

Qudos Bank Remuneration Principles

Qudos Bank seeks to ensure that quality employees are employed, retained and remunerated in accordance with their responsibilities, skills and experience.

To support Qudos Bank's culture and organisational values, the remuneration processes are designed to encourage behaviour that supports our long term financial soundness and risk management framework.

Qudos Bank sets and reviews salaries having regard to market data (for which it seeks input from external remuneration consultants and applicable surveys) and may also pay a variable performance based remuneration at its discretion.

Our employee incentives are made up of a number of factors, not just the number or the value of products they provide members. Performance is assessed against Key Performance Indicators (KPI's) and behavioural competencies in line with Qudos Bank's Strategic Plan. This ensures that members continue to get the best deal and best service for them.

Qudos Bank does not pay any person significant proportion of their remuneration by performance based remuneration such as bonuses and commissions.

As part of the industry banking reform initiatives, we will continue to review our remuneration and reward programs to ensure that members continue to receive the same excellent service that they have been.