FY2025 Public Remuneration Disclosure

Alex Corporation Limited
(and its subsidiaries)

Prepared in accordance with APRA Prudential Standard CPS 511 - Remuneration

alex.bank

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1. Introduction

This disclosure is made in accordance with APRA Prudential Standard CPS 511 Remuneration (**CPS 511**) for Non-Significant Financial Institutions (**Non-SFIs**). It provides transparency on the governance, design, and implementation of Alex Corporation Limited and its subsidiaries (**the Group**) remuneration framework.

The information provided is for the financial year 1 July 2024 to 30 June 2025.

2. Governance of the Remuneration Framework

The Group are committed to building a bank that helps our customers reach their goals and delivers on shareholder value. The Board recognises that to achieve the Group's strategic objectives, it must attract, motivate and retain exceptional talent with relevant expertise while ensuring the remuneration framework aligns with legal and regulatory requirements and does not reward conduct that is contrary to the Group's risk appetite, values and culture. The Board of Alex Corporation Limited is ultimately responsible for the Group's remuneration framework and its effective application, including remuneration outcomes.

The Board has delegated oversight of the design, implementation and monitoring of the remuneration framework to the Remuneration Committee (**Committee**). The Committee is responsible for reviewing and making recommendations to the Board in relation to:

- the Group's Remuneration Policy;
- the individual remuneration levels of:
    - Non-Executive Directors;
    - the Chief Executive Officer (**CEO**);
    - Senior Executives;
    - any other person in a Specified Role as described in CPS 511, whose activities in the Committee's opinion affect the financial soundness of the Group. This includes members of the Risk & Compliance and Finance teams; and
    - any other person that may be specified by either the Board or APRA;
- the remuneration structures for each category of persons covered by the Remuneration Policy;
- the approval of all incentive-based plans, ensuring alignment between performance-based remuneration and risk management.

The Risk Committee and Chief Risk Officer may share information on any significant risk matters that are relevant to the Remuneration Committee and Board's consideration of risk-adjustments to variable remuneration outcomes. The Risk Committee also supports the Remuneration Committee and the Board to oversee the remuneration framework in a manner consistent with the Risk Management Framework (**RMF**).

During the financial year ending 30 June 2025, the Board met 15 times, the Remuneration Committee met three times and the Risk Committee met four times. The Remuneration Policy, and other associated policies and frameworks are reviewed and approved on an annual basis or more frequently if required.

3. Design and Structure of the Remuneration Framework

Guiding Remuneration Principles

The remuneration framework aligns with the Group's Business Plan, strategic objectives and RMF. It is supported by policies and frameworks including the Remuneration Policy, Remuneration and Incentive Framework, Performance Management Policy and Consequence Management Policy. The remuneration framework seeks to appropriately compensate employees for their contribution while encouraging prudent risk-taking consistent with the Group's risk appetite and regulatory obligations.

The remuneration framework promotes sustainable performance through fixed and variable remuneration, including deferred variable remuneration for Accountable Persons under the Financial Accountability Regime (**FAR**).

Prevention and management of conduct risk is supported by assessing employees against cultural alignment, governance, and customer outcomes, with consequence management applied for misconduct or other incidents of non-compliance.

Fixed Remuneration Design

In determining fixed remuneration, the Group seeks to apply best practice for similar sized companies within the financial services industry including:

- referencing appropriate external remuneration benchmarks;
- aligning with comparable organisations within the financial services industry;
- ensuring the level of remuneration is clearly and measurably linked to performance of the Group; and
- aligning remuneration practices to promote effective management of financial and non-financial risks, and the Group's long-term soundness.

Fixed Remuneration progression is determined in line with the Group's Performance Management Policy. This policy outlines how individuals will be assessed on their level of competency, achievement of the required performance results and conduct of the Group's values and expected behaviours.

Fixed remuneration levels are approved in accordance with the Group's Delegations of Authority, with the Board retaining specific authority for the approval of the remuneration levels of:

- Non-Executive Directors (noting the pool for director remuneration is approved by shareholders);
- the Chief Executive Officer (**CEO**);

- Executives;
- any person in a Specified Role as described in CPS 511, whose activities in the Committee's opinion affect the financial soundness of the Group; and
- any other person that may be specified by either the Board or APRA.

Variable Remuneration Design

Variable remuneration components include:

- Short-Term Incentives (**STI**) – comprising at-risk bonuses linked to appropriate financial, operational and behavioural measures after the end of each financial year;
- Long-Term Incentives (**LTI**) – comprising an at-risk equity-based performance incentive plan linked to hurdles aligned to the Group's longer-term performance objectives for Executives and key persons and satisfaction of accountability obligations under FAR. LTI is delivered via the Group's Employee Share Option Plan.

Eligibility for participation in STI and LTI is determined in accordance with the Group's Remuneration and Incentive Framework. Variable remuneration is calculated on overall company and individual performance and is expressed as a percentage of an individual's fixed remuneration. Individual performance is measured against a balanced scorecard which includes cultural alignment, performance against objectives and governance. Downward adjustments (including to zero) may be made for conduct that causes risk to the reputation or viability of the Group.

Variable remuneration is approved in accordance with the Group's Delegations of Authority; however, all recommendations are presented to the Remuneration Committee for visibility and adherence to policy. The Board approves variable remuneration for positions included in specified roles (as defined in paragraph 20(v) of CPS 511):

- Individually for Executives (including the Chief Executive Officer); and
- On a cohort basis for risk and financial control personnel, which consists of members of the Risk & Compliance and Finance teams.

Deferral requirements

The Group may defer or place conditions on the payment of any STI or LTI as it considers appropriate or as may be required by law. This includes deferring amounts for a specified period of time and/or exceed the prescribed minimum deferral amount under FAR.

Consequence Management

The Consequence Management Policy outlines the Group's approach to apply consequences to conduct that does not meet the standards expected. Malus (the ability to lapse/forfeit or reduce unvested deferred variable remuneration) and clawback (the repayment of variable remuneration that has been paid or vested) are potential actions that may be taken in determining the consequences upon an incident of non-compliance. Malus may be applied to unvested deferred variable remuneration in relation to poor risk outcomes and/or misconduct. Where malus adjustments are

insufficient to satisfy remuneration consequences determined by the Board, clawback may be applied to the variable remuneration awarded to the relevant officer.