

# Relevant Disclosures

## Key Management Personnel - Remuneration disclosures

**H.E.S.T. Australia Ltd**

## Remuneration for Key Management Personnel for the FY 24

### Remuneration report: Non-Executive Key Management Personnel

Key Management Personnel	Position held	Position commenced	Position ceased	Financial year	Short-term employee benefits		Post-employment Benefits	Total Remuneration	Recipient
					Cash salary and short-term compensated absences	Other short-term benefits	Pension & superannuation benefits		
Nicola Roxon	Independent Board Chair and Director	01/01/2019	-	2024	\$190,589	-	\$20,965	\$211,554	Self
Susanne Dahn	Independent Investment Committee Chair and Director	01/07/2023	-	2024	\$168,248	-	\$4,612	\$172,860	Self
Deborah Cole	Director	01/01/2015	-	2024	\$98,053	-	\$10,908	\$108,961	Self
Helen Gibbons	Director	04/02/2016	-	2024	\$106,053	-	\$11,798	\$117,851	United Workers Union
Gary Humphrys	Director	18/05/2015	-	2024	\$86,332	-	\$9,604	\$95,936	Self
Catherine Smith	Director	25/09/2015	-	2024	\$72,832	-	\$8,103	\$80,935	Self
Emeline Gaske	Director	12/02/2020	-	2024	\$72,832	-	\$8,103	\$80,935	Australian Services Union
Alan Morrison	Director	01/03/2021	-	2024	\$72,832	-	\$8,103	\$80,935	Self

Benjamin Davison	Director	15/09/2021	-	2024	\$76,049	-	\$8,466	\$84,515	Self
Kate Marshall	Director	01/01/2022	-	2024	\$60,832	-	\$6,768	\$67,600	Health and Community Services Union
Jacqueline Bennett	Director	01/01/2023	-	2024	\$57,962	-	\$6,452	\$64,414	Self
Emma Maiden	Director	20/07/2023	-	2024	\$65,278	-	\$7,267	\$72,545	Self
Angela van Vorst	Director	01/10/2023	-	2024	\$45,624	-	\$5,095	\$50,719	Australian Nursing and Midwifery Federation
Robert Bonner	Director	01/01/2024	-	2024	\$30,911	-	\$3,422	\$34,333	Self
Lori-Anne Sharp	Director	01/07/2018	08/12/2023	2024	\$26,147	-	\$2,876	\$29,023	Australian Nursing and Midwifery Federation
Brett Holmes	Director	15/09/2021	26/09/2023	2024	\$14,547	-	\$1,600	\$16,147	Self

Directors' remuneration will vary according to the committees they serve in and if they hold a committee chair position. The Independent Board Chair and Independent Investment Committee Chair do not receive additional fees for participating in or chairing committees. Directors do not receive performance-based pay or retirement allowances.

FY24 Director Remuneration (excluding superannuation)	
<b>Base Fees:</b>	
Independent Board Chair	\$190,589 per annum
Independent Investment Committee Chair	\$155,730 per annum
Deputy Chair	\$68,553 per annum
Director	\$48,832 per annum

<b>Additional Fees:</b>	
Committee Chair:	
Finance Audit and Compliance Committee	\$17,500 per annum
Risk Committee	\$17,500 per annum
Governance and Remuneration Committee	\$17,500 per annum
Committee Member:	
Finance Audit and Compliance Committee	\$12,000 per annum
Risk Committee	\$12,000 per annum
Governance and Remuneration Committee	\$12,000 per annum
Investment Committee	\$20,000 per annum

Directors' remuneration was paid by the Trustee and re-charged to the Fund.

## HESTA Executive Management team

HESTA's CEO's performance is assessed annually by the Board (through the Board's Executive Committee). HESTA executives are also assessed annually by the CEO. Each executive's performance is assessed against the documented organisational framework developed in our performance management system against their position responsibilities and Key Performance Indicators which are tied to organisational strategic objectives.

Assessment covers:

- adherence to high standards of integrity, performance and risk management;
- display of strategic thinking in application to consideration of industry trends, areas of competitive advantage, sustainability and reputation; and
- contribution to and influence on the long-term direction and purpose of HESTA.

Employees undertake an annual performance review with their manager, and the performance evaluation for our senior management was undertaken in accordance with our processes and policies.

### Remuneration report: HESTA Executive Management team

Key Management Personnel	Position held	Position commenced	Position ceased	Financial year	Short-term employee benefits				Post-employment Benefits	Other Benefits	
					Cash salary and compensated absences**	Performance payment*	Other short-term benefits^	Non-Monetary benefits***		Long-term employee benefits ^^	Termination benefits
Debby Blakey	Chief Executive Officer	02/03/2015	-	2024	\$1,208,442	-	\$489	\$4,983	\$27,558	\$43,313	-
Lisa Samuels	Chief Experience Officer	02/04/2018	-	2024	\$631,591	-	\$15,282	\$4,983	\$30,701	\$27,624	-
Sonya Sawtell-Rickson	Chief Investment Officer	24/07/2017	-	2024	\$818,174	\$320,348	\$14,676	\$4,983	\$27,399	\$87,088	-
Stephen Reilly	Chief Operating Officer	24/08/2015	-	2024	\$703,901	-	\$9,970	\$4,983	\$27,399	\$31,370	-
Andrew Major	Chief Risk Officer (formerly Chief Risk and Compliance Officer)	13/01/2020	-	2024	\$580,301	-	\$2,794	\$4,983	\$27,399	\$22,824	-
Joshua Parisotto	Chief Engagement and Growth Officer (formerly Chief Member Engagement Officer)	13/01/2020	-	2024	\$580,301	-	-\$43,557	\$4,983	\$27,399	-\$79,004	-
Sam Harris	Chief Strategy Officer (formerly Chief Growth Officer)	14/06/2022	-	2024	\$550,066	-	\$17,674	\$4,983	\$27,399	\$25,112	-
Natalie Kelly#	Chief Financial Officer	06/05/2024	-	2024	\$198,177	-	\$8,293	\$1,593	\$12,422	\$12,602	-
Sally Collins	Former Chief Financial Officer	19/04/2022	16/02/2024	2024	\$459,233	-	-	\$3,145	\$20,549	-	\$80,031

\*The Chief Investment Officer (CIO) remuneration is delivered using both fixed and variable components.

**Fixed remuneration** (FR) consists of base salary and superannuation.

**Variable remuneration** (VR) consists of an annual incentive. The CIO is the only Key Management Personnel eligible to participate in the Investment Performance Incentive Plan (IPIP).

The IPIP incentivises strong individual and Fund performance, based on strategically aligned deliverables, through a variable, at-risk payment.

The maximum incentive opportunity level for the CIO is 80% of FR.

The incentive is paid 100% cash, and is measured against a scorecard consisting of:

- 60% performance measures – see table below.
- 40% strategic objectives, people and leadership measures

Minimum gateways for payment include an annual individual performance rating of 'met', completion of all mandatory compliance requirements and training, and being employed at the time of the initial payment date.

Table: CIO FY24 Incentive Scorecard – Performance Measures:

Weighting	Key Performance Indicator	Target	KPI Target Achieved
20%	Balanced growth return relative to medium term CPI target - 3 year annualised (using average CPI+ headline over 10 years)	Target CPI objective	Yes
20%	Balanced growth relative positioning in SuperRatings SR50 Balanced Index over 3 years	In top quartile	Yes
5%	Percentage of other HESTA Options (incl IS Default strategy) that achieve objectives <ul style="list-style-type: none"> <li>• 3 year annualised</li> </ul>	75%	No
5%	Percentage of other HESTA Options (incl IS Default strategy) that achieve objectives <ul style="list-style-type: none"> <li>• 5 year annualised</li> </ul>	75%	Yes
10%	Reduction of investment management fees (using RG97 methodology)	>2bp reduction in fees successfully	Yes

FY24 Incentive Outcome Summary:

	Incentive Opportunity <sup>1</sup>		Incentive Awarded		Incentive Forfeited <sup>2</sup>
Name	Target 56%	Maximum 80%	% FR	Cash <sup>3</sup>	(%)
<b>Sonya Sawtell – Rickson</b>	\$483,422	\$690,603	61.8%	\$533,914	22.7%

1 The incentive opportunity represents a percentage of FR. The minimum incentive opportunity was nil.

2 As a percentage of Incentive Opportunity. Calculation: Incentive Awarded / Maximum Incentive Opportunity = X. 100% less X = Incentive forfeited)

3 Per CPS 511, the CIO's FY24 incentive is subject to a 5-year deferral period:

Year	Grant Date	Payment Due	% Total Incentive to be paid	Incentive Amount (\$) <sup>4</sup>
1	September 2024	October 2024	60%	\$320,348
4	September 2024	October 2027	20%	\$106,783
5	September 2024	October 2028	20%	\$106,783

4 Where a person who has deferred amounts outstanding is under notice or ceases employment with HESTA as a result of dismissal, the outstanding deferred amount will:

- not be payable, or;
- Per the Consequence Management Framework, outstanding deferred amount may be adjusted at the GRC's discretion.

\*\* Cash salary and compensated absences includes annual and long service leave paid during the year.

^ Other short-term benefits include salary packaging arrangements and movement in annual leave provisions for the year.

\*\*\* Non-Monetary benefits includes motor vehicle benefits including parking and any associated Fringe Benefits Tax (excluding sacrificed superannuation, which is included in the pension and super benefits).

^^ Long-term employee benefits include movement in the annual leave and long service provisions accrued but not taken during the year. This also includes the long-term incentive relating to the deferred bonus of \$48,052.

# Natalie Kelly was Acting Chief Financial Officer from 6 March 2024 to 5 May 2024. She was appointed Chief Financial Officer on 6 May 2024 and deemed a key management personnel from this date. When setting remuneration, HESTA leverages information from the Financial Institutions Remuneration Group (FIRG). FIRG is the primary source of remuneration and benefits data for financial services and provides independent comprehensive data and thought leadership on remuneration, benefits, human resources and policy trends.

## Remuneration for Key Management Personnel for the FY 23

### Trustee Director Remuneration:

					Short-term employee benefits		Post-employment Benefits	
Key Management Personnel	Position held	Position commenced	Position ceased	Financial year	Cash salary and short-term compensated absences	Other short-term benefits	Pension and superannuation benefits	Recipient
Nicola Roxon	Director	01/01/2019	-	2023	\$184,500	-	\$19,373	Self
Deborah Cole	Director	01/01/2015	-	2023	\$91,809	-	\$9,760	Self
Helen Gibbons	Director	04/02/2016	-	2023	\$98,229	-	\$10,444	United Workers Union
Gary Humphrys	Director	18/05/2015	-	2023	\$80,659	-	\$8,575	Self
Catherine Smith	Director	25/09/2015	-	2023	\$68,897	-	\$7,323	Self
Lori-Anne Sharp	Director	01/07/2018	-	2023	\$63,949	-	\$6,799	Australian Nursing and Midwifery
Emeline Gaske	Director	12/02/2020	-	2023	\$68,897	-	\$7,323	Australian Services Union
Alan Morrison	Director	01/03/2021	-	2023	\$68,897	-	\$7,323	Self
Brett Holmes	Director	15/09/2021	-	2023	\$44,090	-	\$4,704	Self
Brett Holmes	Director	01/01/2018	-	2023	\$13,439	-	\$1,411	NSW Nurses and Midwives' Association
Ben Davison	Director	15/09/2021	-	2023	\$57,529	-	\$6,115	Self
Kate Marshall	Director	01/01/2022	-	2023	\$57,529	-	\$6,115	Health and Community Services Union Victoria No.2 Branch
Jacqueline Bennett	Director	01/01/2023	-	2023	\$23,636	-	\$2,541	Self

### Executive Management Team remuneration:

					Short-term employee benefits			Post-employment Benefits	Other Benefits	
Key Management Personnel	Position held	Position commenced	Position ceased	Financial Year	Cash salary and short-term compensated absences	Performance Payment*	Other short-term benefits**	Pension and superannuation benefits	Long-term employee benefits ^	Termination benefits
Debby Blakey	Chief Executive Officer	02/03/2015	-	2023	\$1,172,500	-	\$3,946	\$27,500	-	-
Lisa Samuels	Chief Experience Officer	02/04/2018	-	2023	\$621,406	-	\$3,946	\$28,594	-	-
Sonya Sawtell-Rickson	Chief Investment Officer	24/07/2017	-	2023	\$805,003	\$201,146	\$3,946	\$25,292	-	-
Stephen Reilly	Chief Operating Officer	24/08/2015	-	2023	\$684,708	-	\$3,946	\$25,292	-	-
Andrew Major	Chief Risk Officer (formerly Chief Risk and Compliance Officer)	13/01/2020	-	2023	\$564,708	-	\$3,946	\$25,292	-	-
Joshua Parisotto	Chief Member Engagement Officer	13/01/2020	-	2023	\$564,708	-	\$3,946	\$25,292	-	-
Sam Harris	Chief Growth Officer	14/06/2022	-	2023	\$514,787	-	\$15,404	\$25,292	-	-
Sally Collins	Chief Financial Officer	19/04/2022	-	2023	\$656,542	-	\$3,946	\$25,292	-	-

\*The Chief Investment Officer position is eligible to participate in the Investment Incentive Performance Plan. The plan rewards performance with an incentive linked to the medium and long-term investment outcomes for our members, as well as the CIO's performance against objectives. Apart from the CIO, no other Key Management Personnel are entitled to participate in an Incentive Plan.

\*\* Other short term benefits includes salary packaging arrangements and motor vehicle benefits including parking and any associated Fringe Benefits Tax (excluding salary sacrificed superannuation, which is included pension and superannuation benefits).

^ Long-term employee benefits includes payment for Long Service Leave taken in the period.

The movement in long service leave entitlements that have accrued but not yet been paid are as follows:

Debby Blakey FY23 \$113,399; Lisa Samuels FY23 \$44,460; Sonya Sawtell-Rickson FY23 \$20,108; Stephen Reilly FY23 \$44,858; Andrew Major FY23 \$46,936; Joshua Parisotto FY23 \$20,612; Sam Harris FY23 \$20,445; and Sally Collins FY23 \$16,844.

The movement in annual leave entitlements that have accrued but not yet been paid are as follows:

Debby Blakey FY23 \$63,657; Lisa Samuels FY23 \$43,494; Sonya Sawtell-Rickson FY23 \$15,646; Stephen Reilly FY23 \$43,992; Andrew Major FY23 \$7,323; Joshua Parisotto FY23 \$99,571; Sam Harris FY23 \$16,521; and Sally Collins FY23 \$12,920.

## Trustee Director and Executive Management Team termination information:

					Short-term employee benefits		Post-employment benefits	Other benefits		
Key Management Personnel	Position held	Position commenced	Position ceased	Financial year	Cash salary and short-term compensated absences	Other short-term benefits *	Pension and superannuation benefits	Long-term employee benefits ^	Termination benefits	Recipient
Mark Burgess	Director	03/04/2017	27/06/2023	2023	\$150,755	-	\$15,829	-	-	Self
Stephen Cornelissen	Director	14/02/2022	10/10/2022	2023	\$12,021	-	\$1,262	-	-	Self
Saranne Cooke	Director	01/01/2018	30/06/2023	2023	\$63,949	-	\$6,799	-	-	Self
<p>*Other short term benefits includes salary packaging arrangements and motor vehicle benefits including parking and any associated Fringe Benefits Tax (excluding salary sacrificed superannuation, which is included in pension and superannuation benefits).</p> <p>^ Long-term employee benefits includes payment for Long Service Leave taken in the period.</p>										