

Remuneration Disclosures

Year ending 30 June 2025



**Queensland
Country Bank**

Introduction and Scope

This document has been prepared to comply with the disclosure requirements of APRA's Prudential Standard CPS511 Remuneration for non-significant financial institutions. These disclosures are required to be published on Queensland Country's website. The remuneration disclosures are on a financial year basis, for the full financial year ended 30 June 2025.



Governance of the Remuneration Framework

Queensland Country Bank Limited Board

The Board composition as of 30 June 2025 was as follows:

Chair
Lewis Ramsay

Deputy Chair
John Weier

Non-Executive Director
Patricia O'Callaghan

Non-Executive Director
Gregory Nucifora

Non-Executive Director
Karl Grant

Non-Executive Director
Aileen Cull

Non-Executive Director
Sean Kelly



Remuneration and Governance Committee

The Board has established a Remuneration and Governance Committee. The composition of the Committee as of 30 June 2025 was as follows:

Chair Lewis Ramsay	Member Sean Kelly
Member Patricia O'Callaghan	Member John Weier

With regard to remuneration and performance, Queensland Country Bank's Remuneration and Governance Committee is responsible for reviewing and making recommendations to the Board in relation to:

- The oversight of the design, operation and monitoring of Queensland Country Bank's remuneration framework and the Remuneration Policy including their effectiveness and compliance with the law;
- Conducting regular reviews of, and making recommendations to the Board on, the Remuneration Policy. This includes an assessment of the Remuneration Policy's effectiveness and compliance with Prudential Standard requirements. This policy review is undertaken as necessary, but at least every three years;
- Consulting with the Risk Management Committee and Chief Risk Officer to enable risk outcomes to be appropriately reflected in remuneration structures;
- Undertaking a review at least annually, which will be reported to and confirmed by the full Board, of the CEO's performance, including setting with the CEO goals for the coming financial year and reviewing progress in achieving those goals.

- Making recommendations to the Board annually and as required, on the remuneration of the CEO, direct reports to the CEO (excluding administrative reports), other person(s) whose activities may in the Committee's opinion affect the financial soundness of the Bank and any other person specified by APRA ensuring that individual remuneration packages:



Maintain a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the Bank's circumstances and goals;



Clearly demonstrate the link between performance and remuneration;



Are competitive to attract and retain high-calibre executives and managers;



Do not contain performance-based components that may compromise the independence of personnel in carrying out their functions;



Encourage superior CEO and executive performance and ethical behaviour through the process of setting robust goals, performance measures and targets;



Align performance-based components with prudent risk-taking, incorporating adjustments to reflect:

- the outcome of business activities;
- risks related to business activities taking account, where relevant, of the cost of associated capital; and
- time necessary for outcomes of business activities to be reliably measured.

The Charter of the Remuneration and Governance Committee is set out in the Board Committee Charter Terms of Reference, Remuneration Governance.

Board and Remuneration & Governance Committee Meetings

During the year ended 30 June 2025, there were 10 Board Meetings and 3 Remuneration and Governance Committee meetings.

Remuneration Framework

The Queensland Country Remuneration Policy is reviewed at least every three years. The Policy was subject to an interim review and was approved by the Board on 25 July 2024. The key change to the Policy in the year ended 30 June 2025, was the inclusion of a performance-based remuneration for executives.

The benefits of introducing a variable remuneration scheme for executives was to enable Queensland Country to:

- remain competitive in the employment market for both recruitment and retention;
- assist in maintaining a competitive remuneration structure that links to performance and is only payable when the organisation performs well;
- clearly communicate what is important to the organisation and ensure that executives are focused on all aspects of the organisation's success;
- ensure executives take a responsible approach to achieving the business objectives; and
- ensure equity of remuneration amongst executives.

Key Features of the Remuneration Framework

Alignment with the entity's business plan, strategic objectives and risk management framework

The Remuneration Framework aligns to the business plan and strategic objectives of Queensland Country in seeking to maintain a competitive and flexible remuneration structure to ensure that staff with the necessary capabilities are attracted, retained and motivated to achieve the organisation's goals.

Payment of any part of the performance-based component is at the discretion of the Board and contingent upon the achievement of agreed performance standards or financial benchmarks and compliance standards which are set in the balanced scorecard at the start of each financial year. At the commencement of each financial year, the Board will approve the maximum amount payable for the performance-based component of remuneration. Executives may also be offered financial bonuses based upon successful completion of key projects and subject to Board approval.

Promotion of effective management of both financial and non-financial risks, sustainable performance and the entity's long-term soundness

The Remuneration Framework supports the effective management of financial and non-financial risks, fosters sustainable performance, and ensures long-term stability. It achieves this through a combination of fixed and variable remuneration components designed to encourage behaviours that align with Queensland Country's long-term financial resilience and risk management objectives. The balanced scorecard approach to variable remuneration at Queensland Country Bank integrates strategic alignment, performance metrics, and governance oversight to ensure fair and risk-aware incentive structures. It combines financial and non-financial measures such as project delivery, compliance, and risk culture, tailored to the organisation's strategic goals and risk management framework.

Supports the prevention and mitigation of conduct risk

Risk and conduct adjustments are applied in cases of policy breaches or misconduct, and the framework includes deferral and clawback provisions which include a structured downward adjustment mechanism that includes clearly defined triggers, the use of a suitable adjustment tool, and a proportional reduction in remuneration, potentially to nil, based on the severity of risk and conduct outcomes. The Remuneration and Governance Committee oversees the scorecard's design and outcomes, with input from the Chief Risk Officer to ensure integrity and alignment with long-term organisational health.

Specifically, the Board and Remuneration Governance Committee has discretion to adjust the performance-based components of the remuneration of a person covered by this policy downwards, to zero if necessary, if such adjustment is required:

- to promote effective management of both financial and non-financial risks, sustainable performance, and the Bank's long-term soundness;
- to respond to significant adverse unexpected or unintended consequences affecting the Bank, and those consequences had not been foreseen by the Committee at the time of setting the person's performance-based components of remuneration;
- to prevent and mitigate conduct risk; or
- due to malice.

Remuneration Policy

Queensland Country Bank has a Board approved Remuneration Policy that aligns with APRA's Prudential Standard CPS511 Remuneration.

Objectives of the Policy

- establish and maintain a competitive and attractive remuneration policy that is fairly applied, to assist in providing a rewarding career for staff and success for the business as a whole whilst meeting Prudential requirements;
- ensure the Bank's remuneration arrangements are, and remain, compliant with the Bank's regulatory and legislative obligations, including the requirements in CPS 511 and the Financial Accountability Regime (FAR) in respect to deferred remuneration;
- attract and retain capable, motivated managers and staff;
- motivate executive management to successfully manage and lead the business and to drive strong long-term organisational growth in line with strategic and business objectives;
- drive successful organisational performance by incorporating an annual performance incentive and establish longer-term performance objectives;
- ensure transparency and fairness in executive remuneration practices;
- ensure appropriate superannuation arrangements are in place;
- deliver a balanced solution addressing all elements of total pay – base pay, incentive pay and benefits;
- encourage behaviour (in relation to variable or performance-based components of remuneration) that supports the Bank's long-term financial soundness and risk management framework;
- ensure the independence of Risk and Financial Control Personnel in the performance of their functions is not compromised.

Policy Scope and Application

The Remuneration Policy aligns remuneration and risk management and applies to:

Directors of the Bank	The Chief Executive Officer (CEO)	Direct reports to the CEO (excluding administrative staff)
Senior Managers whose primary role is risk management, compliance, internal audit, financial control or actuarial control	All persons whose role is deemed an Accountable Person under the Financial Accountability Regime (FAR)	All other employees and directly retained contractors of the Bank including those for whom a significant component of remuneration is based on performance and whose activities, individually or collectively, may affect the financial soundness of the Bank
Other persons whose activities may in the committee's opinion affect the financial soundness of the Bank		

Remuneration Arrangements

The Remuneration and Governance Committee will make annual recommendations to the Board on the individual remuneration of the CEO; direct reports of the CEO (excluding administrative staff); and other persons whose activities may in the Committee's opinion affect the financial soundness of the Bank.

The Bank's remuneration of persons covered by the Policy consists of fixed components; and performance-based components.

Fixed Remuneration

The fixed components consist of base salary, the superannuation guarantee contribution (up to the legislated maximum contribution each financial year) and retirement benefits. Additional superannuation contributions may be elected to be salary sacrificed. In addition, some persons covered by this Policy receive a remuneration benefit through the provision of a Motor Vehicle which may be purchased outright or provided under a Novated Lease arrangement, such that the full cost, including any applicable Fringe Benefits Tax, forms part of the remuneration package for that person. An adjustment may be made to offset the cost of the vehicle being used for business purposes. It is intended that base salaries take into account market relativities, relevant remuneration survey data and the incumbent's performance, having regard to the need for the Bank to attract, motivate and retain executives.

Performance-Based Remuneration

Performance bonuses are intended to recognise and reward exceptional performance resulting from an individual's contribution within the normal scope of their job description.

Payment of any part of the performance-based component is at the discretion of the Board and contingent upon the achievement of agreed performance standards or financial benchmarks and compliance standards which are set in the balanced scorecard at the start of each financial year. At the commencement of each financial year, the Board will approve the maximum amount payable for the performance-based component of remuneration. Executives may also be offered financial bonuses based upon successful completion of key projects and subject to Board approval.

Performance bonuses are overseen by the Board Remuneration and Governance Committee with recommendations made to the Board for approval at their discretion and in relation to performance over the preceding 12-month period, based on performance against the balanced scorecard.



The performance-based component has been designed to align remuneration with prudent risk taking and ensure compliance with the Financial Accountability Regime and APRA's CPS511 Prudential Standard. These programs have been designed to enable adjustments to be made to reflect the:

- outcome of the business activities;
- risks related to the business activities taking account, where relevant, of the cost of the associated capital; and
- time necessary for the outcomes of those business activities to be reliably measured.

Specified Roles and Consequence Management

Positions falling within the scope of the Remuneration Policy

The types of positions included in specified roles for Queensland Country

<div><h3>Executives and Senior Managers</h3><p>Accountable persons as defined by the FAR Act 2023, and responsible persons as defined by Prudential Standard CPS 520 Fit and Proper (CPS 520)</p></div>	<div><h3>Risk and financial control personnel</h3><p>Employees working in a risk, compliance, financial control, auditing, or actuarial role</p></div>
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The roles mentioned above include material risk takers, which are persons whose activities have a material potential impact on Queensland Country's risk profile, performance, and long-term soundness.

Consequence Management

The balanced performance scorecard is aligned with the organisation's business plan, strategic goals and risk management framework with financial and non-financial measures. The scorecard promotes effective management of both financial and non-financial risks, sustainable performance and the entity's long-term soundness. Bonuses may also be considered for successful project completion.

Queensland Country maintains consequence management within the remuneration framework whereby certain issues may result in outcomes depending on their impact on the company, its customers, and employees. These outcomes may include training, performance management, and adjustments to remuneration.

Executives will be ineligible to receive a bonus, or may have their bonus reduced if:

- there have been breaches of Queensland Country's relevant policies, procedures, checklists or guides that the Remuneration and Governance Committee deem substantial and/or significant;
- and/or the executive has been negligent in the performance of their duties.