CPS 511 remuneration disclosure

2026

Health for good

Purpose

This disclosure has been prepared to satisfy the qualitative disclosure requirements set out in paragraphs 91–98 of CPS 511 Remuneration and reflects Westfund's remuneration arrangements during the reporting period ended 30 June 2026.

Westfund Limited (Westfund) is a non-significant financial institution (non-SFI) and, as such, is required to publicly disclose information regarding its remuneration framework and governance arrangements.

This disclosure outlines the governance, design and operation of Westfund's remuneration framework and demonstrates how remuneration outcomes support prudent risk management, effective accountability and alignment with Westfund's purpose as a not-for-profit private health insurer.

1. Remuneration Philosophy

Westfund is a not-for-profit private health insurer committed to delivering value to members and supporting the health and wellbeing of the communities it serves.

Westfund's remuneration philosophy is designed to:

- attract and retain suitably qualified and experienced people;
- support achievement of Westfund's strategic objectives;
- reinforce appropriate behaviours and accountability;
- encourage prudent risk-taking consistent with Westfund's Risk Appetite Statement;
- promote fair and equitable remuneration outcomes; and
- align with Westfund's mutual structure and member-focused ethos.

2. Governance of Remuneration

The Board has ultimate responsibility for overseeing Westfund's remuneration framework and ensuring the framework remains effective and compliant with CPS 511. The Board reviews the effectiveness of the Remuneration Policy at least annually and following any material changes to Westfund's remuneration arrangements.

The Board approves:

- the Remuneration Policy;
- remuneration arrangements applying to Specified Roles;
- remuneration outcomes for the Chief Executive Officer;
- remuneration outcomes for Non-Executive Directors;
- material amendments to remuneration frameworks; and
- this CPS 511 remuneration disclosure.

The Board is supported by the Remuneration and Nominations Committee. During the reporting period ended 30 June 2026, the Board met 7 times.

In determining remuneration outcomes, the Board exercises discretion having regard to:

- financial performance;
- risk management outcomes;
- conduct and behavioural outcomes;
- achievement of strategic objectives;
- accountability obligations;

- market conditions; and
- the long-term interests of members.

The Board may adjust remuneration outcomes, including determining that no discretionary remuneration payment will be made, where risk, conduct or accountability outcomes are inconsistent with Westfund's expectations.

3. Remuneration and Nominations Committee

The Remuneration and Nominations Committee assists the Board by overseeing remuneration matters and making recommendations to the Board. The Committee operates in accordance with its Board-approved Charter and undertakes an annual assessment of the effectiveness of Westfund's remuneration framework.

The Committee meets regularly throughout the year and comprises independent Non-Executive Directors. During the reporting period ended 30 June 2026, the Committee met 3 times.

As at the date of this disclosure, the Committee members are:

- Graeme Osborne (Chair);
- Jordan Tilse; and
- Geoff Wheeler.

The Committee's responsibilities include reviewing:

- the effectiveness of the Remuneration Policy;
- remuneration outcomes for Specified Roles;
- remuneration structures across the organisation;
- succession planning considerations;
- external remuneration benchmarking where appropriate; and
- the alignment of remuneration practices with Westfund's risk management framework.

The Committee provides recommendations to the Board for approval.

4. Role of Risk Management in Remuneration

Westfund's remuneration framework forms part of its broader governance and risk management framework. The remuneration framework is designed to support prudent risk-taking behaviours and aligns with Westfund's:

- Risk Management Framework;
- Risk Appetite Statement;
- Code of Conduct;
- Fit and Proper Framework;
- Consequence Management Framework; and
- Financial Accountability Regime obligations.

The Chief Risk Officer provides independent input into remuneration matters where appropriate, including independent consideration of whether remuneration outcomes appropriately reflect risk and conduct outcomes, including:

- material risk outcomes;
- conduct and behavioural outcomes;
- significant incidents or control failures;
- compliance with regulatory obligations;

- accountability outcomes; and
- the effectiveness of risk management practices.

The Chief Risk Officer has direct and unfettered access to:

- the Chair of the Board;
- the Chair of the Risk Committee;
- the Chair of the Audit Committee; and
- the Chair of the Remuneration and Nominations Committee.

The Risk Committee and Remuneration and Nominations Committee may seek independent advice from the Chief Risk Officer on remuneration matters affecting Specified Roles.

The Chief Executive Officer is responsible for reviewing the performance of the Chief Risk Officer. In undertaking this review, the Chief Executive Officer considers input from the Risk Committee regarding the Chief Risk Officer's effectiveness, independence and contribution to risk governance.

Remuneration recommendations relating to the Chief Risk Officer are subsequently considered through the Remuneration and Nominations Committee and Board approval process.

5. Specified Roles

For the purposes of CPS 511, Westfund has identified the following positions as Specified Roles:

Non-Executive Directors

All members of the Board.

Senior Managers

The Chief Executive Officer and direct reports to the Chief Executive Officer (excluding administrative roles) and including:

- Chief Risk Officer;
- Chief Financial Officer;
- Chief Health Care Services Officer
- Chief Operating Officer;
- Chief Customer Officer;
- Chief People Officer;
- Chief Information Officer;
- other Chief Officer roles reporting directly to the Chief Executive Officer from time to time; and

Risk and Financial Control Personnel

Personnel responsible for, internal audit, actuarial and financial control functions.

Westfund periodically reviews the appropriateness of Specified Role classifications to ensure roles with the capacity to materially affect Westfund's risk profile remain appropriately captured.

6. Remuneration Framework

Employee Group	Remuneration Framework
Non-Executive Directors	Board-approved director fee framework
Chief Executive Officer	Fixed remuneration and discretionary meritorious payment
Chief Officers	Fixed remuneration and discretionary meritorious payment
Employees covered by the Enterprise Agreement	Enterprise Agreement remuneration arrangements
Dentists and Optometrists	Individual clinical remuneration arrangements
Other employees	Individual employment contracts

7. Fixed Remuneration

Fixed remuneration comprises base salary, superannuation contributions and other approved employment benefits. These benefits may include, where applicable, subsidised Westfund private health insurance (currently a 30% premium discount for eligible employees) and other employment benefits approved by Westfund from time to time.

Fixed remuneration is determined having regard to:

- role scope and complexity;
- individual capability and experience;
- internal relativities;
- external market benchmarking where appropriate;
- affordability considerations; and
- Westfund's strategic objectives and member obligations.

Fixed remuneration represents the predominant component of remuneration across Westfund.

8. Enterprise Agreement Arrangements

Westfund maintains remuneration arrangements for employees covered by the Westfund Agreement 2023. The Enterprise Agreement establishes remuneration outcomes and employment conditions for covered employees, including agreed annual salary increases.

The Enterprise Agreement excludes certain employee groups, including the Chief Executive Officer, Chief Officers, Dentists and Optometrists.

The Board and Remuneration and Nominations Committee maintain oversight of workforce remuneration arrangements to ensure consistency with Westfund's remuneration principles.

The Board recognises the Enterprise Agreement as a key component of Westfund's remuneration framework and considers the impact of Enterprise Agreement outcomes when overseeing workforce remuneration practices.

9. Variable Remuneration

The Board has determined that formal short-term incentive (STI) and long-term incentive (LTI) arrangements are not consistent with Westfund's not-for-profit operating model. However, the Board may, at its discretion, approve meritorious payments for the Chief Executive Officer and Chief Officers in recognition of exceptional individual contributions. In determining whether a meritorious payment is appropriate, the Board considers both financial and non-financial measures, including risk management outcomes, conduct outcomes, achievement of strategic objectives and adherence to Westfund's values.

Meritorious payments:

- are discretionary;
- are not guaranteed;
- do not form part of Total Fixed Remuneration;
- are non-cumulative;
- are not linked to sales targets; and
- take into account risk and conduct outcomes.

The Board retains absolute discretion regarding whether any meritorious payment is awarded and may reduce or determine that no payment should be made where risk or conduct outcomes are inconsistent with Westfund's expectations.

10. Clinical Remuneration Arrangements

Certain clinical employees, including Dentists and Optometrists, may be subject to remuneration arrangements that differ from those applying to employees covered by the Enterprise Agreement.

These arrangements are designed to support the attraction and retention of suitably qualified clinicians while maintaining alignment with member interests, clinical governance requirements and Westfund's risk management framework.

Westfund seeks to ensure that remuneration outcomes:

- do not encourage inappropriate clinical decision-making;
- prioritise member interests;
- do not promote excessive risk-taking;
- remain consistent with Westfund's values and risk appetite; and
- are subject to appropriate management oversight.

Clinical remuneration arrangements are periodically reviewed to ensure they remain aligned with member outcomes, Westfund's risk management expectations and to ensure ongoing alignment with CPS 511 requirements.

11. Consequence Management

Westfund's remuneration framework supports appropriate consequence management. Remuneration decisions may take account of matters including:

- breaches of Westfund policies;
- material control failures;
- significant conduct issues;
- non-compliance with regulatory obligations;
- failures to meet accountability expectations; and
- outcomes inconsistent with Westfund's values.

Consequence management outcomes may include:

- performance management;
- training or development requirements;
- disciplinary action;
- adjustment to remuneration review outcomes;
- withholding of discretionary remuneration payments; or
- other employment actions considered appropriate in the circumstances.

Where relevant, remuneration outcomes will reflect consideration of risk, conduct and accountability outcomes.

12. Deferral Arrangements

Westfund does not have substantive STI and LTI arrangements and as such has determined that mandatory deferral arrangements are not required.

13. Key Management Personnel

Information relating to the remuneration of Directors and Key Management Personnel is disclosed in Note 26 of Westfund's Annual Financial Statements for the financial year ended 30 June 2026 which form part of Westfund's Annual Report.

14. Independent Advice and Benchmarking

Westfund may obtain independent remuneration advice and external market benchmarking information to support remuneration decisions.

Where independent remuneration advice is obtained, the Board considers the objectivity and independence of the advice and remains responsible for exercising independent judgement in determining remuneration outcomes.

15. Review of this Disclosure

This disclosure statement will be reviewed annually and updated as required to reflect material changes to Westfund's remuneration framework and applicable prudential requirements. The disclosure will be submitted to the Board for review and approval on an annual basis.

Approved by the Board of Westfund Limited on 20 August 2026.

Mark Genovese
Chief Executive Officer

Need to get in touch?
We're only a click or a call away.

Call us 1300 937 838
Monday – Friday
8am – 5pm (AEST)

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enquiries@westfund.com.au
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