Bendigo and Adelaide Bank Limited Basel III Pillar 3

Annual Remuneration Disclosures as at 30 June 2023

On 4 December 2023 Bendigo and Adelaide Bank Limited published its Annual Remuneration Disclosures as at 30 June 2023. This is a restatement of the disclosure. The updates are to include the full cohort of Senior Managers and Material Risk Takers in the quantitative disclosure and enhance the description of the remuneration framework.

The remuneration disclosure has been prepared in accordance with Australian Prudential Regulatory Authority's (APRA's) remuneration requirements as set out in Prudential Standard APS 330 Public Disclosure with reference to the requirements established under Prudential Standard CPS 511 Remuneration and the Bendigo and Adelaide Bank Limited ("Bank")[1] remuneration policy.

The disclosure is separate to the statutory financial reporting disclosures presented in the Bank's 2023 Remuneration Report which relates to Key Management Personnel ("KMP") only. The following qualitative and quantitative disclosure relates to the employees covered by the Group Remuneration Policy and includes those Bank employees who have been identified as Senior Managers and Material Risk Takers (MRTs) for the 2023 financial year.

The Board has approved a Group Remuneration Policy ("Remuneration Policy") which applies to all employees of the Bank and its controlled entities ("Group") including Senior Managers, Risk and Financial Control Personnel and MRTs. The Bank has aligned its definition of Specified Role cohorts in line with CPS 511.

Senior Managers are defined under the Bank's Responsible Person Policy and comprise all members of the Group's executive and one other key designated role.

MRTs are additional management personnel who have a significant portion of performance-based remuneration and whose activities, individually or collectively, may affect the financial soundness of the Group.

1. Remuneration governance

The People, Culture and Transformation Committee ("Committee") assists the Board in relation to the remuneration arrangements for the Group. The Committee is also responsible for recommending to the Board the remuneration matters specified by CPS 511 relating to Specified Roles. The Committee also has responsibility for providing input into the Group's risk management framework in relation to remuneration risk, in particular, recommending to the Board the remuneration arrangements for the executives.

The Committee met five times during the year and its membership comprises three independent non-executive directors, including the Chair. In addition, there was a joint sitting of the Risk, Audit and Financial Risk Committees, which occurred as part of the August Board meeting. As part of the end-of-year process the Committee takes advice from the Chairs of the Board Risk Committee, Board Financial Risk Committee, and Audit Committee regarding the need to apply risk adjustments to incentive outcomes to individual executives, cohorts of employees or across the Bank. Adjustments could include the reduction of in-year cash incentives, the reduction of future incentive awards, or through the application of the Bank's Malus and Clawback Policy

This fee pool covers payments (including superannuation) for the main Board and Committees and payments to the Bank's Non-executive Directors appointed to subsidiary boards and the Community Bank National Council. The Committee members receive a fixed base Board fee and additional fees are paid for serving on the committee. The aggregate Non-executive Director fees paid for the year was $2,068,000 which represents 82.7% of the $2,500,000 fee pool approved by shareholders compared to 77% ($1.92m) in FY22.

Non-executive Bank Board Director fees are inclusive of superannuation contributions at 10.5%. In relation to the superannuation contributions, Non-executive Directors can elect to receive amounts above the maximum contributions limit as cash. Subsidiary board director fees exclude superannuation.

The Directors, including the Managing Director, contribute $5,000 each to the Bank's scholarship program, excluding subsidiary boards who do not participate in the program. The program was established to assist disadvantaged students from regional areas meet tertiary education accommodation and direct study costs. The contributions are deducted from Base Board fee payments.

[1] The Bank has no foreign subsidiaries or branches.

The following table shows the annual fees in FY23 for the Board and committees (inclusive of company superannuation contributions).

Board/Committee	Fee	
	Chair[1] $	Member $
Board	479,230	165,000
Committees	30,000	20,000

[1] Chair fees are all inclusive i.e. a separate committee member fee is not paid.

The Committee's charter sets out its remuneration related responsibilities. A summary of the Committee's remuneration responsibilities is presented below and the charter is available from the Bank's website.

The Committee's remuneration responsibilities include reviewing and making recommendations to the Board on the remuneration framework and policy. The Committee is also responsible for making recommendations to the Board on:

a. The annual remuneration arrangements and reward outcomes for Senior Managers and MRTs;

b. The remuneration parameters for risk and financial control personnel;

c. Grants of equity-based remuneration including the terms on which the grants will be offered;

d. The pool of funds available for the payment of annual short-term incentives and bonuses; and

e. Any proposal for a sign-on, retention or termination payment to a Senior Manager or MRT.

The Committee's responsibilities also include making recommendations to the Board on adjustments to variable remuneration components to reflect actual business performance and the management of risk.

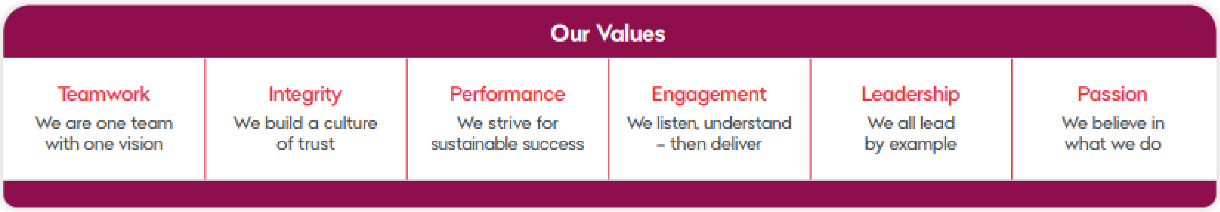
The Committee may consult a professional adviser or expert, at the cost of the Bank, if the Committee considers it necessary to carry out its duties and responsibilities. During the FY23 process, the Committee considered remuneration data, trends and assistance with other ad-hoc tax, governance and legal matters from experienced remuneration consultations. No remuneration recommendations as defined in the Corporations Act 2001 (Cth) were provided to the Committee during FY23.

The diagram below provides an illustrative overview of how remuneration is governed at the Bank, as detailed in this section.

2. Remuneration strategy, design and structure

The remuneration policy adopted by the Bank provides the framework for the implementation, assessment and maintenance of the Bank's remuneration strategy and arrangements. The framework is structured to attract, retain and motivate employees to achieve the organisation's objectives within the approved risk appetite.

The Bank's values and guiding principles for the FY23 remuneration framework are:



Remuneration Principles

Strategy led reward	Reward balanced outcomes	Recognise people for their impact	Transparent and simple metrics	Embedded risk management
The reward framework supports the delivery of BEN's strategy through the attraction, motivation, and retention of talented people. The framework is aligned to BEN's strategy of; reducing complexity, investing in capability, and telling BEN's story. With a focus on customer connection and investment in the community. Total remuneration is competitive with the market and structured in a way that is consistent with our long-held belief that remuneration should be weighted to fixed reward (compared to market) and focus on long-term, collective performance.	The reward framework aligns outcomes with a range of stakeholders – including shareholders, customer, community, regulators, people, and planet. Financial performance is not the dominant driver of reward outcomes. Non-financial objectives are used to support achieving balanced outcomes. The types of performance measures and their respective weightings meet regulatory requirements and intent.	BEN's performance is the sum of its parts, and when its people make a meaningful impact, this is recognised. Likewise, when standards fall short or individuals' actions do not align with BEN's values, there are appropriate consequences. The framework supports meaningful differentiation in outcomes based on individual and organisational performance, as well as supporting effective consequence management. Variable reward plans are tailored to the objectives of the role and the impact roles can have on business outcomes (which means that pay-mix and scorecard design may differ across cohorts).	People understand the organisational and individual objectives they are expected to achieve and (as much as possible) how performance is tracking against those targets. Simple and transparent measures are supported with ongoing communication on performance. Scorecards may have explicit weightings to provide clarity on performance assessments.	Remuneration arrangements encourage prudent risk taking that supports the achievement of superior long-term results for shareholders and customers by supporting BEN's risk management framework. This is achieved through the use of various levers, including: stand-alone risk measures, the integration of risk measures into gateways and contra-measures, and a consequence management process.

The Committee reviews the ongoing compliance, appropriateness, and relevance of the Banks remuneration policy regularly. A review of the remuneration policy was last undertaken earlier in the year with additional changes anticipated with the application of CPS 511 and Financial Accountability Regime (FAR).

The Remuneration Policy sets out the remuneration objectives and structure of remuneration arrangements including, but not limited to:

a. The components of remuneration available to employees and the processes and responsibilities for reviewing and approving these arrangements;

b. The maximum indicative settings, as a percentage of total remuneration, for variable remuneration;

c. The remuneration framework and supporting approval responsibilities and processes that apply to risk and financial control personnel;

d. Participation in variable remuneration plans including grant terms and approval arrangements;

e. The performance measures and approval arrangements for establishing an annual bonus pool;

f. The responsibilities, parameters and criteria for allocating the annual bonus pool at a divisional and individual level:

g. The Board discretions to adjust variable remuneration for business and risk outcomes with our consequence management framework and Clawback and Malus policy;

h. Hedging restrictions applicable to equity remuneration components; and,

i. Sign-on, retention and termination payments.

Clawback and Malus

The Bank is committed to effective remuneration practices that reward performance in a manner that is appropriate and consistent with shareholder expectations. The Clawback and Malus Policy sets out some of the circumstances in which the Board may seek to reduce or recoup "at risk" remuneration (whether vested or unvested) or take other actions to

ensure remuneration outcomes are appropriate in light of all the circumstances, including those which arise of come to light after "at risk" remuneration has been granted or delivered. The policy applies to all employees of any Group Company who receive "at risk" remuneration, meaning the portion of an employee's remuneration that is subject to performance conditions,

vesting conditions or a real risk of forfeiture. It includes all variable remuneration, one-off or special incentive arrangements in place, provided in cash or equity.

Consequence Management

In conjunction with the Clawback and Malus policy, the Consequence Management Policy assists the People, Culture and Transformation Committee and the Board in determining consequences for relevant matters which are fair, proportionate and appropriate. These consequences include remuneration adjustments, as well as other disciplinary actions.

Considering the provisions of the Clawback and Malus Policy, using the Consequence Management Policy, the Board has discretion, having regard to the recommendations of the Committee, to adjust variable remuneration (including the short-term incentive and equity incentives) to reflect the following:

a. The outcomes of business activities.

b. The risks, including non-financial risks, related to the business activities taking into account, where relevant, the cost of the associated capital.

c. The time necessary for the outcomes of those business activities to be reliably measured

This includes adjusting performance-based components of remuneration downwards, to zero if appropriate, in relation to particular persons or classes of persons, if such adjustments are necessary to:

- Protect the financial soundness of the regulated institution; or
- Respond to significant unexpected or unintended consequences that were not foreseen by the Board.

In these circumstances, this may involve the Board deciding, having regard to the recommendation of the Committee, to clawback a short-term incentive award or equity incentives during the deferral period. This may include the deferred component and the awarded or granted component.

The Board also has discretion to adjust positively in cases where the organisation has mitigated high-risk events and demonstrated a successful risk culture.

The accountability obligations for accountable persons are outlined in the Bank's BEAR Policy. As outlined in the BEAR Policy, the Board may determine that the accountable person has breached their accountability obligations. If the Board makes such a determination, the Bank may not pay some or all of the accountable person's variable remuneration, including deferred remuneration, as it sees fit.

Remuneration structure for FY23:

The key elements of remuneration for most employees are fixed remuneration and performance-based remuneration. The mix of remuneration elements (both fixed and variable) for Bank employees varies depending on the employee's role and level. The remuneration mix is designed to be market competitive, while providing the appropriate performance focus for their role. The following outlines the Banks's key remuneration components.

a. Base remuneration

Fixed base remuneration: provided as cash (includes any salary sacrifice arrangements and Company superannuation).

Deferred base remuneration: For the Managing Director only. The deferred shares are held on trust for a two-to-five-year deferral period. Deferred shares are fully paid ordinary shares granted at no cost and are beneficially owned by the recipient from grant date. The grants are subject to an ongoing service condition and risk adjustment at the discretion of the Board. Deferred base pay was offered in prior years. The fourth and final tranche of the award vested during 2023. Deferred base pay is no longer offered to the Managing Director.

b. Variable remuneration

The Bank offers variable remuneration to eligible employees in the form of short term and long-term incentives.

The mix and value of variable remuneration varies depending on the nature of the participant's role and responsibilities and their ability to influence the Bank's performance and financial standing.

The Bank has intentionally designed a variable reward approach which is highly deleveraged, with the aim of promoting safer banking practices through the limited incorporation of incentives (particularly compared to similar sized ASX listed organisations). The measures used in incentive plans ensure that employees retain a strong focus on financial and non-financial risk management, including a material weighting towards non-financial measures.

Short-term incentive (STI): provided as cash (or combination of cash and shares where a specified threshold is exceeded) under the Group Bonus plan for salaried staff and Executive member under the executive remuneration framework introduced in FY23.

Salaried staff: The Group Bonus is designed to drive and reward short to medium term results whilst reflecting the level and time horizon of risk. Group Bonus awards require the achievement of financial and non-financial metrics at an organisational, divisional and individual level. The metrics are set at the start of each financial year.

Bonuses under the Group Bonus plan are decided after the end of the financial year and are approved by the Board on the recommendation of the Committee.

STI awards for salaried employees are in the form of an annual discretionary bonus (Group Bonus). The bonus parameters are set by the executive and individual awards are determined by the line manager.

To receive an STI award the employee must demonstrate satisfactory values-based behaviour, risk and compliance management as well as meet performance and contribution objectives.

Executive Committee members: As part of our implementation of CPS 511, the Board revised the executive reward framework for FY23 and introduced an STI component to the variable reward.

The new framework rewards Executives if they deliver on our strategy, creating value for all our stakeholders, across shareholders, customers, community, people, planet and regulators. Three quarters of the variable reward is delivered in equity, creating strong alignment with shareholders. We will continue to strengthen our approach to incorporating risk and conduct issues into remuneration decisions, including through the recent adoption of a new Consequence Management Policy.

Long-term incentive: is provided to members of the executive and other senior managers as determined by the Board.

Performance Rights plan:

The long-term incentive is discretionary remuneration designed to drive and reward longer term growth and sustained shareholder value.

A performance right represents a right to one fully-paid ordinary share and is issued at no cost and a nil exercise price.

Vesting is subject to the achievement of performance measures outlined in Section 4 and are also subject to a service condition and risk gateway.

The Board decides the conditions that apply to each grant. The criteria used in setting the grant terms and conditions include:

a. The long term creation of shareholder value.
b. The delivery of the long-term objectives and outcomes to maintain a financially sound and successful institution.
c. Effective risk stewardship.
d. Retention of personnel critical to achieving targeted business outcomes.

Individuals who may be invited to participate in the plan include employees who:

a. Are in a role which involves the leadership of a key organisational competency or governance requirement: and/or
b. Are in a role that has a direct linkage to the long-term strategic success of the business; and/or
c. Are high performing with the potential to contribute even further to the organisation in a strategic and/or leadership capacity in the future; and
d. Whose values and behaviours strongly align with the organization's corporate values.

Risk and financial control personnel

The following arrangements have been established to ensure risk and financial control personnel are remunerated independently of the business they oversee:

a. The Board sets the parameters for the annual review of fixed and variable remuneration, having regard to the recommendation of the Committee.
b. Base remuneration and Group Bonus awards are determined by the function's line manager within Board approved parameters and are subject to a two-up manager approval process. The remuneration is also confirmed by the Chief Risk Officer to ensure the independence of the staff and functions are not compromised.
c. Variable remuneration is capped at a level that should not promote inappropriate behaviour.
d. The performance objectives and individual Group Bonus awards are aligned with organisational performance and the responsibilities and performance of the relevant risk or financial control function.

3. Remuneration and risk

The Board is responsible for the risk management strategy which includes approving the risk management framework and risk appetite within which the business operates.

All material risks are managed within a risk appetite linked to our strategy, planning framework and business objectives. The risk appetite is defined using quantitative and qualitative measures for the major risk categories of credit risk, interest rate risk in the banking book, traded market risk, liquidity risk, operational risk and strategic risk.

The Board, including through its risk and financial risk committees, closely monitors the Group's risk profile against the approved risk appetite and risk management framework.

The remuneration structures are designed to support the risk management framework. This is achieved by aligning remuneration outcomes with risk outcomes, staff behaviour and the financial soundness of the organisation.

The Board has adopted a relatively conservative approach to remuneration. In particular, the proportion of incentive-based pay is relatively low when compared to other listed entities in Australia, especially in the banking sector.

The STI links a modest percentage of remuneration to annual financial and business performance and is subject to passing a risk, compliance and values gateway.

The reward mix for executives includes two equity components designed to build executives' personal exposure to the Bank's share price performance. The equity components are also directly linked to risk management outcomes as discussed below.

This mix reflects our long-held view that remuneration which is highly leveraged towards short-term performance can create a disconnect between executive reward and longer-term shareholder interests, customer outcomes and broader community and regulatory expectations.

The Board has absolute discretion, having regard to a recommendation by the Committee, to adjust variable remuneration to reflect the outcomes of business activities and the risks related to those activities.

This includes adjusting variable based remuneration downwards, to zero if appropriate, if such adjustments are necessary to protect the financial soundness of the Group and/or to respond to significant unexpected or unintended consequences that were not foreseen by the Board.

The Board will take into account compliance with the risk management framework including regulatory and policy requirements in deciding if an adjustment for risk is required.

In making its decision the Board considers the outcomes of the risk management declaration program along with the recommendations of the Risk, Audit and Financial Risk Committees which held a joint meeting with the People, Culture and Transformation Committee. The Chief Risk Officer also provides his perspectives on the risk performance of individual executives.

The payment of Group Bonus awards is subject to the establishment of an annual bonus pool. The Board decides the annual bonus pool and in exercising this discretion it has regard to the following:

a. Financial measures: This includes the annual cash earnings and return on equity performance.
b. Risk measures: The pool will be adjusted to reflect the types and levels of risk involved in the performance and the overall risk profile.

Consideration is given to specific risks, including:

a. The business mix which contributes to the cash earnings result compared to the targeted business mix;
b. Risk-adjusted return on capital (RAROC) / economic profit;
c. Key prudential and financial ratios;
d. Performance in relation to risk, compliance and audit matters;
e. Material adverse customer outcomes; and
f. Performance on strategic programs and employee engagement measures.

The Board also applies a qualitative overlay to take into account the underlying performance of the business and shareholder interests.

As part of the internal performance and development process, risk goals and performance measures are set for general salaried staff as applicable to their role. The risk goals are structured on several levels comprising senior management, branch / line management and other salaried employees. An individual's progress in achieving the risk goals is monitored and assessed by their line manager.

Notwithstanding the performance of the business, and the individual's contribution and performance, if the individual, team or Group does not meet or only partially meets risk and compliance requirements, no award or a reduced award will be made.

4. Linking remuneration and performance

The following arrangements are designed to link remuneration outcomes with organisational performance:

Fixed base: The fixed base is designed to recognise an individual's experience, skills, competencies and responsibilities. The fixed base remuneration for all salaried employees is reviewed annually having regard to market relativities and the Group's financial outlook.

Short-term incentive ("STI") : FY23 STI key features

This may be offered to salaried employees. There are two distinct categories of award under the Group Bons Plan:

• Discretionary bonus plan: Offered to salaried employees who do not participate in the Group Short-Term Incentive. Under this plan the amount of the award and participation is decided after the end of the financial year.

• Group Short-Term Incentive: Executives and invited senior leaders participate in the group STI plan. This plan provides participants with a target incentive payment that is

impacted by group performance and an individual modifier.

Salaried staff:

STI awards under the Group Bonus plan, link a component of remuneration to the achievement of annual financial and business goals, taking into account risk management and compliance outcomes, and an individual's contribution to longer term growth and performance.

Bonus awards are only paid if the Board establishes a group bonus pool. The conditions for the establishment of a group bonus pool are determined by the Board at the start of each year. The conditions typically require the achievement of a minimum level of financial performance before a bonus pool is established, above which the pool increases in line with the level of outperformance above the minimum level.

Financial and risk measures are the main criteria used by the Board to determine the annual bonus pool allocation, with funding primarily based on:

a. A threshold hurdle requiring the achievement of 95% of the targeted cash earnings for the financial year; and
b. A maximum potential bonus pool allocation based on 110% of the targeted cash earnings result.

The Board decides the amount of the bonus pool after financial year-end, on recommendation from the People, Culture and Transformation Committee.

The allocation of the bonus pool at a divisional level is decided by the Managing Director having regard to the following:

a. The division's contribution to Group earnings with consideration to the level of risk assumed.
b. The division's progress towards the achievement of key strategic initiatives.
c. In the case of a business unit, an assessment of risk management and compliance by the unit.
d. In the case of a support function, an assessment of the contribution to risk management and compliance by the support function.

Individual performance is assessed after each year end. The following performance and contribution criteria are used in determining individual incentive awards:

a. Group financial and strategic performance including cash earnings, RAROC and customer advocacy.
b. Business unit financial and strategic performance including earnings contribution, RAROC, customer advocacy and new initiatives.
c. Individual contribution to team performance as assessed through the Group performance and development process.
d. Individual performance, including alignment with corporate values, the code of conduct and meeting performance objectives as assessed as part of the internal performance and development process.
e. Contribution to meeting risk and compliance requirements at Group, team and individual level which is assessed as part of the internal performance and development process.

Executive

Features	STI		
Delivered through	A mix of cash (50%) and deferred rights (50%)		
Maximum Incentive opportunity (% of fixed remuneration)	CEO & MD: 60% Executives: 60% – 30%		
Group STI scorecard	The scorecard is a mixture of financial and non-financial measures.		
	Category	**Measure**	**Weighting**
	Financial Measures	Cost-to-Income ratio	20%
		Cash earnings	20%
		Profit after capital charge	10%
	Customer & Community	Customer experience and satisfaction Social impact through our Community Bank network	20%
	People & Planet	Employee experience and diversity Implementation of the Climate Change Action Plan	10%
	Capability	Risk and Governance uplift	20%
Individual modifier	Outcomes can be adjusted based on individual performance. This is to allow for recognition of exceptional individual contribution, as well as providing a mechanism for downward adjustment. The assessment will consider: · Individual performance and delivery of key strategic objectives · Individual risk performance · Broader cultural considerations The range of the modifier is 0 – 120%, meaning that individual STI outcomes can be reduced to zero, or increased to 120% of the scorecard outcome (capped at the maximum incentive opportunity).		
Performance period	One year		
Deferral period	One year following completion of performance period		
Adjustments	Incentives are subject to downward adjustments through a risk assessment and / or consequence management process and the Clawback and Malus Policy applies.		

Long-term incentive: The long-term incentive is designed to link reward with key performance measures that underpin sustainable longer-term growth in shareholder value. Long term Incentive is provided to members of the executive and other senior managers as determined by the Board.

FY23 LTI key features:
Executive

Features	LTI	
Delivered through	Performance rights (100%)	
Maximum Incentive opportunity (% of fixed)	CEO & MD: 40% Executives (including CRO): 40% – 30%	
LTI scorecard	The scorecard is a mixture of financial and non-financial measures. The performance targets and assessment against those targets will be included when the grant is tested.	
	Measure	**Weighting**
	Relative TSR – against ASX S&P100 Financials	40%
	Target Return on Equity for the period	25%
	Relative customer NPS – measured against retail bank peers	20%
	RepTrak Reputation index – measured against financial services peers	15%
Performance period	Four years	
Deferral period	One to two years following completion of performance period, depending on the executive.	
Adjustments	Incentives are subject to downward adjustments through a risk assessment and / or consequence management process and the Clawback and Malus Policy applies.	

Prior year awards, not reoffered in FY23

The Loan Funded Share Plan is subject to three key strategic business measures, namely Cost to Income Ratio, Market Share Growth and Customer Advocacy which are measured after 2-years. Any vested shares are then restricted and tested for a further 2-years against risk gateway outcomes. Once the final vesting is determined by the Board, participants have a further 2-years to pay off the remainder of the loan. Dividends are received for the duration of the loan and contribute to payment of loan attributed to each strategic measure.

This plan is no longer offered and vesting of existing awards is scheduled for 2024 and 2025 subject to an ongoing service condition and risk gateway.

Adjusting remuneration for performance

The Board has discretion to fully or partially forfeit deferred base equity awards during the deferral periods. The deferred equity component enables the Board to adjust the value of base remuneration for unforeseen performance or risk outcomes identified by the end of the deferral period.

The Remuneration policy for any Group Bonus awards is that one third of the awards of $100,000 or more are deferred into shares in the Bank which are held in trust for two years. The Board has discretion to fully or partially forfeit the deferred short term incentive awards during the deferral period to reflect any unforeseen performance or risk outcomes identified during the deferral period.

The Board may adjust the number of performance rights that vest at the end of the performance period to take into account poor performance including any unforeseen circumstances or risk outcomes. The Board will also apply the Risk Consequence and Management framework alongside the Clawback and Malus policy to determine any appropriate and timely adjustments to reward outcomes.

5. Quantitative Disclosures:

The following quantitative disclosures are provided in accordance with Prudential Standard APS 330: Public Disclosures. Senior Managers comprise all members of the executive and other roles identified under the Responsible Persons Policy, including MRTs.

Table A: Remuneration awarded during FY23

The table below summarises the various payments made to Senior Managers during FY23.

	Senior Managers FY23	Material Risk Takers FY23	FY22
Number of senior managers who received variable remuneration	Short Term Incentive: 11 Long Term Incentive: 9	Short Term Incentive: 9 Long Term Incentive: 1	Short Term Incentive: 1 Long Term Incentive: 9
Number of senior managers who received variable remuneration	11	9	10
Number of guaranteed bonuses awarded	-	-	-
Value of guaranteed bonuses awarded	-	-	-
Number of sign-on awards	-	-	1
Value of sign-on awards	-	-	$600,000
Number of termination payments	-	-	-
Value of termination payments	-	-	-

Table B: Total value of remuneration for FY23

The following table sets out the value of remuneration awarded to senior managers and material risk takers in respect of their performance for the financial year ending 30 June 2023.

$'000 Remuneration element	Senior managers FY23	Material risk takers FY23	FY22
Base remuneration[1]			
• Fixed base (non-deferred)[2]	$8,038	$3,629	$6,301
• Shares and share linked instruments[3]	$104	-	$233
• Other[4]	$117	$35	($123)
Variable Remuneration			
• Cash STI[5]	$1,604	$475	$15
• Shares and share linked instruments[6]	$3,220	$828	$1,807

1. The remuneration details relate to the individuals who held Senior Manager roles both during and as at the end of the financial year.
2. The amounts represent base salary, employer superannuation contributions, any cash allowances and salary sacrifice payments.
3. The amounts represent the fair value of annual deferred base pay grants amortised over the deferral period. Deferred base pay was offered in prior years. The fourth and final tranche of the award vested during 2023. Deferred base pay shares is no longer offered.
4. This comprises annual leave and long service leave entitlements accrued but not taken during the financial year.
5. This represents the cash component of any STI outcome paid in FY23.
6. This represents the fair value of performance right and loan funded share grants amortised over the applicable 4-year performance periods. The fair value of STI deferred equity grants and other equity-based awards are amortised over a 1-5 year service period where applicable.

Table C: Outstanding, vested and forfeited deferred remuneration

This table sets out the total value of deferred remuneration outstanding at 30 June 2023, remuneration granted in previous years that vested during FY23 and any realised reductions due to ex post explicit and implicit adjustments. All outstanding deferred remuneration is exposed to ex post explicit and implicit adjustments.

$'000 Remuneration element	Senior managers FY23	Material risk takers FY23	FY22
Total amount of outstanding deferred remuneration[1]	$8,534	$1,611	$6,980
Total amount of deferred remuneration which vested[2]	$811	$19	$676
Reductions due to ex post explicit adjustments[3]	$694	$37	$739
Reductions due to ex post implicit adjustments[4]	($565)	($18,815)	($3,173)

1. The amount represents the value of any unvested equity awards held on 30 June 2023. The amounts have been calculated using the accounting fair values.
2. The amount represents the value of vested awards that were released during the performance year. The amounts have been calculated using the Bank's closing share price on 30 June 2023.
3. The amount represents the value of deferred share and performance right grants that were forfeited during the financial year due to a failure to meet the required performance hurdles or service conditions. The value is calculated using the fair value on the date of grant.
4. The amount includes any decreases to the value of the outstanding awards due to down movements in the Bank's share price during the year, noting that in 2023 there was a decrease in value.