

Financial Year 1 January 2025 to 31 December 2025

The following disclosure relates to ING Australia Bank Limited (**IBAL**), which is classified as a Significant Financial Institution (**SFI**) under CPS 511.

Table 1 Remuneration framework

Governance of the remuneration framework

1. Name, composition and mandate of the main bodies overseeing remuneration.

ING Bank (Australia) Limited (IBAL) Board composition as at 31 December 2025:

- John Laker – Chairman
- Vicki Allen – Non-Executive Director
- Rein Graat – Non-Executive Director
- Richard Kimber – Non-Executive Director
- Malgorzata Kolakowska – Non-Executive Director
- Darryl Newton – Non-Executive Director
- Jan Swinhoe – Non-Executive Director
- Melanie Evans – Executive Director and Chief Executive Officer

Mandate:

- overseeing the Bank's remuneration framework and its effective application;
- reviewing and approving the Bank's remuneration framework and remuneration policies in accordance with applicable laws and regulations, ensuring the design of the framework is appropriate, contains measurable targets and assessments, and aligns with the Risk Management Framework;
- monitoring application of IBAL's remuneration framework through relevant and comprehensive reporting, to ensure remuneration arrangements for the Chief Executive Officer (CEO), Senior Managers, applicable employees and third parties, promote behaviours which are aligned to the Risk Management Framework, and designed to support the long-term sustainability of IBAL;
- approving the remuneration arrangements and variable remuneration outcomes in respect of the individuals and groups as specified in paragraph 3.6 within the Board People and Remuneration Committee Charter; and
- approval of IBAL's Remuneration Policy and remuneration recommendations relating to the Directors.

IBAL Board People and Remuneration Committee (BPRC) composition as at 31 December 2025:

- John Laker – Chair – (full year)
- Vicki Allen – Member – (full year)
- Darryl Newton – Member – (full year)
- Jan Swinhoe – Member – (part year)

Mandate

- Review and make recommendations to the Board on:
 - IBAL's remuneration policies, including their effectiveness and compliance with APRA requirements and the law;
 - the remuneration arrangements and variable remuneration outcomes of the CEO, the direct reports of the CEO, other personnel, external persons, including firms retained directly by IBAL under contract who, in the Committee's opinion, affect IBAL's financial soundness, and those persons covered by IBAL's remuneration policies;



- the remuneration of any other personnel of whom the Board is required to have oversight and approve according to APRA regulations and other regulatory or Group Policy requirements, including each of the senior managers in specified roles, highly paid material risk takers, other material risk takers and risk and financial control personnel on a cohort basis as required by APRA's *Prudential Standard CPS 511 Remuneration* (CPS 511); and
- the approval of remuneration arrangements for the Chair of the Board and other independent non-executive directors of the Board, including fees, travel and other benefits;
- review and recommend to the Board for approval IBAL's remuneration framework and remuneration policies, which must comply with APRA and Australian laws and regulations. In making its recommendation, the Committee will consider the application of the global remuneration framework and remuneration policies issued by ING Group and consider whether those policies have appropriate regard to IBAL's business and its specific requirements in accordance with APRA and local Australian laws and regulations. In particular, the Committee will review and make recommendation as to whether the remuneration framework and remuneration policies:
 - encourage behaviour that supports IBAL's long-term financial soundness, growth and success within an appropriate risk management framework
 - demonstrate a clear relationship between individual performance (including risk outcomes) and remuneration
 - incorporate the remuneration requirements of the ING Group (to the extent they are not inconsistent with local laws and regulations)
 - encourage an appropriate balance between fixed and variable remuneration, reflecting the short and long-term performance objectives appropriate to IBAL's circumstances and goals; and result in fair and equitable remuneration outcomes;
- oversee the design, operation and monitoring of IBAL's remuneration framework and remuneration policies
- review annually IBAL's remuneration incentives, arrangements, structures, objectives and strategy, including compliance with APRA and other regulatory requirements, and consider the alignment with the Group's plan and Orange Behaviours
- oversee the annual compliance review of IBAL's remuneration framework against the requirements of CPS 511
- oversee the comprehensive review of the effectiveness of IBAL's remuneration framework by operationally independent, appropriately experienced and competent persons, to be conducted at least every three years, as required by CPS 511, and
- review the findings of the annual compliance review and triennial comprehensive review of IBAL's remuneration framework and take appropriate and timely action to ensure the findings of the reviews are adequately considered and addressed, as required by CPS 511.

2. Number of meetings held by the main bodies overseeing remuneration during the financial year.

In the financial year 2025 (FY25), there were 8 IBAL Board meetings and 7 BPRC meetings.

3. An overview of reviews of the remuneration framework performed during the financial year, including any consequential changes, the reasons for those changes and the intended impact on remuneration outcomes.

The IBAL Remuneration Policy is reviewed annually; the FY25 review was undertaken in the third quarter of 2025. Changes to the policy were approved by IBAL BPRC and IBAL Board on 25 September 2025 and the updated policy took effect on 30 September 2025.

The Policy was updated to reflect a structured approach for managing remuneration and compensation arrangements in third party contracts, specifically to mitigate adverse risk outcomes related to conflicts of interest and conduct risk in activities performed for IBAL.

In addition to the Consequence Management Framework (CMF), IBAL established the Employee Significant Incident Events Council (ESIEC). The principal purpose of the ESIEC is to review the activities, performance and process of determining sanctions for Group Identified Staff (IDS) and IBAL specified roles as it relates to ex-post risk adjustments. The ESIEC refers to the BPRC on the sanctions and other consequence management interventions, as applicable.



The ESIEC also reviews employee significant incident event cases in line with the ex-post risk adjustment criteria outlined in the ING Remuneration Regulations Framework (IRRF) and the CMF outlined in the Remuneration Policy that may result in a remuneration adjustment. The ESIEC will advise on sanctions and other consequence management interventions, as applicable, and ensure that risk adjustment practices are brought into full conformance with regulatory requirements via oversight of the on-cycle and off-cycle remuneration and reward processes.

The ESIEC is composed of IBAL's Head of HR (Chair), Head of Performance and Reward (Vice Chair), Head of Compliance, Corporate Audit Services Representative, Legal Representative, Senior Remuneration Regulations Consultant (Secretary) and the Employee Relations Manager.

The ESIEC meets at least once every quarter and reports back to the BPRC on the review and recommended sanctions of the review activity oversight and approval.

Additionally, the application of the IRRF is reviewed annually during the fourth quarter of the financial year by the ING Supervisory Board. Key changes in 2025 included greater focus on Environment, Social and Governance (ESG) and sustainability risks in performance scorecards, remuneration principles and design. The IRRF in 2025 remains consistent with existing Australian regulations and legislation.

4. A description of how the Board:

(i) oversees remuneration policies:

On an annual basis, the IBAL BPRC reviews and recommends to the Board all proposed changes to the IBAL Remuneration Policy. The Board's role is outlined in the Board Charter. The BPRC and Board consider that the policy is fit for purpose and compliant with Australian laws and regulations.

(ii) oversees the input provided by:

- the Board Risk Committee or other Board committees, and
- the risk function, including the Chief Risk Officer.

The role of the Board Risk Committee (BRC) and the Chief Risk Officer (CRO) is to make recommendations to the Board for oversight of senior management's implementation of the risk management strategy and constructive challenge of senior management's proposals and decisions on all aspects of risk management arising from IBAL's activities concerning particular risks and risk management practices. The BRC and CRO have an independent process whereby they advise the BPRC and Board of any downward modifiers to individuals' variable remuneration, including individuals in Specified Roles, due to poor risk outcomes and/or their performance against agreed risk targets.

(iii) exercises its discretion in determining remuneration outcomes, including remuneration outcomes for variable remuneration (VR) awarded in prior financial years:

The BPRC and Board on an annual basis receive the proposed VR outcomes for individuals in Specified Roles (per CPS 511) and individuals classified as IDS. The IRRF defines IDS as those staff whose professional activities have a material impact on the risk profile of ING Group and its material business units. IDS are determined in line with the IDS criteria detailed in the IRRF which complies with Regulatory Technical Standards from the European Banking Authority. The Board reviews, challenges and approves the outcomes for all individuals who meet these classifications.

When an individual who is classified as IDS or Specified Role has a misconduct case which is substantiated and has been classified under a category in the IBAL Consequence Management Framework, the Board is required to review and approve the appropriateness of the non-financial and financial consequences. The Board is required to review, challenge and approve financial and non-financial consequences, including adjustments to variable remuneration (see row 13 of this disclosure for more detail on adjustment mechanisms).

5. A description of external consultants whose advice has been sought on remuneration, the body by which they were commissioned and in what areas of the remuneration framework.

IBAL commissioned an external consultant to conduct the CPS 511 Triennial Effectiveness Review of the Remuneration Framework in FY25. The remuneration framework in FY25 was assessed as 'effective' overall.



6. An overview of the key features and objectives of the remuneration framework, including how it:

- (i) aligns to the APRA-regulated entity's business plan, strategic objectives and risk management framework:

The remuneration framework supports the sustainable attraction, motivation and retention of talented staff. The remuneration framework aims to promote responsible and risk appropriate reward programs that are compliant with remuneration regulations. It enforces appropriate conduct and underpins IBAL's performance culture, while supporting both the ING Group and IBAL's strategy and long-term interests.
- (ii) promotes effective management of both financial and non-financial risks, sustainable performance and long-term soundness:

The remuneration framework consists of governance processes (Board and Management Committees), Code of Conduct, policies and procedures and scorecards (with behavioural and risk metrics). It is designed to align performance management and remuneration with IBAL's overall risk appetite, support a strong focus on risk control and protection of a sound capital base, promote effective risk management, (including reputational risks and risks resulting from the mis-selling of products), and discourage risk-taking outside IBAL's risk tolerance.
- (iii) supports the prevention and mitigation of conduct risk:

Financial targets do not exceed 50% of an employee's targets. Employees are also required to include non-financial targets, relating to customer, strategic initiatives, behavioural expectations and ESG. Employees have at least one role relevant risk target included in their target setting to drive the appropriate risk culture.

Downward adjustments are possible through the annual performance and remuneration review process, via an independent review by the CRO (as detailed in row 4) or via the application of the CMF. The CMF provides guidance on the prevention and mitigation of conduct risk in IBAL. Substantiated outcomes link directly to performance outcomes, specifically outcomes related to behaviour, and may result in a downward adjustment to variable remuneration.
- (iv) for an RSE licensee, promotes the RSE licensee performing its duties and exercising powers in the best financial interests of beneficiaries.

Not applicable for IBAL.

7. A description of the scope of the APRA-regulated entity's remuneration policy (such as by regions or business lines), including the extent to which it is applied to foreign subsidiaries and branches (if applicable).

The IRRF sets the principles and rules for remuneration and for remuneration policies of ING Bank entities globally. The IBAL Remuneration Policy summarises additional terms and provisions required to meet Australian legislation and regulations. The IBAL Remuneration Policy should be read alongside the IRRF. It is applicable for all IBAL employees.

8. A description of the types of positions included in specified roles as defined in paragraph 20(v) of this Prudential Standard.

The below details the types of roles classified under each Specified Role categories:

Senior Managers:

- Accountable Persons (APs) under the Financial Accountability Regime, and
- Executive Committee members (ExCo).

Material Risk Takers (MRT):

- direct reports to the IBAL Head of Wholesale Banking (revenue generating roles only)
- Tribe Leads (Product Owner) roles in Retail and Business Banking, and



- all IBAL individuals classified as IDS in a Risk Taker Role. The IRRF defines IDS as those staff whose professional activities have a material impact on the risk profile of ING and its material business units. IDS are determined in line with the IDS criteria detailed in the IRRF which complies with Regulatory Technical Standards from the European Banking Authority.

Risk and Financial Control Personnel (RFCP):

- all roles within the Risk, Finance and Corporate Audit Services function, and
- leadership roles in the Chief Operations Office that have oversight of Fraud and Know Your Customer functions.

Note: the individuals included in tables 2, 3 and 4 include individuals who were in a Specified Role for the full FY25 and part of FY25 i.e. moved internally or exited throughout the year.

9. A description of how the APRA-regulated entity aligns remuneration outcomes with performance. This must include:

- (i) an overview of the main financial and non-financial performance measures for the entity, key business lines, the CEO and other specified roles on a cohort basis:

IBAL's performance framework has two performance dimensions: Job and Orange Behaviours. The Job dimension measures delivery against an individual's role specific objectives and has weighting of 60%, with at least half of these objectives being non-financial (representing a minimum weighting of 30% overall). The Orange Behaviours dimension refers to an employee's behaviours, more specifically how they uphold ING's values. The Orange Behaviours dimension has a 40% weighting. For employees in control functions, i.e. including employees classified as Risk and Financial Control Personnel under CPS 511, individual financial targets related to sales, revenue, profit, the entity's share price or other such measures that directly affect these, are not permitted.

- (ii) a description of how material weight is applied to non-financial measures in the determination of performance related variable remuneration, including the proportion (level or range) of variable remuneration that would be impacted by non-financial measures, where this is possible to define:

Non-financial measures, including targets relating to customer, strategic initiatives, Orange Behaviours and ESG, form 50% of all targets. The Job and Behaviour outcomes are assessed against a 5-point rating scale at the middle and end of a performance year. The rating at the end of the year inputs into a variable remuneration matrix that provides people leaders with guidance on variable remuneration.

- (iii) a discussion of how a person's remuneration is linked to entity-wide and individual performance:

Discretionary Variable Remuneration pools are determined based on the Variable Remuneration Accrual Model (VRAM), which determines variable remuneration pools that will be allocated to ING entities, including IBAL. The VRAM promotes sound and effective risk management by taking into consideration risk, capital, liquidity, ESG and the likelihood and timing of earnings in the determinations of VR pools for ING at a Group and business/function level.

Individuals who are rated higher on Job and/or Orange Behaviours receive higher variable remuneration outcomes. Individuals who are rated lower on Job and/or Orange Behaviours receive lower than at target outcomes and in some circumstances, no variable remuneration.

10. Where no variable remuneration is offered (excluding one-off payments), a description of the method used to ensure risk management outcomes are assessed and consequence management applied in the event of a material breach or misconduct.

IBAL employees are eligible for variable remuneration except for employees hired on a fixed-term employment arrangement or on assignment from other ING entities that do not offer variable remuneration. This remains subject to the CMF which includes downward adjustments (of up to 100%) to variable remuneration, proposed fixed remuneration increases and non-financial consequences, including but not limited to coaching, remedial training, downgrades to role accountabilities, suspension or termination.



11. A description of variable remuneration of risk and financial control personnel for the financial year covering:

- (i) remuneration arrangements, including how variable remuneration arrangements reflect their independence, authority and the purpose of their functions, and are not unduly influenced by the performance of the business activities they control:

Employees classified as Risk and Financial Control Personnel (RFCP) have a role as independent advisers to the business. To reinforce this independence, they do not have targets related to financial outcomes to ensure their performance review and variable remuneration is not influenced by the performance of the business that they support and so affect any advice provided.

- (ii) the remuneration outcomes, including variable remuneration outcomes as a proportion (level or range) of fixed remuneration and the nature and proportion of any adjustments made to reflect risk performance:

Variable remuneration for RFCP is determined separately from the business units they oversee, either through distinct remuneration pools and approval processes or by the reporting manager within these functions, not the business the individual supports. This separation applies even where RFCP involvement in business decisions (for example, new product approvals) may influence performance outcomes. In 2025, RFCP reporting to a Senior Manager were awarded, on average, variable remuneration of 23% as a proportion of fixed remuneration.

As outlined in previous sections, variable remuneration is generally linked to performance outcomes that include defined risk-related targets. RFCP are subject to the Consequence Management Framework (CMF) and related ESIEC oversight, which incorporates risk and conduct considerations.

- (iii) any special payments made

Severance related payment of \$81,131 was made to the incumbent in the role of Head of KYC and Financial Crimes, which is an RFCP, in FY25.

Design of variable remuneration plans

12. For the variable remuneration plans applicable to specified roles, a description of the plan design, including:

- (i) forms of remuneration offered:

Fixed remuneration and short-term variable remuneration are offered to individuals in Specified Roles. All employees are eligible for variable remuneration, except employees hired on a fixed-term employment arrangement or on assignment from other ING entities which do not offer variable remuneration.

- (ii) the persons eligible to participate in the plan, as a percentage of their respective cohort of specified role:

For the Senior Manager and MRT categories, eligibility to participate in the variable remuneration plan is 100%. However, the percentage is lower in the RFCP category given the scale of the cohort which has more individuals on fixed-term employment arrangements who are ineligible for variable remuneration.

- (iii) how it is aligned with the business strategy and effective risk management:

Job targets, which drive variable remuneration outcomes, include targets relating to business strategy. For the CEO and Executives, targets that support the business strategy are included in individual scorecards. In addition, as detailed in various sections of this disclosure, items including risk targets and risk adjustment processes will directly impact variable remuneration. This direct impact encourages sound risk behaviours.

- (iv) how cohort and individual outcomes are determined, including how material weight is given to non-financial measures:

The Risk function determines and allocates individual risk requirements that apply to IDS who are considered risk takers and to individuals in Specified Roles (noting individuals may be classified as both). The risk requirements focus on the long-term sustainability of ING and on strengthening the relationship between minimum standards in the area of risk management and individual remuneration. The risk function independently reviews and assesses individual performance against the risk requirements and, where appropriate, will recommend a risk modifier to the proposed variable remuneration for an individual.



- (v) if the mix of variable remuneration differs across persons within a specified role cohort, a description of the factors that determine the mix and their relative importance:
- The target and maximum percentage of variable remuneration an individual may be eligible to receive increases as an individual's job level increases. Variable remuneration makes up a higher portion of total compensation for the CEO and Executives. This arrangement ensures that more of the pay mix is at risk in the event of poor performance and allows IBAL to leverage mechanisms such as holdback and clawback if required.
- (vi) how the variable remuneration pool (if any) is determined, including performance and risk measures used:
- Discretionary Variable Remuneration pools are determined based on the Variable Remuneration Accrual Model (VRAM), which determines Variable Remuneration (VR) pools that will be allocated to ING entities, such as IBAL. The VRAM promotes sound and effective risk management by taking into consideration risk, capital, liquidity, ESG and the likelihood and timing of earnings in the determinations of VR pools for ING at a Group and business/function level. More information on the VRAM is detailed in row 9.
- (vii) deferral periods and vesting schedules:
- For Senior Managers (who have deferred variable remuneration above AUD \$50,000) and Highly Paid Material Risk Takers, deferral periods and vesting schedules are aligned to the requirements of CPS 511. Material Risk Takers and Risk and Financial Control Personnel are subject to deferral if they are classified as IDS or if they are awarded above a minimum threshold (as detailed in the IRRF).
- (viii) any adjustment measures that may differ from Table 1, row 13.
- None.

Deferrals and adjustments

13. A description of the ways in which the APRA-regulated entity defers and adjusts variable remuneration to take account of longer-term performance, including risk performance. This must include:

- (i) an overview of the processes and tools for adjusting variable remuneration, including criteria and triggers for each tool:

There are three ex post risk adjustment mechanisms to leverage should an adjustment be required. These are:

1. In-year variable remuneration reduction: up to 100% of awarded non-deferred variable remuneration before it's paid out; and/or
2. Holdback: up to 100% of awarded but unvested deferred variable remuneration; and/or
3. Clawback: up to 100% of paid and/or vested variable remuneration, subject to the applicable statute of limitations.

Triggers to apply for in-year variable remuneration reductions include a directive from the CRO, through formal processes such as the independent risk review (as described in row 12) which is undertaken on Specified Roles and IDS on an annual basis, whereby the CRO may apply risk modifiers to proposed VR outcomes.

In addition, in-year adjustments may be made in line with the CMF including via the ESIEC for Specified Roles and/or IDS. The CMF details potential consequences for each category within the framework; such consequences include adjustments to unpaid or paid variable remuneration.

The IRRF details four main criteria used for ex post risk adjustments. The policy includes sub criteria and non-exhaustive examples for each criterion. The criteria are detailed below:

1. The employee failed to meet appropriate standards of fitness and propriety.
2. The employee participated in or was responsible for conduct which resulted in significant losses to ING Group or any of the legal entities in its group.
3. Payment of the variable remuneration award would be unacceptable according to the principles of reasonableness and fairness.
4. The variable remuneration payment was made on the basis of incorrect information relating to the achievement of targets underlying the variable remuneration award or circumstances that the variable remuneration award depended on.



For IBAL, in addition to the above criteria, the CMF provides further examples of when categories within the framework, and the relevant financial reduction to variable remuneration, may be applicable.

(ii) an overview of the policy for deferral and vesting of variable remuneration:

Details of how variable remuneration is deferred, and the relevant vesting schedules are detailed in the IBAL Remuneration Policy and the IRRF. The IBAL Remuneration Policy details the deferral and vesting requirements that are specific to Australian employees, or employees who are captured under Australian regulations and legislation such as CPS 511 and the Financial Accountability Regime. This includes specific deferral and vesting requirements for CEO, Senior Managers and Highly Paid Material Risk Takers.

The IRRF details deferral and vesting requirements for IDS classified staff and general staff who are awarded variable remuneration above a specified threshold.



Table 2 Remuneration outcomes for the financial year

A\$	CEO	Other Senior Managers	Highly paid material risk-takers	Other material risk-takers	
Fixed remuneration					
1	Number of employees paid fixed remuneration	1	12	0	23
2	Total fixed remuneration	994,621	5,602,548	-	7,597,100
3	of which: cash-based	953,148	5,373,771	-	6,724,313
4	of which: share-based awards	0	0	0	0
5	of which: other	41,472	228,777	-	872,787
6	Average percentage increase in total fixed remuneration (row 2) on previous financial year	3.0%	7.0%		3.6%
Variable remuneration					
7	Number of employees eligible for variable remuneration	1	10	0	20
8	Number of employees who received variable remuneration	1	10	0	20
9	Total variable remuneration	492,544	2,433,997	-	2,932,912
10	of which: cash-based	246,248	1,237,808	-	2,205,556
11	of which: share-based awards	246,296	1,196,189	-	727,356
12	of which: other	0	0	0	0
13	Total variable remuneration (row 9) which has been deferred	295,527	956,833		603,398
14	of which: cash-based	147,749	478,340	-	247,618
15	of which: share-based awards	147,778	478,493	-	355,780
16	of which: other				
17	Average percentage increase in total variable remuneration (row 9) on previous financial year	20.7%	5.5%		18.2%
18	Total remuneration (sum of rows 2 + 9)	1,487,165	8,036,545	-	10,530,012

Table 3 Special payments

A\$	CEO	Other Senior Managers	Highly paid material risk-takers	Other material risk-takers	
1	Number of employees paid a guaranteed bonus	-	-	-	-
2	Total guaranteed bonuses	-	-	-	-
3	Number of employees paid a sign-on award	-	1	-	-
4	Total sign-on awards	-	100,000	-	-
5	Number of employees paid a severance payment	-	-	-	1
6	Total severance payments	-	-	-	171,132



Table 4 Deferred and adjusted variable remuneration

A\$		A Total amount of outstanding deferred variable remuneration post adjustment	B Total amount of variable remuneration not deferred post adjustment	C Total amount of downward adjustments to variable remuneration reported in columns A and B
CEO				
1	Total CEO	1,638,211	197,017	
2	of which: cash	486,538	98,499	-
3	of which: share-based awards	1,151,673	98,518	
4	of which: other	0	0	
Other senior managers				
5	Total other senior managers	3,563,761	1,477,164	
6	of which: cash	1,383,998	759,468	
7	of which: share-based awards	2,179,763	717,696	
8	of which: other	0	0	
Highly paid material risk-takers				
9	Total other highly paid material risk-takers			
10	of which: cash			
11	of which: share-based awards			
12	of which: other			
Other material risk-takers				
13	Total other material risk-takers	1,735,619	2,329,514	
14	of which: cash	539,952	1,957,938	
15	of which: share-based awards	1,195,667	371,576	
16	of which: other	0	0	
17	Total (sum of rows 1 + 5 + 9 + 13)	6,937,590	4,003,695	-

