



OCBC AUSTRALIA REMUNERATION FRAMEWORK & PRACTICES

January 2026

The objective of the Bank's remuneration policy is to attract, motivate, reward and retain talented and competent staff globally. The Board ensures that remuneration policies are in line with the strategic objectives as well as code of conduct and ethics of the Bank, and do not give rise to conflicts between the objectives of the Bank and the interests of employees.

The Remuneration Committee is tasked to review and recommend to the Board the general remuneration framework as well as the specific remuneration for each Director and for each key executive. For details of the Committee's composition, summary of terms of reference, attendance and number of meetings held for the financial year, please refer to OCBC's Annual Report [\[Annual Reports & AGM Overview | OCBC\]](#). No member of the Remuneration Committee is involved in the deliberations regarding any remuneration, compensation, options or any form of benefits to be granted to himself or herself.

In its review of the Bank's remuneration practices, the Remuneration Committee can seek expert advice, if necessary. The Bank used salary surveys conducted by external compensation consultants, Aon, Mercer and Willis Towers Watson for the purpose of benchmarking employee salaries in Singapore and overseas. Aon, Mercer and Willis Towers Watson and their consultants are independent and are not related to the Bank or its subsidiaries or any of their directors. The Bank's compensation practices are also reviewed annually by Aon against local regulations as well as the Financial Stability Forum's principles and implementation standards for Sound Compensation Practices for significant financial institutions.

Remuneration Arrangements

The total compensation packages for employees comprise basic salary, variable performance bonus, allowances and deferred share awards for eligible executives, as well as benefits. Compensation is tied to the achievement of business and performance objectives based on a balanced scorecard approach, which includes leadership competencies and adherence to core values. Where relevant, financial measurements – adjusted as appropriate for the various types of risk (such as market, credit and operational risks) – include:

- Operating efficiency measures covering revenue, direct and allocated costs and operating profits, net profits as well as efficiency indicators such as unit costs.

- Economic efficiency measures such as cost of capital. Capital is attributed to each business based on the amount of risk-weighted assets held and the return on capital.
- Liquidity is factored into the performance measurement of each business through the application of liquidity premiums charged or credited according to the behavioural maturity of each type of asset and liability booked

In the Bank's continuous efforts to create sustainable value for stakeholders, relevant performance measures are set for each business unit. These objectives which include broad-based growth across its core markets, delivering sustained earnings momentum from core businesses, driving core competencies of disciplined risk management, diversified funding base and continued investments in technology and people, and ensuring sustainable business practices are also consistent with the Group's risk appetite. In the determination of remuneration of senior executives, risk and control indicators as well as audit findings and compliance issues are taken into account when assessing business performance. Executives are remunerated based on the achievements of their own performance measures, and the demonstration of core values and competencies, while taking into account market compensation data for their respective job roles.

The performance of risk and compliance functions is measured independently of the businesses they oversee. Employees in these functions are assessed based on achievement related to their respective performance measures. Market compensation data on risk and compliance functions is also taken into account for remuneration.

In determining the composition of compensation packages, the Bank takes into account the time horizon of risk and includes, in the total compensation for executives, a significant portion of deferred payment in the form of deferred shares. Awards of deferred shares or share options (granted in previous years) may be subject to cancellation and clawback if it is determined, amongst other things, that they were granted on the basis of materially inaccurate financial statements and/or that the grantee had engaged in conduct that resulted in financial loss, reputational harm, restatement of financial results or financial statements, adverse changes to the Bank's and/or the Group's risk profile or rating and/or is otherwise detrimental to the Bank and/or the Group and/or the business conducted by any member of the Group. To ensure that its remuneration packages are competitive, the Bank regularly reviews salary levels and benefits packages based on market data provided by recognised consultants who conduct surveys on comparative groups in the financial sector. The determination of the Bank's variable bonus pool is fully discretionary and the factors taken into consideration include financial and non-financial metrics like the Bank's performance, audit ratings, risk indicators and compliance issues, market conditions and competitive market practices.

The Bank adopts a performance-driven approach to compensation. Compensation packages are linked to personal performance, the performance of each business unit, and the overall performance of the Bank.

Coverage

The Bank has identified a group of senior executives whose authority and actions are deemed to have a major influence on the long-term performance of the Bank and whose actions or decisions can materially impact the Bank's risk profile. This group, identified as "Material Risk Takers" comprises senior management (the CEO, her direct reports and other senior management staff), key personnel at business units, senior control staff, and employees who had been awarded significant variable performance bonuses as well as senior managers identified under the regulator's guidelines. For the "Material Risk Takers" with bonuses exceeding \$100,000, at least 40% of their variable performance bonuses are deferred in the form of shares. The Board approves the compensation of the CEO, CFO, Chief Risk Officer and Head, Global Markets, and the Audit Committee approves the compensation of Head of Group Audit. The Remuneration Committee approves the compensation of all other relevant senior executives including other employees who had been awarded significant variable performance bonuses.

The remuneration policy covers all persons paid a remuneration by the Branch, including persons or classes of person whose action could put the Branch's financial soundness at risk. These include:

- Responsible Persons of the branch, as defined in APRA's CPS 520 – Fit & Proper, who make or participate in making decisions that affect the whole, or a substantial part of the business of the Branch.
- Those whose primary role is risk and financial control (including risk management, compliance, financial control and operations). At the Branch, the key performance indicators (KPIs) set for this group of staff are not revenue driven or market conditions driven but rather determined by compliance and non-financial KPIs (eg. data integrity of reports, timeliness of reporting, compliance with policy / procedures, etc).
- For those persons who receive a significant proportion of performance based remuneration through bonuses, a different scorecard for measurement of their performance will govern the parameters of their variable remuneration as these persons may individually or collectively be able to put the Branch at risk. Staff that falls within this category is the Head Global Markets Sydney.

The Branch does not have commissioned sales personnel and nor does the Branch pay any remuneration to non-employees.

As the Branch's Senior Officer Outside Australia (SOOA) with delegated authority from the Board under Prudential Standard CPS 510 Governance (CPS 510), the Head, Global Corporate Banking is responsible for controls and oversight for ensuring compliance with the remuneration requirements.