Codan Limited

ACN 007 590 605

Notice of Annual General Meeting

Explanatory Notes

Date of meeting

Tuesday, 20th October 2026

Time of meeting

11.00am (Adelaide time)

The meeting will be held as a **hybrid meeting** as follows:

In person: The Courtside Room, The Drive, War Memorial Drive, North Adelaide, South Australia

Virtual meeting link: https://meetnow.global/MSVY7GT

Shareholders are encouraged to participate in the meeting in person or via the virtual meeting link provided.

> This Notice of Annual General Meeting should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Notice of Annual General Meeting

Codan Limited ACN 007 590 605 (**Company**) will hold an annual general meeting on Tuesday 20 October 2026 at **11.00am** (Adelaide time).

Voting

Voting in person

To vote in person, attend the meeting on Tuesday 20 October 2026 at 11.00am (Adelaide time) at The Courtside Room, at The Drive, War Memorial Drive, North Adelaide, South Australia.

Voting virtually during the meeting

Shareholders who wish to vote virtually on the day of the meeting will need to visit https://meetnow.global/MSVY7GT on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Edge or Firefox).

Online voting registration will commence 30 minutes prior to the start of the meeting. For full details on how to log on and vote online, please refer to the user guide which can be accessed at www.computershare.com.au/virtualmeetingguide.

Voting in advance

Shareholders can vote in advance of the meeting by completing and lodging a valid proxy form (see further below for information on completing and returning proxy forms).

Please refer to the further voting and proxy instructions on page 8.

Questions from shareholders

Shareholders are encouraged to submit written questions in advance of the meeting, including questions for the Company's auditor. This can be done by emailing investors@codan.com.au. Please specify that your question relates to the annual general meeting and if it is a question for the auditor. The written questions must be received no later than 5.00pm (Adelaide time) on 13 October 2026 to be considered in advance of the meeting.

Shareholders will also have the opportunity to submit questions during the meeting in respect of the formal items of business. The chair of the meeting will respond to the questions during the meeting.

How to participate in the meeting

If you elect not to attend the meeting in person, you will be able to listen to and observe the meeting, cast an online vote and ask questions online through the online platform at https://meetnow.global/MSVY7GT

To participate and vote online, shareholders will need their Shareholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) (which is shown on the front of their holding statement or Proxy Form), and their postcode (or country code if outside Australia). Attorneys and corporate representatives can log in to the online platform using the SRN/HIN of the relevant shareholder.

Any appointed proxyholders should contact the Company's share registry, Computershare Investor Services on **+61 3 9415 4024** to receive their login information.

Resolutions by Poll

All resolutions will be conducted by poll in accordance with the requirements of section 250JA of the *Corporations Act 2001* (Cth) (**Corporations Act**).

Technical Difficulties

Technical difficulties may arise during the course of the meeting. The chair of the meeting has discretion whether and how the meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the chair of the meeting will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected.

Where the chair of the meeting considers it appropriate, the chair of the meeting may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to submit a directed proxy in advance of the meeting in accordance with the instructions below, so that votes can still be counted even if you plan to attend the meeting online.

AGENDA

GENERAL BUSINESS

2026 Financial Statements

To receive, consider and discuss the Company's financial statements and the report of the directors and auditor for the year ended 30 June 2026.

ORDINARY BUSINESS

Resolution 1

Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That the remuneration report for the year ended 30 June 2026 be adopted for the purpose of section 250R(2) of the Corporations Act."*

Note: Section 250R(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**) provides that the vote on this resolution is advisory only and does not bind the directors or the Company.

Voting Restriction

In accordance with the Corporations Act, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by or on behalf of a member of the key management personnel, details of whose remuneration are included in the remuneration report, and any closely related party of such a member. However, the member or any closely related party of such a member may vote if:

(a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution, or by a person who is the chair of the meeting at which the resolution is voted on and the appointment does not specify the way the proxy is to vote and expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel; and

(b) it is not cast on behalf of the member or any closely related party of such a member.

Resolution 2

Re-election of Director – Mr Graeme Barclay

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That Mr Graeme Barclay, a director retiring by rotation in accordance with the Company's constitution and being eligible for re-election, be re-elected as a director of the Company."*

Resolution 3

Re-election of Director – Mr Heith Mackay-Cruise

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That Mr Heith Mackay-Cruise, a director retiring by rotation in accordance with the Company's constitution and being eligible for re-election, be re-elected as a director of the Company."*

SPECIAL BUSINESS

Resolution 4

Approval of the grant of Performance Rights to Mr Alfonzo Ianniello – STI

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That, for the purposes of ASX Listing Rule 10.14, approval is given for the grant of performance rights to Mr Alfonzo Ianniello under the Codan Limited Share Rights Plan, of up to 54,752, being the maximum number that may be granted as part of his short-term incentive for FY27. For each of FY28 and FY29, the maximum number of performance rights will be calculated on the same basis as the FY27 grant, as outlined in the Explanatory Notes, under the Codan Limited Share Rights Plan."*

Voting Exclusions and Voting Restrictions

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of this resolution by or on behalf of any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Codan Limited Share Rights Plan or an associate of any such persons. However, this does not apply to a vote cast in favour of a resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, in accordance with the Corporations Act, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the key management personnel, or any closely related party of such a member, acting as proxy, if their appointment does not specify the way the proxy is to vote on this resolution. However, the member or any closely related party of such a member may vote if they are the chair of the meeting at which the resolution is voted on and the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

Resolution 5

Approval of the grant of Performance Rights to Mr Alfonzo Ianniello – LTI

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

> *"That, for the purposes of ASX Listing Rule 10.14, approval is given for the grant of 63,878 performance rights to Mr Alfonzo Ianniello as part of his long-term incentive for FY27 under the Codan Limited Share Rights Plan."*

Voting Exclusions and Voting Restrictions

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of this resolution by or on behalf of any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Codan Limited Share Rights Plan or an associate of any such persons. However, this does not apply to a vote cast in favour of a resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, in accordance with the Corporations Act, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the key management personnel, or any closely related party of such a member, acting as proxy, if their appointment does not specify the way the proxy is to vote on this resolution. However, the member or any closely related party of such a member may vote if they are the chair of the meeting at which the resolution is voted on and the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

Resolution 6
Remuneration of Non-Executive Directors To consider and, if thought fit, to pass the following resolution as an ordinary resolution: *"That, for the purposes of ASX Listing Rule 10.17 and clause 9.9(a) of the Company's constitution, shareholders approve an increase to the maximum total aggregate amount of fees payable to Non-Executive Directors from $1,200,000 per annum to $1,800,000 per annum, in accordance with the terms and conditions set out in the Explanatory Memorandum."*
Voting Exclusions and Voting Restrictions In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of this resolution by or on behalf of the directors of the Company, who are excluded from voting, or an associate of the directors of the Company. However, this does not apply to a vote cast in favour of a resolution by: (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: • the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and • the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way. Further, in accordance with the Corporations Act, a vote must not be cast on this resolution (and will be taken not to have been cast if cast contrary to this restriction) by a member of the key management personnel, or any closely related party of such a member, acting as proxy, if their appointment does not specify the way the proxy is to vote on this resolution. However, the member or any closely related party of such a member may vote if they are the chair of the meeting at which the resolution is voted on and the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

VOTING AND THE PROXY

For the purpose of determining the voting entitlements at the meeting, the board of directors of the Company (**Board**) has determined that shares in the Company will be taken to be held by the registered holders of those shares at 6.30pm (Adelaide time) on 18 October 2026. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

A shareholder who is entitled to participate in and vote at the meeting has the right to appoint a proxy or proxies to participate or vote on the shareholder's behalf. A proxy form is enclosed with this Notice. The proxy or proxies do not need to be a shareholder of the Company. A shareholder that is a body corporate may appoint a representative to attend in accordance with the Corporations Act.

A shareholder entitled to cast two or more votes is entitled to appoint two proxies. Where two proxies are appointed, each appointment may specify the proportion of the shareholder's voting rights that the proxy may exercise. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes able to be cast by the appointing shareholder.

The proxy form (and any power of attorney under which it is signed) must be received at the address below not later than 11.00am (Adelaide time) on 18 October 2026 (being 48 hours before the commencement of the meeting). Any proxy forms received after that time will not be valid for the meeting.

Completed proxy forms should be sent to the Company's share registrar, Computershare Investor Services Pty Ltd as follows:

Online:	www.investorvote.com.au To use this facility, you will need your holder number (HIN or SRN), postcode and control number displayed on your proxy form
By mail:	Codan Limited C/- Computershare Investor Services Pty Ltd GPO Box 242 MELBOURNE VIC 3001 Australia
By fax:	Codan Limited C/- Computershare Investor Services Pty Ltd (within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555
Custodian voting:	For Intermediary Online subscribers only: www.intermediaryonline.com

DATED THIS 17TH DAY OF SEPTEMBER 2026
BY ORDER OF THE BOARD

Daniel Widera
Company Secretary

Explanatory Notes

These Explanatory Notes have been prepared to provide shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of the Company.

The directors recommend shareholders read these Explanatory Notes in full before making any decision in relation to the resolutions. The directors also recommend shareholders read the instructions on the proxy form in full if they intend to vote by proxy.

GENERAL BUSINESS

Receiving financial statements and reports

The Corporations Act requires that shareholders consider the annual consolidated financial statements and reports of the directors and auditor every year.

Shareholders attending the annual general meeting virtually will be given a reasonable opportunity:

(a) to ask questions about or make comments on the management of the Company; and

(b) to ask the Company's auditor or the auditor's representative questions relevant to:

 (1) the conduct of the audit;

 (2) the preparation and content of the auditor's report;

 (3) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and

 (4) the independence of the auditor in relation to the conduct of the audit.

A shareholder of the Company who is entitled to cast a vote at the annual general meeting may submit a written question to the auditor if the question is relevant to:

(a) the content of the auditor's report to be considered at the annual general meeting; or

(b) the conduct of the audit of the annual financial report to be considered at the annual general meeting.

A written question may be submitted by giving the question to the Company no later than 13 October 2026, being the fifth business day before the day on which the annual general meeting is to be held, and the Company will then, as soon as practicable after the question has been received, pass the question on to the auditor. At the annual general meeting the Company will allow a reasonable opportunity for the auditor or the auditor’s representative to answer such written questions submitted to the auditor.

No resolution is required to be moved in respect of this item of General Business.

ORDINARY BUSINESS

Resolution 1 – Adoption of Remuneration Report

The remuneration report of the Company for the financial year ended 30 June 2026 is contained in the 2026 Annual Report, which either accompanies this Notice or is available on the Company's website: http://codan.com.au/investor-centre/annual-reports. The Annual Report is also available on the following website: www.investorvote.com.au.

Section 300A of the Corporations Act requires the directors to include a remuneration report in their report for the financial year. Section 250R(2) requires the remuneration report be put to a vote at the Company's annual general meeting. The vote on the resolution is advisory only and does not bind the directors or the Company.

Directors' Recommendation

The directors recommend that the shareholders vote in favour of Resolution 1.

Resolution 2 – Re-election of Director – Mr Graeme Barclay

Graeme was appointed to the Codan board in 2015 and became Chair in February 2023. During the period FY24-FY26, all of which Graeme was Chair for, an investment in Codan has delivered Total Shareholder Returns (TSR) of 486% on a dividend adjusted basis.

Graeme is a former CEO and Chartered Accountant with 40 years' experience in professional services, investment banking, broadcast and telecommunications infrastructure businesses.

Over the past 20 years Graeme has held Executive Chair or Group CEO roles at BAI Communications, Transit Wireless LLC (New York), Nextgen Networks, Metronode data centres, Axicom group (formerly Crown Castle Australia), and GreenSquare DC. For 8 years between 2002 and 2009 he was also an executive director in Macquarie Group's infrastructure group. In these roles, Graeme was responsible for all aspects of leadership and management, strategy, M&A, sales and business development, contract delivery and operations, as well as implementing the appropriate capital structure and raising equity and third-party debt for these businesses in Australia, UK, Hong Kong, Singapore, Canada, USA and New Zealand.

Over the past 20 years in these businesses, Graeme led and completed more than 20 acquisition and divestment transactions including the sale of Nextgen Networks to Vocus for $820 million in 2016 and the sale of Metronode DC to Equinix for $1.04 billion in 2018. In his role as Chair of Uniti Group Limited (ASX: UWL), he led the company from a market capitalisation of $30 million at IPO in February 2019, including the completion and integration of 10 acquisition transactions, to a successful divestment via a Scheme of Arrangement to a consortium of investors led by HRL Morrison and Brookfield Asset Management at an enterprise value of $3.8 billion in less than 4 years (August 2022).

In addition, included in his prior board appointments are: Aussie Broadband Limited (ASX:ABB, appointed April 2025 and resigned February 2026), Arqiva Limited (institutionally owned UK telecommunications infrastructure group), Chair of the main board and of the ARC for Nextgen group (Ontario Teachers' Pension Plan majority owned fibre network and data centre owner), NED and member of the ARC of Axicom Group (institutionally owned mobile tower business), and from September 2018 until August 2022, Chair of Uniti Group Limited (ASX:UWL).

Graeme is currently Executive Chair and a director of GreenSquare DC, an institutionally owned data centre owner and operator.

Graeme holds an honours economics degree, is a Chartered Accountant in both Scotland and Australia/NZ and is a Fellow of CISI.

In accordance with clause 9.3 of the Company's constitution, Mr Barclay is required to retire and being eligible, has offered himself for re-election at this annual general meeting.

Accordingly, Resolution 2 provides for the re-election of Mr Barclay as a director of the Company.

Directors' Recommendation

Other than Mr Barclay (who is standing for re-election), the directors recommend that the shareholders vote in favour of Resolution 2.

Resolution 3 – Re-election of Director – Mr Heith Mackay-Cruise

Heith was appointed to the Board in March 2023 and has been involved in the media, education and technology sectors over the past 30 years. For the period FY24-FY26, all of which Heith has been a Board member, an investment in Codan has delivered Total Shareholder Returns (TSR) of 486% on a dividend adjusted basis. Heith was made Chair of the People, Remuneration & Nominations Committee in March 2026.

Heith is currently a National Board Director of the Australian Institute of Company Directors. Heith was a non-executive Chair of both Southern Cross Media Group Limited (ASX:SXL) from October 2020 to June 2026 and Straker (ASX:STG) from July 2022 to July 2024. Heith is a past Chair of Literacy Planet, hipages Group (ASX:HPG) and the Vision Australia Foundation as well as a previous non-executive Director of LifeHealthcare and Bailador Technology Investments (ASX:BTI).

In Heith's prior executive career, he was the founding CEO of Sterling Early Education, the Global CEO and Managing Director of Study Group, and CEO for PBL Media New Zealand. Heith also held senior executive positions with Australian Consolidated Press and worked in sales and marketing roles for PepsiCo around Australia.

During his tenure at Southern Cross Media Group, Heith led the landmark merger with Seven West Media, and as Global CEO of Study Group, he trebled the profits of the international education business ahead of a highly successful sale to private equity, as well as leading hipages Group to a five-times return for shareholders as Chair.

Heith is a mentor with Kilfinan Australia, a Fellow of the Australian Institute of Company Directors and has a Bachelor of Economics degree from the University of New England.

In accordance with clause 9.3 of the Company's constitution, Mr Mackay-Cruise is required to retire and being eligible, has offered himself for re-election at this annual general meeting.

Accordingly, Resolution 3 provides for the re-election of Mr Mackay-Cruise as a director of the Company.

Directors' Recommendation

Other than Mr Mackay-Cruise (who is standing for re-election), the directors recommend that the shareholders vote in favour of Resolution 3.

SPECIAL BUSINESS

Resolution 4 - Approval of the grant of Performance Rights to Mr Alfonzo Ianniello – STI

Background

At the 2004 AGM, shareholders approved the establishment of a plan called the Performance Rights Plan as part of the overall remuneration strategy of the Company. In 2024, the Company amended its Performance Rights Plan and renamed it the "Share Rights Plan" (**Plan**). The Plan provides for the issue of performance rights (**Performance Rights**) to executives of the Company invited by the Board to participate in the Plan. The exercise of Performance Rights results in the issue of fully paid ordinary shares in the Company (**Shares**). A copy of the Plan Rules is available on the Company's website www.codan.com.au, and a summary of the material terms of the Plan Rules is set out in Annexure B.

The Plan's objective is to focus the CEO and other participants on the creation of sustainable shareholder value. Details of the Company's executive remuneration philosophy and objectives can be found in the 2026 Annual Report.

From 4 January 2022 until the date of this Notice, Mr Ianniello has been issued (at a nil issue price) a total of:

- 359,109 Performance Rights as part of his long-term incentive (**LTI**), which includes a long-term superior performance incentive (**SPI**) component, of which 116,114 have vested and 40,714 have lapsed; and
- 111,594 Performance Rights as part of his short-term incentive (**STI**) under the Plan, all of which have vested.

As a result, a total of 227,708 Shares in the capital of the Company have been issued to Mr Ianniello of which 187,234 Shares are held by Mr Ianniello at the date of this Notice.

Codan's Performance in the FY24-FY26 Period

The Board notes the exceptional performance of the Company under Mr Ianniello's leadership over the past 3 years as set out in the following summary tables:

Group Performance	2026	2025	2024
Revenue ($000)	$874,965	$674,226	$550,459
Earnings before interest and taxes ($000)	$244,078	$145,972	$113,927
Profit attributable to shareholders ($000)	$175,176	$103,493	$81,387
Earnings per share, basic	96.5c	57.1c	45.0c

During this period shareholders have received the following:

Share Price Performance and Dividends	2026	2025	2024
Share price performance (%)	+119.5%	+67.2%	+49.8%
Dividend per share	48.5c	28.5c	22.5c

Over the 3-year period FY24-FY26, Codan shareholders have received a TSR of 486%, and Codan ranked as the top performing company in relative TSR performance compared to its peer group on a dividend adjusted basis.

Rationale for Revised Contract of Employment for Mr Ianniello

For the reasons set out in the preceding section, the Board has determined to retain and secure the commitment of Mr Ianniello to continue as Codan's CEO and has negotiated a revised contract of employment with Mr Ianniello that the Board believes incentivises him to deliver superior returns for shareholders. The key terms of the remuneration package are set out in the resolutions below. The Board used an external remuneration consulting firm to prepare benchmarking of Mr Ianniello's remuneration using a peer group with a market capitalisation of between 75% to 150% of Codan's market capitalisation, excluding financial services and companies with a CEO located outside of Australia.

Accordingly, under the revised contract of employment terms Mr Ianniello is invited by the Board, and is entitled, to participate in the Plan for FY27, FY28 and FY29 and to be issued with Performance Rights as part of his STI if approved by shareholders at this AGM. A minimum of 60% of Mr Ianniello's STI is payable in Performance Rights.

On cessation of employment, Mr Ianniello will be entitled to pro-rata treatment of outstanding LTI awards where at least 50% of the performance period has elapsed, provided he is not a bad leaver and did not give notice before 1 January 2030. The same applies if the Company terminates without cause, subject in each case to the applicable performance conditions.

Details of any Performance Rights and Shares issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14, who become entitled to participate in an issue of Performance Rights under the Plan after the resolution is approved and who were not named in the notice of meeting, will not participate until approval is obtained under that rule.

Use of Performance Rights - STI

The Board considers that at least 60% of Mr Ianniello's STI, which is subject to the performance hurdle described below under the heading 'Performance Hurdle', should be satisfied by the issue of Performance Rights to more appropriately align Mr Ianniello's short-term incentive with the interests of shareholders, whilst also structured to encourage Mr Ianniello's retention.

The Board considers the use of Performance Rights as part of the STI is superior to alternative forms of incentives, such as cash, on the basis that the Performance Rights vest and become exercisable and the consequential issuing of Shares in the capital of the Company to Mr Ianniello mean that Mr Ianniello's shareholding in the Company increases, and this creates further alignment with maximising returns for shareholders.

FY27 remuneration for Mr Ianniello

Mr Ianniello's total remuneration package, effective from 1 July 2026, comprises:

- fixed remuneration of $1,800,000 (inclusive of superannuation);
- a short-term incentive of $1,800,000 (assuming Target performance metrics are achieved, representing 100% of fixed remuneration), and an opportunity to receive a maximum short-term incentive up to 150% of fixed remuneration, capped, of $2,700,000; and
- a long-term incentive of $1,350,000 at target (being 75% of fixed remuneration) and $3,150,000 at maximum (being 175% of fixed remuneration) depending on achievement of performance metrics over the three-year measurement period, through the issue of the Performance Rights (subject to shareholder approval) calculated in the manner set out under the heading 'Issue of Performance Rights (LTI)'.

The short-term incentive has a Threshold, Target and Maximum percentage of fixed remuneration that can apply (as set out under the heading 'Performance Hurdle' below).

Mr Ianniello's short-term incentive is subject to meeting the performance hurdles set out below. At least 60% of Mr Ianniello's short-term incentive is to be equity-based in the form of Performance Rights, with the remaining 40% to be cash or equity delivered in the form of Performance Rights (at Mr Ianniello's election), and in the case of the Performance Rights these are subject to shareholder approval.

Shareholders are referred to the 2026 Remuneration Report for further details of Mr Ianniello's remuneration in FY26. The Company has not obtained an independent valuation of the Performance Rights.

The value attributed by the Company to the Performance Rights (STI) (as described above and assuming the issue of the Performance Rights is approved), is based on the Company's contractual obligation to provide Mr Ianniello an STI in accordance with the table below under heading 'Performance Hurdle'.

However, it is important to note that the issue of Performance Rights means that the actual value (if any) of the Performance Rights that Mr Ianniello will receive depends on the extent to which the applicable performance hurdles are met, the volume weighted average share price at the applicable time, the share price at the date of exercise of the Performance Rights and at the date that he sells the underlying Shares.

Based on the above, the Company considers that the value of Mr Ianniello's total remuneration package for FY27 is $4,950,000 as set out in the table below. The maximum potential remuneration for FY27 is $7,650,000 requiring the achievement of all stretch targets set by the Board, noting the LTI elements of remuneration require 3-year performance targets (FY27-FY29) to be achieved.

If shareholders approve this Resolution 4 (and also approve Resolution 5 in relation to long term incentive), Mr Ianniello's remuneration package for FY27 would be:

FY27 Remuneration (maximum)	At Threshold	At Target	At Maximum
Fixed remuneration	$1,800,000	$1,800,000	$1,800,000
Short term incentive (Resolution 4)	$720,000	$1,800,000	$2,700,000
Long term incentive (Resolution 5)	$675,000	$1,350,000	$3,150,000
Total Remuneration	**$3,195,000**	**$4,950,000**	**$7,650,000**

Reason for Shareholder Approval

ASX Listing Rule 10.14 requires that a company obtain shareholder approval for the issue of securities under an employee incentive scheme to a director, an associate of a director or a person whose relationship with the company, a director or an associate of a director is such that ASX considers approval should be obtained. Accordingly, as Mr Ianniello is a director of the Company and falls within the category in ASX Listing Rule 10.14.1, shareholder approval is sought for the issue to Mr Ianniello of Performance Rights under the Plan. If approval is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

The Performance Rights (STI) will only be granted to Mr Ianniello subject to the satisfaction of performance hurdles, details of which are summarised below. Once they are granted, they will immediately vest and become exercisable into Shares. Should shareholders not approve the granting of Performance Rights (STI), Mr Ianniello will not be issued with Performance Rights (STI), instead the STI will be wholly cash based.

Issue and Vesting of Performance Rights (STI)

The Company proposes to issue to Mr Ianniello Performance Rights calculated in accordance with the below formula no later than 1 month after the release of the Company's relevant financial year results for FY27, FY28 and FY29.

Other than the Performance Rights (LTI) the subject of Resolution 5, no other Performance Rights are being offered to the Company's directors (or other related parties), therefore this is the maximum number of Performance Rights that may be acquired by all persons for whom approval is required.

The maximum number of Performance Rights (STI) to be issued in relation to Mr Ianniello's STI for each of FY27, FY28 and FY29 will be calculated in accordance with the following formula:

$$\frac{\text{Equity Component of STI awarded}}{\text{VWAP}}$$

- Where STI equals the amount of the short-term incentive awarded to Mr Ianniello for the relevant financial year to be applied towards the issue of Performance Rights (STI), such amount to be at least 60% of the aggregate short-term incentive awarded or such greater amount (up to 100% short-term incentive awarded to Mr Ianniello for the relevant financial year) if elected by Mr Ianniello; and
- Where the VWAP is the volume weighted average of the market prices at which Shares were traded on ASX for the five trading days following the release of the Company's prior year financial year results.

Once the Performance Rights (STI) for the relevant financial year are granted, they will immediately vest and become exercisable.

For the purposes of Mr Ianniello's FY27 STI, the total value of performance rights available to be issued to Mr Ianniello (with 40% subject to his election) will be equal to the FY27 STI that is awarded, divided by the VWAP at which Shares were traded on ASX for the five trading days following the release of the Company's FY26 results, being $49.3125. Therefore, for the purposes of FY27 STI, Mr Ianniello may be granted up to 54,752 Performance Rights, being the maximum number that may be granted as part of his short-term incentive for FY27.

Performance Hurdle

At the start of each financial year a scorecard of objectives is determined by the Board. At the end of the year the Board will undertake a rigorous assessment of actual performance against each of the metrics. The Board has the discretion to increase or decrease the STI allocated to Mr Ianniello taking into account individual performance, approach to business risks and adherence to the Company's values.

The Company's performance against targets will be disclosed retrospectively noting that the actual targets for FY27 (and future years) are not disclosed as they are commercially sensitive. The Performance Objectives are summarised as follows:

Measure	Rationale	Measurement
Profitability	Financial metric that measures the performance of the business	Group EBIT
Cash Flow	Financial metric focused on cash generation	Operating and investing cashflow performance
Non-financial	Importance of maintaining appropriate standards, accreditations and outcomes across key non-financial areas of the business.	Performance against agreed non-financial objectives.

The Board sets a minimum performance threshold, which acts as a gate, typically around 90% of target levels. A maximum level of performance is typically 110% to 120% of the target performance level. The percentage of STI paid will depend on actual performance and the weighting of the measures. The table below provides an illustration.

Performance against STI objectives	Percentage of STI paid
Less than threshold	0%
Equal to threshold	40% of fixed remuneration
More than threshold, less than target	Pro-rated vesting from 40% to 100% of fixed remuneration
Target	100% of fixed remuneration
More than target, less than Maximum	Pro-rated vesting from 100% to 150% of fixed remuneration
Maximum	150% of fixed remuneration

The above percentages are calculated against the target STI amount and maximum STI amount which is 100% ($1.8m) and 150% ($2.7m) of fixed remuneration respectively for Mr Ianniello.

Issue Price and Exercise Price

Each Performance Right will be issued to Mr Ianniello for no consideration and will have a nil exercise price. As such, there are no loans in relation to this acquisition. When a Performance Right (STI) vests it allows Mr Ianniello (or his nominee) to exercise the Performance Right and be issued with a Share.

Restriction on the disposal of Shares

90% of any Shares issued on exercise of the Performance Rights (STI) will be restricted from disposal for a further period of one year from the date of issue of the Shares. The remaining 10% of the Shares issued on exercise of the Performance Rights (STI) will be restricted from disposal until 12 months after cessation of Mr Ianniello's employment with the Company. Any Shares that remain restricted shall be at risk of forfeiture in the event that Mr Ianniello:

- perpetuates fraud;
- acts dishonestly;
- commits a breach of his obligations to the Company;
- provides services to a competitor of the Company; or
- engages in activity that in the opinion of the Board is detrimental to the Company.

Further key terms of the Performance Rights (STI)

Further key terms of the Performance Rights (STI) are set out in Annexure A of this Notice.

Directors' Recommendation

Other than Mr Ianniello (to whom the Performance Rights (STI) are to be issued), the directors recommend that shareholders approve the grant of the Performance Rights (STI) contemplated by Resolution 4.

Resolution 5 - Approval of the grant of Performance Rights to Mr Alfonzo Ianniello – LTI

Background

At the 2004 AGM, shareholders approved the establishment of a plan called the Performance Rights Plan as part of the overall remuneration strategy of the Company. In 2024, the Company amended its Performance Rights Plan and renamed it the "Share Rights Plan" (**Plan**). The Plan provides for the issue of performance rights (**Performance Rights**) to executives of the Company invited by the Board to participate in the Plan. The exercise of Performance Rights results in the issue of fully paid ordinary shares in the Company (**Shares**). A copy of the Plan Rules is available on the Company's website www.codan.com.au, and a summary of the material terms of the Plan Rules is set out in Annexure B.

The Plan's objective is to focus the CEO and other participants on the creation of sustainable shareholder value. Details of the Company's executive remuneration philosophy and objectives can be found in the 2026 Annual Report.

From 4 January 2022 until the date of this Notice, Mr Ianniello has been issued (at a nil issue price) a total of:

- 359,109 Performance Rights as part of his long-term incentive (**LTI**), which includes a long-term superior performance incentive (**SPI**) component, under the Plan (at a nil issue price), of which 116,114 have vested and 40,714 have lapsed; and
- 111,594 Performance Rights as part of his short-term incentive (**STI**) under the Plan, all of which have vested.

As a result, a total of 227,708 Shares in the capital of the Company have been issued to Mr Ianniello of which 187,234 Shares are held by Mr Ianniello at the date of this Notice.

Mr Ianniello has again been invited by the Board, and is entitled, to participate in the Plan for FY27 and to be issued with Performance Rights as part of his LTI if approved by shareholders at this AGM.

Details of any Performance Rights and Shares issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14, who become entitled to participate in an issue of Performance Rights under the Plan after the resolution is approved and who were not named in the notice of meeting, will not participate until approval is obtained under that rule.

LTI Structure

The FY27 LTI plan has been revised to consolidate the existing LTI and SPI arrangements into a single equity-based incentive plan focused on multi-year performance and the creation of sustainable shareholder value.

The FY27 LTI will be measured over the FY27 to FY29 performance period by reference to growth in Earnings Per Share (**EPS**), measured on a compound annual growth rate (**CAGR**) basis, weighted at 75% and Relative Total Shareholder Return (**RTSR**), weighted at 25%. The EPS performance hurdles have been set for the 3-year performance period at 13% CAGR at Threshold, 16% CAGR at Target and 22% CAGR at Maximum versus the FY26 baseline, with straight-line vesting between each performance point.

The FY27 LTI provides for a maximum opportunity of 175% of fixed remuneration, with the level of reward ultimately delivered dependent on Codan's performance against the applicable EPS and RTSR hurdles over the performance period.

Use of Performance Rights - LTI

The Board considers that the issue of Performance Rights (LTI) to Mr Ianniello, which are subject to the performance metrics described below under the heading 'Performance Hurdle', provide a long-term incentive to Mr Ianniello to work towards maximising returns for shareholders and to encourage Mr Ianniello's retention.

The Board also considers the use of Performance Rights for the LTI is superior to alternative forms of incentives, such as cash, on the basis that the Performance Rights vest and become exercisable and the consequential issuing of Shares in the capital of the Company to Mr Ianniello mean that Mr Ianniello's shareholding in the Company increases, and this creates further alignment with maximising returns for shareholders. In particular, shareholders should note the minimum two-year holding requirement on all rights that vest and become shares in Codan, which creates further long-term equity ownership and alignment with shareholders' interests.

Summary of Codan's Performance over the past 3 years

The Codan group's performance under Mr Ianniello's leadership as CEO over the last 3 years has been as set out in the table:

Group Performance	2026	2025	2024
Revenue ($000)	$874,965	$674,226	$550,459
Earnings before interest and taxes ($000)	$244,078	$145,972	$113,927
Profit attributable to shareholders ($000)	$175,176	$103,493	$81,387
Earnings per share, basic	96.5c	57.1c	45.0c

During this period shareholders have received the following:

Share Price Performance and Dividends	2026	2025	2024
Share price performance (%)	+119.5%	+67.2%	+49.8%
Dividend per share	48.5c	28.5c	22.5c

Over the 3-year period FY24-FY26, Codan shareholders have received a TSR of 486%, and Codan ranked first in the applicable peer group on a dividend adjusted basis.

Rationale for Revised Contract of Employment for Mr Ianniello

For the reasons set out in the preceding section, the Board has determined to retain, and secure the commitment of, Mr Ianniello to continue as Codan's CEO for the next 4 years (minimum) and has negotiated a revised contract of employment with Mr Ianniello covering the 4-year period from 1 July 2026 to 30 June 2030 (including agreed pro-rata treatment of outstanding LTI awards on cessation), the key terms of which are fixed for the period and are set out in the resolutions below.

FY27 remuneration for Mr Ianniello

Mr Ianniello's total remuneration package, effective from 1 July 2026, comprises:

- fixed remuneration of $1,800,000 (inclusive of superannuation);
- a short-term incentive of $1,800,000 (assuming Target performance metrics are achieved, representing 100% of fixed remuneration), and an opportunity to receive a maximum short-term incentive up to 150% of fixed remuneration, capped, of $2,700,000; and
- a long-term incentive of $1,350,000 at target (being 75% of fixed remuneration) and $3,150,000 at maximum (being 175% of fixed remuneration) depending on achievement of performance metrics over the three-year measurement period, through the issue of the Performance Rights (subject to shareholder approval) calculated in the manner set out under the heading 'Issue of Performance Rights (LTI)'.

Shareholders are referred to the remuneration report for further details of Mr Ianniello's remuneration. The Company has not obtained an independent valuation of the Performance Rights.

The value attributed by the Company to the Performance Rights (LTI) (as described above and assuming the issue of the Performance Rights is approved), is based on the Company's contractual obligation to issue to Mr Ianniello the opportunity to acquire that value of Shares through the issue of the number of Performance Rights calculated in accordance with the formula outlined below under the heading 'Issue of Performance Rights (LTI)'.

However, it is important to note that the issue of Performance Rights means that the actual value (if any) of the Performance Rights that Mr Ianniello will receive depends on the extent to which the applicable performance hurdles are met, the volume weighted average share price at the applicable time, the share price at the date of exercise of the Performance Rights and at the date that he sells the underlying Shares.

Based on the above, the Company considers that the value of Mr Ianniello's total remuneration package for FY27 is $4,950,000 as set out in the table below. The maximum potential remuneration for FY27 is $7,650,000 requiring the achievement of all stretch targets set by the Board, noting the LTI elements of remuneration require 3-year performance targets (FY27-FY29) to be achieved.

If shareholders approve this Resolution 5 (in addition to approving Resolution 4 set out above), Mr Ianniello's remuneration package for FY27 would be:

FY27 Remuneration (maximum)	**At Threshold**	**At Target**	**At Maximum**
Fixed remuneration	$1,800,000	$1,800,000	$1,800,000
Short term incentive (Resolution 4)	$720,000	$1,800,000	$2,700,000
Long term incentive (Resolution 5)	$675,000	$1,350,000	$3,150,000
Total Remuneration	**$3,195,000**	**$4,950,000**	**$7,650,000**

Reason for Shareholder Approval

ASX Listing Rule 10.14 requires that a company obtain shareholder approval for the issue of securities under an employee incentive scheme to a director, an associate of a director or a person whose relationship with the company, a director or an associate of a director is such that ASX considers approval should be obtained. Accordingly, as Mr Ianniello is a director of the Company and falls within the category in ASX Listing Rule 10.14.1, shareholder approval is sought for the issue to Mr Ianniello of Performance Rights under the Plan. If approval is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1.

The Performance Rights (LTI) to be granted to Mr Ianniello are in effect conditional entitlements, which may vest and become exercisable subject to the satisfaction of performance hurdles, details of which are summarised below. Should shareholders not approve the granting of Performance Rights (LTI), Mr Ianniello will not be issued with Performance Rights (LTI), instead the LTI will be wholly cash based.

Issue of Performance Rights (LTI)

The Company proposes to issue 63,878 Performance Rights (LTI) to Mr Ianniello no later than one month after the date of the AGM.

Other than the Performance Rights (STI) the subject of Resolution 4 and no other Performance Rights are being offered to the Company's directors (or other related parties), therefore this is the maximum number of Performance Rights that may be acquired by all persons for whom approval is required.

The number of Performance Rights (LTI) has been calculated in accordance with the following formula:

$$100\% \quad \times \quad \frac{\text{(Maximum LTI)}}{\text{VWAP}}$$

- Where Maximum LTI equates to Mr Ianniello's maximum LTI as Managing Director for FY27 which is $3,150,000; and
- VWAP = $49.3125 which is the volume weighted average of the market prices at which Shares were traded on ASX for the five trading days following the release of the Company's FY26 results, commencing on 21 August 2026 and ending on close of business 27 August 2026.

Exercise of Performance Rights (LTI)

Performance Rights are exercisable:

- if the Company meets the performance hurdle during the performance period;
- at the discretion of the Board, if an event occurs such as a takeover bid for, or the winding up of, the Company; or
- if the Board allows early exercise on the cessation of employment in certain circumstances.

Performance Period

The performance period is the period commencing on 1 July 2026 and ending on 30 June 2029 (**Performance Period**).

Performance Hurdle(s)

The Performance Rights (LTI) will vest and become exercisable with an assessment against two independent performance metrics, namely:

1. Earnings Per Share (**EPS**) Growth metric; and
2. Relative Total Shareholder Return (**RTSR**) metric.

1. EPS Growth Performance Hurdle – 75% weighting (LTI)

An EPS growth metric provides clear line of sight between executive performance and the Company's financial performance over the long-term. It is also well understood by the CEO and shareholders. The Board may adjust the underlying NPAT used to measure performance against the LTI where it deems it appropriate to do so, for example as a result of major transactions, such as an acquisition or divestment, or other one-off type items.

To measure EPS, the Codan Group NPAT will be divided by the weighted average number of ordinary shares in the Company on issue during the relevant financial year. To measure growth in EPS, the EPS in the financial year immediately preceding the grant (FY26) is compared with the EPS achieved in the measurement year, being Year 3 (FY29). To set the FY29 target the Board has used the EPS performance for FY26 of 96.5 cents per share.

Performance Rights (LTI) would vest if the EPS achieved in the measurement year meets or exceeds a threshold with all rights vesting if a maximum EPS is achieved. The threshold, target and maximum EPS are to be calculated by applying a compounding annual growth rate to a base EPS. This is represented in the table below:

	Threshold	**Target**	**Maximum**
Base EPS (FY26) cents	96.5	96.5	96.5
Compound annual growth rate (CAGR)	13%	16%	22%
FY29 EPS (Measurement year) cents	139.2	150.6	175.2

The vesting schedule of the rights subject to the EPS growth hurdles is as follows:

EPS Compound annual growth rate FY27-FY29	**Percentage of Fixed Remuneration vesting as Performance Rights (LTI)**	**Dollar value of LTI vested**
Less than 13% Threshold	0%	Nil
At 13% Threshold	28.1%	$506,250
More than 13% Threshold but less than 16% Target	Pro-rated from 28.1% - 56.3%	Pro-rated from $506,250 – $1,012,500
At 16% Target	56.3%	$1,012,500
More than 16% Target but less than 22% Maximum	Pro-rated from 56.3% - 131.3%	Pro-rated from $1,012,500 to $2,362,500
At or greater than 22% Maximum	131.3%	$2,362,500

The above percentages are calculated as 75% of the threshold, target and maximum performance LTI outcomes, as this is the weighting allocated to the EPS Growth Performance Hurdle.

The Board always retains discretion to determine, amend and calculate the vesting outcomes.

2. *RTSR Performance Hurdle – 25% weighting (LTI)*

This measure represents the relative change in the value of the Company's share price over a period including reinvested dividends, compared to the constituents of a peer group. The change is expressed as a percentage on the opening value of the shares and then ranked as a percentile compared to the peer group. An RTSR measure is used as it provides an appropriate comparative measure of shareholder return, reflecting an investor's choice to invest in the Company versus another peer group entity. Value can only be derived from the RTSR component of the LTI plan if the Company's RTSR performance is at least at the 50th percentile of companies in the peer comparison group measured over the three-year period.

The vesting schedule of the rights subject to the RTSR hurdle is as follows:

RTSR Performance	LTI Achieved (weighted)
Threshold (50th percentile)	21.4%
Target (62.5th percentile)	42.9%
Maximum (75th percentile)	100%

RTSR FY27-FY29	Percentage of Fixed Remuneration vesting as Performance Rights (LTI)	Dollar value of LTI vested
Less than Threshold Percentile	0%	Nil
At Threshold Percentile	9.4%	$168,750
More than Threshold but less than Target	Pro-rated from 9.4% - 18.8%	Pro-rated from $168,750 - $337,500
Target	18.8%	$337,500
More than Target less than Maximum Percentile	Pro-rated from 18.8% - 43.8%	Pro-rated from $337,500 to $787,500
At Maximum Percentile	43.8%	$787,500

The above percentages are calculated using 25% of the threshold, target and maximum performance LTI outcomes, as this is the weighting allocated to the RTSR Performance Hurdle.

For the FY27 rights grant, the peer group of companies will be companies listed on the ASX within 50% and 200% of the Company's 12-month average market capitalisation as at 30 June 2026, with industry exclusions being any companies in the peer group from the Materials, Finance and Energy GICS sectors. This is consistent with how the peer group has been selected for prior year LTI plans.

Issue Price and Exercise Price

Each Performance Right will be issued to Mr Ianniello for no consideration and will have a nil exercise price. As such, there are no loans in relation to this acquisition. When a Performance Right (LTI) vests it allows Mr Ianniello (or his nominee) to exercise the Performance Right and be issued with a Share.

Restriction on the disposal of Shares

90% of any Shares issued on exercise of the Performance Rights (LTI) will be restricted from disposal for a further period of two years from the date of issue of the Shares. The remaining 10% of the Shares issued on exercise of the Performance Rights (LTI) will be restricted from disposal until 12 months after cessation of Mr Ianniello's employment with the Company. Any Shares that remain restricted shall be at risk of forfeiture in the event that Mr Ianniello:

- perpetuates fraud;
- acts dishonestly;
- commits a breach of his obligations to the Company;
- provides services to a competitor of the Company; or
- engages in activity that in the opinion of the Board is detrimental to the Company.

Further key terms of the Performance Rights (LTI)

Further key terms of the Performance Rights (LTI) are set out in Annexure A of this Notice.

Directors' Recommendation

Other than Mr Ianniello (to whom the Performance Rights (LTI) are to be issued), the directors recommend that shareholders approve the grant of the Performance Rights (LTI) contemplated by Resolution 5.

Resolution 6 - Remuneration of Non-Executive Directors

Background

The current maximum aggregate amount of remuneration payable to Non-Executive Directors (**NEDs**) (being an amount of $1,200,000) (**NED Fee Pool**) was approved by shareholders at the Company's annual general meeting held on 23 October 2024.

The aggregate remuneration of the Company's NEDs for FY27 is $982,500 inclusive of superannuation and Committee roles. As outlined in the Company's FY26 remuneration report, fees paid to Directors were recently benchmarked by an external remuneration consulting firm and adjusted.

Notwithstanding current NED fee levels are within the limits of the NED Fee Pool, the Board is seeking approval to an increase in the NED Fee Pool in accordance with ASX Listing Rule 10.17 which requires that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without shareholder approval.

In accordance with ASX Listing Rule 10.17, the Company confirms the following securities have been issued with shareholder approval to the following NEDs in the preceding 3 years, where NEDs have sacrificed a percentage of their director fees under the Codan Share Rights Plan to acquire NED Rights:

NED	**NED Rights**	**Ordinary shares** *(issued on exercise of NED Rights for nil issue price offset by fee sacrifice)*	**Ordinary shares** *(total number of shares held by NED)*
Mr Graeme Barclay (Chair)	Nil	4,675	128,427
Ms Sarah Adam-Gedge	1,299	6,648	19,648
Mr Heith Mackay-Cruise	1,855	6,318	27,018
Ms Kathryn Gramp	742	4,294	32,294

Shareholder approval under ASX Listing Rule 10.14 for the issue of the securities referred to above was obtained at the Company's AGM held on 23 October 2024.

Reasons for proposed increase in NED Fee Pool

The Board considers that it is reasonable and appropriate to seek an increase to the NED Fee Pool given the headroom between current fee levels and the NED Fee Pool amount does not provide sufficient flexibility for the future, in particular to:

- ensure that the Company can attract and retain the calibre of experience and skill sets it requires at Board level; and
- add additional Board members with the necessary skills as the Company continues to scale its business both organically and inorganically, and as the market capitalisation of the Company increases.

Accordingly, pursuant to ASX Listing Rule 10.17 and clause 9.9(a) of the Company's constitution, the Board is seeking shareholder approval to increase the NED Fee Pool by $600,000 resulting in a new NED Fee Pool of $1,800,000. If shareholder approval is not obtained, the Company will not increase the NED Fee Pool.

Recommendation

As the NEDs have an interest in this item, the Board has refrained from making a recommendation in relation to Resolution 6.

Annexure A - Further key terms and conditions of Performance Rights

Rights attaching to Performance Rights	A Performance Right is a right to acquire one Share which can be exercised once the Performance Right has become exercisable and provided it has not lapsed. A Performance Right does not give the holder a legal or beneficial right to Shares and does not enable the participant, in this case Mr Ianniello, to receive dividends or any other shareholder benefit by virtue of the issue of these rights unless and until that Performance Right has been exercised and the Share issued.
Exercise period	Once the Performance Rights have become exercisable, Mr Ianniello will need to exercise those rights within 12 months from the date on which they vest and become exercisable, or they will lapse and there will be no further entitlement to any Shares. This period may be shortened in certain circumstances if the Performance Rights have not lapsed.
Bonus issue & capital reconstruction	The number of Shares to which Mr Ianniello will become entitled on exercise of the Performance Rights will be adjusted to take account of any bonus issues, rights issues or reconstructions which the Company undertakes between the date of allocation of the Performance Rights and the exercise of those rights.
Cessation of employment	Performance Rights (that have not yet been exercised) lapse immediately if Mr Ianniello's employment with the Company is terminated for misconduct or any other reason justifying termination without notice. In the case of Mr Ianniello's employment ceasing due to death or permanent disablement, redundancy, retirement, agreement between the Company and Mr Ianniello or from a sale of all or substantially all of the shares or assets of the Company: • Performance Rights which have otherwise become exercisable remain exercisable up until the end of the exercise period; and • the Board has a discretion to treat the remaining Performance Rights as exercisable and to set the exercise period for them. In all other cases where employment ceases, Performance Rights that have not vested and become exercisable will lapse immediately, and Performance Rights that have vested and are exercisable will lapse at the end of 30 days.
Forfeiture of Shares	Shares issued to Mr Ianniello on exercise of Performance Rights may be forfeited if Mr Ianniello perpetrates fraud against the Company or any of its subsidiaries, acts dishonestly or breaches his obligations to any member of the Codan group, including any of those obligations that survive cessation of employment. The right of the Company to cause the Shares, which have been issued on exercise of the Performance Rights, to be forfeited, expires at the end of the relevant restriction period.

Annexure B - Summary of the Codan Plan Rules

The following is a summary only of the material terms and conditions of rights under the Plan. Capitalised terms used in this summary have the meaning given to them in the Plan Rules.

General terms

1. Under the Plan Rules, the Board may invite Employees or non-executive directors (**NEDs**) (being **Eligible Participants**) to apply for Share Rights, being either Performance Rights or NED Rights. NED Rights are granted under an arrangement pursuant to which a NED elects to sacrifice a portion of their NED fee and are not subject to performance hurdles. The Board may not invite an Eligible Participant to apply for Share Rights if this would result in the Eligible Participant's holding, together with the Shares issuable on exercise, being equal to or greater than 5% of the total number of issued Shares.

2. Each Share Right is a right to acquire one Share (by issue or transfer, at Codan's election) and can only be transferred with the Board's prior written consent.

3. A Participant is not entitled to any dividend, voting or other shareholder rights until a Qualifying Share Right is exercised and Shares are allocated.

4. Share Rights do not carry entitlements to participate in new issues of securities unless they have become Qualifying Share Rights, been exercised and had Shares allocated before the Record Date. Adjustments to entitlements are made for bonus issues and capital reconstructions.

Vesting requirements

5. A Share Right becomes a Qualifying Share Right and may be exercised if the relevant performance hurdles set out in the invitation are met within the Performance Period, an Event occurs (such as a takeover offer or scheme of arrangement), or it otherwise becomes a Qualifying Share Right under the Rules, and the Board (in its absolute discretion) gives written notice to that effect. NED Rights are not subject to performance hurdles and become Qualifying Share Rights in accordance with the terms of the relevant invitation and the Rules.

6. Subject to the Board's overriding discretion and any other lapse events specified in the Rules, a Share Right will lapse if it is not exercised within the applicable Exercise Period, or if it is transferred (or purportedly transferred) without the Board's prior written consent.

7. Any Qualifying Share Rights and Non-Qualifying Share Rights will lapse immediately upon termination of employment for misconduct or any other reason justifying termination without notice, or cessation as a NED if the Participant has been disqualified from managing corporations under Part 2D.6 of the Corporations Act.

8. Shares issued or transferred on exercise are, unless waived by Codan, restricted from disposal for a period set by the Board (up to 15 years from grant, or until an earlier trigger such as cessation of employment or a change of control) and carry a risk of forfeiture during that period for fraud, dishonesty, breach of obligations, working for a competitor, or other conduct detrimental to Codan.

Method of settlement

9. The method of settlement on exercise of a Qualifying Share Right, being whether Codan will issue new Shares or procure the transfer of existing Shares, is at Codan's election, subject to the Corporations Act and the Listing Rules. A Participant may only exercise Qualifying Share Rights in multiples of 100, unless exercising all of them.