



# TAL Superannuation Limited

## REMUNERATION REPORT

### 31 MARCH 2021

## 1. INTRODUCTION

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

## 2. DEFINITIONS

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

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

#### 4.2 Executive Officers

<b>Employed by:</b>	Employed or contracted by TAL Services (as appropriate) and seconded to TASL on a full time basis.
<b>Remuneration components:</b>	Salary, superannuation and STI (as appropriate)
<b>Remuneration set by:</b>	TDA, subject to a Remuneration Recommendation from TASL.
<b>Remuneration received by:</b>	The Executive Officer.
<b>Remuneration paid by:</b>	TAL Services.
<b>Cost recovery:</b>	Facilities Fee.

#### 4.3 Internal Directors

<b>Employed by:</b>	TAL Services but seconded to TASL on a part-time basis. The Internal Director is primarily seconded to other companies within the TAL Group.
<b>Remuneration components:</b>	The Internal Director does not personally receive any director fee.
<b>Remuneration set by:</b>	TDA and agreed by TASL.
<b>Remuneration received by:</b>	TAL Services.
<b>Cost recovery:</b>	Facilities Fee.

#### 4.4 Secondments and Facilities Fee

TAL Services employs the Internal Director and contracts with the current Executive Officer and seconds 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 TAL 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 TASL’s Directors and Executive Officers during the financial years ended 31 March 2020 and 31 March 2021, and the current financial year.

Name	Position	Date commenced holding position	Date ceased holding position
Brett G Clark <sup>1</sup>	Internal Director	27 February 2009	6 May 2019
Peter J Lewinsky	Independent Director	1 May 2014	
Roslyn E Ramwell <sup>1</sup>	Independent Director	1 October 2014	1 October 2020
Anne E Clarke <sup>1</sup>	Internal Director	5 December 2016	6 May 2019
Alex J Homer	Internal Director	1 October 2020	
Steven J Helmich	Non-Executive Director	6 May 2019	
Stephen W Graham	Executive Officer	29 October 2007	26 June 2020
Paul S Cleary	Executive Officer	29 June 2020	

*Notes:*

<sup>1</sup> *No termination benefits were paid by TASL to these Directors or to TAL Services.*

## 6. INCENTIVE PAYMENTS

### 6.1 STI

Each Executive Officer who is employed by TAL Services is eligible to participate in the TAL Group’s STI plan.

STI targets are expressed as a standard percentage of the Executive Officer’s total fixed remuneration. Expectations for performance are set through a series of goals relating to TASL and the Fund (see section 6.4 of this report) which are agreed by Directors at the beginning of each TASL financial year. These goals incorporate specific threshold, on-target and stretch performance measures.

Performance is rated against these goals each half-year and any STI awarded at the end of TASL’s financial year is aligned to the Executive Officer’s performance rating. Performance ratings also take account of “how” goals are delivered by an additional assessment against TAL’s Spirit and the Risk Goal Gateway. The Spirit rating

moderates the Executive Officer's overall performance rating, while the achievement of the Risk Goal Gateway affects their Spirit rating and STI outcome.

The current Executive Officer (Mr Cleary) is not eligible to participate in the TAL Group's STI plan.

## 6.2 LTI

The current Executive Officer is not 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 plan or LTI plan.

In his capacity as an employee of TAL Services rather than as a Director, the Internal Director participates in the TAL Group's STI plan and in the TAL Group's LTI plan. The Internal Director's performance expectations are agreed via a series of TAL Group-related goals.

## 6.4 STI payments

### 6.4.1 STI payments to the Executive Officer (Mr Graham) in the years ended 31 March 2020 and 2021

Payment date	Financial year performance relates to	STI payment made	STI payment	% of STI target paid	% of STI target forfeited
May 2020	2019/20	May 2020	\$45,900.00*	79%*	0%

\* The Executive Officer's STI payment for the financial year ended 31 March 2020 was calculated in the following manner:

Component	Amount	% of STI target
Gross payment based on performance	\$60,000.00	104%
COVID-19 adjustment to TDA bonus pool (15% of gross payment)	(\$9,000.00)	(16%)
Amount deferred for payment in 6 months' time, subject to achievement of COVID-19 related goals	(\$5,100.00)	(9%)
Net payment in May 2020	\$45,900.00	79%

The Executive Officer's performance in the financial year ended 31 March 2020 was measured against the following key TASL-specific goals:

- deliver sound and compliant trustee services that are in the interests of Members;
- ensure a strong and productive working relationship with regulators;
- sound financial management consistent with TASL's strategy;
- support the delivery of TASL's strategy and engage TASL's service providers, as required, to deliver that strategy in accordance with TASL's legal / regulatory obligations; and
- work with service providers to ensure satisfactory outcomes that are in the interests of Members.

Mr Graham did not receive the deferred STI payment referable to the financial year ending 31 March 2020 (i.e. \$5,100) due to his ceasing to hold the position of Executive Officer prior to the vesting date of the deferred STI payment.

There were no STI payments made to Mr Graham for the financial year ended 31 March 2021.

#### 6.4.2 STI payment to the Executive Officer (Mr Cleary) for the year ending 31 March 2021

Mr Cleary is contracted to TAL Services as a Consultant under a Professional Services Agreement. Mr Cleary is not eligible to participate in the TAL Group's STI plan.

## 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 2020

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 <sup>1</sup>	Salary, including short-term benefits	STI	Superannuation contributions	Long service leave	LTI	
BG Clark		\$0.00						
PJ Lewinsky	\$70,194.52				\$5,148.80			
RE Ramwell	\$54,669.68				\$5,330.26			
AE Clarke		\$0.00						
SJ Helmich	\$61,128.78				\$5,960.01			
SW Graham			\$267,909.66	\$68,586.56	\$21,019.92			

### 8.2 Year ended 31 March 2021

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 <sup>1</sup>	Salary, including short-term benefits	STI	Superannuation contributions	Long service leave	LTI	
BG Clark		\$0.00						
PJ Lewinsky	\$78,373.10				\$5,663.68			
RE Ramwell	\$29,227.25				\$2,849.64			
AE Clarke		\$0.00						
AJ Homer		\$0.00						
SJ Helmich	\$68,337.12				\$6,662.88			
SW Graham			\$72,095.38	\$45,900.00	\$5,250.67	\$56,554.35		
PS Cleary			\$364,320.00					

1. Internal Directors do not personally receive any portion of the Facilities Fee paid to TAL Services for providing services to TASL. See section 4.4 for more information.