

APS 330 REMUNERATION DISCLOSURES

Year Ended 31 August 2019



Table 22: Remuneration Disclosure Requirements

The following remuneration disclosures have been prepared in line with the prudential standard APS 330 Public Disclosure (APS 330) and Bank of Queensland Limited's (BOQ's) Board of Directors (Board) approved remuneration policy. The Australian Prudential Regulatory Authority's (APRA's) prudential disclosures require that all Authorised Deposit-taking Institutions (ADIs) meet the minimum requirements for public disclosure of qualitative and quantitative information concerning their remuneration practices.

This prudential disclosure is separate to the existing Remuneration Report requirements which cover only Key Management Personnel (KMP). This quantitative information relates to senior managers and material risk takers of BOQ for the financial year ended 31 August 2019.

Senior managers for the purpose of this disclosure include the Managing Director & Chief Executive Officer (MD & CEO), the executive management team (KMP reported in the Remuneration Report), Accountable Persons (APs) (as per the Banking Executive Accountability Regime (BEAR)), and Responsible Persons (RPs) (as per the BOQ Remuneration Policy). A 'Senior Manager' refers to each responsible person included in an ADI's Remuneration Policy under paragraph 59(a) of Prudential Standard CPS 510 Governance (CPS 510). During the financial year ending 31 August 2019, there were 30 employees within this group (for 2018 there were 26). In 2019, this includes six employees who were in the role for part of the year.

Material risk takers are defined persons included in an ADI's Remuneration Policy under paragraph 59(c) of CPS 510 as all other persons for whom a significant portion of total remuneration is based on performance and whose activities, individually or collectively, may affect the financial soundness of the regulated institution. Based on this definition, there are no employees outside of the senior management group that are considered material risk takers. All BOQ's material risk takers are included in the senior manager category of this disclosure.

Remuneration governance

The Board is responsible for remuneration governance. It has established a Human Resources & Remuneration Committee (Committee) which makes recommendations to the Board regarding remuneration for groups of employees either individually or collectively:

- May materially impact BOQ's performance against its strategic and financial objectives; and
- Receive remuneration which, if inappropriately structured and delivered, has the potential to negatively impact acceptable risk or result in an adverse impact to the Bank's customers and/or the community.

The Committee comprises six non-executive directors. Members of the Committee are confirmed annually by the Board. This Committee makes recommendations on remuneration for employees of BOQ and its subsidiaries, and provides recommendations to the Board of St Andrew's Australia Services Pty Ltd.

Where necessary, the Board seeks advice from independent experts and advisors including remuneration consultants. Remuneration consultants are engaged by and report directly to the Committee Chairman which ensures, upon engagement, that the appropriate level of independence exists from BOQ's management. Where the consultant's engagement requires a recommendation, the recommendation is provided to, and discussed directly with the Chairman of the Committee to ensure management does not unduly influence the outcome. During 2019 the Committee engaged independent advisors from PricewaterhouseCoopers (PwC), Ernst & Young (EY) and Egan Associates to assist with the decision making process. None of the remuneration advisors provided a remuneration recommendation to the Committee.

The Committee makes recommendations to the Board on a wide range of remuneration issues including Directors' and executives' remuneration. The Committee reviews BOQ's Remuneration Policy on an annual basis as changes continue to arise governing executive remuneration.

Remuneration governance continued

The Committee's objectives include assisting the Board to discharge its responsibilities to exercise due care, diligence and skill in relation to:

- The design of BOQ's remuneration structure and incentive reward plans for employees, including superannuation;
- BOQ's public reporting of financial information on remuneration matters;
- Broader remuneration matters, fees and other entitlements for the non-executive Directors, Directors of subsidiary companies and the MD & CEO;
- BOQ's Remuneration Policy for senior executives and other employees as required by APRA Prudential Standards, including APRA Prudential Standards CPS 510 – Governance, CPS 520 – Fit and Proper and APS 330 – Public Disclosure as well as employees designated as Accountable Persons under BEAR;
- Monitoring of BOQ policy with regard to diversity and other human resource issues; and
- Improving the efficiency of the Board by enabling delegation of appropriate tasks to the Committee, where such tasks can be discussed in sufficient depth.

The Committee's key responsibilities are set out in its Charter which is reviewed annually or more often, as required.

The Charter is available on the BOQ website at www.boq.com.au

The Committee seeks to ensure that the Remuneration Policy continues to adequately support BOQ's overall risk management framework. The Committee meets a minimum of four times per year and, in the 2019 financial year, seven meetings were held. The Chairman of the Board attends Committee meetings and receives no additional payment for this. In line with APS330 Attachment G, Table 22(g), the fees paid to the Committee in total are set out below:

Financial Year	2019	2018
Committee Members ¹	6	5
Meetings	7	7
Total fees including the Committees members and Committee Chairman ²	\$107,117 ³	\$105,000 ³

¹ Inclusive of the Committee Chairman

² The Committee Chairman received \$35,000 in fees

³ Fees quoted are base fees without superannuation

BOQ Remuneration Policy and framework

The Remuneration Policy applies to all employees of BOQ and its subsidiaries. The Remuneration Policy provides a remuneration structure comprising fixed remuneration, short term incentive (STI) and long term incentive (LTI) to reward its employees, dependant on the level of responsibility. BOQ administers remuneration according to the following principles:

- The Bank's remuneration arrangements should help to drive the Bank and its employees toward our Purpose and encourage our employees to live our Values;
- The Bank will pay comparative levels of fixed remuneration to its employees fairly and equitably, given their roles and responsibilities, and competitively, relative to similar roles at other comparable companies (market referenced fixed remuneration);
- There should be no distinction or difference in pay between genders for people that are performing the same role other than where this is a difference noted as a result of performance, skill and experience;
- Employees must have individual performance objectives that are stretching as part of their performance commitment to the Bank and ensure that they adhere to risk management practices to be eligible for any incentive payment;
- The Bank will provide rewards in terms of fixed remuneration, short term and long term incentives, where applicable and to qualifying employees, as well as employee benefits that facilitate retention, acknowledge contribution to improved performance and support the achievement of the Bank's objectives aligned with the Bank's strategy, purpose and values;
- Performance-based incentive arrangements will be operated in a responsible manner from the perspective of all stakeholders and will be designed to encourage behaviour that supports:
 - The Bank's long term financial soundness;
 - The risk management framework of the Bank; and
 - Alignment with customer and community expectations
- The Bank provides short term performance-based incentives, where amounts earned flex with and are aligned to performance across a defined range.
- Long term incentives may be provided to eligible employees who are able to meaningfully influence the Bank's long term performance and execution of strategy;
- Short and long term incentive awards will, in general, be paid in cases where eligibility has been determined once minimum levels of performance have been met, where risk principles have been adhered to and where the Bank can demonstrate to its stakeholders that awards are appropriate and linked directly to the creation of stakeholder value;
- Deferral and malus will apply to deferred short term and long term incentive payments. The Board has discretion over these payments; and
- As a general rule, cash sign on payments will not be offered to newly appointed employees. The Board may exercise discretion in exceptional circumstances to consider a make good payment, normally in the form of a grant of equity or rights, in circumstances where a newly appointed employee has forgone equity and this is a critical consideration in attracting and securing an appropriate candidate.

The remuneration structure in place for employees (including the MD & CEO) is consistent with BOQ's Remuneration Policy and is based on a total remuneration approach comprising an appropriate mix of fixed (salary and benefits) and variable remuneration in the form of cash and equity-based incentives. This equity portion is delivered over time and subject to continued tenure of the participant. The at-risk components (deferred STI and LTI) are subject to malus and clawback in part or whole.

The total remuneration opportunity for all employees is reviewed on an annual basis. Fixed remuneration is, on average, targeted at the market median however, in cases where BOQ is actively pursuing talent or the market is particularly competitive, remuneration may be higher than the median. The total remuneration mix for an individual varies depending on the level of the role within the organisation and their performance.

Remuneration components

The Table below provides an overview of the remuneration components for all employees of BOQ.

Item	Structure, Performance & Risk Alignment
Fixed remuneration (base salary, salary sacrificed benefits, other benefits plus superannuation)	Fixed remuneration is commensurate with the size and complexity of the role, individual responsibilities, individual performance, experience and skills. The majority of roles are aligned to market median and annually reviewed considering the individual's experience and market relativity. Superannuation contributions are paid according to statutory requirements.
STI plans	<p>Employees are able to participate in a BOQ STI plan. There are two STI plans, one for Senior Managers and other employees and one for Enterprise Agreement employees.</p> <p>Senior Managers and other employees</p> <p>The corporate STI plan provides a link between performance and reward. The performance criteria for the 2019 financial year included:</p> <ul style="list-style-type: none"> • BOQ's performance against target EPS; • BOQ's performance against target cash net profit after tax (NPAT); • BOQ's cost to income ratio; • BOQ's Return on Equity • Loan Impairment Expense/Gross Loans & Advances; • Implementation of Board Strategy; • NPS Ranking; • Customer Advocacy; • Main Financial Institution Ranking Improvement • Employee Engagement & Enablement; • Diversity & Inclusion; • Individual performance criteria; and • Adherence with BOQ's risk management framework and expected behaviours. <p>STI payment is only made where financial and behavioural gateways are met. The Financial gateway of EPS performance was not met in 2019.</p> <p>Individual performance measures are role specific and agreed annually. Individual performance criteria considers multiple factors including adherence to organisational values, individual behaviours, the business results and/or strategic accomplishments of the business or function, and people management, together with adherence to risk criteria.</p> <p>Enterprise Agreement employees</p> <p>Enterprise Agreement employees have a plan that is linked to both BOQ and individual performance criteria.</p>

Remuneration components continued

Item	Structure, Performance & Risk Alignment
STI governance	<p>The Board approves funding for the incentive pool for the corporate incentive plans annually. In considering the STI pool, the following are reviewed:</p> <ul style="list-style-type: none"> • BOQ performance against key financial and non-financial criteria; • Long term financial soundness and shareholder return; • Information pertinent to other stakeholders including customers; and • Any other information that the Board deems relevant and appropriate. <p>Whilst the performance of Senior Managers is assessed against specific performance criteria, the Board and the Committee recognise that there are a range of factors which must be taken into account when considering overall remuneration outcomes.</p> <p>As such, the Committee may recommend to the Board discretionary adjustments to the outcomes for Senior Managers that may impact their remuneration; either negatively or positively.</p> <p>The Board has the discretion to adjust all performance-based remuneration downwards to zero, for either individuals or groups of individuals, where deemed appropriate based on risk outcomes or behaviour or non-compliance with values, risk frameworks, policies, standards, guidelines and procedures.</p> <p>During 2019, some employees had their performance based remuneration adjusted downwards or withheld as a result of non-compliance with policy, standards, guidelines and procedures or as a result of poor behaviours.</p>
LTI plan	<p>There are two types of award rights that can be granted to executives under the LTI plan, Performance Award Rights (PARs) and Deferred Award Rights (DARs). Key Management Personnel (KMP) are only eligible to receive PARs. PARs and DARs may be issued to other senior executives however employees below these levels are only issued DARs. Eligibility, quantum and mix of LTI varies based upon a participant's accountabilities, contribution, potential and seniority. For Key Management Personnel (KMP) PARs are allocated in a range of 80% to 120% of fixed remuneration. The 2019 PARs allocations for KMP were equivalent to 100% of fixed remuneration, as disclosed in the Remuneration Report.</p> <p>KMP are also eligible to receive Restricted Shares which are awarded as deferred STI where the STI is above the threshold of \$100,000. Restricted shares represent 50% of the total STI awarded for KMP and vest progressively over three years. As there were no STIs awarded to KMP in relation to FY19, restricted shares were not issued.</p> <p>Allocations for other senior executives are generally made in a range of 10% to 50% of fixed remuneration however may be higher in certain specific circumstances. Performance rating outcomes influence allocations and quantum of award rights granted.</p> <p>The allocation of LTIs is based on 'face value' rather than a fair value methodology. The reported values of "Shares and share-linked instruments" in this document follow this methodology for greater transparency.</p>

Remuneration components continued

Item	Structure, Performance & Risk Alignment
LTI plan continued	<p>Grants of PARs to Senior Managers align their interests with those of BOQ and its shareholders. This includes encouraging behaviour that supports the risk management framework and the long term financial soundness of the Bank that in turn supports long term performance. PARs focus Senior Managers on the achievement of relative Total Shareholder Return (TSR) and Earnings per Share (EPS) improvement through external, objective measures used to define performance outcomes against comparators. PARs vest based on BOQ's relative TSR and EPS performance over a four year period.</p> <p>Upon termination and subject to meeting the qualifying reasons to establish "good leaver" status, any unvested PARs may, with Board approval, remain "on foot". This provides alignment in decision making with long term financial performance of BOQ post-employment. All unvested PARs that remain "on foot" are at risk and subject to previously agreed hurdles. They are also subject to malus.</p> <p>DARs are awarded to a broader group of employees below senior management levels and promote employee retention and productivity. The number of DARs awarded to an individual employee depends on their position and relative performance and potential, as determined under the normal performance review and development process undertaken for all employees.</p> <p>The remuneration governance framework allows the Board to exercise its judgment to reduce or increase any LTI. Employees cannot hedge equity instruments that are unvested or subject to restrictions.</p>

Aligning remuneration with risk management

Risk forms a key part of the remuneration structure at BOQ and is embedded in the assessment of variable reward. Risk management practices are governed by an integrated framework of policies (including risk appetite statements and the Remuneration Policy). In assessing performance, the Chief Risk Officer provides feedback to the Board concerning risk behaviours and outcomes during the financial year. A final full year assessment of risk is presented to the Committee by the Chair of the Risk Committee at the meeting where executive remuneration decisions are considered.

Current and future risks are also included in the BOQ-wide key performance indicators (KPIs) with the performance targets for BOQ including:

- a values and behavioural gateway test,
- a separately weighted risk measure; and
- an assessment based on behavioural and cultural measures, which consider adherence to the risk management framework.

The Board ensures that risk management is a specific performance goal for KMP and also a hurdle for eligibility to any variable reward.

The Committee's starting point when considering STI and LTI outcomes is the Bank's performance scorecard. Consideration is also given to any matters relevant but not specifically covered by KPIs including other factors such as TSR performance, risk related performance and the financial soundness of the outcomes achieved. Once consideration has been applied for these factors, the Board makes its determination on

Aligning remuneration with risk management continued

the STI and LTI pools. The intent of this process is to moderate the STI and LTI allocation upwards or downwards to ensure alignment of outcomes between employees and other stakeholders.

The table below provides the key risks and measures for the 2019 financial year which are updated periodically to ensure compliance with the legislative standards and alignment with BOQ's risk appetite.

Activity and outcomes for each of the Risk categories are reported to the relevant Committee and the Board.

Risk	Measures	Review of the measures
Non-Financial risks (operational risk and compliance risk)	<p>A number of measures are used to evaluate Non-Financial risks including:</p> <ul style="list-style-type: none"> • Operational risk assessments • Incident reporting and analysis • Regulatory compliance breaches and impact assessments • Branch scorecard performance and audits • Internal and external audit findings • Completion of mandatory compliance training • Monitoring & supervision activities • Monitoring conflicts of interest • Attestations • Monitoring regulatory change 	<p>Measures across Non-Financial risks are produced, reviewed and monitored either on a monthly, quarterly, half-yearly and/or annual basis (as applicable).</p>
Financial risks (credit risk and market risk)	<p>Metrics embedded within KPIs include compliance with Board delegated trigger limits for key credit, liquidity, funding, rate of return, earnings volatility, target debt rating, capital and market risk limits.</p>	<p>Market risk, liquidity and funding composition are monitored daily.</p> <p>Other financial risks are monitored at least monthly.</p>

Risk management framework and expected behaviours

Employees are expected to demonstrate behaviours that reflect the values and objectives of BOQ as approved by the Board, including adherence with BOQ's overall risk management framework.

The STI and LTI plans continue to include specific risk KPIs designed to ensure quantifiable results are achieved within appropriate risk management parameters. The risk management framework includes KPIs at an individual and BOQ level, while the KPIs for the MD & CEO and KMP are subject to Board approval for the MD and oversight for the KMP. Failure to meet the risk KPIs will result in modification, suspension or withdrawal of STI and LTI and will impact the participant's deferred STI, which are subject to malus and clawback, where appropriate.

Deferral, malus and clawback

The remuneration structure is inclusive of deferral of variable reward for all employees who meet the parameters set out in the table below. This provides a summary of the various deferral arrangements applicable to different groups across BOQ. This deferral ensures appropriate risk reviews are conducted before any remuneration is paid.

In accordance with BOQs remuneration cycle, incentive payments are not made until up to three months after the end of the financial year and LTI is not awarded until after the Annual General Meeting and up to four months after the end of the financial year. This cycle allows time for the Committee and Board to apply sufficient scrutiny and satisfy itself of the appropriateness of the awards granted and incentives paid.

Deferral and potential clawback are in place to encourage a longer term focus. BOQ's remuneration governance framework allows for the Board to clawback, in part or whole, all unvested performance-based incentives.

Item	Structure, Performance & Risk Alignment
MD & CEO and KMP	<p>Once any STI payment exceeds \$100,000, 50% of the total amount awarded is deferred into restricted shares for a period of three years. Of this 50% in total, 40% vests at the end of year one, 30% at the end of year two and 30% at the end of year three.</p> <p>Restricted shares are ordinary BOQ shares held by a trustee on behalf of participants, are subject to disposal restrictions and eligible for receipt of dividends.</p> <p>The restricted shares will be released to the individual at the end of the deferral period, subject to continued employment and the Board determining that no 'forfeiture' events have occurred. The Board retains discretion to determine what constitutes a 'clawback' event within the policy and includes events such as breaches of risk KPIs, departure to a direct competitor and instances where there has been a material misstatement in the financial statements.</p> <p>In the case of employment separation, subject to the terms and conditions of the prior grant and in accordance with the Plan rules and with Board approval, deferred STI may remain 'on foot'. This is to create alignment in risk based decision making for the long term financial performance post-employment with BOQ.</p> <p>LTI Awards (PARs) are deferred over a four year period and subject to set performance hurdles.</p>

Deferral, malus and clawback continued

Item	Structure, Performance & Risk Alignment
Senior Managers	<p>Once any STI payment exceeds \$100,000, 50% of the total amount awarded is deferred into cash for a period of two years (50% vesting at the end of year one and 50% at the end of year two). Interest on deferred cash STI is accrued and payment is subject to vesting conditions.</p> <p>Employment separation terms are consistent with those applicable to KMP.</p> <p>LTI awards of DARs are deferred over a three year period and PARs are deferred over four years subject to set performance hurdles.</p>
All other employees	<p>Once any STI payment exceeds \$100,000, 50% of the total amount awarded is deferred into cash for a period of two years (50% vesting at the end of year one and 50% at the end of year two). Interest on deferred cash STI is accrued and payment is subject to vesting conditions.</p> <p>LTI awards of DARs are deferred over a three year period.</p>

Risk and financial control personnel

Risk and financial control personnel (as defined in paragraph 57(b) of CPS 510) are employed in centralised functions across BOQ. Remuneration outcomes for these individuals are based on the performance of BOQ and their individual performance against KPIs.

The KPIs set for individuals in these functions are not linked to the financial performance of the business unit they oversee. KPIs for KMP are reviewed by the Committee. The Board's Risk Committee reviews the Chief Risk Officer KPIs.

Senior Manager quantitative remuneration disclosure for year ended 31 August 2019

The following tables have been prepared in accordance with the quantitative requirements outlined in APS 330.

The table below summarises the requirements under paragraph (h) in Table 22 of APS 330 and provides a breakdown of the various payments made to Senior Managers and material risk takers for the financial year ended 31 August 2019. A 'Senior Manager' refers to each responsible person included in an ADI's Remuneration Policy under paragraph 57(a) of Prudential Standard CPS 510 Governance (CPS510) and, as noted earlier, all BOQ's material risk takers are included in the senior manager category.

	2019		2018	
	Senior Managers ¹	Material risk takers ²	Senior Managers ¹	Material risk takers ²
No. receiving a variable reward	2	-	20	-
Guaranteed bonuses awarded ³	-	-	-	-
Sign-on awards ⁴	-	-	-	-
Termination payments ⁵	1,228,960	-	106,730	-

¹ As per paragraph 59(a) of Prudential Standard CPS 510 Governance (CPS 510).

² There are no employees outside of the Senior Manager group that are considered material risk takers based on this definition. BOQ material risk takers are included in the Senior Manager category of this disclosure.

³ No guaranteed bonuses were made to Senior Managers during the financial year.

⁴ No cash sign-on award was made during the financial year

⁵ A total of four (4) Senior Managers received a termination payment during each of the 2019 and 2018 financial years, and 2019 includes a termination payment for prior CEO of \$975,000 in lieu of 9 months notice.

Senior Manager quantitative remuneration disclosure for year ended 31 August 2019 continued

The table below provides a summary of deferred cash and equity-based remuneration, including the total amount of outstanding awards, and those that have vested during the 2019 financial year, including any reductions due to ex post explicit and implicit adjustments. It summarises the requirements under paragraphs (i) and (k) in Table 22 of APS 330 for the financial year ending 31 August 2019. All figures in the table are in \$ except for the number of incumbents.

	2019		2018	
	Senior Managers ¹	Material risk takers ²	Senior Managers ¹	Material risk takers ²
Number of incumbents	30	-	26	-
Outstanding deferred remuneration				
Cash based awards	704,250	-	756,250	-
Shares and share-linked instruments ³	11,716,968	-	21,654,617	-
Total outstanding deferred remuneration	12,421,220	-	22,410,870	-
Total outstanding remuneration vesting during the financial year ³	3,173,780	-	4,702,980	-
Total amount of reductions during the financial year due to explicit adjustments ⁴	8,053,452	-	3,606,447	-
Total amount of reductions during the financial year due to implicit adjustments ⁴	-	-	-	-

¹ As per paragraph 59(a) of Prudential Standard CPS 510 Governance (CPS 510).

² There are no employees outside of the Senior Manager group that are considered material risk takers based on this definition. BOQ material risk takers are included in the Senior Manager category of this disclosure.

³ Shares and share-linked instruments are expressed as face value, using the closing share price as at 31 August 2019 and 31 August 2018 for 2019 and 2018 respectively.

⁴ This includes any reductions to awards which vested during the 2019 or 2018 financial year. Adjustments include all reductions due to revaluation of awards, downward adjustments to outcomes and forfeitures due to non-vesting or employees exiting.

The table below (formatted as per Table 22A of APS 330) summarises the requirements under paragraph (j) in Table 22 of APS 330 and provides a breakdown of the value of fixed and variable remuneration for senior managers for the year ended 31 August 2019. All figures in the table are in \$ except for the number of incumbents.

	2019		2018	
	Senior Managers ¹	Material risk takers ²	Senior Managers ¹	Material risk takers ²
Number of incumbents	30	-	26	-
Fixed remuneration (Non Deferred)				
Cash based ³	10,447,810	-	10,290,490	-
Shares and share-linked instruments	-	-	-	-
Other ⁴	977,760	-	1,113,210	-
Variable remuneration				
Cash based (Non Deferred)	36,800	-	2,375,000	-
Cash based (Deferred) ⁵	-	-	418,000	-
Share-linked instruments (Deferred) ⁶	7,646,100	-	10,005,020	-
Other	-	-	-	-

¹ As per paragraph 59(a) of Prudential Standard CPS 510 Governance (CPS 510).

² There are no employees outside of the Senior Manager group that are considered material risk takers based on this definition. BOQ material risk takers are included in the Senior Manager category of this disclosure.

³ Represents actual fixed remuneration received, including salary sacrificed benefits and employer superannuation any salary sacrificed benefits and car parking costs (including associated benefits tax).

⁴ This includes annual leave and long service leave accruals and rental allowances.

⁵ Cash incentives earned in FY19 or FY18, this includes deferred cash portion of awards including interest accrued. For all cash deferred awards this includes the total value deferred and is subject to potential clawback during the deferral period.

⁶ Represents the LTI allocated for performance in the 2019 or 2018 financial years using the closing share price as at 31 August for those years.

Glossary of key terms

To assist readers, key terms and abbreviations used in this report as they apply to the Bank are set out below.

Term Definition

Board	The Board of Directors of the Bank of Queensland Limited.
Cash earnings per share (EPS)	The portion of a BOQ's profit allocated to each outstanding share of common stock
Fixed remuneration	Comprises base salary, superannuation contributions and benefits.
Key Management Personnel (KMP)	Persons having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity. For the APS330, KMP includes the MD and all Group Executives (non-executive directors are not subject to the prudential disclosures).
Key Performance Indicators (KPIs)	Quantitative and qualitative measures, agreed at the start of the performance year, to drive performance outcomes at BOQ, business unit, team and individual level.
Long Term Incentives (LTIs)	A remuneration arrangement which grants benefits to participants that may vest if, and to the extent that, performance hurdles and/or service conditions are met over a period of three or more years.
NPAT	Net profit after tax.
Salary sacrifice	An arrangement where an employee agrees to forgo part of his or her cash component of base remuneration
Short Term Incentive (STI)	Remuneration paid with direct reference to BOQ's and the individual's performance over one financial year.
Total remuneration	The total of fixed and variable remuneration (STI and LTI) that an employee has the potential to receive if they achieve performance objectives.
Total shareholder return (TSR)	TSR measures a company's share price movement, dividend and any return of capital over a specific period.
Variable reward	Performance-based remuneration, which includes short term incentives that reward performance over the financial year, and long term incentives that reward performance over a longer term.