

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Bank of Queensland Limited

ABN/ARBN

32 009 656 740

Financial year ended:

31 August 2023

Our corporate governance statement¹ for the period above can be found at:²

☐ These pages of our annual report:

☒ This URL on our website:

<https://www.boq.com.au/About-us/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 10 October 2023 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.³

Date: 10 October 2023

Name of authorised officer
authorising lodgement:


Fiona Daly

¹ "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

² Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

³ Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ on pages 4 & 5 and we have disclosed a copy of our board charter at: https://www.boq.com.au/About-us/corporate-governance	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	☒ on pages 5 & 8	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒ on pages 5 & 8	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒ on page 10	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

⁴ Tick the box in this column only if you have followed the relevant recommendation **in full** for the **whole** of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

⁵ If you have followed all of the Council's recommendations **in full** for the **whole** of the period above, you can, if you wish, delete this column from the form and re-format it.

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☒ on pages 17 & 18 and we have disclosed a copy of our diversity policy at: https://www.bog.com.au/About-us/corporate-governance and we have disclosed the information referred to in paragraph (c) in our Corporate Governance Statement on page 18 and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 40% of its directors of each gender. See our Corporate Governance Statement on page 18.	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ on page 10 and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement on page 10 and whether a performance evaluation was undertaken for the reporting period in accordance with that process: in our Corporate Governance Statement on page 10.	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ in our Corporate Governance Statement on page 5 and we have disclosed the evaluation process referred to in paragraph (a): in our Corporate Governance Statement on page 5 and whether a performance evaluation was undertaken for the reporting period in accordance with that process: in our Corporate Governance Statement on page 5.	☐ set out in our Corporate Governance Statement <u>OR</u> ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ on page 11 <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: https://www.boq.com.au/About-us/corporate-governance and the information referred to in paragraphs (4) and (5) at: pages 45-48 of the 2023 Annual Report: https://www.boq.com.au/Shareholder-centre/financial-information/Annual-Report	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ on page 9 and we have disclosed our board skills matrix at: in our Corporate Governance Statement on page 9.	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ on pages 6 & 8 and we have disclosed the names of the directors considered by the board to be independent directors at: pages 45-47 of the 2023 Annual Report: https://www.bog.com.au/Shareholder-centre/financial-information/Annual-Report and, where applicable, the information referred to in paragraph (b) in our Corporate Governance Statement on page 8 and the length of service of each director at: pages 45-47 of the 2023 Annual Report: https://www.bog.com.au/Shareholder-centre/financial-information/Annual-Report	☐ set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	☒ on page 8	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☐ on page	☒ set out in our Corporate Governance Statement on page 8. OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒ on page 8	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☒ on page 2 and we have disclosed our values at: in our Corporate Governance Statement on page 2.	☐ set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ on page 16 and we have disclosed our code of conduct at: https://www.boq.com.au/About-us/corporate-governance	☐ set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ on page 16 and we have disclosed our whistleblower policy at: https://www.boq.com.au/About-us/corporate-governance	☐ set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ on page 16 and we have disclosed our anti-bribery and corruption policy at: https://www.boq.com.au/About-us/corporate-governance	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☒ on page 11 <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: https://www.boq.com.au/About-us/corporate-governance and the information referred to in paragraphs (4) and (5) at: pages 45-48 of the 2023 Annual Report: https://www.boq.com.au/Shareholder-centre/financial-information/Annual-Report	☐ set out in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒ on page 15	☐ set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒ on page 15	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ on page 16 and we have disclosed our continuous disclosure compliance policy at: https://www.boq.com.au/About-us/corporate-governance	☐ set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒ on page 16	☐ set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	☒ on page 16	☐ set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ on page 19 and we have disclosed information about us and our governance on our website at: https://www.boq.com.au/About-us/corporate-governance	☐ set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒ on page 20	☐ set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ on page 20 and we have disclosed how we facilitate and encourage participation at meetings of security holders: in our Corporate Governance Statement on page 20.	☐ set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒ on page 19	☐ set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒ on page 20	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: ⁵
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ on page 11 <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: https://www.boq.com.au/About-us/corporate-governance and the information referred to in paragraphs (4) and (5) at: pages 45-48 of the 2023 Annual Report: https://www.boq.com.au/Shareholder-centre/financial-information/Annual-Report	☐ set out in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ on page 12 and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in the Corporate Governance Statement at: https://www.boq.com.au/About-us/corporate-governance	☐ set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ on page 15 <i>[If the entity complies with paragraph (a):]</i> and we have disclosed how our internal audit function is structured and what role it performs: in our Corporate Governance Statement on page 15.	☐ set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ on page 14 and we have disclosed whether we have any material exposure to environmental and social risks at: https://www.boq.com.au/Shareholder-centre/financial-information/Annual-Report and, if we do, how we manage or intend to manage those risks at: https://www.boq.com.au/Shareholder-centre/financial-information/Annual-Report	☐ set out in our Corporate Governance Statement

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ on page 11 <i>[If the entity complies with paragraph (a):]</i> and we have disclosed a copy of the charter of the committee at: https://www.boq.com.au/About-us/corporate-governance and the information referred to in paragraphs (4) and (5) at: pages 45-48 of the 2023 Annual Report: https://www.boq.com.au/Shareholder-centre/financial-information/Annual-Report	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ on page 18 and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: Bank of Queensland Limited Remuneration Report, contained on pages 88-122 of the 2023 Annual Report. https://www.boq.com.au/Shareholder-centre/financial-information/Annual-Report	☐ set out in our Corporate Governance Statement OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ on page 16 and we have disclosed our policy on this issue or a summary of it at: https://www.boq.com.au/About-us/corporate-governance Securities Trading Policy	☐ set out in our Corporate Governance Statement OR ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable

ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	☐ Not applicable	☐ set out in our Corporate Governance Statement OR ☐ we do not have a director in this position and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	☐ Not applicable	☐ set out in our Corporate Governance Statement OR ☐ we are established in Australia and this recommendation is therefore not applicable OR ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	☐ Not applicable	☐ set out in our Corporate Governance Statement OR ☐ we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	☐ Not applicable	☐ set out in our Corporate Governance Statement
-	<i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	☐ Not applicable	☐ set out in our Corporate Governance Statement



**BOQ
GROUP**

CORPORATE GOVERNANCE STATEMENT

**20
23**

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BOQGROUP

We are always looking for ways to improve our reporting. Please send your questions or suggestions to our Investor Relations team at InvestorRelations@boq.com.au

Bank of Queensland Limited
ABN 32 009 656 740
AFSL No. 244616
Level 6, 100 Skyring Terrace,
Newstead QLD 4006

Our purpose: Building social capital through banking

Bank of Queensland (**BOQ**) is committed to high standards of governance. We believe this is key to our ability to deliver on our purpose and strategy.

We recognise that reliability and trust is at the core of everything we do and that our purpose, values and culture set the foundations for good conduct.

Purpose.

Why we exist

BUILDING
SOCIAL CAPITAL
THROUGH BANKING.

Vision.

Where we are headed

To be the bank customers choose.

Pillars.

What we will deliver

STRENGTHEN

SIMPLIFY

DIGITISE

OPTIMISE



Exceptional customer and people experience.

Capabilities.

How we will deliver



Digital Banking



Relationship Banking



Digitally enabled, data informed



Risk Intelligence



Transformational Leadership

Values.

How we will work



Spirited.

Be outrageously courageous.



Optimistic.

To infinity and beyond.



Curious.

Be truly, madly, deeply interested.



Inclusive.

Tap the collective genius.



Accountable.

Be the rubber that hits the road.



Lionhearted.

Be fiercely caring.

Introduction

Our purpose, values and culture are core to who we are and how we operate. We believe that a constructive culture where our people are spirited, optimistic, curious, inclusive, accountable and lionhearted is essential to creating long-term value for our customers, shareholders and our people. BOQ's Board and Management both play an important role in setting the cultural tone.

The Board sets the tone from the top, works with Management, and guides BOQ's culture through the Executive Committee and our [Code of Conduct](#). The Board monitors our culture through surveys, audits, compliance and whistleblower reports and various other sources on an ongoing basis.

This 2023 Corporate Governance Statement (**Statement**) outlines key areas of our governance framework that includes:

- an accountable, performance focused, highly capable, diverse, experienced and independent Board, supported by Board committees;
- clear separation in the roles of Board and Management;
- timely disclosures; and
- a risk management framework which is reviewed regularly for fitness and efficacy.

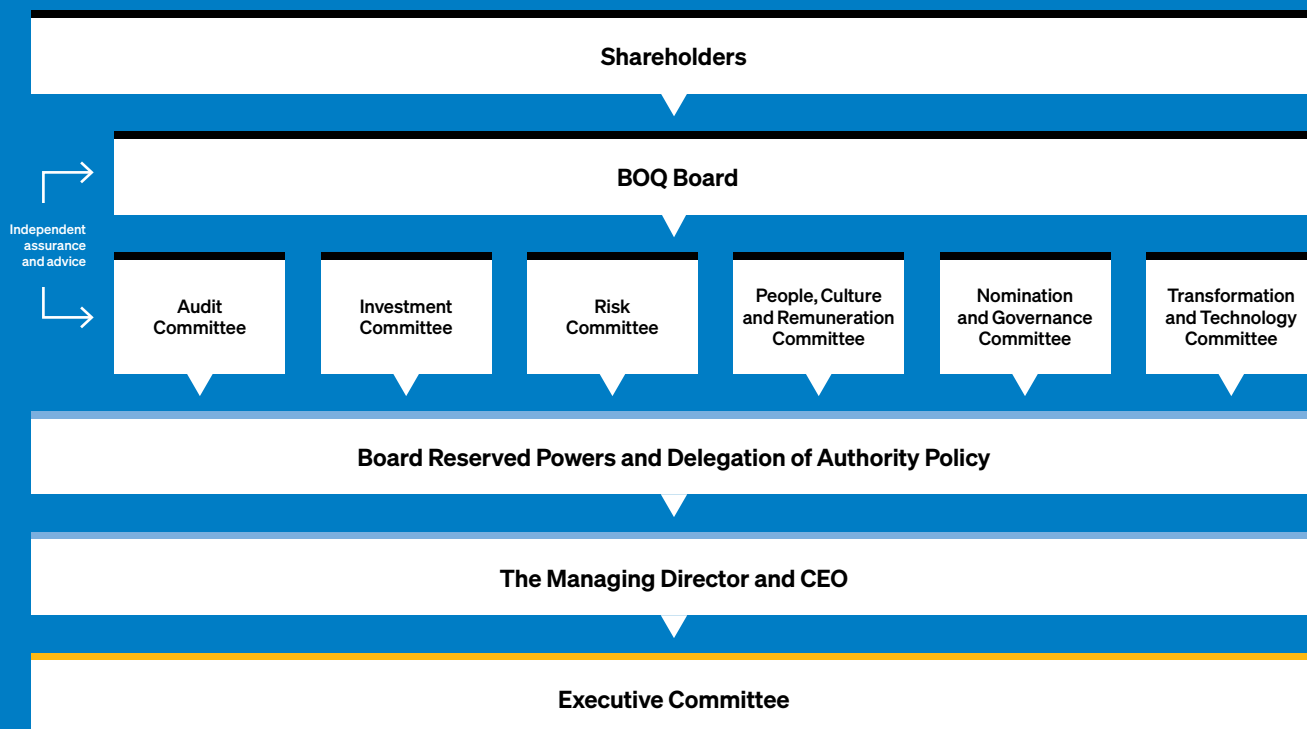
BOQ followed the ASX Corporate Governance Principles and Recommendations (4th edition) (CGPR) published by the ASX Limited's Corporate Governance Council during FY23 except in respect of certain of the CGPR for the period from 28 November 2022 until 27 March 2023 when, and because, Patrick Allaway acted as Executive Chairman (as is described further in this Statement). From 27 March 2023 to the date of the Statement, BOQ has complied with the CGPR.

The Board regularly reviews and refines its corporate governance arrangements to consider their appropriateness. This includes incorporation of new laws and regulations, evolving stakeholder and regulator expectations and the volatile environment in which we all presently operate. More information on BOQ's Constitution, Board and Committee Charters and key corporate governance policies is available on [our website](#).

The Statement has been approved by the Board and is current as at 10 October 2023.

The framework

BOQ has designed its corporate governance framework, policies, and practices with the objective of delivering a high standard of corporate governance. BOQ's corporate governance framework is outlined below.



Introduction (continued)

Our approach

In FY23 BOQ continued its work to strengthen and improve its approach to operational resilience, risk culture, governance and its Anti-Money Laundering and Counter-Terrorism Financing program. These activities include a focus on delivering a sustained uplift in governing non-financial risk, culture and delivering a simpler BOQ with a clearer focus on accountability.

Much of the work will be undertaken as part of BOQ's Program rQ and its AML First Program whose programs of work are designed to fulfil the requirements of the voluntary enforceable undertakings entered into with APRA and AUSTRAC.

For further information on these programs, please see our 2023 Annual Report.

The role of the Board and management

The role of the Board is to set BOQ's strategic direction, risk appetite and cultural expectations through the Code of Conduct by leading from the top. The Board's responsibility is to effectively oversee the prudent and effective management of BOQ in a manner that ensures effective governance and supports the achievement of our strategy whilst driving actions that lead to better outcomes for customers, shareholders and our people.

The Board has adopted a [Board Charter](#) which details the roles and responsibilities of the Board and of Management including those matters expressly reserved to the Board and those delegated to Management.

The Board delegates to the Managing Director and Chief Executive Officer (**MD & CEO**) (who may sub-delegate to the Executive Committee), responsibility for the day-to-day management of BOQ Group, developing and implementing BOQ's strategy, and operating within the risk appetite that has been approved by the Board. The Delegation Authority Framework is reviewed regularly.

The Chair

The role of the Chair is to lead the Board and oversee the processes for the Board's performance of its role in accordance with the Board Charter. The role and responsibilities of the Chair are set out in the Board Charter. The current Board Chair is an independent Non-Executive Director elected by the Board.

Patrick Allaway was appointed a Director of BOQ in May 2019 and as Chairman in October 2019. On 28 November 2022 Patrick was appointed Executive Chairman following the departure of George Frazis as BOQ's MD & CEO. During this period, BOQ did not follow recommendation 2.5 of the CGPR. Subsequently on 27 March 2023 Patrick was then appointed BOQ's MD & CEO.

Warwick Negus was appointed BOQ's Chairman on 27 March 2023. Warwick now also chairs the Nomination & Governance Committee and the Investment Committee (and is a member of all other Board Committees).

As the Board and Nominations and Governance Committee did not have an independent Chairman during the period 28 November 2022 to 27 March 2023, the Committee's composition did not follow recommendation 2.1 of the CGPR for this period.

During the period of the appointment of the Executive Chairman, the Board also appointed a Lead Independent Director (Ms Karen Penrose). The primary role of the Lead Independent Director was to serve as the principal point of contact between the independent Non-Executive Directors and the Executive Chairman, and on behalf of the independent Non-Executive Directors, maintain the working relationship with senior Management.

The Lead Independent Director was responsible for:

- ensuring that internal conflicts of interest (or potential conflicts of interest), including in relation to the Executive Chairman, were identified and appropriately managed;
- facilitating constructive interaction between the Non-Executive Directors and Management, resulting in the Lead Independent Director having unfettered access to senior Management, including but not restricted to the Group Chief Risk Officer and General Counsel & Company Secretary for this purpose;
- working with senior Management in relation to the Board's requirements for information on BOQ's operations to enable the Board to perform its responsibilities where required;
- promoting awareness of the importance of independent judgements in the Board's decision-making;
- providing leadership to the other independent Non-Executive Directors and supporting them in presenting diverse perspectives on issues being considered by the Board; and
- ensuring that Board meeting agendas, Board meeting schedules and the information flow to the Board were appropriate.

Role of Managing Director and CEO

The Board appoints the MD & CEO. The Board delegates to the MD & CEO, under the Delegated Authority Framework, the authority and responsibility to make decisions with the aim of achieving the approved strategies and financial objectives of the BOQ Group. The Delegated Authority Framework, including the Delegations Matrix, outlines those matters delegated to the MD & CEO and other members of senior Management.

The MD & CEO is responsible for the leadership of the Executive Committee.

Introduction (continued)

The Executive Committee

Executives are responsible for providing the Board with accurate, timely and clear information to enable the Board to perform its role. The MD & CEO and Executives operate in accordance with the delegations as set out in the Board Charter and Delegations Authority Framework.

The members of the Executive Committee are listed on [our website](#). The Executive Committee meets regularly, and along with the MD & CEO, and are responsible for delivering BOQ's purpose and strategy. It seeks to do this by focusing on key stakeholders, shaping culture and capability, prioritising effort and allocation of resources and identifying and considering current and potential issues, opportunities and risks.

BOQ also has a number of formally established Management committees; each committee addresses a particular set of priorities and issues and has a defined decision-making authority.

As required by the Banking Executive Accountability Regime (**BEAR**), individual Accountability Statements have been developed and are maintained and regularly reviewed for the BOQ Group's Accountable Persons and are lodged with APRA. These Accountability Statements contain a statement of each Accountable Person's individual responsibilities and an acknowledgement of those accountability obligations.

Executives have qualifications and industry experience necessary to perform their duties. They are formally assessed under BOQ's Fit & Proper Policy on appointment and annually. Further, BOQ undertakes extensive background and screening checks prior to appointing Executives.

BOQ has a written agreement with the MD & CEO and each of its Executives which sets out the contractual terms of their employment.

Management Performance Evaluations

In accordance with BOQ's performance framework, all employees and leaders are encouraged to have regular conversations focused on achievement and development, as well as a formal end of year review. The annual cycle commences with objective setting at the start of the year. Objectives should be aligned to BOQ's strategic pillars and articulate how each employee's contribution to delivering on the strategy will be measured.

A formal evaluation of each employee's performance against their agreed objectives is undertaken following the completion of the financial year (or, more frequently in some front-line roles). The review also considers behaviours in line with BOQ's values and the completion of core requirements. The outcomes of this process inform an individual's variable reward outcome.

A performance evaluation of the Executives was completed in respect of FY23 in accordance with this framework.

During the period in which Mr Allaway was not acting as Executive Chairman, the current Chairman met with the MD & CEO regularly and on a formal basis to discuss the Board's view of Management's performance and Management's view of the Board's performance.

The Board



Warwick Negus

People, Culture and Remuneration Committee Chair to March 2023, then Chair of the Board from March 2023.

Non-Executive Director since September 2016.



Patrick Allaway

Non-Executive Director from May 2019 to November 2022, Chair of the Board from October 2019 to November 2022, Executive Chair from November 2022 to March 2023, and then MD & CEO since March 2023.



Karen Penrose

Audit Committee Chair.

Non-Executive Director since November 2015.



Bruce Carter

Risk Committee Chair.

Non-Executive Director since February 2014.



Mickie Rosen

Transformation & Technology Committee Chair.

Non-Executive Director since March 2021.



Deborah Kiers

People, Culture and Remuneration Committee Chair since March 2023.

Non-Executive Director since August 2021.



Jennifer Fagg

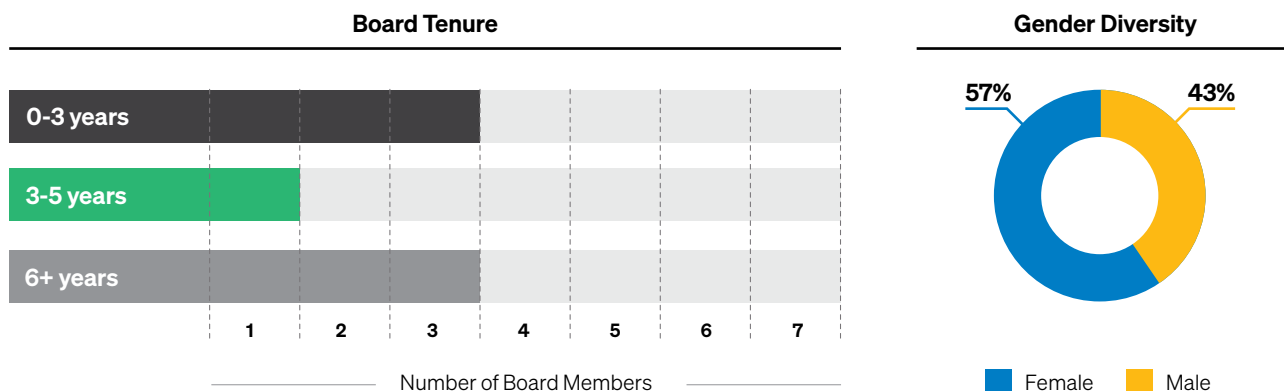
Non-Executive Director since October 2021

Biographies of our Directors, including their qualifications, experience and length of service can be found on [our website](#).

Board composition, diversity and performance

The tenure of all Board members is set out in detail in the Directors' Report contained within the 2023 Annual Report on page 48.

The Board achieved its target of 40% of each gender on BOQ's Board in FY22 and maintained this through FY23 ⁽¹⁾.



(1) The Board of Directors gender diversity target is calculated as the percentage of each gender as a proportion of the total number of non-Executive and Executive directors.

Board areas of focus in FY23

The Board and its Committees engage in key strategic, governance and oversight areas each year. The following topics have been a focus in FY23:

- financial resilience through the cycle, strengthening BOQ's capital and liquidity position;
- ongoing focus on embedding risk culture, ensuring divisional accountability and building a risk culture where risk is everyone's business;
- demonstrating and reinforcing accountability through remuneration consequences for risk outcomes;
- engaging with APRA and AUSTRAC and overseeing the development of the Remedial Action Plans to strengthen BOQ's culture, governance, financial crime risk and risk management;
- focus on improving our customer experience;
- simplification of our business and operations, including changes to BOQ Group's management structure and Executive Committee (reducing from 12 to 8) to enable simplification and improve accountability;
- commencing a program of work to reset BOQ's cost base;
- ongoing consideration of Board and Board Committee composition;
- embedding BOQ's new purpose and living our values, enabling curiosity and accountability to make a difference and do the right thing together; and
- development of a company vision focused on the customer.

Board Composition, Diversity and Performance (continued)

Board renewal

Effective from the close of the 2022 Annual General Meeting (AGM), the Board comprised 6 Non-Executive Directors and 1 Executive Director (with the Chair of the Board becoming the Executive Director from 28 November 2022 to 27 March 2023).

BOQ strives to have a diverse and contemporary future-fit Board with the following key attributes:

1. Leading and diverse skills and experience across identified essential skill sets in strategically relevant sectors and functions.
2. Individual inherent thinking styles that differ from their peers with intellectual curiosity.
3. Strong emotional intelligence, empathy, respect, listening skills, transparency and constructive challenge.
4. Diversity of views & backgrounds, gender, culture & geography.

Director appointment, election, education and independence

Appointment and election

All new and existing Directors are subject to an assessment of their fitness and propriety to hold office, both at the time of initial appointment, under the Independence Policy and BOQ's Fit and Proper Policy, and on an ongoing basis. BOQ undertakes extensive background and screening checks prior to nominating a Director for election by shareholders, including checks as to character, experience, education, criminal record and bankruptcy history.

Information relevant to the election or re-election of Directors at an AGM, including their professional experience and all other material information relevant to a decision on whether or not to elect or re-elect a Director, is included in the Notice of Meeting distributed each year in advance of the AGM.

BOQ has formal letters of appointment in place with all Non-Executive Directors setting out the terms of their appointment.

Directors' induction training and continuing education

BOQ delivers a formal induction program to assist and introduce all new Directors to the working environment of BOQ. As part of the induction, new Directors are provided with a detailed overview of BOQ's business operations, copies of all material policies and procedures, and information on the functions and responsibilities of the Board, Board Committees and Management. Meetings with members of the Executive Committee, and other senior managers are also held as part of the induction program.

On an ongoing basis, education sessions are provided to the Board on topical matters. Specific sessions are scheduled around Board meeting dates and BOQ provides other appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.

Independence

The Board assesses the independence of a Non-Executive Director candidate prior to initial appointment, on an annual basis, and as required (depending on disclosures made).

It is the responsibility of the Board to determine the independence of Directors in accordance with the [Policy on Independence of Directors](#). The Board has assessed the independence of all Non-Executive Directors and determined that all Non-Executive Directors remain independent. As such, BOQ considers that no Non-Executive Directors have any relationship, interest or position that might influence, or reasonably be perceived to influence, in a material respect, their capacity to bring independent judgement to bear on issues before the Board and to act in the best interest of the entity as a whole rather than in the interests of any individual security holder or other party. Accordingly, BOQ considers that the majority of the Board are independent Directors.

Patrick Allaway held the position of Executive Chairman for a period of four months having been appointed as MD & CEO on 27 March 2023. BOQ did not, therefore, follow recommendation 2.5 of the CGPR during that period. In the circumstances the BOQ Board considered it appropriate for Patrick to perform the role of Executive Chairman (combining the roles of interim CEO and Chairman) until the MD & CEO appointment was made.

BOQ does not consider that the length of service on the Board of any of the independent Directors is currently a factor affecting the Director's ability to act independently and in the best interests of BOQ and its security holders. Nonetheless, the Board has set a maximum three term period, after which, the Director will remain subject to the Board's annual assessment of Director independence. In addition, a regular assessment of Director independence will be undertaken by BOQ.

Board Composition, Diversity and Performance (continued)

Board Skills Matrix

The Board is committed to continually improving its performance and efficacy, and to fulfil its responsibilities. This requires the Board to have a diverse range of skills and experience that reflect the breadth of the operations of BOQ's business and its future strategy.

BOQ utilises a skills matrix to position the Board to be future-fit, to assist in identifying the areas of focus, and to build and maintain an appropriate mix of skills and diversity in the Board's composition. The skills matrix is also used for succession planning and Director development.

Those insights have been incorporated in the Board's ongoing succession planning. The Board Skills Matrix is set out below:

Skills and Competency Area		Number of Directors
Commercial and Leadership	Skills gained at a senior level including running complex businesses, leading workplace culture and leading projects.	7
Accounting, Finance and Capital Management	Proficiency in accounting or financial management and in understanding financial statements and corporate finance and an ability to assess the adequacy of financial controls.	7
Risk Management	Experience in identifying, assessing and monitoring existing and emerging financial and non-financial risks.	6
Corporate Governance	Knowledge of, and commitment to, governance, environmental and social issues.	7
Sector Experience	Experience in financial services and the regulation of this industry.	6
Stakeholder Management	Experience in building and maintaining relationships with regulators, community and other stakeholder groups.	7
People and Culture	Knowledge and experience of workplace culture matters, the appointment of senior personnel and remuneration practices.	7
Customer and Marketing	Experience in building relationships in customer segments and delivering on customer outcomes.	6
Digital and Technology	Experience in digital channels, information technology systems and information security.	4
Business Transformation	Experience in leading business through transformation and change management programs.	6

In addition to the "technical skills" of a Board member, the following considerations are undertaken by the Board in its succession planning:

1. Include individuals whose inherent thinking style differs from others on the Board who can challenge the status quo.
2. Augment the range of industry experience among Board members with individuals from strategically relevant sectors.
3. Prioritise the following attributes: emotional intelligence, empathy, trust, constructive challenge, listening, critical and analytical thinking, transparency, and intellectual curiosity.

Given the current cyber security landscape, the Board and the Executive Committee undertook a cyber security simulation during the FY23 year. The Board continues to investigate means to uplift cyber security readiness across BOQ.

Board Composition, Diversity and Performance (continued)

Board performance evaluation

The Board recognises the importance of reviewing its own performance and that of its Board Committees to enable ongoing development and to seek to maintain a high level of performance. Under the Board Performance Review and Renewal Policy, which can be found on [our website](#), the Board evaluates its performance annually.

The Chairman meets with each individual Director to discuss Board and Committee performance and the individual Director's performance.

Given the changes to the Board's composition during FY23, the Board considered it was appropriate to conduct an internal performance review. External assistance was provided to inform the review process. The review process involved an assessment of the performance of the Board and the Board Committees, with responses collected, reviewed and presented to the Board. The Board discussed the results and agreed follow-up items. Actions from the FY23 review included continuing Board education in topical areas and regulatory requirements and continuing to uplift and document challenge and critical questioning as BOQ transforms. The Chair also discussed the results with each Director and Committee Chair.

The Board (excluding the Chair) reviewed the performance results of the Chair.

An external review will be conducted in FY24.

Conflicts of interest

All Directors are required to disclose to the Board any actual, potential or apparent conflicts of interest upon appointment and are required to keep those disclosures up to date.

Any Director with a material personal interest in a matter being considered by the Board must declare their interest and may not be present during any relevant Board discussion nor may they vote on such matter unless the Board resolves otherwise.

Access to advice

All Board, and all Directors individually, can seek independent professional advice, at BOQ's expense, to help them carry out their responsibilities, subject to obtaining prior written approval from the Chair (such approval not to be unreasonably withheld).

Share qualification

Within three years of appointment each Non-Executive Director must accumulate and then maintain a holding in BOQ shares that is equivalent to 100% of a Non-Executive Director's base fee. All Non-Executive Directors who have served three years have met the holding requirement. Non-Executive Directors appointed within the last three years are building towards their shareholding requirement.

Role of company secretaries

The Board is responsible for appointing the BOQ Group Company Secretaries. The Board had one appointed Company Secretary as at 31 August 2023. The profile of BOQ's Company Secretary can be found in the Directors' Report (in the 2023 Annual Report).

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

Board committees

BOQ has five principal Board Committees as outlined below:

Committee	Chair	Composition
Audit Committee	Karen Penrose	The Audit Committee must have: - three independent Non-Executive Directors (NEDs) - an independent NED as Chair who is not Chair of the Board or the Risk Committee.
Risk Committee	Bruce Carter	The Risk Committee must have: - three independent NEDs. - an independent NED as Chair who is not Chair of the Board or the Audit Committee.
People, Culture and Remuneration Committee	Warwick Negus to 27 March 2023 and then Deborah Kiers from 27 March onwards	The People, Culture and Remuneration Committee must have: - three independent NEDs. - an independent NED as Chair.
Nomination and Governance Committee	Patrick Allaway to 27 March 2023 and then Warwick Negus from 27 March 2023 onwards	The Nominations and Governance Committee must have: - three independent NEDs. - all Committee members comprised of NEDs. - The Chair of the Board as the Chair of the Committee except when dealing with the appointment of a successor to the Chair of the Board.
Transformation and Technology Committee	Mickie Rosen	The Transformation and Technology Committee must have: - three independent NEDs. - an independent NED as Chair.

Each committee has its own charter describing its role and responsibilities. Each committee charter can be found on [our website](#).

The Board has also established an Investment Committee (which may be convened by the Board as required to consider significant capital projects or investments or divestments) and a Due Diligence Committee (which may also be convened as required). As the purpose and mandate of the Investment Committee and Due Diligence Committee are determined by the Board as the case requires, the Committees do not have separate Charters. The Board also establishes ad hoc Committees from time to time.

In FY23 the Board established a Risk Sub-Committee to assist with the oversight of the Remedial Action Plans. After a number of meetings, the decision was taken to elevate oversight to the entire Risk Committee and to call additional meetings of the Risk Committee to enable this oversight.

Details of the Board's Committees, including the current members of each Committee and the number of meetings held during FY23 are contained in the Directors' Report in the 2023 Annual Report on page 48. The Directors' Report also sets out a record of the individual attendances of members at meetings as at 31 August 2023. The experience of those appointed to the Audit Committee are set out in the Directors' Report in the 2023 Annual Report on pages 45 - 47.

The Transformation and Technology Committee appointed an independent advisor to the Committee to assist with its transformation agenda. The adviser has extensive experience in core banking systems capability, data governance and cyber security and digital transformation.

Risk Management

BOQ considers that a 'risk' involves the potential for harm, and that risks are inherent across the BOQ Group. Our ability to manage risk allows us to deliver on the objectives of our customers and key stakeholders through balancing the growth of the business with the protection of shareholders' funds, earnings, brand and reputation, and the interests of our current and prospective customers and the community. This is achieved through the Risk Management Framework, documented in the Risk Management Strategy.

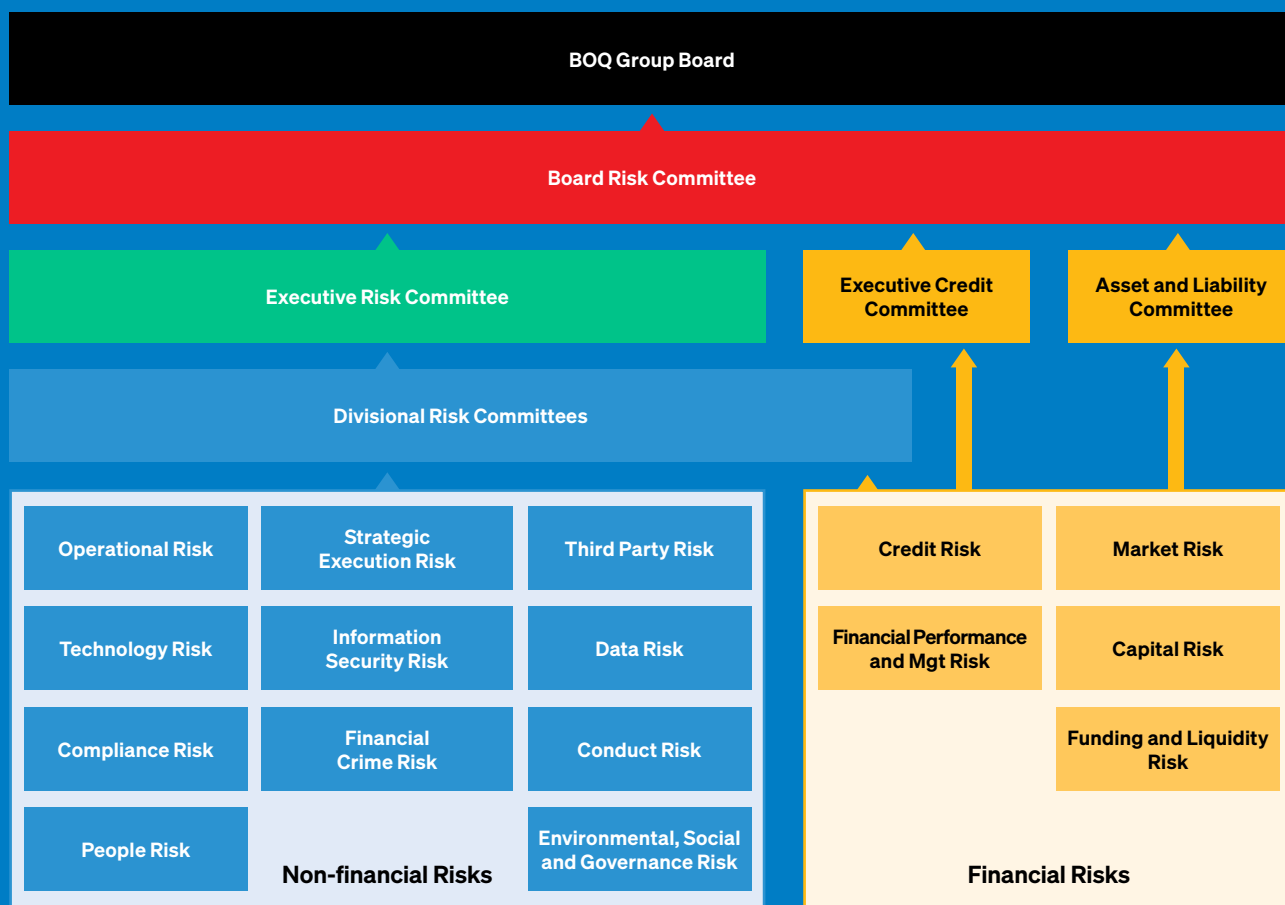
Risk management framework

The Group Risk Management Framework comprises the systems, structures, policies, processes and people that identify, measure, evaluate, control, monitor and report on both internal and external sources of material risk.

BOQ's day to day operations involve managing a range of material business risks. The following categories of risk have been identified as the material business risks of BOQ: credit risk; market risk; funding and liquidity risk; capital risk; financial performance and management risk; operational risk; compliance risk; financial crime risk; conduct risk; technology risk; information security risk; data risk; third party risk; people risk; strategic execution risk and environmental, social and governance risk.

The Risk Management Framework through the Risk Management Strategy, Risk Appetite Statement and Business Plan is reviewed annually by the Risk Committee and approved by the Board. This review occurred in FY23.

Our Risk Management Framework describes our approach for managing the material risks we face and has eight components which BOQ seeks to embed by promoting a strong risk culture and a Three Lines of Defence model.



Risk Management (continued)



At BOQ, we have adopted a Three Lines of Defence model which is designed to enable all our people to understand their own role and responsibilities in the active management of risk.

BOQ is continuing to uplift its risk management capabilities as part of a program of work that spans both financial and non-financial risk. A key component of this work is implementing and embedding our Three Lines of Defence approach to improve accountability, the control environment and risk management awareness.

The Risk Appetite Statement is a key component of our Risk Management Framework and endorses the principle that a well-considered and clearly articulated risk appetite is the foundation of sound risk management. The Risk Appetite Statement presents the material risks through a clear expectation of how the Group will operate from a risk-taking perspective in pursuit of strategic objectives, and for each material risk the maximum level of risk that the Group is willing to operate within. The Board Risk Committee annually reviews the Risk Appetite Statement, which was approved in FY23 by the Board.

The Annual Report outlines further information on our framework and actions taken to enhance risk management during the year.

Risk Management (continued)

Risk governance

Risk governance is critical to the long-term success of BOQ. The Board is responsible for approving BOQ's Risk Management Framework and risk appetite, including the Risk Appetite Statement and Risk Management Strategy. This responsibility extends to overseeing that Management establishes a sound risk management culture to enable effective risk management throughout the Group.

Risk governance originates at the Board and then cascades through to the Board Risk Committee, MD & CEO, Executives and business lines.

The Board Risk Committee assists the Board through:

- independently overseeing Management's implementation of the Risk Management Framework and its related operation within the Group;
- taking a Group-wide view of BOQ's current and emerging risk position relative to the Group's risk appetite and capital strength;
- discharging its specific responsibilities for market, credit, capital, financial, operational, liquidity and reputational risk management and for the management of BOQ's regulatory and compliance obligations; and
- advising the Board on current and future risk appetite and risk management strategy.

The Chief Risk Officer is responsible for reporting of key risk management framework and risk appetite measures, along with associated commentary at each scheduled meeting of the Executive Risk Committee and the Board Risk Committee.

Our remedial programs of work (Program rQ and AML First), will assist BOQ in improving our operational resilience, risk culture and AML/CTF compliance.

These programs are critical to uplifting risk management practices, risk, governance, simplifying our technology and automating our processes. The ultimate aim of the program is to continue to provide better outcomes for our customers, people and shareholders.

Material exposure to Environmental, Social, and Governance (ESG) risks

BOQ seeks to manage its material exposures to economic, environmental and social sustainability risks in accordance with our Risk Management Framework and Risk Management Strategy strategy and frameworks.

BOQ continues to actively identify and respond to social and environmental sustainability risks and is mindful of the increasing expectation for greater transparency to support investors' assessment of risk.

The Board is responsible for setting the approach and for overseeing the execution practices to manage our ESG risk, supported by the Board Risk Committee, Board Audit Committee and the Board Nomination and Governance Committee accordingly.

The Board delegates the day-to-day management of environmental and social risks and opportunities including climate change to the Executive Committee. The Executive Committee is accountable for actions and commitments to embed climate change into business strategy and risk management. The Sustainability Working Group (SWG) supports the Executive Committee with the development and implementation of climate initiatives and reporting requirements.

The FY23 Annual Report and Sustainability Supplement contains further detail on BOQ's material exposure to environmental and social risks which were identified through the materiality assessment and how BOQ manages or intends to manage those risks.

The FY23 Annual Report contains detail as to how BOQ is managing the risks associated with climate change and sets out BOQ's public commitments to reducing its own emissions.

Audit and Financial Governance

External auditor

In FY23, BOQ's external auditor was PricewaterhouseCoopers (PwC).

The Audit Committee is responsible for the appointment, evaluation, management and removal of the external auditor, and approval of the external auditor's annual fee (subject to shareholder approval where required). To encourage open communication and to seek to ensure that appropriate matters come to the attention of the Audit Committee, the MD & CEO, Chief Financial Officer (CFO), Group Chief Risk Officer, Chief Audit Executive and the external auditor have direct and unfettered access to the Audit Committee.

The role of the External Auditor is to provide an independent opinion that BOQ's financial reports are true and fair and comply with accounting standards and applicable regulations. The External auditor performs an independent audit in accordance with Australian Auditing Standards.

The Audit Committee pre-approves audit, audit-related and non-audit services⁽¹⁾ whether on an engagement basis or under a specific service pre-approved by the Audit Committee, regularly reviews the independence of the External Auditor, and evaluates their effectiveness. Further information can be found in BOQ's [Auditor Independence Policy](#).

As required by the Corporations Act 2001 (Cth), information about the non-audit services provided by the External Auditor, PwC, is set out in the Directors report.

Legislation requires the rotation of the external audit senior personnel who are significantly involved in BOQ's audit after five successive years, including the Lead Partner⁽²⁾.

The External Auditor attends the AGM and is available to answer questions from security holders relevant to the audit.

Internal audit

BOQ's Internal Audit (IA) team is independent from Management and is responsible for providing the Board and Management with an independent appraisal of the internal controls established by BOQ's first (business) and second (Group Risk) lines of defence. IA operates under a Board approved Charter. The outcomes of IA's work is reported through the Audit Committee and the Chief Audit Executive has a direct line of communication to the Chair of the Audit Committee, MD and CEO and the External Auditor. The Internal Audit plan is developed and reviewed in line with BOQ's overall risk appetite and Risk Management Framework. The Chief Audit Executive presents a report at each Audit Committee meeting covering major activities and findings, statistics on issued audit reports, and ratings and information about the IA function before proceeding to the Board for noting.

Financial reporting and management declarations

The Board receives regular reporting from Management on BOQ's performance, including details of all key financial and business results.

Prior to approving BOQ's corporate reporting suite for the half year ended 28 February 2023 and full year ended 31 August 2023, the Audit Committee and Board received written declarations from the MD & CEO and the CFO that, in their opinion:

- the financial records of the entity have been properly maintained; and
- the financial statements comply with appropriate accounting standards and give a true and fair view of BOQ's financial position and performance.

The MD & CEO and CFO also declare that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Periodic corporate reports

BOQ conducts an internal verification process on all periodic corporate reporting. The process that is followed to verify BOQ's periodic reporting is based on the nature of the relevant report, its subject matter and where it will be published, adhering to the following general principles:

- periodic reporting is prepared by or under the oversight of the relevant subject matter expert for the area being reported on;
- the report should comply with applicable legislation or regulations; and
- the report should be reviewed with regard to ensuring it is not inaccurate, false, misleading or deceptive.

Non-audited sections of the Annual Report, Sustainability Supplement and Corporate Governance Statement are prepared by the relevant subject matter experts and reviewed by members of the Executive Committee and senior managers prior to Board approval. ASX announcements (other than administrative announcements) are reviewed in accordance with BOQ's Market Disclosure Policy.

BOQ's external auditors provide recommendations for consideration to enhance reporting of non-financial performance measures.

BOQ has arrangements in place with its external auditors to review its APRA Basel III Pillar 3 Q2 and Q4 reports. BOQ's Q1 and Q3 APRA Basel III Pillar 3 reports are verified by the CFO and Group Finance team.

(1) The Audit Committee approves non-audit services in excess of \$100,000 and is notified of non-audit services of less than \$100,000 (as approved by the CFO).

(2) BOQ's Lead Partner changed during the course of FY23.

Key Policies

The Board regularly reviews BOQ's policy framework to assess whether it is appropriate and contemporary and meets the needs and expectations of key stakeholders.

Code of Conduct

BOQ's Code of Conduct is grounded in BOQ's purpose and values and provides all of our people with a set of guiding principles to help them make fair, balanced and ethical decisions every day. The Code of Conduct sets out the expectations of Directors, Executives, employees, agents, contractors and owner-managers (and their employees and contractors). This includes acting with integrity, courtesy and respect. The Code of Conduct also covers conflicts of interest, privacy and confidentiality considerations. All our people receive periodic training in the Code of Conduct and there is on-going monitoring of conduct. In accordance with BOQ's Board Charter, material breaches of the Code of Conduct are reported to the Board. Further information can be found in [BOQ's Code of Conduct](#).

Fit and Proper policy

Due to BOQ's status as an Authorised Deposit-Taking Institution (ADI), it is required under APRA Prudential Standard CPS 520 Fit and Proper to maintain a Fit and Proper Policy which reflects the requirements of CPS 520.

BOQ's Fit and Proper Policy sets out the requirements that the BOQ Group must follow to assess the competencies and fitness for office of persons appointed as Directors, Executives, Company Secretary, responsible persons and auditors. The person must have the appropriate skills, experience and knowledge for the role and act with the requisite character, diligence, honesty, integrity and judgement.

Whistleblowing

The Board and Management are seeking to shape a culture that encourages openness, integrity and accountability through our purpose and values. The Whistleblower Policy has been developed so that current and former employees, officers, associates, contractors, sub-contractors and relatives of these people can freely, and without detriment, raise concerns regarding actual or suspected misconduct by BOQ or anyone connected to the BOQ Group. The Board receives reporting on whistleblowing matters, including reports of any material incidents reported under the Whistleblower Policy, at each scheduled Board meeting. Further information is available in the [Whistleblower Policy](#).

Anti-bribery and Corruption

Consistent with our values, BOQ has zero tolerance for any form of bribery and corruption. Our Anti-Bribery and Corruption Policy outlines our expectations and approach to identifying and preventing the risks of bribery and corruption by BOQ entities, personnel and business partners. In accordance with the Policy, material breaches of BOQ's Anti-Bribery and Corruption Policy are reported through the Risk Committee to the Board.

The Anti-bribery and Corruption Policy is available on our website [our website](#).

Market Disclosure Policy

BOQ's practice is to release market sensitive information to the ASX promptly and without delay in accordance with the ASX Listing Rules and then to the market and community generally through our media releases and website. BOQ requires Directors, officers and employees to advise the Disclosure Officer of any information that may require disclosure. Continuous disclosure confirmation is a standing agenda item at all Board and Board Committee meetings. BOQ's Board receives copies of all market announcements promptly after they have been made. Any new and substantive investor or analyst presentation is released to the ASX ahead of presentation.

The Group General Counsel and Company Secretary is the Disclosure Officer and is also responsible for communications with the ASX.

All announcements made by BOQ to the ASX are accessible via its website. A copy of the Market Disclosure Policy is available on [our website](#).

Securities Trading Policy

BOQ's Securities Trading Policy provides Directors, Executives, employees, owner managers, agents and contractors of BOQ with information regarding their legal obligations with respect to trading in BOQ securities.

The Securities Trading Policy strictly prohibits trading in securities by all employees, Directors and contractors who possess information that is not generally available and that could be reasonably expected to have a material or significant effect on the price or value of a BOQ security.

The Policy specifically prohibits BOQ Directors and certain "restricted persons" and their associates from trading in BOQ securities during "blackout periods" as defined by the Policy. The Policy prohibits BOQ Directors entering hedging arrangements (the use of financial products to protect against or limit the risk associated with equity instruments such as shares, securities or options) in relation to any employee shares, securities or options received as part of their performance-based remuneration, whether directly or indirectly.

The Securities Trading Policy meets the requirements of the ASX Listing Rules and is available on the BOQ [website](#).

Key Policies (continued)

Modern Slavery

BOQ recognises that it has an obligation to minimise incidents of slavery, slavery-like practices, human trafficking and other forms of modern slavery through its operations and supply chain. BOQ is committed to protecting and respecting human rights and striving to remove modern slavery within our business practices, operations and supply chains.

Through our Modern Slavery Program of Work, BOQ takes its compliance obligations under the Australian Modern Slavery Act 2018 (Cth) seriously by focusing on:

- promoting awareness across BOQ Group of modern slavery; and
- supporting BOQ's commitment to employees, customers, partners and shareholders to continually improve BOQ's approach, capability and practices to identify risks of modern slavery and take action to address any instances of modern slavery should they be found.

A key initiative has been establishing our Modern Slavery Policy which demonstrates our commitment to minimising and removing any forms of modern slavery within our business. The Policy has been supported by actions to map our key suppliers against high-risk industries and countries, identify specific contractual clauses to hold our supply chain accountable and implement an ongoing monitoring framework of Material Suppliers.

BOQ is committed to acting ethically and with integrity in all business dealings and across its business practices, and all BOQ Personnel are encouraged to raise any concerns about likely modern slavery breaches across any business activity at the earliest possible stage.

We acknowledge that the decisions we make, when conducting our operations, and when sourcing products and services from suppliers, can increase the risk that a person becomes a victim of modern slavery. As part of continuous improvement, we will continue to leverage our values to maintain a sustainable approach to our Modern Slavery Framework that is supported by our leaders.

Our Modern Slavery Statement is on [our website](#).

Our People

Diversity and inclusion

BOQ believes in the power of an inclusive culture that embraces diversity in the workforce. Our new values have sought to elevate further the importance of inclusion, curiosity, accountability, and care, to building trust with all stakeholders. Tapping the collective genius of our people enables us to forge strong connections with our customers, be imaginative and make better decisions. Diversity, in this context, includes age, caring responsibilities, cultural identity, ethnicity, gender expression and identity, sexual orientation, abilities, neurodiversity, education, family/relationships, religious beliefs and/or socioeconomic background. Diversity also encompasses the many ways people differ in terms of their background, education, life experience, location, personality, way of thinking and work experience.

Our policy on Diversity and Inclusion is on [our website](#).

BOQ's People, Culture and Remuneration Committee plays an important role in relation to our people strategy, remuneration strategy and approach to diversity and inclusion (including gender balance). This Committee has a role to:

- review, note and monitor the effectiveness of our approach to diversity and inclusion;
- review and recommend to the Board measurable objectives for achieving diversity and inclusion; and
- review both the objectives and progress in achieving the objectives, including the relative proposition of women and men at all levels.

This Committee also reviews annual performance remuneration outcomes including a review of the outcomes by gender of the distribution of performance ratings, change in salary and short term incentive awards, and has a focus on gender pay equity.

Gender balance is the responsibility of the Nomination and Governance Committee in connection with the Board.

Our People (continued)

Targets

To attract and retain a high performing and diverse workforce, BOQ is committed to providing an environment in which all employees are treated fairly and equitably, and where diversity, inclusion and flexibility are embraced.

BOQ's Diversity & Inclusion Policy requires the Board to set measurable objectives for achieving gender diversity and is reviewed annually to assess the effectiveness of the Policy.

In FY21, the Board set BOQ's measurable objectives for achieving gender diversity at 42% of women in leadership and a target of at least 40% of either gender on BOQ's Board. In addition, BOQ has been focused on a target of 40% of women in Senior Leadership by the end of FY23.

We are proud to have 57% female representation on our Board. Due to organisational changes and a talent tight external market BOQ did not achieve its target of 42% of women in leadership or 40% of senior women in leadership in FY23. These targets will remain in place for FY24. Continuing to strengthen our internal talent pipeline and proactively source high calibre external talent will be two key levers to drive a shift in our representation of female leaders in FY23.

The percentage of women employed by BOQ is set out below:

25% of women on the Executive Team	36% of women in Senior Leadership ⁽¹⁾
37% women in Leadership ⁽²⁾	50.6% women in total workforce

Under the Workplace Gender Equality Act 2012 (Cth), BOQ is required to annually report to the Workplace Gender Equality Agency (WGEA) disclosing its "Gender Equality Indicators." These reports are filed annually in respect of the 12 month period ending 31 March. The BOQ Group has consistently achieved WGEA compliance including within the FY23 year and is also recognised by WGEA as an Employer of Choice for Gender Equality. The BOQ annual report to the WGEA is available on [our website](#) and at www.wgea.gov.au

BOQ recognises that diversity and inclusion cover a range of factors such as backgrounds, gender and expressions, sexualities, culture, bodies and abilities. All Directors, employees, prospective employees, agents, contractors, customers and suppliers of BOQ are treated fairly and equitably. Everyone is valued for their distinctive backgrounds, skills, experiences, and perspectives. Additionally, we invest in driving a culture across the organisation to support and enable diversity, inclusion and flexibility into the way we work and do business so that BOQ, our employees and customers thrive and enjoy the benefits of having a diverse workforce and inclusive culture.

Remuneration

Remuneration Policies and Practices

The Board has approved a Remuneration Policy which forms part of BOQ's human resources and risk management system in accordance with the APRA requirements set out in APRA CPS 510 Governance (until 31 December 2023) and APRA CPS511 Remuneration (from 1 January 2024).

The People, Culture and Remuneration Committee Chair, the Board Chair and the General Manager Investor Relations meet with institutional shareholders and corporate governance agencies throughout the year to discuss BOQ's remuneration framework and seek feedback on the Remuneration Report.

Details of remuneration paid to Directors (Executive and Non-executive) are set out in the 2023 Remuneration Report contained within the Annual Report. The Remuneration Report commencing on page 88 also contains information on BOQ's policy for determining the nature and amount of remuneration for Directors and senior executives.

Please see our [Remuneration Report](#) for further detail.

(1) As a result of the implementation of a new Enterprise Agreement we have moved to a new tier classification of employees, instead of grades and levels. This change had no impact to the overall results for the workplace representation metrics. Senior Leadership encompasses our Executive Committee, General Managers and Heads of responsible for leading an organisational department. This calculation includes employees in tiers 8 and above.

(2) Women in Leadership: encompasses Senior Leaders (as defined above), as well as senior managers in tiers 7 and above.

Our Stakeholders

Our customers

BOQ believes that our customers deserve a loud voice, especially those whose voice can be the hardest for us to hear. BOQ's Office of the Customer Advocate was established by authority of the Executive Committee in 2017 and exists to be the voice of our customers, ensuring they are listened to, understood and treated fairly.

The Customer Advocate operates independently within BOQ with a particular focus on:

- facilitating fair outcomes with a focus on making things easier;
- identifying opportunities to improve the Bank's products, services, systems and processes;
- advocacy and insights to deliver fairness for customers that align with community expectations; and
- working closely with consumer advocates and community organisations.

In FY23 the Customer Advocate Office provided support and advice to 430 customer cases, 94% of which related to people experiencing a recognised vulnerability.

Our [Sustainability Supplement](#) contains more information regarding our approach to Group Customer Advocate activities.

Our shareholders

BOQ is focused on growing shareholder value and strives for transparency in all our business practices. We understand the impact of quality disclosure on the trust and confidence of shareholders, the wider market and the community. To enable security holders to access corporate reporting documents (including ASX announcements, charters and corporate governance policies) these are all made available via the [Governance Page](#) and [BOQ's Shareholder Centre](#).

The Shareholder Centre includes the following:

- links for security holders to view details of their holding through its share registry provider's secure website, as well as access to contact details for the share registry;
- links for security holders to view details on historical dividend payments and information on BOQ's Dividend Reinvestment Plan;
- a financial calendar for the key events in the upcoming year, including results announcements, the AGM and dividend payments;
- BOQ's ASX announcements;
- details of AGMs, which are webcast on BOQ's website. At AGMs, security holders have the opportunity to ask questions or make comments regarding BOQ's performance, including ahead of the meeting if they cannot attend the meeting and all voting on substantive resolutions are decided by poll rather than a show of hands;
- details of BOQ's preference shares and previous capital raisings; and
- BOQ's approach to sustainable lending, sustainable focus areas and Sustainability Supplement.

The Corporate Governance Statement can be accessed from the [BOQ website](#).

Our Stakeholders (continued)

Investor relations program

BOQ operates an ongoing investor relations program to facilitate effective two-way communication with investors on BOQ's market activities which involves:

- half-year and annual results briefings (made available via webcast on BOQ's website) which allow for questions from market participants;
- annual or semi-annual meetings with key proxy adviser groups;
- meetings with domestic and international institutional investors;
- presentations to institutional and retail brokers and their clients (with any new information being released to the ASX in advance of communication with investors at such meetings); and
- responding to ad-hoc queries from analysts and investors (institutional and retail), as well as financial media, on market releases made by BOQ.

These initiatives represent an opportunity for BOQ to provide investors, market participants and the general public with a greater understanding of BOQ's business, financial performance, governance and prospects, whilst also providing investors and other market participants the opportunity to express their views to BOQ on matters of concern or interest to them.

These views are gathered and communicated to the Board, wherever appropriate.

Security holders may elect to receive communications from BOQ and its share registry electronically via the share registry's secure website which is accessible from the Shareholder Centre on BOQ's website at www.boq.com.au/Shareholder-centre/my-shareholding or by contacting the share registry by phone on **1800 779 639** (within Australia) or **+61 1800 779 639** (outside Australia).

Security holders may contact the BOQ Investor Relations team by e-mail at InvestorRelations@boq.com.au and BOQ's share registry can be contacted by email at boq@linkmarketservices.com.au.

Security holders may elect to receive a document electronically or in physical form at least once in each financial year.

AGM

The 2023 AGM will be held on 5 December 2023.

Shareholders are encouraged to submit questions ahead of the AGM. The Chair and the MD & CEO will seek to address the more frequently asked questions received ahead of the AGM in their address at the Meeting.

Shareholders will also be provided with a reasonable opportunity to ask questions about, or make comments on, the business of the Meeting, the management of the Company or about the Company generally during the Meeting.

The AGM will be webcast live, and a recording of the AGM will be made available after the meeting on BOQ's website at www.boq.com.au/Shareholder-centre/my-shareholding/Annual-general-meetings for security holders who are unable to attend.

BOQGROUP