Group.

Terms and conditions of investment and insurance business

The table below provides an overview of the key variables upon which the timing and uncertainty of the future cash flows of the various life insurance and investment contracts on issue are determined.

Type of contract	Details of contract workings	Nature of compensation for claims	Key variables affecting timing and uncertainty of future cash flows
Discretionary participating life insurance contracts	The sum insured is specified at inception and guaranteed. Bonuses are added annually, and can either be guaranteed or non-guaranteed (based on actuarial advice). A further terminal bonus may be added on surrender, death or maturity.	Annual bonuses are declared (by Actuary) from the surplus (carryforward surplus plus current year operating profit) and added to the sum insured.	Mortality, surrenders, and market earnings on the assets backing the liabilities.
Discretionary participating investment contracts	Gross value of premiums received is invested and investment management fees are deducted monthly. Bonuses are added annually and a further terminal bonus may be added on surrender, death or maturity.	Annual bonuses are declared (by Actuary) from the surplus (carryforward surplus plus current year operating profit) and added to the account balance.	Surrenders, expenses and market earnings on the assets backing the liabilities.
Unit linked investment contracts	Gross value of premiums received is invested in units and investment management fees are deducted monthly.	Investment return is the earnings on the assets less any management fees.	Market risk, expenses, withdrawals.
Investment linked insurance contracts	Guaranteed annuity income units when policyholder is insured against longevity risk but bears all the investment risk. The longevity risk is 100% reinsured to Hannover Life Re of Australia Limited (HLRA) and the Group carries no longevity risk overall.	Income is determined by the unit price of the chosen investment option on the guaranteed units and the survival of the policyholder.	Longevity risk, Market risk, Reinsurer credit risk, expenses, withdrawals.

E. Underwriting risk Underwriting risk management

Underwriting risk consists of insurance risk, lapse risk and expense risks. Insurance risk is the risk of the loss event occurrence, or the timing and amount of the loss being different from expectation.

The Group is exposed to Longevity risk on insurance contracts issued:

a. Longevity risk – the guarantee that payments of a set number of units will be made until the death of the policyholder. The Group mitigates these risks by having reinsurance arrangements in place.

	Insurance contract assets $'000	Insurance contract liabilities $'000	Reinsurance contract assets $'000	Reinsurance contract liabilities $'000
30 June 2026				
Direct participating contracts	–	85,021	–	–
Reinsurance contracts held	–	–	1,476	–

	Insurance contract assets $'000	Insurance contract liabilities $'000	Reinsurance contract assets $'000	Reinsurance contract liabilities $'000
30 June 2025				
Direct participating contracts	–	68,471	–	–
Reinsurance contracts held	–	–	1,131	–

The Group is also exposed to expense risk which is not insurance risk but related to insurance contracts. Expense risk is the risk that expenses associated with the costs of servicing the insurance contracts issued will be larger than expected.

The risk arises from all insurance contracts issued. A sensitivity analysis to changes in expense rates is presented in the following page. The Group frequently monitors the expense level of each business unit to address expense risk. In addition, expense risk is being managed by the Group's ability to increase management fees or the ability to change benefit fund rules that govern the management fees.

The internal audit function performs regular audits ensuring that the established controls and procedures are adequately designed and implemented.

There were no significant changes in the Group's objectives, policies, and processes for managing the risks and the methods used to measure the risks from the previous period.

Concentration of risk

The Group issues one class of insurance contracts in one currency and operates in one geography.

The Group monitors reinsurance risk by individual reinsurers. For the period ended 30 June 2026, the gross carrying amount of reinsurance contract asset/liability is $1.48m (2025: $1.13m) held with one reinsurer.

The Directors do not believe that there are significant concentrations of insurance or reinsurance risks.

5. Risk management continued

E. Underwriting risk Underwriting risk management continued

Sensitivities

The following table details the impact of changes in key assumptions on the Group's profit and loss, equity and CSM before and after risk mitigation from reinsurance contracts held. This analysis is based on a change in one risk variable with all other variables held constant. Sensitivity analysis assumes that changes to variables can be made independently, which is very unlikely to occur in practice. There were no changes made from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

		CSM		Profit or loss		Equity	
		Gross $'000	Net $'000	Gross $'000	Net $'000	Gross $'000	Net $'000
	Changes in assumptions	Insurance contracts issued	Reinsurance contracts	Insurance contracts issued	Net of reinsurance	Insurance contracts issued	Net of reinsurance
30 June 2026							
Mortality	+ 10%	N/a	898	871	155	871	155
	- 10%	N/a	(1,023)	(969)	(176)	(969)	(176)
Expenses	+ 10%	N/a	0.0	(508)	(508)	(508)	(508)
	- 10%	N/a	0.0	498	498	498	498
Investment return	+ 10%	N/a	35	146	141	141	141
	- 10%	N/a	(28)	(171)	(167)	(171)	(167)
Discount rate	+ 10%	N/a	0.0	0.0	(16)	0.0	(16)
	- 10%	N/a	0.0	0.0	19	0.0	19

		CSM		Profit or loss		Equity	
		Gross $'000	Net $'000	Gross $'000	Net $'000	Gross $'000	Net $'000
	Changes in assumptions	Insurance contracts issued	Reinsurance contracts	Insurance contracts issued	Net of reinsurance	Insurance contracts issued	Net of reinsurance
30 June 2025							
Mortality	+ 10%	N/a	776	633	116	633	116
	- 10%	N/a	(883)	(704)	(132)	(704)	(132)
Expenses	+ 10%	N/a	–	(431)	(431)	(431)	(431)
	- 10%	N/a	–	422	422	422	422
Investment return	+ 10%	N/a	15	129	125	129	125
	- 10%	N/a	(12)	(151)	(148)	(151)	(148)
Discount rate	+ 10%	N/a	–	–	(5)	–	(5)
	- 10%	N/a	–	–	7	–	7

Claims development

Given the nature of the product, claims are generally not expected to develop over a period of time. Also, there would be no uncertainty regarding the amount of claim. There is no claims development over a period of time.

F. Capital risk

Capital risk is the risk that the Group has insufficient capital resources to meet the minimum regulatory requirements, to support its credit rating and to support its growth and strategic options.

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders.

The Group's wholly owned subsidiary – Generation Life Limited (Generation Life) is also prudentially supervised by APRA, which sets the capital requirement. It also has an Internal Capital Adequacy Assessment Plan (ICAAP) which includes its capital management plans that has been approved by its board in accordance with APRA Prudential Standards. Refer to Note 36.

The Group's capital structure consists of cash, cash equivalents, investments and equity attributable to equity holders of the parent, comprising issued capital and retained earnings as disclosed in Notes 19 and 22 respectively.

During the current and prior year, Generation Life complied with all externally imposed capital requirements as mandated by APRA.

Generation Life's capital plans are developed with the objective of maintaining capital that is adequate in quantity and quality to support its risk profile, regulatory and business needs. As a result, Generation Life holds a diversified capital base that provides strong loss absorbing capacity and optimised returns. Capital forecasts are continually monitored against relevant internal target capital ratios to ensure they remain appropriate and consider risks to the plan including possible future regulatory changes.

Generation Life has complied with all externally imposed capital requirements and internal assessment of capital.

G. Operational risk including cyber security

Operational risk is the risk of loss resulting from inadequate or failed internal or external processes, systems or people or from external events including cyber security.

The Group has a Business Continuity Management framework (BCM) against critical business functions with timely restoration in the event of material disruptions arising from internal or external events. The BCM policy which is approved by the Board outlines the objectives and approach. It assists to ensure critical business processes and/or critical services to stakeholders can be maintained or restored in the event of material disruption. The BCM policy and plan provides the basis for ensuring that financial, legal, regulatory, reputational and other material consequences are minimised.

H. Climate change risk

Increasingly, the risk of climate change is being considered within the investment process. The Group considers the risk of climate change within its risk management framework and work to ensure that these risks are mitigated where possible. The Group is not currently materially exposed to climate risk. Refer to the Group's Sustainability Report starting on page 10.

6. Key management personnel

The Directors and other Key Management Personnel of the Group during 2026 were as follows:

Directors

Mr William Eric Bessemer – Non-Executive Director (resigned 20 November 2025)

Ms Christine Christian AO – Independent Non-Executive Director

Ms Giselle Marie Collins – Independent Non-Executive Director

Mrs Shenaz Waples – Independent Non-Executive Director (appointed 1 October 2025)

Key Management Personnel

Mr Robert Neil Coombe – Executive Chairman

Mr Peter Smith – Executive Director

Mr Grant Hackett OAM – Group Chief Executive Officer

Mr Terence Wong – Chief Financial Officer (resigned 1 March 2026)

Mr Andrew Mellor – Chief Financial Officer (appointed 2 March 2026)

Mr Felipe Araujo – Chief Executive Officer and Managing Director of Generation Life Limited

Mr Michael Wright – Chief Executive Officer of Evidentia Group Pty Ltd

Ms Lorraine Robinson – Chief Executive Officer of Lonsec Holdings Pty Ltd

6. Key management personnel continued

The aggregate compensation made to Directors and other Key Management Personnel of the Group is set out below:

	Consolidated	
	2026 $'000	2025 $'000
Short-term employee benefits	6,184	3,202
Long-term employee benefits	120	198
Share based payments	2,705	1,630
Post-employment benefits (superannuation contribution)	268	167
	9,277	**5,197**

7. Revenue

The Group's main revenue streams are as follows; contracts with customers for life investment management, investment administration services, investment research and ratings, superannuation research, ratings and benchmarking and managed account solutions in the financial advice industry.

A. Revenue from contracts with customers

In the following table, revenue is disaggregated by type of service, major service lines and timing of revenue recognition. Each major service line relates wholly to one reportable segment as identified in Note 3.28 as follows; Fee income – Funds administration and Adviser fee (Benefit Funds Management and Fund Administration), Products and reports and Subscriptions and other service revenue (Research and Ratings) and Investment management fees and Asset consulting revenue (Managed Accounts Business).

	2026 $'000	2025 $'000
Major service lines and type of service		
Fee income – Funds administration	–	367
Adviser fee	11,958	8,461
Products and reports	35,665	33,580
Investment management fees	39,577	31,921
Subscriptions and other service revenue	9,538	9,250
Asset consulting revenue	21,743	6,594
Other	1,659	149
	120,140	**90,322**
Timing of revenue recognition		
Services transferred over time	117,721	87,063
Services transferred at a point of time	2,419	3,259
	120,140	**90,322**

B. Interest income

	2026 $'000	2025 $'000
Interest income	3,922	3,363
Interest income in Benefit Funds – investment contracts	7,299	5,996
Interest income in Benefit Funds – insurance contracts	302	351
	11,523	**9,710**

C. Revaluation income

	2026 $'000	2025 $'000
Realised (loss)/gain on sale of investments – Benefit Funds	11,921	4,197
Unrealised gain/(loss) on assets designated as FVTPL – Benefit Funds	204,600	328,244
Unrealised gain/(loss) on assets designated as FVTPL	42	6
	216,563	**332,447**

D. Other income

	2026 $'000	2025 $'000
Other income	1,484	1,392
Other income – Benefit Funds	472	719
Revaluation of policyholders liabilities	(109)	(108)
Lease rental income	170	161
	2,017	**2,164**

8. Net insurance result

	2026 $'000	2025 $'000
Insurance revenue		
Expected incurred claims and other insurance service expenses	7,277	6,061
Change in risk adjustment for non-financial risk	42	95
Experience adjustments – insurance revenue	6	(1)
Recovery of insurance acquisition cash flows	225	194
Total insurance revenue	**7,550**	**6,349**
Insurance service expenses		
Incurred claims and other incurred insurance service expenses	(8,616)	(5,254)
Changes that relate to future service – losses on onerous groups of contracts and reversal of such losses	(2,079)	(2,241)
Amortisation of insurance acquisition cash flows	(225)	(195)
Total insurance service expense	**(10,920)**	**(7,690)**
Income or expenses from reinsurance contracts held	341	(606)
Insurance service result	**(3,029)**	**(1,947)**
Net investment income/(expenses) on underlying assets		
Interest revenue from financial instruments not measured at FVTPL	95	79
Net income from financial instruments measured at FVTPL	2,588	1,130
Unrealised gains/(losses) from financial instruments measured at FVTPL	2,326	3,445
Realised gains/(losses) from financial instruments measured at FVTPL	344	(120)
Other income/(expenses)	1	10
Total investment income/(expenses) on underlying assets recognised in P&L	**5,354**	**4,544**
Insurance finance income/(expenses) from insurance contracts issued recognised in P&L		
Interest accreted	(3,478)	(1,887)
Changes in FCFs and CSM of contracts measured applying VFA due to changes in fair value of underlying items	(1,984)	(2,017)
Total insurance finance income/(expenses) from insurance contracts issued recognised in P&L	**(5,462)**	**(3,904)**
Finance income/(expenses) from reinsurance contracts held		
Interest accreted	6	(22)
Effect of changes in interest rates and other financial assumptions	(11)	138
Total reinsurance finance income/(expenses) from reinsurance contracts held recognised in P&L	**(5)**	**116**
Net insurance result	**(3,142)**	**(1,191)**

9. Business Combination

Lonsec Holding Pty Ltd (Lonsec)

On 1 August 2024, GDG completed a follow-on transaction to acquire the remaining share capital in Lonsec ("Follow-on Investment" or collectively with the Initial Equity Investment as the "Transaction"). This investment represented 61.9% of the fully diluted share capital after the issuance of shares through vesting options. GDG's total holding in Lonsec increased to 100% resulting in transitioning from associate to subsidiary based on AASB 10 *Consolidated Financial Statements* and consolidated Lonsec in the Group's financial statements effective 1 August 2024.

In September 2020, GDG acquired a minority holding of 37% in Lonsec for a consideration of $20.1m. Following the initial Equity Investment, Lonsec completed two selective buybacks, resulting in GDG's ownership increasing up to 49.2% as of FY23. On 1 August 2024, Lonsec completed the issuance of shares through vesting options resulting in GDG's ownership decreasing to 38.1%. The carrying value of the investment in Lonsec prior to the acquisition of additional shares was $29m, the fair value assigned to the initial interest at the date of acquisition, discounted for lack of control and marketability was $104.2m, resulting in a gain of $75.1m and recognised in Profit or Loss.

The total purchase consideration of $209.4m made up of (i) an upfront cash payment of $136.6m (ii) fair value of upfront rollover shares $64.9m (GDG scrip) (iii) estimated rollover contingent share issuance of $5.1m and (iv) estimated earn-out as determined to be paid

Part of the up-front consideration paid to the shareholders of Lonsec, included $49.3m of GDG scrip that was distributed via a conditional placement to Lonsec shareholders who choose to receive scrip in exchange for their equity in Lonsec. A total of 25.3m GDG shares were issued at a price of $1.95 per share to roll-over 4.7m Lonsec shares, valued at $10.49 per share.

Contingent considerations were agreed for additional shares and cash payments to the previous owners of Lonsec as follows:

1. Equity component

This involved the issuance of 2 million GDG ordinary shares to Lonsec shareholders, contingent upon Lonsec exceeding a Threshold EBITDA of $27.4 million in FY25. The fair value of this share issuance was estimated at $5.14 million, based on the closing price of GDG shares on the business day prior to issuance. Management used the observed closing price at completion, $2.57 as of 1 August 2025, as the proxy for the present value of GDG shares at the time of issuance. Any remeasurement of this equity component on the payment date was recognised within equity.

2. Cash component

This was the cash earn-out payment to Lonsec, which also contingent on achieving the FY25 Threshold EBITDA. At the acquisition date, the payment was valued at $3 million, discounted at a rate of 13.5%, resulting in a present value of $2.7 million.

The identified excess over the net identifiable assets acquired at fair value is primarily attributed to the acquisition of trademarks/trade names, customer relationships, proprietary software for internal use and goodwill. The goodwill is not deductible for income tax purposes.

Lonsec Group operates in the financial advice, superannuation and investment industry and is based in Australia, with offices in Sydney, Melbourne and Adelaide. The acquisition of Lonsec aligns with the Group's growth strategy and will enhance its market position in Australia.

9. Business Combination continued

Lonsec Holding Pty Ltd (Lonsec) continued

Details of the major classes of consideration transferred, the recognised amounts of assets acquired, and liabilities assumed, and goodwill recognised because of the acquisition on 1 August 2024 were as follows:

	June 2025 $'000
The fair value of total purchase consideration transferred to Lonsec is as follows:	
Purchase consideration	
Cash consideration	136,630
Equity consideration (GDG shares)	64,963
Contingent consideration*	55,871
Previously held equity accounted interest	104,162
Total	**361,626**

Details of the major classes of consideration transferred, the recognised amounts of assets acquired and liabilities assumed and goodwill recognised as a result of the acquisition at the acquisition date are as follows:

	2025 $'000
Assets	
Cash and cash equivalents	8,155
Trade and other receivables	7,741
Plant and Equipment	1,420
Right-of-use-assets	3,350
Deferred tax assets	3,909
Acquired intangible assets	161,300
Total Assets	**185,875**
Liabilities	
Trade and other payables	12,247
Lease liabilities	4,199
Employee benefits	666
Borrowings	19,335
Deferred revenue	15,997
Provisions	3,003
Deferred tax liabilities	42,571
Total Liabilities	**98,018**
Net identifiable assets acquired at fair value	**87,857**
Add: goodwill	**225,741**
Net assets acquired	**313,598**

* The performance hurdle set for this contingent consideration was partially reached. As such, only part of the contingent consideration was ultimately paid.

	2025 $'000
Analysis of cash flow on acquisition	
Net cash acquired with the subsidiary (included in cash flow from investing activities)	8,155
Cash paid	(136,630)
Net cash flow on acquisition	**(128,475)**

Assets acquired	Valuation technique	Description	Useful life	Amortisation method	Asset value $'000
Trademarks and Tradenames	Relief from royalty method	Brand names	Indefinite	Test for impairment annually	20,900
Customer relationships	Multi-period excess earning method	iRates, Research and ratings, Investment solutions	11-17 years	Straight-line	130,000
Software	Replacement cost method	Proprietary software	4 years	Straight-line	10,400

Evidentia Group Holdings Pty Ltd (Evidentia)

On 18 February 2025, GDG completed the acquisition of 100% of Evidentia for $352.3m upfront consideration.

The total upfront consideration consisted of cash consideration of $245m and equity consideration of $90m, issued at $5.0 per share, reflecting a 10.8% discount to the last traded price of GDG shares on 6 February 2025. There is a further potential earnout of up to $40m based on the combined Evidentia and Lonsec Managed Accounts business achieving FY26 year-on-year ("yoy") revenue growth of 46%. As at 30 June 2026 the contingent consideration of $16.9m was derecognised in GDG's statement of financial position as the performance obligations were not met.

The acquisition was funded through an Institutional Offer and a Retail Entitlement Offer, in which a total of $288m was raised. The offer price of the equity raises was $4.15 per GDG share price.

The identified excess over the net identifiable assets acquired at fair value is primarily attributed to intangible assets and goodwill. The goodwill is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Evidentia with those of the Group. The amounts included in the Group's financial statements as of 30 June 2026 in respect of the tax balances acquired represent management's valuation of tax balances only. The goodwill is not deductible for income tax purposes.

9. Business Combination continued

Evidentia Group Holdings Pty Ltd (Evidentia) continued

Details of the major classes of consideration transferred, the recognised amounts of assets acquired, and liabilities assumed, and goodwill recognised as a result of the acquisition on 18 February 2025 are as follows:

	June 2026 $'000
Purchase Consideration	
Cash consideration	245,402
Equity consideration (GDG shares)	90,024
Contingent consideration*	16,903
Total consideration transferred	**352,329**
Assets	
Cash and cash equivalents	1,697
Trade and other receivables	1,175
Other current assets	210
Plant and Equipment	75
Deferred tax assets	198
Intangible assets	314
Identifiable Intangibles	88,000
Total Assets	**91,669**
Liabilities	
Trade and other payables	31
Other current liabilities	1,745
Current tax liabilities	567
Provisions	74
Deferred tax liability	26,400
Total Liabilities	**28,817**
Net identifiable assets acquired at fair value	**62,852**
Goodwill and intangible assets arising on acquisition	**289,477**

	June 2025 $'000
Analysis of cash flow on acquisition	
Net cash acquired with the subsidiary (included in cash flow from investing activities)	1,697
Cash paid	(245,321)
Net cash flow on acquisition	**(243,624)**

* The performance hurdle set for this contingent consideration was not reached. As such, the contingent consideration was not ultimately paid and released through profit & loss during the current financial year.

Assets acquired	Valuation technique	Description	Useful life	Amortisation method	Asset value $'000
Trademark	Relief from royalty method	Evidentia brand and trade name used in providing tailored managed account and investment management solutions.	10 years	Straight-line	13,000
Customer relationships	Multi-period excess earnings method	Investment management agreements and related adviser group relationships supporting tailored managed accounts and implemented solutions.	12 years	Straight-line	75,000
Total identifiable intangible assets acquired					88,000

Encore Advisory Group Pty Limited

During the year ended 30 June 2026, Generation Development Group acquired assets of Encore Advisory Group, a business management consultancy group. Encore Advisory Group is not considered material to the Group and there has been no material business combinations in the period.

10. Expenses

A. Personnel expenses

	2026 $'000	2025 $'000
Salaries and related expenses	61,297	45,081
Share-based payments	4,375	3,076
Post-employment benefits (superannuation contribution)	5,454	4,172
	71,126	**52,329**

The Group uses different types of plans to incentivise employees, which gives rise to share-based payments expenses. Such plans include performance rights, loan-funded share plans and tax-exempt share plan with details outlined in the subsections below.

i. Performance rights October 2025

On 15 October 2025, the Company announced that it had granted 1,587,282 Rights to eligible participants under the GDG Rights Plan. The Rights automatically vest and exercise for nil consideration on satisfaction of the applicable vesting conditions, subject to the Board's discretion to determine otherwise in certain circumstances.

The grant included 254,072 Rights subject to indexed total shareholder return and earnings per share growth targets over a three-year measurement period from 1 July 2025 to 30 June 2028. It also included Rights subject to normalised EBITDA growth targets over the same measurement period for the Generation Life, Evidentia Group, and Lonsec Research and Ratings businesses.

A further tranche represented deferral of a portion of FY25 STI and is not subject to performance vesting conditions other than continued employment.

Rights may not be disposed of or otherwise dealt with. For Accountable Persons under the Financial Accountability Regime, an additional 12-month disposal restriction period may apply following the end of the measurement period. Termination treatment varies by tranche, with unvested Rights generally retained for possible vesting at the end of the measurement period unless forfeiture applies. Unless otherwise determined by the Board, on a change of control, unvested Rights vest in accordance with the formula set out in the plan terms.

ii. Performance rights November 2025

On 24 November 2025, the Company announced that it had granted 2,041,099 Rights to eligible participants under the GDG Rights Plan. The Rights were granted on 20 November 2025 for nil consideration following shareholder approval at the 2025 Annual General Meeting and automatically vest and exercise for nil consideration on satisfaction of the applicable vesting conditions, subject to the Board's discretion to determine otherwise in certain circumstances.

10. Expenses continued

The grant included 2,000,000 Rights subject to the Company achieving an indexed total shareholder return target over a three-year measurement period from 1 January 2025 to 31 December 2027. It also included 41,099 Rights subject to the Evidentia Group business achieving a normalised EBITDA growth target over a three-year measurement period from 1 July 2025 to 30 June 2028.

Rights may not be disposed of or otherwise dealt with. Termination provisions vary by tranche, with the 2,000,000 Rights lapsing if the recipient ceases to act as Executive Chairman of GDG before 31 December 2026 or as a Director of the Company before 31 December 2027, and the 41,099 Rights lapsing if the recipient ceases to act in the role of Executive Director of GDG before 30 June 2028 unless the Board otherwise determines. Unless otherwise determined by the Board, on a change of control, unvested Rights vest in accordance with the formula set out in the plan terms.

iii. Performance rights December 2025

On 1 December 2025, the Company announced that it had granted 196,845 Rights to eligible participants under the GDG Rights Plan for nil consideration. The Rights automatically vest and exercise for nil consideration on satisfaction of the applicable vesting conditions, subject to the Board's discretion to determine otherwise in certain circumstances.

The vesting conditions apply to 49,752 Rights for the Generation Life business, 99,504 Rights for the Evidentia Group business, and 47,589 Rights for the Lonsec Research and Ratings business, each based on achievement of a normalised EBITDA growth target over a three-year measurement period from 1 July 2025 to 30 June 2028. For Accountable Persons under the Financial Accountability Regime, an additional 12-month disposal restriction period may apply following the end of the measurement period.

Rights may not be disposed of or otherwise dealt with. Termination and change-of-control treatment varies by tranche. Certain Rights are retained on a pro-rata basis for possible vesting at the end of the measurement period unless forfeiture applies, while change-of-control treatment either applies the formula set out in the plan terms or allows participants to retain a pro-rata number of Rights reflecting the part of the measurement period elapsed at the time of the change of control.

iv. Performance rights March 2026

On 10 March 2026, the Company announced that it had granted 134,938 Rights to eligible participants under the GDG Rights Plan. The Rights were granted on 6 March 2026 for nil consideration and automatically vest and exercise for nil consideration on satisfaction of the applicable vesting conditions, subject to the Board's discretion to determine otherwise in certain circumstances.

The vesting conditions apply to 59,972 Rights for the Evidentia Group business and 74,966 Rights for the Lonsec Research and Ratings business, each based on achievement of a normalised EBITDA growth target over a three-year measurement period from 1 January 2026 to 31 December 2028.

Rights may not be disposed of or otherwise dealt with. A pro-rata portion of unvested Rights held at the date of termination of employment will be retained for possible vesting at the end of the measurement period according to whether the vesting conditions are satisfied, unless forfeiture applies. Unless otherwise determined by the Board, on a change of control, the vesting conditions attached to the Rights cease to apply and the holder is entitled to retain a pro-rata number of Rights reflecting the part of the measurement period elapsed at the time of the change of control.

For the period ending 30 June 2026, $3,630,283 was recognised within employment expenses for the aforementioned four performance rights with the corresponding increase in share-based payment reserve.

v. Tax exempt share plan

In October 2024, the Board reinstated the tax-exempt share plan that was initially introduced in FY21. The Board believes that greater employee ownership increases alignment with shareholders and accordingly encourages employee share ownership. The Tax-Exempt Share Plan provides permanent Australian employees a means to acquire GDG shares at no cost and to participate in the growth and performance of GDG. In addition to issuances in prior financial periods, on 1 December 2025, 191 eligible employees including Generation Life, Lonsec and Evidentia employees were issued $1,000 worth of fully paid GDG ordinary shares. The shares must not be sold or transferred for a period of three years from the date of issue while the employee remains employed within the GDG Group.

vi. November 2024 loan share plan (LSP)

On 18 November 2024, the Board approved a loan share plan to eligible senior employees under the Loan Share Plan (LSP) and it granted 1,971,830 fully paid ordinary shares. The loan will be limited recourse (to the shares) and interest-free. A holding lock will be applied over the shares to restrict trading and to secure repayment of the loan amount. The loan must be repaid in full by the loan repayment date. At the loan repayment date, the loan amount to be repaid is the lower of the market value of the shares or the outstanding loan balance, less any repayments. If the value of the shares on the loan repayment date is less than the outstanding loan balance, the share will be surrendered to the Company in full satisfaction of the loan. The performance measurement period for these rights is five years from 1 October 2024 to 30 September 2029. The vesting of these performance rights is subject to the continued employment of the executive during the performance period. If none or only some of the performance conditions are met, a portion of the shares will be forfeited and surrendered to meet loan repayment obligations. The Board will maintain overarching discretion. Loan vesting conditions:

If none or only some of the performance conditions are met, a portion of the share will be forfeited and surrendered to meet the loan repayment obligations.

1. Share Price Growth (50%)

Share price growth has been selected to ensure participants are only rewarded when significant share price appreciation for shareholders has been generated.

Up to 50% of shares will vest subject to meeting the below share price targets.

GDG's TSR Percentile Rank Against S&P/ASX 300 Constituents	Vesting %
Less than 1.5 x share price growth over acquisition cost	0%
Equal to 1.5 x share price growth over acquisition cost	50%
In between 1.5x and 2.0x share price growth over acquisition cost	Straight line pro rata vesting between 50% to 100%
Share price equal to or greater than 2.0x share price growth over acquisition cost	100%

The share price at the start of the performance period is the acquisition price used at the allocation date.

The share price at the end of the performance period will be calculated based on the VWAP for the 30 trading days prior to the end of the performance period.

2. Relative Total Shareholders Returns (50%)

TSR has been selected to ensure participants are only rewarded when GDG's TSR performance exceeds that of the S&P/ASX 300.

Up to 50% of the shares will vest subject to GDG's TSR performance against the peer group.

GDG's TSR Percentile Rank Against S&P/ASX 300 Constituents	Vesting %
Less than 50th percentile	0%
At the 50th percentile	50%
Between 50th and 75th percentile	Straight line pro rata vesting between 50% to 100%
Greater than 75th percentile	100%

10. Expenses continued

A. Personnel expenses continued

vii. June 2025 loan share plan (LSP)

In June 2025, the Group granted 2,574,432 fully paid ordinary shares to eligible employees, with terms consistent with the November 2024 LSP (except for the performance measurement hurdles as described below). The loan must be repaid in full by the loan repayment date of 31 December 2030. At the loan repayment date, the loan amount to be repaid is the lower of the market value of the shares or the outstanding loan balance, less any repayments. If the value of the shares on the loan repayment date is less than the outstanding loan balance, the shares will be surrendered to the Group in full satisfaction of the loan.

The performance measurement period for these shares is five years from 1 July 2025 to 30 June 2030. The vesting of these shares is subject to the continued employment of the participant during the performance period and the satisfaction of performance conditions. If none or only some of the performance conditions are met, a portion of the shares will be forfeited and surrendered to meet loan repayment obligations. The Board will maintain overarching discretion to adjust outcomes in certain circumstances.

Loan vesting conditions:

If none or only some of the performance conditions are met, a portion of the share will be forfeited and surrendered to meet the loan repayment obligations.

1. Share Price Growth (50%)

Share price growth has been selected to ensure participants are only rewarded when significant share price appreciation for shareholders has been generated.

Up to 50% of shares will vest subject to meeting the below share price targets.

Share price target	Vesting %
Less than 1.5 x share price growth over acquisition cost	0%
Equal to 1.5 x share price growth over acquisition cost	50%
In between 1.5x and 2.0x share price growth over acquisition cost	Straight line pro rata vesting between 50% and 100%
Share price equal to or greater than 2.0x share price growth over acquisition cost	100%

The share price at the start of the performance period is the acquisition price used at the allocation date.

The share price at the end of the performance period will be calculated based on the VWAP for the 30 trading days prior to the end of the performance period.

2. Relative Total Shareholders Returns (50%)

Relative TSR has been selected to ensure participants are only rewarded when the Company's TSR performance exceeds that of the broader market.

Up to 50% of the shares will vest subject to the Company's TSR performance relative to the S&P/ASX 101–300 index over the performance period.

TSR is calculated using the 30 trading day VWAP up to but not including the first day of the performance period and the 30 trading day VWAP up to and including the final day of the performance period.

GDG's TSR Percentile Rank Against S&P/ASX 101-300 Constituents	Vesting %
Less than 50th percentile	0%
Between 50th and 75th percentile	Straight line pro rata vesting between 50% and 100%
Greater than 75th percentile	100%

viii. Loan share plan September 2025

On 25 September 2025, the Board approved a further loan share plan grant to eligible senior employees under the Loan Share Plan and it granted 315,126 fully paid ordinary shares. The loan is limited recourse (to the shares) and interest-free. A holding lock is applied over the shares to restrict trading and to secure repayment of the loan amount.

The loan must be repaid in full by the loan repayment date of 31 December 2030. At the loan repayment date, the loan amount to be repaid is the lower of the market value of the shares or the outstanding loan balance, less any repayments. If the value of the shares on the loan repayment date is less than the outstanding loan balance, the shares will be surrendered to the Company in full satisfaction of the loan.

The performance measurement period for these shares is the same as the July 2025 grant, being five years from 1 July 2025 to 30 June 2030. The vesting of these shares is subject to the continued employment of the participant during the performance period and the satisfaction of performance conditions. If none or only some of the performance conditions are met, a portion of the shares will be forfeited and surrendered to meet loan repayment obligations. The Board will maintain overarching discretion to adjust outcomes in certain circumstances.

Loan vesting conditions:

If none or only some of the performance conditions are met, a portion of the share will be forfeited and surrendered to meet the loan repayment obligations.

1. Share Price Growth (50%)

Share price growth has been selected to ensure participants are only rewarded when significant share price appreciation for shareholders has been generated.

Up to 50% of shares will vest subject to meeting the below share price targets.

Share price target	Vesting %
Less than 1.5 x share price growth over acquisition cost	0%
Equal to 1.5 x share price growth over acquisition cost	50%
In between 1.5x and 2.0x share price growth over acquisition cost	Straight line pro rata vesting between 50% and 100%
Share price equal to or greater than 2.0x share price growth over acquisition cost	100%

The share price at the start of the performance period is the acquisition price used at the allocation date.

The share price at the end of the performance period will be calculated based on the VWAP for the 30 trading days prior to the end of the performance period.

2. Relative Total Shareholders Returns (50%)

Relative TSR has been selected to ensure participants are only rewarded when the Company's TSR performance exceeds that of the broader market.

Up to 50% of the shares will vest subject to the Company's TSR performance relative to the S&P/ASX 101–300 index over the performance period.

TSR is calculated using the 30 trading day VWAP up to but not including the first day of the performance period and the 30 trading day VWAP up to and including the final day of the performance period.

GDG's TSR Percentile Rank Against S&P/ASX 101-300 Constituents	Vesting %
Less than 50th percentile	0%
Between 50th and 75th percentile	Straight line pro rata vesting between 50% and 100%
Greater than 75th percentile	100%

10. Expenses continued

A. Personnel expenses continued

ix. Loan share plan March 2026

On 4 March 2026, the Company announced that it had granted 227,921 fully paid ordinary shares to an eligible employee under the Loan Share Plan. The loan is limited recourse (to the shares) and interest-free. A holding lock is applied over the shares to restrict trading and to secure repayment of the loan amount.

The loan must be repaid in full by the loan repayment date of 30 June 2031. At the loan repayment date, the loan amount to be repaid is the lower of the market value of the shares or the outstanding loan balance, less any repayments. If the value of the shares on the loan repayment date is less than the outstanding loan balance, the shares will be surrendered to the Company in full satisfaction of the loan.

The performance measurement period for these shares is five years from 1 January 2026 to 31 December 2030. The vesting of these shares is subject to the continued employment or engagement of the participant during the performance period and the satisfaction of performance conditions. If none or only some of the performance conditions are met, a portion of the shares will be forfeited and surrendered to meet loan repayment obligations. The Board will maintain overarching discretion to adjust outcomes in certain circumstances.

Loan vesting conditions:

If none or only some of the performance conditions are met, a portion of the shares will be forfeited and surrendered to meet the loan repayment obligations.

1. Share Price Growth (50%)

Share price growth has been selected to ensure participants are only rewarded when significant share price appreciation for shareholders has been generated.

Up to 50% of shares will vest subject to meeting the below share price targets.

Share price target	Vesting %
Less than 1.5 x share price growth over acquisition price	0%
Equal to 1.5 x share price growth over acquisition price	50%
In between 1.5x and 2.0x share price growth over acquisition price	Straight line pro rata vesting between 50% and 100%
Share price equal to or greater than 2.0x share price growth over acquisition price	100%

The share price at the start of the performance period is the acquisition price used at the issue date.

The share price at the end of the performance period will be calculated based on the VWAP for the 30 trading days prior to the end of the performance period.

2. Relative Total Shareholders Returns (50%)

Relative TSR has been selected to ensure participants are only rewarded when the Company's TSR performance exceeds that of the broader market.

Up to 50% of the shares will vest subject to the Company's TSR performance relative to the S&P/ASX 101–300 index over the performance period.

TSR is calculated using the 30 trading day VWAP up to but not including the first day of the performance period and the 30 trading day VWAP up to and including the final day of the performance period.

GDG's TSR Percentile Rank Against S&P/ASX 101-300 Constituents	Vesting %
Less than 50th percentile	0%
Between 50th and 75th percentile	Straight line pro rata vesting between 50% and 100%
75th percentile or above	100%

The value of the LSPs granted is spread over the corresponding service/vesting period. For the period ending 30 June 2026, $702,861 was recognised within employment expenses for the aforementioned four LSPs. The fair value of the LSPs granted is measured using the Monte Carlo Simulation.

B. Depreciation and amortisation expenses

	2026 $'000	2025 $'000
Depreciation of computer and office equipment	323	393
Depreciation of other property, plant and equipment	139	203
Amortisation of intangible assets*	21,779	16,021
Depreciation of right of use assets (ROU)	2,011	1,937
	24,252	**18,554**

* The amortisation of intangibles assets and associated totals have been restated to reflect the measurement period adjustment regarding the amortisation of identified intangible assets associated with the Evidentia acquisition during FY25.

C. Other expenses

	2026 $'000	2025 $'000
Fair value adjustment of earnout payment to Lonsec	–	48,027
General Administration & Information Technology expenses	32,167	30,447
Other expense	22,098	9,283
Other expenses in Benefit Funds – investment contracts	4	314
Other expenses in Benefit Funds – insurance contracts	–	1
	54,269	**88,072**

11. Remuneration of auditors

	Consolidated	
	2026 $'000	2025 $'000
Audit services		
Audit and review of financial reports of the Group and Controlled Entities	852	759
Other Audit – Related Services		
Regulatory assurance	219	141
Regulatory sustainability report assurance services	65	–
Other assurance	–	50
Non-Audit Services		
Tax services	193	93
Other services	261	–
	1,590	**1,043**

12. Income Tax

The Group has formed a Tax Consolidated Group consisting of a funding and tax sharing agreement with GDG Limited. The tax funding agreement requires each subsidiary to pay to the head entity the amount equal to the current tax liability or deferred tax balances relating to their taxable profit or loss. The funding amounts are recognised as intercompany payables or receivables.

A. Income tax recognised in profit and loss

	Consolidated	
	2026 $'000	2025 $'000
Income tax expense/(benefit) comprises:		
Current Tax		
Current income tax (benefit)/expense	64,251	19,362
Deferred tax expense/(benefit)		
Derecognition/(recognition) of tax losses	–	–
Derecognition/(recognition) of timing difference	33,000	89,317
	97,251	**108,679**

B. Reconciliation of the prima facie income tax expense as pre-tax profit with the income tax expense charged to the income statement

	Consolidated	
	2026 $'000	2025 $'000
Profit/(loss) before income tax attributable to shareholders	398,099	436,720
Income tax expense/(benefit) calculated at 30% (2025: 30%)	119,430	131,016
Non-deductible expenses	12,094	10,183
Assessable income/(Deductible expenses)	63,807	90,096
Non-assessable income	(74,231)	(98,853)
Effect of 15% tax rate[1]	(1)	(2)
Amount paid on behalf of FuneralBond holders	117	53
Prior year adjustment to current income tax expense	(1,922)	(6,773)
Change in unrecognised temporary differences	–	–
Franking dividends/foreign tax credits received	(22,043)	(17,041)
Prior year tax losses utilised	–	–
Income tax expense/(benefit) recognised in Profit and Loss	**97,251**	**108,679**

1. There are 2 complying funds that have a 15% tax rate.

C. Deferred Tax

During the year, the Group revised the presentation of deferred tax balances in the statement of financial position to present deferred tax assets and deferred tax liabilities on a net basis in accordance with AASB 112. As a result, the comparative information as at 30 June 2025 on the statement of financial position has been corrected to conform with the current year presentation. The change related to presentation only and has no impact on net assets, profit or loss, total equity, cash flows, or earnings per share.

Balance of deferred tax assets and movements during the year comprise of:

	Consolidated		
	Opening Balance $'000	(Credited)/ charged to Income $'000	Closing Balance $'000
2026			
Provision	4,553	3,199	7,752
Unrealised losses on financial assets	11,886	19,150	31,036
Tax losses	–	–	–
	16,439	**22,349**	**38,788**
2025			
Provision	1,401	3,152	4,553
Unrealised losses on financial assets	3,572	8,314	11,886
Tax losses	–	–	–
	4,973	11,466	16,439

Unrealised losses on financial assets will be reversed as markets recover and are borne by policyholders.

Balance of deferred tax liabilities and movements during the year comprise of:

	Consolidated		
	Opening Balance $'000	(Charged)/ credited to Income $'000	Closing Balance $'000
2026			
Unrealised gains on financial assets	188,487	61,661	250,148
Other items	65,796	(6,250)	59,546
	254,283	**55,411**	**309,694**
2025			
Unrealised gains on financial assets	88,677	99,810	188,487
Other items	–	65,797	65,797
	88,677	**165,607**	**254,284**

Deferred tax assets/tax liabilities have been offset against each other for the current and prior year.

	Consolidated		
	Opening Balance $'000	(Charged)/ credited to Income $'000	Closing Balance $'000
2026			
Net deferred tax asset/(liability)	(237,844)	(33,062)	(270,906)
	(237,844)	**(33,062)**	**(270,906)**
2025			
Net deferred tax asset/(liability)	(83,704)	(154,141)	(237,845)
	(83,704)	**(154,140)**	**(237,844)**

13. Cash and cash equivalents

	Consolidated 2026 $'000	Consolidated 2025 $'000
Cash and cash equivalents	175,509	164,597
Unallocated application and redemption monies[1]	17,254	15,616
Total Cash and cash equivalents	**192,763**	**180,213**

1. This includes restricted cash in Generation Life's Management Fund reserved for unallocated monies from Generation Life products' investors, as well as redemption payable to exited policyholders.

In addition to cash and cash equivalents above, one of the subsidiaries of the Group in its capacity as a Managed Discretionary Accounts (MDA) provider and administrator holds cash from its clients amounting to $50,049,808 (FY25: $43,589,745). The trust account is held separately from the other corporate bank accounts, and its usage is strictly limited to holding client monies and transacting on those monies in accordance with instructions from the client. The Group has assessed that these assets are held in a fiduciary capacity rather than being assets of the Group and as such, have excluded from the Consolidated Statement of Financial Position. The segregated account used to hold client funds is maintained with a major Australian financial institution.

14. Financial assets

	Consolidated 2026 $'000	Consolidated 2025 $'000
Financial assets carried at amortised cost – Term deposits[1]	158,082	89,993
Financial assets carried at fair value through profit or loss – Investments[2]	5,893,183	4,390,537
Total Financial assets	**6,051,265**	**4,480,530**
Current	6,051,265	4,480,530
Non-current	–	–
	6,051,265	**4,480,530**

1. The term deposits have maturities ranging from three to twelve months.
2. Investments are amounts invested by the benefit funds in unlisted externally managed funds, listed securities and fixed interest assets.

15. Other assets

	Consolidated 2026 $'000	Consolidated 2025 $'000
Accrued income	9,301	6,326
Accrued income – dividends and distributions receivable	96,464	50,173
Goods and Services tax receivable	(363)	331
Prepayments	3,934	3,018
Total Other assets – Current	**109,336**	**59,848**

16. Intangible assets

	Software $'000	Goodwill $'000	Customer/ Advisor relationships $'000	Brand name $'000	Total $'000
Gross Carrying Amount:					
Balance at 30 June 2024	**3,862**	**547**	**–**	**–**	**4,409**
Acquired through business combination	12,911	515,218	202,873	33,831	764,833
Additions	3,866	–	–	–	3,866
Disposals	–	–	–	–	–
Balance at 30 June 2025 (restated)*	**20,639**	**515,765**	**202,873**	**33,831**	**773,108**
Additions	5,417	1,314	83	441	7,255
Disposals	–	–	–	–	–
Balance at 30 June 2026	**26,056**	**517,079**	**202,956**	**34,272**	**780,363**
Accumulated amortisation and impairment losses:					
Balance at 30 June 2024	**(2,326)**	**–**	**–**	**–**	**(2,326)**
Amortisation expense	(4,225)	–	(11,319)	(477)	(16,021)
Impairment	–	–	–	–	–
Balance at 30 June 2025 (restated)*	**(6,551)**	**–**	**(11,319)**	**(477)**	**(18,347)**
Amortisation expense	(5,595)	–	(14,884)	(1,300)	(21,779)
Impairment	–	–	–	–	–
Balance at 30 June 2026	**(12,146)**	**–**	**(26,203)**	**(1,777)**	**(40,126)**
Carrying Amount (non-current):					
As at 30 June 2026	13,910	517,079	176,753	32,495	740,237
As at 30 June 2025 (restated)*	14,088	515,765	191,554	33,354	754,761
As at 30 June 2024	1,536	547	–	–	2,083

* As at 1 July 2025, the Group underwent a review of its Operating Segments and updated these segments to more accurately align to the current operations of the business. Accordingly, the Group has restated the previously reported Goodwill number for Lonsec and Evidentia to reflect the goodwill allocation associated with these Operating Segments.

Impairment testing for cash – generating units containing goodwill

Goodwill and intangible assets with indefinite useful lives are not amortised and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they may be impaired. For impairment testing, assets are grouped into the smallest groups that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to the CGUs or groups of CGUs expected to benefit from the synergies of the combination.

Following the integration of the Group's managed-account activities, the managed-account businesses previously conducted by Lonsec Investment Solutions and Implemented Portfolios are included in the Evidentia 2.0 CGU. The retained Lonsec Research and Ratings business, including Research, SuperRatings, iRate and Partnership/Governance activities, forms the Lonsec R&R CGU. The Lonsec brand has an indefinite useful life and is tested as part of the Lonsec R&R CGU because it does not generate largely independent cash inflows.

16. Intangible assets continued

Impairment testing for cash – generating units containing goodwill continued

Goodwill has been allocated to the following CGUs, which represent the lowest level at which goodwill is monitored for internal management purposes:

	2026 $'000
Carrying amount	
Lonsec	59,566
Evidentia	456,966
Generation Life	547
Total Goodwill	**517,079**

The change in goodwill allocation between Evidentia and Lonsec, compared with FY25, principally reflects the transfer of the managed-account businesses/activities to Evidentia and the related reallocation of goodwill based on relative values. Evidentia goodwill also includes goodwill recognised on the Evidentia acquisition and subsequent Encore acquisition.

A. Basis of recoverable amount

The recoverable amounts of the Evidentia and Lonsec CGUs were determined using value in use. Estimated future cash flows are discounted using rates that reflect current market assessments of the time value of money and the risks specific to each CGU. The models use post-tax cash flows and post-tax discount rates.

Key assumption	Evidentia	Lonsec
Forecast period	10 years	5 years
Post-tax discount rate	11.21%	11.14%
Terminal growth rate	3.0%	3.0%

No impairment was recognised because the recoverable amount of each CGU exceeded its carrying amount.

B. Sensitivity analysis

Management considered reasonably possible changes in the key assumptions, both individually and in combination. The following table presents selected downside scenarios. Each scenario holds other assumptions constant unless stated otherwise.

CGU	Downside scenario	Headroom position
Evidentia	Post-tax discount rate increased by 1.0 percentage point	Still positive
Evidentia	Terminal growth rate reduced by 1.0 percentage point	Still positive
Lonsec	Post-tax discount rate increased to 12.0%, terminal growth unchanged	Still positive
Lonsec	Terminal growth reduced by 1.0 percentage point, discount rate unchanged	Still positive

For Evidentia, the post-tax discount rate would need to increase from 11.21% to approximately 13.38%, or the terminal growth rate would need to decline from 3.0% to approximately negative 2.03%, for the recoverable amount to equal the carrying amount, holding other assumptions constant.

For Lonsec, the post-tax discount rate would need to increase from 11.14% to approximately 13.11%, or the terminal growth rate would need to decline from 3.0% to approximately negative 0.07%, for the recoverable amount to equal the carrying amount, holding other assumptions constant.

17. Trade and other payables

	Consolidated	
	2026 $'000	2025 $'000
Trade and other payables	33,971	36,438
Unallocated application and redemption money*	17,254	15,616
Contingent consideration from business acquisition	–	72,774
	51,225	**124,828**

* This represents restricted cash in the Management Fund reserved for unallocated application monies from investors, as well as redemptions payable to exited policyholders. Unallocated application monies are disbursed to the Benefit Funds upon acceptance of the applications.

18. Provisions

Employee benefits

The provision for employee benefits is the total amount set aside for employee entitlements, covering both short-term and long-term benefits such as annual leave, long service leave, and other staff benefits. The calculation of this provision has been performed in accordance with accounting policy in Note 3.

Claims

The provisions for claims relates to the acquisition by Generation Life Limited of Manchester Unity Limited in the 2006 financial year. When Generation Life acquired Manchester Unity, Manchester Unity Policyholders were entitled to a $330 once off demutualisation benefit. The provision represents the estimated amounts owing to Policyholders who have not claimed their demutualisation benefit at balance date, as calculated by the independent appointed actuary.

Office leasehold restoration

The provision for office restoration represents the estimated cost to vacate and return the leased office premises to the property landlord in satisfaction of its lease agreement. It is expected that the provision will be utilised at lease expiry.

	Employee Entitlements $'000	Claims $'000	Office Restoration $'000	Total $'000
2026				
Balance at 1 Jul 2025	6,075	6	409	6,490
Made during the year	4,223	–	13	4,236
Used/released during the year	(3,502)	(1)	–	(3,503)
Total provisions at 30 June 2026	**6,796**	**5**	**422**	**7,223**
Current	**5,827**	**5**	**–**	**5,832**
Non-current	**969**	**–**	**422**	**1,391**
2025				
Balance at 1 Jul 2024	1,672	7	224	1,903
Made during the year	7,930	–	185	8,115
Used/released during the year	(3,527)	(1)	–	(3,528)
Total provisions at 30 June 2025	**6,075**	**6**	**409**	**6,490**
Current	**5,092**	**6**	**–**	**5,098**
Non-current	**983**	**–**	**409**	**1,392**

19. Issued capital

	2026 Number	$'000	2025 Number	$'000
Fully Paid Ordinary Shares				
Balance at beginning of financial year	392,804,767	699,838	270,401,481	239,557
Issue of shares under dividend reinvestment plan (DRP)	82,395	420	71,263	264
Issue of shares related to business combination	2,000,000	5,140	43,282,408	154,987
Shares vested during the year	1,883,458	1,688	1,617,287	602
Issued of ordinary shares[1,2]	3,146,893	186	77,432,328	304,428
Balance at end of the financial year	**399,917,513**	**707,272**	**392,804,767**	**699,838**

1. 29,414 shares, valued at $186,778 were issued on 1st December 2025 under the tax-exempt share plan.
2. 3,117,479shares were issued during the year relating to the loan share plan.

20. Contract liabilities

	2026 $'000	2025 $'000
Deferred Income	12,738	13,905

It is expected that of the contract liabilities at 30 June 2026, $12,733,444 will be delivered by 30 June 2027 of which $12,397,444 relates to the Research and Ratings business. The balance of contract liabilities has been recognised as current due to the cancellation clause within the contract, that allows for the customer to seek a refund prior to commencement of work. The full balance of deferred income as at 30 June 2025 was delivered during the financial year and released to revenue.

21. Borrowings

	2026 $'000	2025 $'000
Current liabilities		
Bank loans	2,397	–
	2,397	**–**
Non-Current liabilities		
Bank loans	40,000	–
	40,000	**–**

Current Borrowings

During the financial year, the Company introduced two geared investment fund options that utilise external borrowing facilities. Fund-level gearing is implemented through secured loan facilities with NAB, and as at 30 June 2026, the Company had two such facilities in place.

These loans are structured on a non-recourse basis, with the assets of the respective benefit funds provided as security. In the event of a default, the lender's recourse is limited to the assets of the relevant benefit fund, with no recourse to Generation Life's policyholders.

21. Borrowings continued

Non-Current Borrowings

The Group entered into an agreement with National Australia Bank in August 2025 to obtain a debt facility, with a total limit (facility limit $50m) made available to support its funding and operational requirements. As of 30 June 2026, the Group has drawn $40.0 million under this facility. The facility is subject to financial covenants which are assessed at each reporting date.

The Group expects to comply with the covenants for at least 12 months after the reporting date.

The loan bears interest at a variable market-based rate, determined for each interest period in accordance with standard commercial lending arrangements. As of 30 June 2026, the applicable interest rate is 6.99%. The drawn amount is repayable in August 2028.

Debt covenants

The aforementioned facility is subject to financial covenants. These covenants are designed to ensure the Group maintains an appropriate level of leverage and debt servicing capacity.

The financial covenants primarily relate to:

- a maximum leverage ratio, measured by reference to net debt relative to earnings; and
- a minimum interest cover ratio, measured by reference to earnings relative to net finance costs.

Compliance with these covenants is assessed at each half year and annual reporting date. As of 31 December 2025, the Group was in compliance with all financial covenants applying to its bank borrowings.

Management monitors covenant compliance on an ongoing basis and considers forecast financial performance and liquidity headroom as part of its assessment. Based on this assessment, there are no facts or circumstances at the reporting date that indicate the Group may have difficulty complying with its covenants in future periods. The Group is expected to be in compliance with the covenants requirement within the 12 months post the reporting date.

The Group did not undertake any actions during or after the reporting period to avoid or mitigate a potential breach of debt covenants, the Group would have remained compliant had the covenants been assessed based on the Group's circumstances at the reporting date.

Assets pledged as security

The facility is secured by guarantees and security interests provided by relevant entities within the Group. These security arrangements form part of the broader funding structure and support the Group's obligations under the facility.

Financing arrangements

Unrestricted access was available at the reporting date to the following debt facility:

	2026 $'000	2025 $'000
Total facilities		
Debt facility with NAB	50,000	–
Geared Funds facility NAB	2,397	–
	52,397	**–**
Used at reporting date		
Loan drawn under the debt facility with NAB	40,000	–
Geared Funds facility NAB	2,397	–
	42,397	**–**
Unused at the reporting date	10,000	–
	10,000	**–**

22. Retained earnings

	2026			2025		
	Profits Reserve Total $'000	Accumulated Losses Total $'000	Total $'000	Profits Reserve Total $'000	Accumulated Losses Total $'000	Total $'000
Opening retained earnings	67,867	(75,612)	(7,745)	48,920	(80,299)	(31,379)
Net profit/(loss) attributable to shareholders	7,146	24,784	31,930	25,787	9,687	35,474
Dividends paid	(7,967)	–	(7,967)	(6,840)	(5,000)	(11,840)
LifeIncome Cash Benefit Fund's retained earnings	–	112	112	–	–	–
Closing balance at end of financial year	**67,046**	**(50,716)**	**16,330**	**67,867**	**(75,612)**	**(7,745)**

The profits reserve represents accumulated profit of the parent entity to preserve their profit character. Such profits are available to enable payment of franked dividends in the future should the Directors declare by resolution.

23. Earnings Per Share

	Consolidated	
	2026 Cents per Share	2025 Cents per Share
Earnings per Share:		
Basic	8.01	10.79
Diluted	7.90	10.66

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	2026 $'000	2025 $'000
Earnings used for basic and diluted earnings per share calculations	31,930	35,475
Weighted average number of ordinary shares for the purposes of basic EPS	398,694,551	328,889,264
Weighted average number of ordinary shares for the purposes of diluted EPS	403,992,809	332,780,274

24. Dividends

A final fully franked dividend of $3,967,627 (one cent per ordinary share) for 2025 was paid on 7 October 2025. An interim fully franked dividend of $3,998,711 (one cent per ordinary share) for 2026 was paid on 1 April 2026. The dividend was paid out of the Profits Reserve. The DRP was in operation for both these dividends.

	Consolidated	
	2026 $'000	2025 $'000
Recognised Amounts:		
Dividends paid	7,967	6,840
	7,967	**6,840**

Franking credits

Franking credits available to the Group and subsidiaries based on the tax rate of 30% are as follows:

	2026 $'000	2025 $'000
Amount of franking credits available to shareholders of Generation Development Group Limited for subsequent financial years	47,099	26,350
	47,099	**26,350**

25. Right-of-use assets/Lease liabilities

Information about leases for which the Group is a lessee is presented below:

A. Right-of-use assets

	Rental Premises $'000	Office Equipment $'000	Total $'000
Balance as at 1 July 2025	5,845	51	5,896
Depreciation charge for the year	(1,987)	(24)	(2,011)
Additions to right-of-use lease assets	71	–	71
Additions through business combinations	–	–	–
Balance as at 30 June 2026 (non-current)	**3,929**	**27**	**3,956**

	Rental Premises $'000	Office Equipment $'000	Total $'000
Balance as at 1 July 2024	3,213	43	3,256
Depreciation charge for the year	(1,937)	(31)	(1,968)
Additions to right-of-use lease assets	1,234	24	1,258
Additions through business combinations	3,335	15	3,350
Balance as at 30 June 2025 (non-current)	**5,845**	**51**	**5,896**

B. Lease liabilities

	Rental Premises $'000	Office Equipment $'000	Total $'000
Balance as at 1 July 2025	6,980	53	7,033
Cash lease payments	(2,414)	(29)	(2,443)
Finance lease interest	352	3	355
Additions to lease liabilities	37	–	37
Balance as at 30 June 2026	**4,955**	**27**	**4,982**
Current	**2,194**	**19**	**2,213**
Non-current	**2,761**	**8**	**2,769**

	Rental Premises $'000	Office Equipment $'000	Total $'000
Balance as at 1 July 2024	3,421	44	3,465
Additions through business combinations	4,182	17	4,199
Cash lease payments	(2,267)	(33)	(2,300)
Finance lease interest	433	4	437
Additions to lease liabilities	1,211	21	1,232
Balance as at 30 June 2025	**6,980**	**53**	**7,033**
Current	**1,569**	**24**	**1,593**
Non-current	**5,411**	**29**	**5,440**

C. Lease liabilities – Maturity analysis of contractual discounted cash flows

	Rental Premises $'000	Office Equipment $'000	Total $'000
Amounts due in less than one year	2,194	19	2,213
Amounts due between one and five years	2,761	8	2,769
Amounts due in greater than five years	–	–	–
Total lease liabilities as at 30 June 2026	**4,955**	**27**	**4,982**

	Rental Premises $'000	Office Equipment $'000	Total $'000
Amounts due in less than one year	1,573	20	1,593
Amounts due between one and five years	5,411	29	5,440
Amounts due in greater than five years	–	–	–
Total lease liabilities as at 30 June 2025	**6,984**	**49**	**7,033**

26. Contingent liabilities

Banking facilities

The Group has the following finance facilities with National Australia Bank Limited:

- Debt facility with limit amount of $50,000,000 (2025: nil), within which $40,000,000 has been drawn down as of reporting date. Please refer to Note 21 for details on the borrowings;
- Direct debit facility of $10,000,000 (2025: $10,000,000) to be used for clients' accounts as part of the Generation Life business;
- Electronic channel facility of $5,000,000 (2025: $5,000,000) to allow for transactions to be debited in the clearing account when funds are in the process of being cleared; and
- NAB credit card facilities of $225,000 (2025: $225,000) used by senior staff for business travel and client entertainment.

The above direct debit facility and the NAB credit card facility are backed by term deposits of $120,000 and $150,000 respectively.

During the financial year, the Company introduced two geared investment fund options that utilise external borrowing facilities with a combined limit of $2,397,000. Fund-level gearing is implemented through secured loan facilities with NAB, and as at 30 June 2026, the Company had two such facilities in place. These loans are structured on a non-recourse basis, with the assets of the respective benefit funds provided as security. In the event of a default, the lender's recourse is limited to the assets of the relevant benefit fund, with no recourse to Generation Life's policyholders.

The Company has issued letters of support in respect of certain of its subsidiaries in the normal course of business. Under these letters, the Company undertakes to ensure that those subsidiaries continue to meet their regulatory capital obligations subject to caps and certain conditions including that the entity remains a controlled entity of the Company.

Bank guarantee

The Group has the following bank guarantees in respect of its office tenancies:

1. Bank guarantee of $492,383 in respect of the office at Level 17, 447 Collins Street, Melbourne, VIC 3000.
2. Bank guarantee of $147,046 in respect of the office at Suite 9.02, Level 9, 6 O'Connell Street, Sydney, NSW 2000.
3. Bank guarantee of $499,898 in respect of the office at Level 39, 25 Martin Place, Sydney NSW 2000.
4. Bank guarantee of $376,030 in respect of the office at Level 33, 120 Collins Street, Melbourne VIC 3000.
5. Bank guarantee of $106,136 in respect of the office at Suite 3C, 757 Ann Street, Fortitude Valley QLD 4006.
6. Bank guarantee of $70,476 in respect of the office at Level 10, 1 Chifley Square, Sydney NSW 2000.

27. Controlled entities

Name of Entity	Country of Incorporation	2026 Ownership Interest	2025 Ownership Interest
Parent entity			
Generation Development Group Limited	Australia	–	–
Controlled entities			
Generation Life Limited	Australia	100%	100%
Austock Financial Services Pty Limited	Australia	100%	100%
Bonds Custodian Pty Limited	Australia	100%	100%
Generation Development Services Pty Limited	Australia	100%	100%
Lonsec Holdings Pty Limited	Australia	100%	100%
Lonsec Research Pty Limited	Australia	100%	100%
SuperRatings Pty Limited	Australia	100%	100%
ORTC Protect Pty Limited	Australia	100%	100%
Lonsec Investment Solutions Pty Limited	Australia	100%	100%
Lonsec Fiscal Pty Limited	Australia	100%	100%
Lonsec Wealth Pty Limited	Australia	100%	100%
Implemented Portfolios Pty Limited	Australia	100%	100%
Evidentia Group Holdings Pty Limited	Australia	100%	100%
Evidentia Group Pty Limited	Australia	100%	100%
Evidentia Implemented Consulting Pty Limited	Australia	100%	100%
Evidentia Australian Equities Pty Limited	Australia	100%	100%
Evidentia Private Markets Pty Limited	Australia	100%	100%
Evidentia Capital Partners Pty Limited	Australia	100%	100%
Evidentia IP Pty Limited	Australia	100%	100%
Evidentia Financial Services Pty Limited	Australia	100%	100%

28. Related parties

A. Equity interests in related entities

Details of the percentage of ordinary shares held in subsidiaries are disclosed in Note 27 to the financial statements.

B. Transactions with key management personnel

In addition, the following transactions occurred between the ultimate parent entity and the controlled entities of the Group and key management personnel:

- Directors, KMP, and their family members have invested in the Benefit Funds managed by Generation Life Limited and the Managed Funds managed by Evidentia Group Pty Ltd. These investments were undertaken on commercial terms. The value of these investments as at 30 June 2026 is $1,964,836 (2025: $1,818,257) in Benefit Funds and $508,727 (2025: $400,000) in Managed Funds.
- The following Group Executives of GDG held shares in the acquired entity – Lonsec Holdings Pty Ltd that was subsequently converted to cash/rolled over to GDG ordinary shares on 1 August 2024:
- R N Coombe 180,000 ordinary shares of which 135,000 converted to cash and the balance 45,000 rolled over to 243,053 GDG shares.
- G Hackett 226,000 ordinary shares rolled over to 1,215,647 GDG shares.
- T Wong 77,000 ordinary shares rolled over to 414,180 GDG shares.
- During the year, a number of Key Management Personnel have received long term incentives (LTIs). The details of these LTIs are listed in Note 10.

C. Transactions within the wholly owned group

The wholly owned group includes:

- The ultimate parent entity in the wholly owned group; and
- Wholly owned controlled entities.

The ultimate parent entity in the wholly owned group is Generation Development Group Limited.

During the year the parent entity has provided services and operating infrastructure as part of general management assistance to its controlled entities on normal commercial terms and conditions no more favourable than those available to other parties dealing on an arm's length basis. Services include: board and company secretarial, information systems support, accounting and financial services, and human resources services. Operating infrastructure comprises premises, fittings and furniture, computer hardware and software, and communication facilities. The following transactions occurred with its wholly owned controlled entities and are eliminated on consolidation:

- Provided management assistance services for a cost of $4,155,264 (2025: $5,212,023).
- Provided sales force services on commercial arm's length terms for a total value of $Nil (2025: $19,359,686).
- Acquired 74,654 shares in Generation Life for consideration of $1,999,980 (2024: 111,982 shares for consideration of $2,999,998).
- Acquired units in Generation Life's Investment Bond policy for consideration of $nil (2025: 500,000). The holding amount as at 30 June 2026 is $547,783 (2025: $505,964).
- In FY25 Acquired 1,378,733 shares in Lonsec for consideration of $14,476,697 (2026: Nil).

29. Notes to the Statement of Cash Flows

	Consolidated	
	2026 $'000	2025 $'000
Reconciliation of the operating profit/(loss) after tax to the net cash flows from operations		
Profit/(loss) from ordinary activities after tax	300,848	328,041
Depreciation and amortisation	24,252	18,991
Share-based payments	4,331	3,076
Interest income/term deposit	(3,906)	(9,710)
Revaluation of investment	109	108
Gain on remeasurement of previous existing interest in Lonsec	–	(75,142)
Change in remeasurement of contingent consideration	(18,655)	–
Ongoing policyholder deduction	(10,488)	(7,919)
Net contribution by policyholders	1,258,525	775,622
Revaluation of earnout provision	–	48,028
LifeIncome Fund movement	112	–
Equity Settled base transaction	5,140	–
Provision for Doubtful Debts	413	–
Other provision movements	423	–
Change in assets and liabilities		
Decrease/(increase) in receivables	5,151	(3,562)
Decrease/(increase) in other assets	(49,488)	(2,078)
(Increase)/decrease in financial assets	(1,570,735)	(1,203,075)
Decrease/(increase) in reinsurance contract assets	(345)	274
Increase/(decrease) in payables	(73,603)	39,722
Increase/(decrease) in financial liabilities	42,397	–
Increase/(decrease) in taxation	97,241	97,692
Increase/(decrease) in provisions	733	(16,059)
(Decrease)/increase in other liabilities	5,767	(6,065)
(Decrease)/increase in insurance contract liabilities	16,441	24,211
Net cash flow provided/(used) in operating activities	**34,663**	**12,155**

30. Financial instruments

Excluding policyholder assets and liabilities, there are no financial instruments recognised and measured at fair value. The Group has determined that the carrying values of financial instruments carried at amortised cost approximate fair value. These financial instruments are represented by cash and cash equivalents, trade receivables, interest in term deposits and trade payables, which are short term in nature or are floating rate instruments that are re-priced on or near the end of the reporting period.

Classification and measurement

The Group classifies its financial assets into the following measurement categories:

(a) financial assets held at fair value through profit or loss, and

(b) amortised cost.

Financial liabilities are classified as either held at fair value through profit or loss, or held at amortised cost.

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has legally enforceable right to set off the amounts and it intends to settle them on a net basis or to realise the asset and settle the liability simultaneously. There are no financial assets and financial liabilities that are offset in the Group's statement of financial position, or are subject to an enforceable master netting arrangement, irrespective of whether they are offset in the statement of financial position.

Fair Value approach and valuation techniques

The table below shows the valuation techniques used to estimate the fair value of assets and liabilities where no quoted prices in active markets for that asset or liability exists.

Financial Asset or Liability	Valuation Methodology
Unlisted Unit Trusts	The fair value of unlisted unit trusts is based on the redemption price per unit provided by the trustee or responsible entity at the reporting date. The net asset value is calculated with reference to the fair value of the underlying assets and liabilities of the trust. Management has assessed that the reported net asset value represents a reasonable approximation of fair value. When units are redeemable at the specified redemption price without significant restrictions, inputs are observable, classifying the investments as Level 2. If redemptions are suspended, restricted or fair value is adjusted based on unobservable inputs (such as independent valuations of underlying illiquid real estate or private equity assets), the classification shifts to Level 3.
Reinsurance Contract Assets	Reinsurance contract assets/liabilities are measured as the sum of fulfilment cash flows (present value of future expected cash inflows and outflows plus risk adjustment) and the contractual service margin, applying the General Measurement Model under AASB 17.

Fair value hierarchy – financial instruments at fair value

The table below shows the valuation methods for different levels of financial instruments by fair value hierarchy.

Level 1: Fair value is calculated using quoted prices (unadjusted) in active markets for identical assets or liabilities. This comprises listed securities.

Level 2: Fair value for units in managed unlisted funds are calculated using disclosed offer prices provided from the responsible entity through third party data or directly from the responsible entity. Fair value from fixed interest assets where the principle prices are derived from the most liquid over the counter markets are provided via a reputable third party data vendor.

Level 3: Fair value is estimated using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Valuation techniques include discounted cash flow models, comparison with similar instruments for which observable market prices exist, Black-Scholes and polynomial option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, exchange rates, bond and equity prices and expected price volatilities and correlations.

The objective of the valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer to liability in an orderly transaction between market participants at the measurement date. The fair value of a liability reflects the effect of non-performance risk.

The following table shows the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Trade and other receivables and trade and other payables are not included in the table below. Their carrying amount is a reasonable approximation of fair value.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
30 June 2026				
Listed Securities	3,757,726	–	–	3,757,726
Units in externally managed unlisted funds and fixed interest assets	9,367	2,116,778	10,392	2,136,537
Derivatives	13	(1,093)	–	(1,080)
Reinsurance contract assets	1,476	–	–	1,476
Financial assets at fair value through profit or loss	**3,768,582**	**2,115,685**	**10,392**	**5,894,659**
Investment contract liabilities	–	(5,837,525)	–	(5,837,525)
Insurance contract liabilities	(85,021)	–	–	(85,021)
Financial liabilities at a fair value through profit or loss	**(85,021)**	**(5,837,525)**	**–**	**(5,922,546)**

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
30 June 2025				
Listed Securities	2,649,932	–	–	2,649,932
Units in externally managed unlisted funds and fixed interest assets	7,760	1,727,663	5,113	1,740,536
Derivatives	(65)	134	–	69
Reinsurance contract assets	1,131	–	–	1,131
Financial assets at fair value through profit or loss	**2,658,758**	**1,727,797**	**5,113**	**4,391,668**
Investment contract liabilities	–	(4,320,611)	–	(4,320,611)
Insurance contract liabilities	(68,471)	–	–	(68,471)
Contingent consideration	–	–	(72,774)	(72,774)
Financial liabilities at a fair value through profit or loss	**(68,471)**	**(4,320,611)**	**(72,774)**	**(4,461,856)**

31. Actuarial assumptions and methods – Life Insurance contracts

Mr Robert Daly, the Appointed Actuary, has reviewed and satisfied himself as to the accuracy of the data from which the amounts of the policyholder liabilities have been determined and that the amount of such liabilities is consistent with the relevant actuarial standards and legislation in Australia. Further, he has considered the requirements of LPS700 Paragraph 11 in relation to the proposed distribution of surplus and provided advice to the Board that the proposed bonus declaration has considered the relevant requirements.

Effects of changes in assumptions during the financial year ended 30 June 2026

	2026 $'000	2025 $'000
Assumption category:		
(a) Discount rate	120	8
(b) Future bonus rate	–	–
(c) Mortality rates	–	(25)
(d) Discontinuance rates	–	–
(e) Maintenance expenses	(711)	(168)
Total effect on profit and retained earnings	**(591)**	**(185)**

Reconciliation of changes in Oddfellows life insurance liabilities

	2026 $'000	2025 $'000
Life insurance liability at the beginning of the year	6,928	6,820
Actuarial Revaluation	(34)	(154)
Payment of terminal bonus	–	–
Allocation of bonus	143	154
Life insurance liability at the end of the year	**7,037**	**6,820**

Allocation of profits/losses

A Life Insurance contract profit of $nil (2025: $nil) and the allocation of bonus of $143,111 (2025: $154,211) has been provided for in the provision of final bonus to policyholders.

Insurance risks

Whilst the Oddfellows Fund is classified as an insurance fund, this fund no longer carries any mortality insurance risk. The appointed actuary has calculated the best estimate liability arising from these contracts. The Group maintains sufficient assets to meet these liabilities.

Key assumptions

The key assumptions for the policy liability calculation have been a discount rate based on the expected future earnings on the assets and future mortality, resignations and retirements. As at year end, these assumptions were:

Oddfellows Fund

	Oddfellows Fund		LifeIncome Funds	
	2026	**2025**	**2026**	**2025**
Discount rate	4.94%	4.52%	Gross Discount Rate: 4.0% to 9.50% Reinsurance Current Discount Rate: 4.47% to 6.64% Reinsurance Locked-In Discount Rate: 3.02% to 6.64%	Gross Discount Rate: 3.50% to 9.00% Reinsurance Current Discount Rate: 3.25% to 6.52% Reinsurance Locked-In Discount Rate: 3.00% to 6.00%
Inflation rate	n/a	n/a	2.5% to 3.8%	2.5% to 6%
Profit carriers used for each major product group	n/a	n/a	n/a	n/a
Future maintenance and investment management expense	2.00%	2.00%	0.92%	0.92%
Taxation rates	0%	0%	0%	0%
Mortality	Australian Life Tables 2010-2012 less 40%	Australian Life Tables 2010-2012 less 40%	HR_AUS 2017_BY2024 with annual mortality improvement factors less 0-55% for males and females	HR_AUS 2017_BY2024 with annual mortality improvement factors less 0-55% for males and females
Morbidity	n/a	n/a	n/a	n/a
Rates of discontinuance	0%	0%	0%	0%
Surrender values	n/a	n/a	Lower of the withdrawal Capital Assess Schedule ('CAS') or 90% of the death benefit	Lower of the withdrawal Capital Assess Schedule ('CAS') or 90% of the death benefit
Rates of growth of unit prices in respect of unit linked benefits	n/a	n/a	4.0% to 9.5%, less fees	3.50% to 9.00%, less fees
Rates of future supportable participating benefits	Terminal bonus at $164 per member	Terminal bonus at $164 per member	n/a	n/a
Crediting policy adopted in determining future supportable participating benefits	Allocation of surplus above statutory requirements as non-guaranteed terminal bonus	Allocation of surplus above statutory requirements as non-guaranteed terminal bonus	n/a	n/a

Note: Oddfellows Fund is now effectively a contribution accumulation fund.

32. Insurance contract liabilities

A. Oddfellows Fund

	Oddfellows Fund			
	Current basis		Previous basis	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Insurance contract policy liabilities				
Best estimate liability				
Value of future policy benefits	4,048	3,903	4,200	4,052
Less value of future contributions	–	–	–	–
Value of future expenses	2,612	2,668	2,460	2,519
	6,660	**6,571**	**6,660**	**6,571**
Value of future profits				
Policy owner bonuses				
(Current year unallocated surplus is not included)	234	203	234	203
	234	**203**	**234**	**203**
Total value of declared bonuses	143	154	143	154
Total net policy liabilities	**7,037**	**6,928**	**7,037**	**6,928**

B. Insurance contract assets and liabilities (LifeIncome)

The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for insurance contract issued.

	2026				2025			
	Liability for remaining coverage				Liability for remaining coverage			
	Excluding loss component $'000	Loss component $'000	Liability for incurred claims $'000	Total $'000	Excluding loss component $'000	Loss component $'000	Liability for incurred claims $'000	Total $'000
Opening assets	–	–	–	–	–	–	–	–
Opening liabilities	54,210	7,059	274	61,543	31,627	5,608	68	37,303
Net opening balance	**54,210**	**7,059**	**274**	**61,543**	**31,627**	**5,608**	**68**	**37,303**
Insurance revenue – other contracts	(6,693)	(857)	–	(7,550)	(5,281)	(1,068)	–	(6,349)
Insurance revenue	**(6,693)**	**(857)**	**–**	**(7,550)**	**(5,281)**	**(1,068)**	**–**	**(6,349)**
Incurred claims and other insurance service expenses	1,466	–	7,150	8,616	173	–	5,081	5,254
Changes that relate to future service: Losses and reversals of losses on onerous contracts	–	2,079	–	2,079	–	2,241	–	2,241
Amortisation of insurance acquisition cash flows	225	–	–	225	195	–	–	195
Insurance service expenses	**1,691**	**2,079**	**7,150**	**10,920**	**368**	**2,241**	**5,081**	**7,690**
Insurance service result	**(5,002)**	**1,222**	**7,150**	**3,370**	**(4,913)**	**1,173**	**5,081**	**1,341**
Insurance finance expenses from insurance contracts recognised in profit or loss	5,147	402	(87)	5,462	3,613	291	–	3,904
Total changes in the statement of profit or loss	**145**	**1,624**	**7,063**	**8,832**	**(1,300)**	**1,464**	**5,081**	**5,245**
Cash flows								
Premium received	17,056	–	–	17,056	25,576	–	–	25,576
Insurance acquisition cash flows	(2,012)	–	–	(2,012)	(1,618)	–	–	(1,618)
Claims and other insurance service expenses paid	–	–	(7,396)	(7,396)	–	–	(4,921)	(4,921)
Total cash flows	**15,044**	**–**	**(7,396)**	**7,648**	**23,958**	**–**	**(4,921)**	**19,037**
Other movements	–	–	(39)	(39)	(75)	(13)	46	(42)
Net closing (assets)/liabilities	**69,399**	**8,683**	**(98)**	**77,984**	**54,210**	**7,059**	**274**	**61,543**

32. Insurance contract liabilities continued

C. Life insurance contract liabilities

	2026 $'000	2025 $'000
Oddfellows Benefit Funds	7,037	6,928
Insurance contract liabilities – LifeIncome	77,984	61,543
Life insurance contracts liabilities at the end of the year	**85,021**	**68,471**

The following table details the composition and the fair value of underlying items of the portfolio of insurance contracts issued.

	2026 $'000	2025 $'000
Financial assets measured at FVTPL		
Listed securities	56,257	42,833
Units in externally managed unlisted funds and fixed interest assets	18,390	15,622
Derivatives	(37)	25
	74,610	**58,480**

The following table provides an analysis of insurance contracts initially recognised in the period.

	2026 Contracts issued			2025 Contracts issued		
	Profitable contracts $'000	Onerous contracts $'000	Total $'000	Profitable contracts $'000	Onerous contracts $'000	Total $'000
Estimates of present value of future cash outflows						
Insurance acquisition cash flows	–	679	679	–	1,553	1,553
Claims and other insurance service expenses payable	–	17,546	17,546	–	26,501	26,501
Estimates of present value of cash outflows	–	(17,249)	(17,249)	–	–	–
Estimates of present value of cash inflows	–	–	–	–	(25,675)	(25,675)
Risk adjustment for non-financial risk	–	297	297	–	1,066	1,066
CSM	–	–	–	–	–	–
	–	**1,273**	**1,273**	**–**	**3,445**	**3,445**

C. Life insurance contract liabilities continued

The following table shows the reconciliation from the opening to the closing balances of the net insurance contract liability analysed by measurement components.

	2026				2025			
	Estimates of present value of future cash retro-spective flows $'000	Risk adjustment for non-financial risk $'000	CSM Full approach $'000	Total $'000	Estimates of present value of future cash retro-spective flows $'000	Risk adjustment for non-financial risk $'000	CSM Full approach $'000	Total $'000
Opening assets	–	–	–	–	–	–	–	–
Opening liabilities	60,332	1,024	187	61,543	35,810	1,425	68	37,303
Net opening balance	**60,332**	**1,024**	**187**	**61,543**	**35,810**	**1,425**	**68**	**37,303**
Changes that relate to current service	1,868	(42)	–	1,826	554	(95)	–	459
CSM recognised for services provided	–	–	–	–	–	–	–	–
Change in risk adjustment for non-financial risk for risk expired	–	(42)	–	(42)	–	(95)	–	(95)
Experience adjustments	1,868	–	–	1,868	554	–	–	554
	1,868	**(42)**	**–**	**1,826**	**554**	**(95)**	**–**	**459**
Changes that relate to future service								
Contracts initially recognised in the year	975	297	–	1,272	2,379	1,067	–	3,446
Changes in estimates that adjust the CSM	–	–	–	–	–	–	–	–
Changes in estimates that result in losses and reversals of losses on onerous contracts	755	51	–	806	168	(1,373)	–	(1,205)
	1,730	**348**	**–**	**2,078**	**2,547**	**(306)**	**–**	**2,241**
Changes relate to past service								
Adjustments to liabilities for incurred claims (LIC)	–	–	–	–	–	–	–	–
Insurance service result	**3,598**	**306**	**–**	**3,904**	**3.101**	**(401)**	**–**	**2,700**
Insurance finance expenses from insurance contracts recognised in profit and loss	5,549	–	(87)	5,462	3,904	–	–	3,904
Total changes in statement of profit or loss and OCI	**9,147**	**306**	**(87)**	**9,366**	**7,005**	**(401)**	**–**	**6,604**
Allocation of insurance acquisition cash flows to related group of contracts	–	–	–	–				
Cash flows								
Premiums received	7,271	–	28	7,299	17,517	–	229	17,746
Other movements	–	–	(224)	(224)	–	–	(110)	(110)
Net closing (assets)/liabilities	**76,750**	**1,330**	**(96)**	**77,984**	**60,332**	**1,024**	**187**	**61,543**

33. Reinsurance contract held (assets)/liabilities

The following table shows the reconciliation from the opening to the closing balances of the net asset for the remaining coverage and the assets for incurred claims recoverable from reinsurance.

	2026				2025			
	Remaining coverage component				Remaining coverage component			
	Excluding loss recovery component $'000	Loss recovery component $'000	Incurred claims component $'000	Total $'000	Excluding loss recovery component $'000	Loss recovery component $'000	Incurred claims component $'000	Total $'000
Opening (assets)/liabilities	(292)	(839)	–	(1,131)	(89)	(1,316)	–	(1,405)
Net opening balance	**(292)**	**(839)**	**–**	**(1,131)**	**(89)**	**(1,316)**	**–**	**(1,405)**
Changes in the statement of profit or loss								
Allocation of reinsurance expenses paid	60	–	–	60	201	–	–	201
Amounts recoverable from reinsurer	–	–	–	–	–	–	–	–
Recoveries of incurred claims and other insurance service expenses	–	–	(169)	(169)	–	–	(72)	(72)
Changes in the loss recovery components	–	(232)	–	(232)	–	477	–	477
Changes in expected recoveries on past claims	–	–	–	–	–	–	–	–
	60	**(232)**	**(169)**	**(341)**	**201**	**477**	**(72)**	**606**
Investment components and premium refunds								
Effects of changes in non-performance risk of reinsurers	–	–	–	–	–	–	–	–
Net (income)/expenses from reinsurance contracts held	**60**	**(232)**	**(169)**	**(341)**	**201**	**477**	**(72)**	**606**
Finance income/(expenses) from reinsurance contracts held	5	–	–	5	(116)	–	–	(116)
Effect of movements in exchange rates	–	–	–	–	–	–	–	–
Total changes in the statement of profit or loss	**65**	**(232)**	**(169)**	**(336)**	**85**	**477**	**(72)**	**490**
Cash flows								
Premiums received	(178)	–	–	(178)	(288)	–	–	(288)
Amounts received from reinsurers relating to incurred claims	–	–	169	169	–	–	72	72
Total cash flows	**(178)**	**–**	**169**	**(9)**	**(288)**	**–**	**72**	**(216)**
Net closing (assets)/liabilities	**(405)**	**(1,071)**	**–**	**(1,476)**	**(292)**	**(839)**	**–**	**(1,131)**

The following table shows the reconciliation from the opening to the closing balances of the net (asset)/liability for reinsurance contracts held analysed by components.

	2026				2025			
	Estimates of present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	CSM Full retro-spective approach $'000	Total $'000	Estimates of present value of future cash flows $'000	Risk adjustment for non-financial risk $'000	CSM Full retro-spective approach $'000	Total $'000
Opening (assets)/liabilities	1,334	(1,272)	(1,193)	(1,131)	664	(1,732)	(337)	(1,405)
Net opening balance	**1,334**	**(1,272)**	**(1,193)**	**(1,131)**	**664**	**(1,732)**	**(337)**	**(1,405)**
Changes that relate to current service								
CSM recognised for services provided	–	–	102	102	–	–	91	91
Adjustments to loss recovery component previously recognised	–	–	–	–	–	–	–	–
Change in risk adjustment for non-financial risk for risk expired	–	71	–	71	–	106	–	106
Experience adjustments	(166)	–	–	(166)	171	–	–	171
	(166)	**71**	**102**	**7**	**171**	**106**	**91**	**368**
Changes that relate to future service								
Contracts initially recognised in the year	516	(523)	–	(7)	746	(1,685)	–	(939)
Changes in estimates that adjust the CSM	(150)	44	106	–	(73)	2,039	(1,967)	(1)
Changes in estimates that result in losses and reversals of losses on onerous contracts	–	–	–	–	–	–	1,178	1,178
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	–	–	(341)	(341)	–	–	–	–
Changes relate to past service								
Changes to incurred claims component	–	–	–	–	–	–	–	–
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–	–	–	–
Net income/(expenses) from reinsurance contracts held	**200**	**(408)**	**(133)**	**(341)**	**844**	**460**	**(698)**	**606**
Finance income/(expenses) from reinsurance contracts held recognised in profit or loss	47	–	(42)	5	42	–	(158)	(116)
Effects of movements in exchange rates	–	–	–	–	–	–	–	–
Total changes in statement of profit or loss	**247**	**(408)**	**(175)**	**(336)**	**886**	**460**	**(856)**	**490**
Cash flows	(9)	–	–	(9)	(216)	–	–	(216)
Net closing (assets)/liabilities	**1,572**	**(1,680)**	**(1,368)**	**(1,476)**	**1,334**	**(1,272)**	**(1,193)**	**(1,131)**

33. Reinsurance contract held (assets)/liabilities continued

The following table provides an analysis of reinsurance contracts held initially recognised in the period.

	2026			2025		
	Contracts purchased with a net/ gain $'000	All other contracts $'000	Total $'000	Contracts purchased with a net/ gain $'000	All other contracts $'000	Total $'000
Estimates of present value of cash outflows	516	–	516	746	–	746
Risk adjustment for non-financial risk	(524)	–	(524)	(1,686)	–	(1,686)
CSM	8	–	8	940	–	940
Total	**–**	**–**	**–**	**–**	**–**	**–**

34. Contractual Service Margin (CSM)

The following table shows an analysis of the expected recognition of the CSM remaining at the end of reporting period in profit or loss.

	Less than 1 year $'000	In 1 to 3 years $'000	In 4 to 5 years $'000	> 5 years $'000	Total $'000
30 June 2026					
Insurance contracts issued	–	–	–	–	–
Reinsurance contracts held	(112)	(205)	(179)	(870)	(1,366)
	(112)	**(205)**	**(179)**	**(870)**	**(1,366)**

	Less than 1 year $'000	In 1 to 3 years $'000	In 4 to 5 years $'000	> 5 years $'000	Total $'000
30 June 2025					
Insurance contracts issued	–	–	–	–	–
Reinsurance contracts held	(100)	(183)	(159)	(751)	(1,193)
	(100)	**(183)**	**(159)**	**(751)**	**(1,193)**

35. Assets for insurance acquisition cash flows

The following table shows the reconciliation from the opening to the closing balance for assets for insurance acquisition cash flows.

	2026 $'000	2025 $'000
Opening balance	2,538	1,179
Additions	679	1,553
Amount derecognised during the period due to allocation to the related group of contracts	(225)	(194)
Impairment losses	–	–
Reversal of impairment losses	–	–
Closing balance	**2,992**	**2,538**

The following table shows the expected timing of derecognition of assets for insurance acquisition cash flows and included in the measurement of the portfolio of insurance contracts issued that they will be allocated to.

	2026 $'000	2025 $'000
Within one year	247	214
In 1 – 3 years	449	389
In 4 – 5 years	391	338
Beyond 5 years	1,905	1,597
	2,992	**2,538**

36. Capital Adequacy

The Group manages its capital to ensure that its wholly owned subsidiary – Generation Life Limited will be able to continue as a going concern while maximising the return to stakeholders. Generation Life Limited has an Internal Capital Adequacy Assessment Plan (ICAAP) which includes its capital management plans that has been approved by the board in accordance with APRA Prudential Standards. The table below represents the number of times coverage of the aggregated of all benefit funds in Generation Life Limited over the prescribed capital amount.

	2026 $'000	2025 $'000
Assets Available for Prudential Capital Requirement		
(a) Capital Base	27,345	16,262
(b) Prescribed capital amount	22,571	12,073
Capital in excess of prescribed capital amount = (a) – (b)	4,774	4,189
Capital adequacy multiple (%) (a)/(b)	**121%**	**135%**
Capital Base comprises:		
Net Assets (less Tier 2 Capital)	39,253	34,156
Regulatory adjustment applied in calculation of Tier 1 capital	(11,908)	(17,894)
(A) Common Equity Tier 1 Capital	**27,345**	**16,262**
Additional Tier 1 Capital	–	–
Regulatory adjustment applied in calculation of Additional Tier 1 capital	–	–
(B) Total Additional Tier 1 Capital	**–**	**–**
Tier 2 Capital	–	–
Regulatory adjustment applied in calculation of Tier 2 capital	–	–
(C) Total Tier 2 Capital	**–**	**–**
Total capital base	**27,345**	**16,262**

37. Parent Entity Disclosures

As at and throughout the financial year ended 30 June 2026 the parent company of the Group was Generation Development Group Limited.

	2026 $'000	2025 $'000
Results of the Parent Entity		
Profit/(Loss) for the period	7,146	25,787
Total comprehensive income for the period	**7,146**	**25,787**
Financial Position of the Parent Entity at Year End		
Current assets	39,235	68,601
Total assets	**791,266**	**816,927**
Current liabilities*	(7,333)	(81,413)
Total liabilities	**(48,294)**	**(81,703)**
Net assets	**742,972**	**735,224**
Total equity of the parent entity comprising of:		
Share capital	691,969	684,534
Financial asset reserve	34,925	34,925
Share-based payment reserve	4,623	3,487
Retained earnings/(Accumulated losses)	11,455	12,278
Total equity	**742,972**	**735,224**

* FY25 Current liabilities includes contingent consideration of $72.8m to Lonsec and Evidentia. GDG has entered into a long-term debt facility in FY26.

Parent entity contingencies

Other than the contingent liabilities disclosed in Note 26 to the financial statements, the parent entity does not have any contingent liabilities at 30 June 2026.

Parent entity capital commitments for acquisition of property, plant and equipment

The parent entity does not have any capital commitments to acquire property, plant and equipment at 30 June 2026 (2025: nil).

Parent entity guarantee in respect of its subsidiaries

The Company has issued letters of support in respect of certain subsidiaries in the normal course of business. Under these letters, the Company undertakes to ensure that those subsidiaries continue to meet their regulatory capital obligations subject to caps and certain conditions including that the entity remains a controlled entity of the Company.

38. Subsequent Events

The Company declared a final fully franked 2026 dividend of $0.01 per ordinary share on 26 August 2026 to be paid on 6 October 2026. The dividend is to be paid out of the Profits Reserve. The Company's Dividend Reinvestment Plan (DRP) has been activated for this dividend.

There has not been any other matter or circumstances that has arisen since 30 June 2026 that has significantly affected or may significantly affect the operations of the Group.

Consolidated Entity Disclosure Statement

Name of Entity	Body corporate, partnership or trust	Place Incorporated/ formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident
Parent entity					
Generation Development Group Limited	Body corporate	Australia	N/A	Australian	N/A
Controlled entities					
Generation Life Limited	Body corporate	Australia	100%	Australian	N/A
Austock Financial Services Pty Limited	Body corporate	Australia	100%	Australian	N/A
Bonds Custodian Pty Limited	Body corporate	Australia	100%	Australian	N/A
Generation Development Services Pty Limited	Body corporate	Australia	100%	Australian	N/A
Lonsec Holdings Pty Limited	Body corporate	Australia	100%	Australian	N/A
Lonsec Research Pty Limited	Body corporate	Australia	100%	Australian	N/A
SuperRatings Pty Limited	Body corporate	Australia	100%	Australian	N/A
ORTC Protect Pty Limited	Body corporate	Australia	100%	Australian	N/A
Lonsec Investment Solutions Pty Limited	Body corporate	Australia	100%	Australian	N/A
Lonsec Fiscal Pty Limited	Body corporate	Australia	100%	Australian	N/A
Lonsec Wealth Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Implemented Portfolios Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evidentia Group Holdings Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evidentia Group Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evidentia Implemented Consulting Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evidentia Australian Equities Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evidentia Private Markets Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evidentia Capital Partners Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evidentia IP Pty Limited	Body corporate	Australia	100%	Australian	N/A
Evidentia Financial Services Pty Limited	Body corporate	Australia	100%	Australian	N/A

Key assumptions and judgements

The following key assumptions and judgements were applied:

Determination of tax residency

Section 295 (3A) of the *Corporations Act 2001* (Cth) requires that the tax residency of each entity that is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity that is an Australian resident, 'Australian resident' has the meaning provided in the *Income Tax Assessment Act 1997* (Cth).

In determining tax residency, the Group applied the following interpretations:

Australian tax residency

The Group applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Independent Auditor's Report

Independent Auditor's Report

To the shareholders of Generation Development Group Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Generation Development Group Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2026;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying key assumptions and judgements as at 30 June 2026;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Business combination - Evidentia Group Holdings Pty Ltd
- Valuation of goodwill

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">Business combination – Evidentia Group Holdings Pty Ltd ($352.3m)</th></tr>
<tr><td colspan="2">Refer to Note 9 Business Combination to the Financial Report</td></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>On 18 February 2025, the Group completed the acquisition of 100% of Evidentia Group Holdings Pty Ltd (Evidentia) for consideration of $352.3m.

The acquisition accounting of Evidentia was provisional in the prior reporting period due to the on-going work to complete the identification and valuation of certain acquired intangible assets. The Group finalised the acquisition accounting during the year. Consequently, goodwill associated with the acquisition was adjusted. The accounting standards only allow adjustments in certain circumstances if new information becomes available that provides evidence of conditions or circumstances that existed at the date of acquisition. This increased our audit effort in this area to gather persuasive audit evidence regarding the adjustments recorded.

This business combination is considered to be a key audit matter due to the:

• The financial significance of the transaction for the Group relative to total Goodwill and Intangible assets.

• The valuation models used by the Group to determine the fair value of acquired intangible assets and calculate the residual goodwill are complex and sensitive to changes in key assumptions. We focused on key assumptions including discount rates and growth rates. This drives additional audit effort to assess the appropriateness of these assumptions and</td><td>Our procedures included:

• Inspecting the key transaction documents related to the acquisition to understand the structure and key terms and conditions of the acquisition. We assessed the accounting treatment of the acquisition against the criteria of a business combination in the accounting standards.

• Testing the accuracy of the calculation and measurement of total consideration determined for the acquisition with reference to the underlying transaction documents, payment amounts in the Group's bank statements and estimates applied in determining contingent consideration.

• Working with our valuation specialists, we assessed the Group's external expert reports including:

    • Assessing the Group's external valuation expert's objectivity, competence, and scope of work with respect to their involvement in the determination of fair value of acquired intangible assets and the purchase price allocation to goodwill and other separately identifiable intangible assets.

    • Assessing the valuation methodologies used in the external valuation expert report to determine the fair value of intangible assets against industry practice and the requirements of the accounting standards.</td></tr>
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the methods used. • The significant audit effort and complexity in assessing the Group's judgements relating to the determination of total consideration for acquisitions, including cash, equity and contingent consideration. The Group engaged an external valuation expert to assist with the identification and measurement of certain acquired intangible assets and the purchase price allocation to goodwill and separately identifiable intangible assets. We involved valuation specialists to supplement our senior audit team members in assessing this key audit matter.	• Assessing key assumptions used in the Group's external valuation expert report for the identification and valuation of acquired intangible assets, including discount rates and growth rates assumptions. This included comparing discount rates to market-based indicators and transaction internal rates of return, and comparing growth rate assumptions to historical performance. • Challenging the forecast cash flow assumptions for Evidentia used to determine the contingent consideration fair value by comparing forecast to historical performance. • Evaluating the Group's conclusion on how the adjustments meet the criteria in the accounting standards as being new information obtained during the 12 months following acquisition for conditions or circumstances that existed at the date of acquisition. • Recalculating the goodwill balance recognised as a result of the transaction and comparing it to the goodwill amount recorded by the Group. • Assessing the Group's disclosures in the financial report, using our understanding obtained from our testing, against the requirements of the accounting standards.

Valuation of goodwill ($517.1m)	
Refer to Note 16 Intangible assets to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Group's annual testing of goodwill for impairment is a key audit matter due to: • the Group restructured its business lines during the year necessitating our consideration of the Group's determination of Cash Generating Units (CGUs), based on the smallest group of assets to generate largely independent cash inflows; • the Group uses valuation models for its annual goodwill impairment testing. The models use adjusted historical	Working with our valuation specialists, our procedures included: • Assessing the Group's accounting policies against the accounting standard requirements, our business understanding and industry practice. • Considering the appropriateness of the value in use methodology applied by the Group to perform the annual impairment test of goodwill against the requirements of the

performance, and a range of internal and external inputs for assumptions. Modelling, using forward-looking assumptions increases the risk of bias, error and inconsistent application. This required additional scrutiny by us, particularly the objectivity of assumption sources and their consistent application. We focused on the significant forward-looking assumptions the Group applied in their value in use models for the relevant CGUs including forecast cash flows, discount rates and terminal growth rates. We involved valuation specialists to supplement our senior audit team members who understand the Group's business, industry and economic environment it operates in.	accounting standards. • Assessing the integrity of the value in use models used, including the mathematical accuracy of the underlying calculation formulas. • Comparing the forecast cash flows contained in the value in use models to Board approved forecasts. • Challenging the Group's significant forecast cash flow assumptions against internal and external sources, previous forecasts and historical performance. We compared forecast growth rates and terminal growth rates to published data on industry trends and expectations, and considered differences for the Group's operations. We used our knowledge of the Group, their past performance, business and customers, and our industry experience. • Independently developing discount rate ranges considering publicly available data for comparable entities, adjusted by risk factors specific to the Group and the industry it operates in. • Considering the sensitivity of the models by varying key assumptions, such as forecast cash flows, discount rates and terminal growth rates, within a reasonably possible range. We did this to identify those CGUs at higher risk of impairment and to focus our further procedures. • Considering the Group's determination of its CGUs based on our understanding of the operations of the Group's business, impact of restructuring, and how independent cash inflows were generated, against the requirements of the accounting standards. • Analysing the restructure of the Group and the Group's internal reporting to assess the Group's monitoring and management of activities, and the consistency of the allocation of goodwill to CGUs. • Assessing the disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standards.

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Other Information

Other Information is financial and non-financial information in Generation Development Group Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and specified sustainability disclosures within the Sustainability Report and our respective assurance opinion/conclusions.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

KPMG

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Generation Development Group Limited for the year ended 30 June 2026, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 45 to 78 of the Directors' report for the year ended 30 June 2026.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Joshua Pearse

Partner

Melbourne

26 August 2026

Directors' Declaration

In the opinion of the Directors of Generation Development Group Limited (the "Company"):

The consolidated financial statements and notes that are set out on pages 81 to 173 and the Remuneration Report on pages 44 to 79 in the Directors' report, are in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
- the Consolidated Entity Disclosure Statement as at 30 June 2026 set out page 174 is true and correct; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2026.

The Directors draw attention to Note 1 on the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors. On behalf of the Directors.

Mr Robert Neil Coombe
Executive Chairman

26 August 2026

Additional Securities Exchange Information

As at 31 July 2026 (unaudited)

Number of Holders of Equity Securities

Fully paid ordinary share capital

399,917,513 fully paid ordinary shares are held by 3,954 shareholders.

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Performance Rights (unquoted)

6,727,491 performance rights (issued under the Company's FY23, FY24, FY25 and FY26 Performance Rights Plan) are held by 57 eligible participants.

Performance rights do not carry the right to vote or to receive dividends.

Distribution of Holders of Equity Securities

Number of shares held	Holders of fully paid ordinary shares	Holders of performance rights
1 – 1,000	1,560 (0.15%)	0
1,001 – 5,000	1,223 (0.81%)	0
5,001 – 10,000	455 (0.85%)	4 (0.39%)
10,001 – 100,000	540 (4.06%)	46 (26.19%)
100,001 and over	176 (94.13%)	7 (73.42%)
Total	**3,954**	**57**
Holdings less than a marketable parcel	307	n/a

Securities subject to voluntary escrow

44,928 fully paid ordinary shares issued on 22 October 2024 pursuant to the Company's Employee Tax Exempt Share Plan. The shares are escrowed until the earlier of the employee's cessation of employment with the Group and 22 October 2027.

26,488 fully paid ordinary shares issued on 1 December 2025 pursuant to the Company's Employee Tax Exempt Share Plan. The shares are escrowed until the earlier of the employee's cessation of employment with the Group and 1 December 2028.

1,971,830 fully paid ordinary shares issued on 14 November 2024 pursuant to the Company's Loan Share Plan. The shares are escrowed until the loan repayment date which shall be no later than 31 March 2030.

2,574,432 fully paid ordinary shares issued on 27 June 2025 pursuant to the Company's Loan Share Plan. The shares are escrowed until the loan repayment date which shall be no later than 31 December 2030.

315,126 fully paid ordinary shares issued on 23 September 2025 pursuant to the Company's Loan Share Plan. The shares are escrowed until the loan repayment date which shall be no later than 31 December 2030.

227,921 fully paid ordinary shares issued on 26 February 2026 pursuant to the Company's Loan Share Plan. The shares are escrowed until the loan repayment date which shall be no later than 30 June 2031.

On Market Buy Back

There is no current on-market buy-back.

Substantial Holders

	Fully paid ordinary shares
STATE STREET CORPORATION AND SUBSIDIARIES	20,378,553
VANGUARD GROUP	20,050,949

Additional Securities Exchange Information continued

As at 31 July 2026 (unaudited)

Twenty largest holders of quoted equity securities as at 31 July 2026 (unaudited)

Ordinary shareholders	Number	Fully paid percentage
CITICORP NOMINEES PTY LIMITED	77,676,627	19.42%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	73,887,887	18.48%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	57,668,761	14.42%
BNP PARIBAS NOMS PTY LTD	20,614,968	5.15%
MR JOHN DAVID WHEELER AND MR GLEN ROBERT WHEELER <WHEELSUP S/F A/C>	6,500,000	1.63%
MRS PATRICIA MARY TOOTH	6,095,294	1.52%
BLACKROCK (SINGAPORE) HOLDCO PTE LTD	6,024,096	1.51%
CANDOORA NO 31 PTY LTD <BESSEMER NO 1 SUPER FUND A/C>	6,022,860	1.51%
ROBERT COOMBE	5,901,074	1.48%
MR DON LAZZARO AND MRS ANN LAZZARO <SUPER FUND A/C>	5,900,000	1.48%
M H CARNEGIE NOMINEES PTY LTD <NOMINATED INVESTORS A/C>	5,463,524	1.37%
HARBRE NOMINEES PTY LTD <TALL TREES A/C>	5,221,557	1.31%
ONEVER PTY LTD <THE BESSEMER PROPERTY A/C>	5,133,382	1.28%
MR FRANK GERARD ZULLO	4,240,965	1.06%
BNP PARIBAS NOMINEES PTY LTD < AGENCY LENDING A/C>	3,700,177	0.93%
ARGO INVESTMENTS LIMITED	3,476,107	0.87%
MR JONATHAN JAMES TOOTH	3,414,706	0.85%
BNP PARIBAS NOMS (NZ) LTD	3,082,100	0.77%
UBS NOMINEES PTY LTD	2,566,452	0.64%
BELABULA CONSOLIDATED PTY LTD < BELABULA A/C>	2,250,000	0.56%
	304,840,537	**76.23%**

Corporate Directory

Company Directors

Mr Robert Neil Coombe
Executive Chairman

Ms Christine Christian AO
Independent Non-Executive Director

Ms Giselle Marie Collins
Independent Non-Executive Director,
Lead Independent Director

Mr Peter Anthony Smith
Executive Director

Mrs Shenaz Waples
Independent Non-Executive Director

Appointed Actuary for Generation Life Limited

Deloitte Consulting Pty Ltd
477 Collins Street
Melbourne VIC 3000

Company Secretary

Amanda Gawne

Registered Office

Level 17, 447 Collins Street
Melbourne VIC 3000

Telephone: +61 (3) 8601 2040
Fax: +61 (3) 9200 2281

Share Register

Automic Pty Limited
Level 5, 126 Phillip Street
Sydney NSW 2000

Banker

National Australia Bank
330 Collins Street
Melbourne VIC 3000

Auditor

KPMG
Tower Two, Collins Square
727 Collins Street
Melbourne VIC 3008

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