

# APS 330 Remuneration Disclosure

as at 30 June 2021



Credit Union SA Ltd  
ABN 36 087 651 232  
AFSL/Australian Credit  
Licence Number 241066

The Board has appointed a Governance Committee which, in addition to its other responsibilities, oversees remuneration and performs the functions of the Board Remuneration Committee as required by APRA Prudential Standard CPS510 Governance. This includes:

- making annual recommendations to the Board on the remuneration of the CEO, direct reports of the CEO and any person specified by APRA
- conducting regular reviews of and making recommendations to the Board on the Remuneration Policy (including an assessment of the Remuneration Policy's effectiveness and compliance with the requirements of Prudential Standard CPS 510 Governance).

The Governance Committee operates in accordance with its written charter that outlines the Committee's roles, responsibilities and terms of operation.

The Governance Committee comprises three (3) independent non-executive Directors and meets at least quarterly.

During the financial year the Governance Committee reviewed market-based remuneration and market movements referencing market survey information from external recruitment firms, internal relativities and market knowledge.

Credit Union SA's Remuneration Policy applies to all employees of the Credit Union and is designed to:

- encourage behaviour that supports the Credit Union's long-term financial soundness and risk management framework
- attract and retain individuals who have the necessary skills for the effective and prudent management of the Credit Union
- structure remuneration of risk and financial control personnel in a way that does not compromise the independence of these personnel in performing their functions.

The policy is reviewed annually by the Governance Committee, with the last review (in March 2021)

The policy was amended to align more closely with the requirements of prudential standard CPS 510 – Governance.

The following employees are identified as Senior Managers in accordance with CPS 510 Governance and the Credit Union’s Remuneration Policy:

- Chief Executive Officer
- Chief Distribution Officer
- Chief Digital & Information Officer
- Chief Financial Officer
- Company Secretary (from September 2020)
- Senior Manager People & Culture (to May 2021)
- Chief Operating Officer
- Chief Risk Officer
- Chief People & Strategy Officer (from May 2021)

Credit Union SA has no other employees that it considers as material risk takers or Senior Managers in accordance with CPS 510 Governance.

### **Fixed Component**

As captured in Credit Union SA’s Remuneration Policy, the Credit Union’s remuneration model is based on the total remuneration concept with employees remunerated with fixed remuneration only.

Credit Union SA’s remuneration model does not contain any variable (at risk) components aligned to current and future risks. However, all staff are accountable for sound risk management within the Board-approved Risk Management Framework.

The fixed components of remuneration consisting of base salary, superannuation and non-cash benefits.

There is no deferred or retained remuneration, including implied or explicit adjustments of deferred remuneration and retained remuneration, for employees.

Remuneration levels for Senior Managers are reviewed annually by the Governance Committee through a process that considers individuals, business units, overall performance of the Credit Union and the markets in which it operates and are approved by the Board. Performance assessments of Senior Managers incorporate financial and non-financial KPI’s, including the responsibility for risk management and compliance.

## **Annual Bonus**

All employees undergo an annual performance review which considers the performance of the individual measured against key performance indicators that are inclusive of organisational goals (financial and non-financial metrics).

Recommendations for performance based bonuses (if any) for the Chief Executive Officer are made by the Governance Committee, for approval by the Board, as part of the annual remuneration review.

Recommendations for performance based bonuses (if any) for Executives are made by the Chief Executive Officer to the Governance Committee, for approval by the Board, as part of the annual remuneration review.

In compliance with the Credit Union's Remuneration Policy, for the 2020/21 financial year there were no variable (at risk) remuneration awards, guaranteed bonuses or sign-on awards made to Executives.

## **Risk and Compliance Staff**

The performance and remuneration of risk and compliance staff is assessed according to objectives specific to the roles they undertake, which is independent of the business they oversee. Remuneration is reviewed and benchmarked against the market, and internally, to ensure it is set at an appropriate level.

## **Governance Committee Remuneration**

In the 2020/21 financial year the Governance Committee held four meetings.

The total remuneration paid to Governance Committee members in the 2020/21 financial year was \$196,161 (2019/20 financial year: \$212,929). This represents the total fees paid to those directors for their positions on the Board, the Governance Committee and any additional Board Committees.

## Other remuneration disclosures

Variable remuneration, guaranteed bonuses, sign-on award and termination payments during the financial year	2021		2020	
	No. of employees	Amount	No. of employees	Amount
Number of variable remuneration awards	-	-	-	-
Number and total guaranteed bonuses awarded	-	-	-	-
Number of sign-on awards	-	-	-	-
Number and total termination payments	-	-	-	-

Deferred remuneration	Total Amount	Total Amount
Outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms	-	-
Deferred remuneration paid out in the financial year	-	-

Total value of remuneration awards for senior managers/ material risk takers for the financial year	Unrestricted	Deferred	Unrestricted	Deferred
<b>Fixed Remuneration</b>				
Cash-based	\$1,774,206	-	\$1,650,256	-
Shares and share-linked instruments	-	-	-	-
Other	-	-	-	-
<b>Variable remuneration</b>				
Cash-based	-	-	-	-
Shares and share-linked instruments	-	-	-	-
Other	-	-	-	-