

KEB Hana Bank Sydney Branch

Remuneration Disclosure – Year Ended 31 December 2025

As per APRA CPS 511 Requirements

There were **no material changes** to KEB Hana Bank Sydney Branch's remuneration framework, governance arrangement, or remuneration outcomes compared to the previous year.

1. Remuneration Governance

KEB Hana Bank Sydney Branch ('Branch') is operationally governed by KEB Hana Bank in Korea through the Senior Officer Outside of Australia (SOOA) in accordance with APRA's CPS 510-Governance. The SOOA is the representative of the KEB Hana Bank Board and the accountable person of the branch. The SOOA is ultimately responsible for branch's effective operations and is the approval authority for the Remuneration Policy which is aligned with APRA CPS 511 and the Financial Accountability Regime (FAR).

The Branch does not maintain a separate remuneration committee at the branch level. Remuneration governance and oversight are managed at the head Office level in accordance with the Group's global remuneration framework. The branch adheres to this framework and applies relevant remuneration policies and practices as implemented by Head Office in Korea.

The SOOA is responsible for approving all amendments to the Remuneration Policy and oversees its implementation to ensure alignment with prudential standards, risk management objectives, and long-term financial soundness. All remuneration decisions for executives and employees are reviewed at least annually.

2. Remuneration Framework

The Branch applies a structured remuneration framework that consists of both fixed and variable components:

- Fixed Remuneration: Includes base salary, applicable supplements, and superannuation contributions. These are reviewed annually to reflect market conditions and individual contributions.
- Short-Term Incentives (STIs): Performance-based cash incentives awarded bi-annually. Metrics include financial KPIs such as net income and business growth, as well as non-financial factors like compliance, risk culture, and customer outcomes. STI opportunities vary by position, with caps of up to 200% of monthly salary for General Employees.
- Long-Term Incentives (Profit Sharing, P/S): Awarded to eligible employees when branch profit exceeds annual targets. Payouts are made over a three-year period in line with CPS 511 expectations for long-term performance alignment.

3. Remuneration Outcomes (Previous Performance Year)

Remuneration outcomes for the previous performance cycle are determined based on formal performance appraisals conducted bi-annually. These evaluations include assessments of financial results, individual goal attainment, compliance behaviour, and contribution to risk culture.

All eligible employees who met the performance thresholds received STI payouts, with total STI and P/S amounts falling within the budgetary limits defined by Head Office.

4. Deferral and Risk Adjustment

In accordance with FAR and CPS 511, the Branch applies mandatory deferral arrangements for accountable persons. 40% of variable remuneration is deferred over a four-year period and is subject to clawback provisions in the event of misconduct, material risk failure, or significant financial misstatements.

In addition, the SOOA has discretion to adjust variable remuneration downward, where necessary, to safeguard the Branch's financial stability or address unintended outcomes.

5. Material Risk Takers (MRTs)

The Branch currently does not classify any employees as Material Risk Takers (MRTs) under the CPS 511 definition. However, accountable persons have been identified in accordance with FAR and are subject to the relevant remuneration deferral and accountability obligations.

Role assessments and individual accountability maps have been developed and lodged with APRA and ASIC as required.

6. Compliance with APRA CPS 511 and FAR

The Branch confirms its compliance with CPS 511 as of 15 March 2024, the date of effect for small ADIs under the FAR. The Remuneration Policy has been revised to incorporate the FAR-related requirements including:

- Identification of accountable persons;
- Implementation of deferral arrangements for variable remuneration;
- Enhanced performance appraisal processes and control metrics;
- Integration of risk adjustment etc.,

The Branch will continue to review and enhance its remuneration framework annually to ensure full alignment with regulatory obligations.