



**BANKING
CIRCLE**

CPS 511 Remuneration Disclosure

30 June 2025

Overview

This disclosure is pursuant to APRA Prudential Standard CPS 511 – Remuneration (the Standard) and outlines the remuneration governance, practices and policy of Australian Settlements Limited trading as Banking Circle (ASL). In its capacity as a non-significant financial institution (non-SFI), ASL is required to make these disclosures. APRA Prudential Standard CPS 511 - Remuneration requires Authorised Deposit-Taking Institutions (ADI's) to make an annual disclosure regarding their remuneration practices. ASL is required to make clear, comprehensive, meaningful, consistent and comparable public disclosure of information of its remuneration framework and practices as set out in the Standard.

Remuneration Governance and Framework

ASL has adopted a Remuneration Policy which aligns with its Risk Management Framework. This policy is reviewed and approved by the Board annually. The Board is ultimately responsible for the ASL remuneration framework including the ASL Remuneration Policy and its effective application

For the year ended 30 June 2025 ASL's Governance and People and Culture Committee was charged with assisting the Board the responsibility of overseeing remuneration for ASL including:

- Assessing the ASL Remuneration Policy's effectiveness and compliance with the Standard and the Financial Accountability Regime requirements.
- Making recommendations to the Board on overall ASL remuneration payments.
 - Specifically make recommendations to the Board, consistent with the Principles of the Remuneration Policy, on the remuneration and any incentive payments of each of the Chief Executive Officer; direct reports of the CEO (other than Administrative staff); any other person whose activities may, in the Committee's opinion, affect the financial soundness of ASL; Accountable Persons as defined in the Financial Accountability Regime (FAR).
- Overseeing compliance with the FAR.

The Governance and People and Culture Committee met 4 times during the year. The Board is responsible for approving changes to remuneration and incentive payments. From 1 August 2025 the Board assumed full direct responsibility for remuneration outcomes, and the Governance and People and Culture Committee ceased.

Remuneration Policy

Objectives of the ASL's Remuneration Policy are to:

- Promote sound and effective risk management, through measures that do not induce excessive risk taking, mitigate conduct risk and encourage behaviour that supports long-term financial soundness.
- Establish a framework for remuneration and variable remuneration outcomes including compliance with the Standard and FAR obligations.
- Establish a framework for remuneration review including variable incentives for the CEO and CEO direct reports (which includes the Accountable Executives under the FAR but excludes administrative support staff), other financial control and risk function personnel and material risk takers as defined under the FAR.
- Establishes a framework for deferral of variable remuneration incentives.
- Align with, and support of, corporate culture and values, as well as with its long-term interests, including environmental, social and governance risks.
- Together with underlying procedures align with ASL's aim of efficiently managing conflicts of interests and business risk management obligations, with the due promotion of best practices with a view to protect the interests of ASL's clients, providers, employees and shareholders in the short, medium and long-term.
- To ensure that the remuneration arrangements align with and promote the successful completion of the goals identified within the Strategic Plan.



A robust performance management system is in place to ensure variable remuneration outcomes for all staff are aligned with each employee's performance (both financial and non-financial outcomes) and demonstration of alignment with the company's documented values.

For the year ended 30 June 2025 all remuneration and variable remuneration were cash based with all staff subject to a minimum deferral of variable remuneration incentives for 12 months. The Remuneration Policy allows for a greater period of deferral in accordance with the FAR where necessary.

Variable incentives and deferred variable incentives for the positions noted above are only payable with the approval of the Board after consideration of business outcomes including risk events. Any misconduct by an employee, including failure to comply with an Accountability Obligation under the FAR, may result in a reduction, or loss, of variable incentives.

