



# Banking (executive accountability regime) determination No. 1 of 2019

## Structure neutral apportionment of remuneration

### *Banking Act 1959*

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I, Pat Brennan, delegate of APRA, under paragraph 37EA(4)(b) of the *Banking Act 1959* (the Act) DETERMINE that the kinds of remuneration set out in the Schedule are not variable remuneration.

This instrument commences on 1 July 2019.

Dated: 12 June 2019

[Signed]

Pat Brennan  
Executive General Manager  
Policy and Advice Division

### **Interpretation**

In this Determination:

**APRA** means the Australian Prudential Regulation Authority.

## **Schedule – kinds of remuneration that are not variable remuneration**

1. In relation to an accountable person of an ADI or its subsidiary, where the ADI is not a foreign ADI – any amount of remuneration that:
  - (a) is paid or payable to the accountable person by a related body corporate of the ADI or subsidiary;
  - (b) relates only to the accountable person holding a position in one or more related bodies corporate of the ADI or subsidiary; and
  - (c) the related bodies corporate referred to in (a) or (b) are not ADIs or subsidiaries of ADIs.

Note: Paragraph 1 does not apply to any amount of remuneration that is paid or payable to an accountable person by a non-ADI holding company of an ADI or of a subsidiary of an ADI, where the remuneration relates only to the accountable person holding a position in the non-ADI holding company. This is because subsection 37E(3) of the Act already excludes such an amount from being remuneration of an accountable person.

2. In relation to an accountable person of a foreign ADI – any amount of remuneration that:
  - (a) is paid or payable to the accountable person by the foreign ADI or a related body corporate of the foreign ADI; and
  - (b) relates only to:
    - (i) the activities of the foreign ADI outside of Australia; or
    - (ii) the accountable person holding a position in a non-ADI related body corporate of the foreign ADI.