

Executive Officer Remuneration for the year ended 30 June, 2020

The remuneration of our Executive Officers is determined to ensure that we can recruit and retain staff with the right skills and knowledge to lead our fund. We need the appropriate level of expertise and experience in our Executive Officers to protect members' interests.

We set our remuneration levels based on external benchmarks and we engage with external remuneration consultants to ensure that our remuneration levels reflect our Remuneration Policy. Our Remuneration and Human Resources Committee provides oversight over the remuneration of our Executive Officers.

All Executives Officers receive a portion of their Total Remuneration in variable reward. Executives Officers (excluding the Chief Investment Officer (CIO)) participate in the Senior Management Bonus Scheme. Whereas the CIO participates in the Investment Team Bonus Scheme. The principal design of both Schemes is the same. Bonuses (STI) awarded are based on the achievement of Fund performance (investment) goals and for the achievement of individual goals relevant to the Executive Officer's role. For the financial year ending 30 June 2020, a performance evaluation of all members of the Group Executive team was undertaken.

Fund performance is based on the absolute performance of the Growth and Balanced Growth accumulation investment options, over a 1, 3 and 5 year period, as well as the relative performance of the investment options against our peers over the same time period. These measures are directly aligned to members' interests. The weightings between fund and individual performance under the Senior Management Bonus plan are different to the Investment Team Bonus Scheme. Within the Investments Teams Bonus Scheme there is a higher weighting toward fund performance measures.

Any STI awarded is paid in cash and where applicable a portion is deferred in cash for a two-year period. It will vest to the Executive Officer based on the vesting conditions in the scheme rules. The deferred STI amounts in the table below are the awards made, but not yet vested, to each executive officer during the year.

The maximum STI that an executive can earn cannot exceed a determined percentage of the executive's fixed remuneration or their maximum bonus opportunity.

For the financial year ending 30 June 2020, the Board approved a modification to the individual performance component of the bonus schemes for all Executive Officers. This modification reduced all payments to Executive Officers in response to the constrained operating and market environment created by the COVID-19 pandemic

Executive	Date commenced	Financial year ended 30 June	Salary	Termination Pay	Performance Award	Non-monetary benefits ²	Super	Short-term Incentive	Deferred incentive	Incentive achieved	Total Remuneration
			\$	\$	\$	\$	\$	\$	\$	%	\$
Ms D Stewart ¹ Chief Executive Officer	22-Oct-18	2020	905,997	-	125,000 ¹	3,135	21,003	254,763	-	83%	1,309,898
		2019	513,023	-	125,000 ¹	2,262	11,977	259,091	-	86%	911,353
Mr G Arnott ³ Deputy Chief Executive Officer	1-Sept-19	2020	512,948	-	-	-	17,548	166,356	-	66%	696,852
		2019	-	-	-	-	-	-	-	-	-
Mr D Graham Chief Investment Officer	5-Dec-16	2020	824,622	-	-	-	21,003	248,802	228,802	81%	1,323,229
		2019	804,469	-	-	-	20,531	262,021	242,021	87%	1,329,042

Executive	Date commenced	Financial year ended 30 June	Salary	Termination Pay	Performance Award	Non-monetary benefits ²	Super	Short-term Incentive	Deferred incentive	Incentive achieved	Total Remuneration
			\$	\$	\$	\$	\$	\$	\$	%	\$
Mr R Elliott Group Executive, Finance, Strategy & Transformation	1-Apr-17	2020	468,247	-	-	-	21,003	74,243	54,243	66%	617,736
		2019	454,469	-	-	-	20,531	92,127	72,127	86%	639,254
Ms J Brennan Chief Operating Officer	8-Apr-19	2020	438,997	-	-	-	21,003	70,402	50,402	66%	580,804
		2019	101,544	-	-	-	4,474	-	-	-	106,018
Mr S Hill Group Executive, People & Workplace	8-Apr-13	2020	413,697	-	-	-	21,003	74,416	54,416	74%	563,532
		2019	395,935	-	-	-	20,531	93,118	73,118	99%	582,702
Ms D Mika Chief of Staff	15-Oct-10	2020	378,997	-	-	-	21,003	82,774	62,774	91%	545,548
		2019	369,469	-	-	-	20,531	67,681	47,681	74%	505,362
Mr I Pendleton General Counsel & Company Secretary	30-Apr-13	2020	378,997	-	-	-	21,003	69,274	49,274	74%	518,548
		2019	364,469	-	-	-	20,531	76,567	56,567	86%	518,134
Ms S Thurman ⁴ Group Executive, Risk & Compliance	3-Jul-06	2020	167,499	69,992	-	-	9,547	-	-	-	247,038
		2019	345,996	-	-	-	20,531	66,202	46,202	74%	478,931
Mr P Chun ⁵ Group Executive, Member Growth	6-Jan-20	2020	234,292	-	-	-	10,273	75,655	55,655	66%	375,875
		2019	-	-	-	-	-	-	-	-	-
Ms J Couchman ⁶ Chief Risk Officer	18-May-20	2020	63,845	-	-	-	2,584	-	-	-	66,429
		2019	-	-	-	-	-	-	-	-	-
Ms S Forman ⁷ Group Executive, Advice	21-Oct-19	2020	282,505	-	-	-	14,687	44,044	24,044	57%	365,280
		2019	-	-	-	-	-	-	-	-	-

- 1 Consistent with the terms agreed on her appointment, Ms Stewart was eligible for two (2) service and performance related payments of \$125,000, payable on 1 March 2019 and 1 March 2020. Ms Stewart met all service and performance criteria for the second payment and subsequently payment was made on 15th March 2020. Ms Stewart participates in the Senior Management Bonus Scheme. Consistent with the terms agreed on appointment deferral will apply to any bonus awarded from the plan year commencing 1 July 2020.
- 2 Car parking and associated fringe benefits tax.
- 3 Mr G Arnott commenced as the Deputy Chief Executive Officer on 1 September. Mr Arnott was eligible to participate in the Senior Management Bonus Scheme from 1 July 2019. Consistent with the terms agreed of the transfer of employment no deferral applied to the bonus awarded for this plan year.
- 4 Ms S Thurman resigned effective 13th December 2019. The termination payment relates to the payments of accrued but untaken annual leave and long service leave.
- 5 Mr P Chun commenced on the 6th January 2020 and is eligible to participate in the Senior Management Bonus Scheme for the full year.
- 6 Ms J Couchman commenced on the 18th May 2020 and was not eligible for a bonus under the plan rules.
- 7 Ms S Forman commenced on the 21st October 2019 and is eligible to participate in the Senior Management Bonus Scheme and received a pro-rated payment based on length of service during the plan year.
- 8 The movement in the long service entitlements accrued but not taken during the year as required to be recognised under legislation were:

\$	2020	2019
R Elliott	14,013	13,393
D Graham	23,999	32,232
S Hill	13,179	14,903
I Pendleton	12,693	11,561
G Arnott	23,817	14,732
D Mika	12,135	11,627

Directors' Remuneration

Our Directors are remunerated with regard to the skills, experience and responsibilities required for our fund. Director remuneration is determined on the basis of an appropriate benchmarking review conducted by an independent remuneration consultant.

Director	Date appointed	Financial year ended 30 June	Committee memberships	Fees	Superannuation	Total	Fees paid to
				\$	\$	\$	
Mr G Bunney	1-Jul-18	2020	3	104,023	9,882	113,905	Director
		2019	2	92,343	-	92,343	
Mr N Cochrane	1-Mar-14	2020	2	209,138	13,730	222,868	Director
		2019	2	204,065	6,022	210,087	
Mr T Symondson	1-Jul-18	2020	3	100,052	9,505	109,557	Victorian Healthcare Association
		2019	2	81,906	7,781	89,687	
Ms P Carew	1-Jul-18	2020	3	90,818	8,628	99,446	Australian Nursing and Midwifery Federation (VIC branch)
		2019	2	77,490	7,361	84,851	
Ms S Carter	10-Apr-13	2020	2	92,904	8,826	101,730	Director
		2019	2	97,117	9,226	106,343	
Mr J Dixon	21-Feb-20	2020	-	23,595	2,242	25,837	Australian Education Union
		2019	-	-	-	-	
Ms J Furlan	10-Apr-15	2020	5	107,761	10,237	117,998	Director
		2019	4	108,028	10,263	118,291	
Mr R Harty	10-Apr-15	2020	4	95,132	9,038	104,170	Director
		2019	3	99,289	9,432	108,721	
Dr R Kelly	30-Aug-12	2020	5	118,744	11,281	130,025	Medical Scientists Association of Victoria
		2019	5	139,711	13,273	152,984	
Mr R Kelly *	1-Mar-11	2020	3	67,964	6,457	74,421	Director
		2019	3	115,724	10,994	126,718	
Mr B Lipscombe **	10-Apr-11	2020	4	76,920	7,307	84,227	Director
		2019	4	124,608	11,838	136,446	
Mr M Morey	22-May-19	2020	2	89,613	8,513	98,126	Unions NSW
		2019	-	7,215	685	7,900	
Ms R Ramwell	5-May-19	2020	1	86,466	8,214	94,680	Director
		2019	-	10,008	951	10,959	
Mr P Moffitt	14-Apr-20	2020	1	23,276	-	23,276	Director
		2019	-	-	-	-	
Ms N Steer	11-Jul-12	2020	3	92,022	8,742	100,764	Director
		2019	3	93,147	8,849	101,996	

*Mr R Kelly resigned 01/03/2020

**Mr R Lipscombe resigned 20/02/2020