



TAL Superannuation Limited

REMUNERATION REPORT

31 MARCH 2019

1. INTRODUCTION

This report provides information about the remuneration received by each Director and Executive Officer over the last two financial years.

2. DEFINITIONS

Director:	a director of TASL, being an Independent Director, an Internal Director or a Non-Executive Director.
Executive Officer:	a person, by whatever name, who is concerned with or takes part in the management of TASL.
Facilities Fee:	has the meaning given in section 4.4 of this report.
Fund:	TAL Superannuation and Insurance Fund ABN 20 891 605 180.
Independent Director:	a director of TASL who is not an employee of TAL Services or a director of another company within the TAL Group.
Internal Director:	a director of TASL who is an employee of TAL Services but who is not an Executive Officer.
LTI:	long-term incentive, see section 6.2 of this report for more information.
Member:	a person who has been admitted as a member of the Fund under its governing rules.
Non-Executive Director:	a director of TASL who is a director of another company within the TAL Group.
STI:	short-term incentive, see section 6.1 of this report for more information.
Remuneration Recommendation:	has the meaning given in section 4.5 of this report.
TAL Group:	TDA and its subsidiaries, including Affinia Financial Advisers Limited, TAL Life Limited, TAL Services and TASL.
TAL Services:	TAL Services Limited ABN 60 076 105 130.
TAL's Spirit:	describes how well an Executive Officer works with Members, partners, communities and other employees of TAL Services.
TASL:	TAL Superannuation Limited ABN 69 003 059 407.
TDA:	TAL Dai-ichi Life Australia Pty Limited ABN 97 150 070 483.

3. FINANCIAL YEAR

TASL's financial year ends on 31 March.

4. OVERVIEW OF EMPLOYMENT AND REMUNERATION ARRANGEMENTS

Each Director and Executive Officer is employed and remunerated by the TAL Group in the circumstances described below.

4.1 Independent and Non-Executive Directors

Engaged by:	TASL.
Remuneration components:	Director's fee.
Remuneration set by:	TDA.
Remuneration received by:	The Director.
Remuneration paid by:	TAL Services.
Cost recovery:	Facilities Fee.

4.2 Executive Officers

Employed by:	TAL Services but seconded to TASL on a full time basis.
Remuneration components:	Salary, superannuation and STI.
Remuneration set by:	TDA, subject to a Remuneration Recommendation from TASL.
Remuneration received by:	The Executive Officer.
Remuneration paid by:	TAL Services.
Cost recovery:	Facilities Fee.

4.3 Internal Directors

Employed by:	TAL Services but seconded to TASL on a part-time basis. The Internal Directors are primarily seconded to other companies within the TAL Group.
Remuneration components:	Director's fee.
Remuneration set by:	TDA and agreed by TASL.
Remuneration received by:	TAL Services.
Cost recovery:	Facilities Fee.

4.4 Secondments and Facilities Fee

TAL Services employs the Internal Directors and the Executive Officers and secondes them to TASL. In this regard, TASL is part of the TAL Group that includes a service company, TAL Services, which supplies resources to the whole Group (including human resources to TASL so that TASL can administer the Fund, pursuant to a facilities agreement). Under the facilities agreement:

- the human resources supplied by TAL Services are under the direction of TASL;

- TAL Services receives a fee from the Fund in consideration for the resources, including human resources, it provides to TASL (“Facilities Fee”); and
- TAL Services appropriates a portion of the Facilities Fee to cover the cost of providing human resources to TASL (see section 8 for more information).

4.5 Remuneration Recommendations

TASL may make a Remuneration Recommendation to the TAL Group which proposes that the STI of an Executive Officer be adjusted downwards to zero, if appropriate, if TASL believes that the adjustment is necessary to:

- protect the financial position of TASL or the Fund; or
- respond to significant unexpected or unintended consequences.

5. DIRECTORS AND EXECUTIVE OFFICERS

The following table provides details of all Directors and Executive Officers of TASL during the financial years ended 31 March 2018 and 31 March 2019, and the current financial year.

Name	Position	Date commenced holding position	Date ceased holding position
Brett G Clark ¹	Internal Director	27 February 2009	6 May 2019
Peter J Lewinsky	Independent Director	1 May 2014	
Roslyn E Ramwell	Independent Director	1 October 2014	
Anne E Clarke ¹	Internal Director	5 December 2016	6 May 2019
Steven J Helmich	Non-Executive Director	6 May 2019	
Stephen W Graham	Executive Officer	29 October 2007	

Notes:

1 No termination benefits were paid by TASL to these Directors or to TAL Services.

6. INCENTIVE PAYMENTS

6.1 STI

Each Executive Officer is eligible to participate in the TAL Group’s STI scheme.

STI targets are expressed as a standard percentage of the Executive Officer’s total fixed remuneration. Expectations for performance are agreed via a series of TASL-related goals (see section 6.4 of this report), with specific thresholds, on-target and stretch performance measures, at the beginning of TASL’s financial year.

Performance is rated against these goals and any STI awarded is aligned to the performance rating. Performance ratings also take account of “how” goals are delivered by an additional assessment against TAL’s Spirit. The Spirit rating is a modifier and may increase, decrease or leave unchanged the performance rating.

6.2 LTI

No Executive Officer is currently eligible to participate in the TAL Group’s LTI plan.

6.3 Director eligibility

Independent Directors and Non-Executive Directors are not eligible to participate in the TAL Group's STI scheme or LTI plan.

In their capacity as employees of TAL Services rather than Directors, Internal Directors participate in the TAL Group STI scheme or, where invited to do so, the TAL Group's LTI plan. Their performance expectations are agreed via a series of TAL Group-related goals.

6.4 STI payments

6.4.1 Mr Graham's STI payments in the years ended 31 March 2017 and 2018

Grant date	Financial year performance relates to	STI payment made	STI payment	% of STI target paid	% of STI target forfeited
May 2017	2017/18	May 2018	\$71,129.50	125%	0%
May 2018	2018/19	May 2019	\$68,586.56	119%	0%

Mr Graham's performance in the financial year ended 31 March 2019 was measured against the following key TASL-specific goals:

- support the delivery of TASL's strategy and engage TASL's service providers, as required, to deliver that strategy;
- ensure a strong and productive working relationship with regulators;
- sound financial management consistent with TASL's strategy;
- work with service providers to ensure outcomes that are in the interests of members;
- deliver sound and compliant trustee services that are in the interests of members; and
- embed the operational risk framework, understand and operate within the risk appetite, and demonstrate behaviours that support and enhance the TAL Group's risk culture.

6.4.2 Mr Graham's STI payment for the year ending 31 March 2020

Mr Graham has been granted an STI target for the current financial year of 20% of his total fixed remuneration of \$288,785.48. If Mr Graham meets his on-target performance measures, he would be entitled to receive an STI payment of \$57,757.10. However, his STI payment could range from 0% to 30% of his total fixed remuneration depending on his performance rating.

7. ADDITIONAL BENEFITS

7.1 Non-monetary benefits

No Executive Officer or Director receives non-monetary benefits from TASL or in respect of their service to TASL.

7.2 Equity-based remuneration

No Executive Officer or Director receives equity-based remuneration from TASL or in respect of their service to TASL. This includes share-based payments, options, rights over an equity instrument and other equity related payments.

8. PAYMENTS AND BENEFITS

8.1 Year ended 31 March 2018

Person	Short-term employee benefits (paid to the person unless noted otherwise)				Post-employment benefits (paid to the person)	Long-term employee benefits (paid to the person)		Termination benefits
	Director fee	Facilities Fee to TAL Services ¹	Salary, including short-term benefits	STI	Superannuation contributions	Long service leave	LTI	
BG Clark		\$31,150.00						
PJ Lewinsky	\$68,649.88				\$6,693.44			
RE Ramwell	\$45,969.68				\$14,030.26			
AE Clark		\$43,400.00						
SW Graham			\$264,510.24	\$70,150.73	\$20,465.27			

8.2 Year ended 31 March 2019

Person	Short-term employee benefits (paid to the person unless noted otherwise)				Post-employment benefits (paid to the person)	Long-term employee benefits (paid to the person)		Termination benefits
	Director fee	Facilities Fee to TAL Services ¹	Salary, including short-term benefits	STI	Superannuation contributions	Long service leave	LTI	
BG Clark		\$25,857.00						
PJ Lewinsky	\$68,649.88				\$6,693.44			
RE Ramwell	\$54,669.68				\$5,330.26			
AE Clark		\$16,836.00						
SW Graham			\$268,301.88	\$71,129.50	\$20,947.84			

Notes to table

1. This represents the portion of the Facilities Fee appropriated by TAL Services to cover the cost of providing the Internal Director to TASL. See section 4.4 for more information.