



# **Superannuation Trustee Remuneration Report**

March 2015

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## Introduction

In 2015 Women on Boards extended its annual Boardroom Diversity Index for Superannuation Trustee to include remuneration for trustee chairs and directors which covers the top 200 APRA regulated funds.

This coincided with the Government's Stronger Super reforms which commenced on 1 July 2014 and required superannuation entities to "actively publish on their websites details of their executives, including remuneration, and fund product disclosure statements, governing rules, actuarial reports and summaries of significant events that have occurred over the past two years."

However accessing the information and then making comparative sense of it has proved challenging. Not all trustees appear to have made disclosures at the time of the publication of this report. This is supported by the following quote from APRA Member, Helen Rowell at the Conference of Major Super Funds on 18th March 2015:

"Another area where new requirements are in place is in relation to disclosure of remuneration for directors and executive officers. APRA has recently undertaken a review of a sample of funds to ascertain the quality and consistency of the information being disclosed on fund web-sites and reported to APRA under the new reporting standard (SRF 600.0). I would have to say that we were somewhat disappointed with what we found!

For example, there were a number of anomalies and apparent errors in the reporting of remuneration on fund web-sites and to APRA; a significant number of directors for whom nil amounts were reported; and a handful of funds where we were unable to find the director remuneration information on their web-sites!

The disclosure of director and executive remuneration is an important element of the enhanced transparency obligations for the industry and it is clear that there is considerable room for improvement. So we will be following up on this, and I'd suggest you ensure your reporting is up to scratch. *(Helen Rowell)*

## Sector Summary

### Retail Funds

Retail funds vary in their approach to the remuneration of trustees. The boards of retail entities may have responsibility for a number of trusts, each with a number of superannuation funds. In some cases the remuneration disclosure apportions the remuneration amongst the entities. In other cases (eg ASX listed IOOF, Perpetual) there is one overall fee that applies for trustee activities (which can include other activities undertaken if the entity is ASX listed)

### Industry Funds

Industry funds are usually a single trustee. Fees paid comprise a base fee. Some trustees pay committee fees and others do not. Committee fees can be considerable (for typically audit, compliance and risk, investment, remuneration). In some cases no one trustee earns the same as another in the disclosure. Committee fees are often not disclosed explicitly. This report has attempted to harmonise this by outlining the base trustee fee (sometimes estimated) plus an indication of whether there are additional committee fees.

Remuneration is paid either to an individual or to the relevant union. In some cases this involves considerable fees to one union.

Accordingly we are reporting the total chair fee as disclosed and an estimate of the base fee for other trustee directors.

### Industry Fund Committee Fees

Beyond the base fee for committees the chair of an investment committee seems the best remunerated position, in the case of R.E.S.T this is \$65,000.

Examples of the range of committees and some of the fees paid are:

- Australian Super (5 committees)  
Audit, Compliance & Risk Management; Investment; Member & Employer Services; Nomination and Remuneration; Budget Review
- LUCRF (4 committees)  
Compliance & Audit; Investment; Management & Membership; Remuneration

- Equip Super (5 committees)  
Appeals & Review; Audit, Risk & Compliance; Finance;  
Governance & Rewards; Investment.
- R.E.S.T (8 committees in addition to trustee board. Major committees are listed below)  
  
Trustee board (\$65,000 chair, \$35,000 members)  
Investment (\$65,000 chair, \$35,000 members)  
Audit Risk & Compliance (\$35,000 chair, \$20,000 members)  
Strategy Review (\$30,000 chair; \$20,000 members)  
Human Resources and Remuneration (\$30,000 chair, \$20,000 members)
- Unisuper (4 committees)  
Investment; Audit, Risk & Compliance; Insurance (\$23,316 chair, \$15,544 members) Remuneration (\$15,544 chair, \$10,363 members)
- Post Super (4 committees)  
Membership; Audit & Compliance; Investment; Remuneration  
Committee fees are paid but not disclosed in detail.
- HESTA (3 committees)  
Audit & Risk; Governance; Remuneration
- CBUS (5 committees)  
Remuneration; Investment; Audit & Risk; Member Services; Marketing
- AusCoal (5 committees)  
Investment; Insurance; Audit, Risk and Compliance; Remuneration;  
Organisational Development Committee

## Corporate funds

Corporate funds generally do not pay their trustees, other than those sitting as independent directors. Information for some corporate funds could not be sourced. This situation has been observed in previous BDI editions. Some corporate funds (those with low balances) did not make a disclosure. A nil fee was inferred.

## Conclusion

### Comparisons based on Funds under Management (FUM)

At the larger funds (by FUM) the chair remuneration is not all that different for funds of similar size, be it a retail entity or an industry fund.

But looking at the remuneration reported there appears to be some anomalies/ outliers.

Explanations for these anomalies could be market failure, peak workloads for a particular fund which attract an increased remuneration for trustees or historical remuneration arrangements.

### Range of responsibilities

Some industry fund chair remuneration looks high compared with a retail fund of similar FUM. But industry funds are doing the full board job and generally have bigger boards to manage. Some industry board are have as many as 12, 14, 17 directors which seems large for an efficient operation.

In contrast many of the retail directors sit on subsidiaries that don't have responsibility for strategy (although APRA is requiring trustees be more involved in strategy formulation). It could be argued that the retail boards have the challenge of operating in an environment where they lack control over CEO appointment and capital investments.

Some trustees are responsible for both Defined Benefit and Accumulation funds (eg Telstra, Qantas and public sector funds) which impacts the workload.

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## Notes to the Data

Data was collected from annual reports and/or websites as part of the review of super trustees for the 2015 Women on Boards Boardroom Diversity Index in period December 2014 - January 2015.

The figures quoted are for the total chair fee and the base trustee fee including superannuation.

FUM data was obtained from fund financial reports (usually 2013/14) or APRA report dated January 2014 (2013 fund returns) or websites.

Funds (corporate and retail) have a mix of non-executive (independent) and executive trustees.

Some Trustees are part of a listed company (eg trustee company) so fees for the listed entity are reported if directors are the trustees. Some listed entities (eg AMP, banks) have appointed trustees beyond the ASX board directors to increase independence.

Remuneration figures shown are in some cases indicative due to the way the remuneration in the disclosure is presented.

On the basis of FUM trustee remuneration appears to be market based except for a few outliers.

### **Some variations in disclosure**

Hostplus reports trustee director remuneration in bands. An estimate has been made on band mid points

State Super Financial Services Australia Limited provides an aggregate figure for executives and directors

Some retail examples - larger retail entities the trustee board may have responsibility for a number of trustees, RSEs and fund. In some cases the disclosure apportions the fee amongst the entities. In other cases (eg IOOF) there is one overall fee that applies for all the trustee activities undertaken.

MLC Nominees Pty Ltd and the Universal Super Scheme are remunerated as \$115,000 for Nominees chair and \$78,000 for member and then for Nullis as trustee for MLC Super Scheme the rem is chair \$46,000 and \$31,000 (typical member).

AMP discloses remuneration for each superannuation fund which we have aggregated for the trustee.

## Remuneration of Superannuation Trustees

Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Corporate	Alcoa of Australia Retirement Plan Pty Ltd	Alcoa of Australia Retirement Plan	1.7	OR	OR
Corporate	ANZ Staff Superannuation (Australia) Pty Limited	ANZ Australian Staff Superannuation Scheme <sup>a</sup>	3	\$88,000	\$65,000
Corporate	CCSL Limited	AusBev Superannuation Fund	0.4	***	
Corporate	Mercer Superannuation (Australia) Limited	Bankwest Staff Superannuation Plan	0.5	na	
Corporate	Total Risk Management Pty Limited	Bluescope Steel Superannuation Fund Nestle Australia Group Superannuation Fund	2.2	***	
Corporate	BOC Superannuation Pty Ltd	BOC Gases Superannuation Fund	0.6	OR	OR
Corporate	Clough Superannuation Pty Ltd	Clough Superannuation Fund	0.2	\$32,000	\$25,000
Corporate	Commonwealth Bank Officers Superannuation Corporation Pty Limited	Commonwealth Bank Group Super	8	\$82,000	OR
Corporate	Towers Watson Superannuation Pty Ltd	Duluxgroup Employees Superannuation Fund Incitec Pivot Employees Superannuation Fund Munich Holdings of Australasia Pty Ltd Superannuation Scheme Oracle Superannuation Plan The Flexible Benefits Super Fund United Technologies Corporation Retirement Plan	1.6	*	
Corporate	Holden Employees Superannuation Fund Pty Ltd	Holden Employees Superannuation Fund	0,8	na	\$40,000

Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Corporate	IAG & NRMA Superannuation Pty Ltd	IAG & NRMA Superannuation Plan	1.3	\$74,000	\$44,000
Corporate	The Trust Company (Superannuation) Limited	MacMahon Employees Superannuation Fund The Executive Superannuation Fund	0.7	**	
Corporate	Mercy Super Pty Ltd	Mercy Super	0.85	\$24,000	\$20,000
Corporate	Qantas Superannuation Limited	Qantas Superannuation Plan	6.5	\$120,000	OR
Corporate	Rio Tinto Staff Fund Pty Limited	Rio Tinto Staff Superannuation Fund	4.2	OR	\$67,000
Corporate	Suncorp Portfolio Services Limited	Suncorp Defined Benefit Fund	0.1	**	
Corporate	Telstra Super Pty Ltd	Telstra Superannuation Scheme	15	\$211,000	\$56,000
Corporate	T.E.S.T. Pty Ltd	Toyota Employees Superannuation Trust	0.4	OR	OR
Corporate	Benefund Limited	Uniting Church in Australia Beneficiary Fund	0.4	\$30,000	\$15,000
Corporate	PFS Nominees Pty Ltd	Worsley Alumina Superannuation Fund BHP Billiton Superannuation Fund National Australia Bank Group Superannuation Fund A	7	**	
Industry	AUSCOAL Superannuation Pty Ltd	Auscoal Superannuation Fund	8	\$117,000	\$65,000
Industry	SCS Super Pty Limited	Australian Catholic Superannuation and Retirement Fund	5	\$75,000	\$25,000
Industry	Australian Meat Industry Superannuation Pty Ltd	Australian Meat Industry Superannuation Trust	0.7	\$43,700	\$24,581
Industry	AustralianSuper Pty Ltd	AustralianSuper	66	\$162,000	\$66,000
Industry	BUSS (Queensland) Pty Ltd	Building Unions Superannuation Scheme (Queensland)	2.6	\$75,000	\$47,000
Industry	CARE Super Pty Ltd	Care Super	9	\$58,296	\$48,810 - \$58,295
Industry	CSF Pty Limited	Catholic Superannuation Fund	6.2	\$49,000	\$21,000
Industry	Christian Super Pty Limited	Christian Super	1	\$50,000	n/a



Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Industry	Club Plus Superannuation Pty Ltd	Club Plus Superannuation Scheme	2	\$80,000	\$33,000
Industry	Club Plus QLD Pty Ltd	Club Super	0.4	***	
Industry	Combined Fund Pty Ltd	Combined Fund	0.6	\$65,000	\$23,000
Industry	Concept One Pty Ltd	Concept One Superannuation Plan	0.45	\$44,644	\$27,500
Industry	United Super Pty Ltd	Construction & Building Unions Superannuation	23	\$131,000	\$42,000
Industry	Electricity Supply Industry Superannuation (QLD) Ltd	Energy Super	4.7	\$74,000	\$49,000
Industry	Equipsuper Pty Ltd	equipsuper	7	\$135,000	\$70,000
Industry	First Super Pty Limited	First Super	2	\$92,000	\$55,000
Industry	The Trust Company (Superannuation) Limited	Grow Super	0.05	**	
Industry	H.E.S.T. Australia Ltd	Health Employees Superannuation Trust Australia	28	\$141,000	\$46,000
Industry	Host-Plus Pty Limited	HOSTPLUS Superannuation Fund	13	\$150,000	\$97,000
Industry	IS Industry Fund Pty Ltd	Intrust Super Fund	1.4	\$30,000	\$27,000
Industry	Super Members Investments Limited	IRIS Superannuation Fund	0.6	\$25,000	\$25,000
Industry	Kinetic Superannuation Ltd	Kinetic Superannuation Fund	2.6	\$133,160	\$66,580
Industry	L.U.C.R.F. Pty Ltd	Labour Union Co-Operative Retirement Fund	3.8	na	
Industry	Legal Super Pty Ltd	legalsuper	2	\$93,000	\$35,000
Industry	Maritime Super Pty Limited	Maritime Super	4	\$82,000	\$50,000
Industry	Meat Industry Employees Superannuation Fund Pty Ltd	Meat Industry Employees Superannuation Fund	0.7	\$36,000	\$18,000
Industry	Media Super Limited	Media Super	4	\$65,000	\$39,000
Industry	Motor Trades Association of Australia Superannuation Fund Pty Limited	MTAA Superannuation Fund	7.5	\$130,000	\$75,000
Industry	NESS Super Pty Ltd	NESS Super	0.5	\$40,000	\$32,000

Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Industry	NGS Super Pty Limited	NGS Super	6	\$60,000	\$35,000
Industry	Prime Super Pty Ltd	Prime Superannuation Fund	2.5	\$67,500	\$56,000
Industry	Equity Trustees Limited (ASX EQT)	Progress Super Fund	0.1	***	
Industry	QIEC Super Pty Ltd	Queensland Independent Education & Care Superannuation Trust	1	\$25,000	\$18,000
Industry	Rei Superannuation Fund Pty Limited	Rei Super	1.1	\$75,000	\$25,000
Industry	Retail Employees Superannuation Pty Limited	Retail Employees Superannuation Trust	34	\$100,000	\$35,000
Industry	Statewide Superannuation Pty Ltd (now StatewideSuper)	Statewide Superannuation Trust	5.5	\$116,000	\$62,000
Industry	Sunsuper Pty Ltd	Sunsuper Superannuation Fund	29	\$104,000	\$70,000
Industry	Tasplan Ltd	Tasplan Superannuation Fund	1.9	\$71,000	\$41,000
Industry	T.I.S. Pty Ltd	The Transport Industry Superannuation Fund	0.1	\$10,000	\$6,000
Industry	V.I.S. Nominees Pty. Limited	The Victorian Independent Schools Superannuation Fund	0.5	nil	nil
Industry	T W U Nominees Pty Ltd	TWU Superannuation Fund	3.9	\$239,000	\$30,000
Industry	Unisuper Ltd	Unisuper	36	\$214,000	\$107,000 indeps or \$45,830 rep directors
Industry	Vicsuper Pty Ltd	Victorian Superannuation Fund	11	\$81,000	\$65,000
Industry	Vision Super Pty Ltd	Vision Superannuation Fund	0.6	**	
Public Sector	PostSuper Pty Ltd	Australia Post Superannuation Scheme	7	\$103,000	\$50,000

<b>Fund type</b>	<b>Trust</b>	<b>Fund Name</b>	<b>FUM \$Bil</b>	<b>Rem chair</b>	<b>Rem trustee</b>
Public Sector	AvSuper Pty Ltd	AvSuper Fund	1.7	\$93,114	\$49,886
Public Sector	Energy Industries Superannuation Scheme Pty Ltd	Energy Industries Superannuation Scheme-Pool A Energy Industries Superannuation Scheme-Pool B	4.3	\$62,000	\$46,000
Public sector	Fire and Emergency Services Superannuation	Fire and Emergency Services Superannuation Fund	0.5	\$21,000	\$13,000
Public sector	FSS Trustee Corporation	First State Superannuation Scheme	46	\$200,000	\$114,000
Public Sector	Vision Super Pty Ltd	Local Authorities Superannuation Fund	5.6	\$109,000	\$55,000
Public Sector	Queensland Local Government Superannuation Board	Local Government Superannuation Scheme	8.5	\$137,000	\$57,000
Public Sector	LGSS Pty Ltd	Local Government Superannuation Scheme - Pool A Local Government Superannuation Scheme - Pool B	9	\$137,000	\$63,000
Public sector	Commonwealth Superannuation Corporation	Military Superannuation & Benefits Fund No 1 Public Sector Superannuation Accumulation Plan Public Sector Superannuation Scheme CSS Fund	28	\$145,000	\$69,500
Public Sector	Group of individuals	Reserve Bank of Australia Officers Superannuation Fund	1	OR	OR
Public Sector	Board of Trustees of the State Public Sector Superannuation Scheme (Qsuper)	State Public Sector Superannuation Scheme	45	\$97,000	\$48,000

Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Public Sector	WA Local Government Superannuation Plan Pty Ltd	WA Local Government Superannuation Plan	2	\$52,000	\$35,000
Retail	BT Funds Management Limited	Advance Retirement Suite ASGARD Independence Plan Division 2 BT Lifetime Super Retirement Wrap	62	\$30,000	\$24,000
Retail	The Trust Company (Superannuation) Limited	AMG Univeral Super DIY Master Plan Grosvenor Pirie Master Superannuation Fund Series 2 HUB24 Super Fund ING Direct Superannuation Fund Millennium Master Trust Powerwrap Master Plan Super Synergy Fund Virgin Superannuation	1.6	**	
Retail	AMP Superannuation Limited	AMP Superannuation Savings Trust	60	\$30,000	\$22,750
Retail	AON Superannuation Pty Limited	AON Master Trust	2.5	\$80,000	\$60,000
Retail	Australian Ethical Superannuation Pty Ltd	Australian Ethical Retail Superannuation Fund	0.75	\$30,000	\$20,000

Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Retail	Avanteos Investments Limited	Avanteos Superannuation Trust Encircle Superannuation Fund Symetry Personal Retirement Fund Portfolio Superannuation Fund	7	**	
Retail	I.O.O.F. Investment Management Limited (ASX IOF)	AvWrap Retirement Service Integral Superannuation Fund Lifetime Superannuation Fund Plan B Superannuation Fund IOOF Portfolio Service Superannuation Fund	1.2	\$150,000	\$97,000
Retail	BT Funds Management No 2 Limited	BT Classic Lifetime	0.2	\$30,000	\$24,000
Retail	Challenger Retirement and Investment Services Limited	Challenger Retirement Fund	0.9	\$50,000	\$50,000
Retail	ClearView Life Nominees Pty Limited (part of ASC CVW)	ClearView Retirement Plan	1.3	\$200,000	\$95,000
Retail	Colonial First State Investments Limited	Colonial First State First Choice Superannuation Trust Colonial First State Rollover & Superannuation Fund	55	\$95,000	\$65,000
Retail	Colonial Mutual Superannuation Pty Ltd	Colonial Super Retirement Fund	5	**	
Retail	Macquarie Investment Management Ltd	Definitive Superannuation Plan Macquarie ADF Superannuation Fund Macquarie Superannuation Plan	12	\$100,000	\$50,000

Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Retail	Nulis Nominees (Australia) Limited (part of MLC)	DPM Retirement Service MLC Superannuation Fund Premiumchoice Retirement Service	15	\$46,000	\$31,000
Retail	CCSL Limited	e-Clipse Supere-Clipse Super Lifefocus Superannuation Fund Managed Australian Retirement Fund Personal Choice Private Fund LESF Super	0.7	\$50,000	\$25,000
Retail	Equity Trustees Limited (ASX EQT)	EmPlus Superannuation Fund	1.2	\$181,000	\$93,000
Retail	Fiducian Portfolio Services Limited (ASX FPS)	Fiducian Superannuation Fund	0.7	\$165,000	\$77,000
Retail	Guild Trustee Services Pty Limited	Guild Retirement Fund	1	\$20,000	\$15,000
Retail	Australian Executor Trustees Limited	Kingston Superannuation Trust (part of IOOF)	0.1	**	
Retail	MAP Funds Management Ltd	Map Superannuation Plan	0.3	\$41,000	\$41,000
Retail	Mercer Superannuation (Australia) Limited	Mercer Portfolio Service Superannuation Plan Mercer Super Trust Newcastle Permanent Superannuation Plan	19	na	
Retail	NSF Nominees Pty. Limited	Nationwide Superannuation Fund	0.5	\$53,000	\$36,000
Retail	Netwealth Investments Limited	Netwealth Superannuation Master Fund	2.2	\$50,000	\$40,000
Retail	Oasis Fund Management Limited	Oasis Superannuation Master Trust	4.6	\$45,000	\$48,000
Retail	OnePath Custodians Pty Limited	OnePath Masterfund Retirement Portfolio Service	29	\$49,000	\$53,000
Retail	Perpetual Superannuation Limited	Perpetual WealthFocus Superannuation Fund Perpetual's Select Superannuation Fund Perpetual Super Wrap	5	\$114,000	\$87,000
Retail	PFS Nominees Pty Ltd	Plum Superannuation Fund	13	\$46,000	\$31,000

Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Retail	Total Risk Management Pty Limited	Russell Supersolution Master Trust	5.6	\$16,350	\$43,600
Retail	Tidswell Financial Services Ltd	Smartsave 'Member's Choice' Superannuation Master Plan Tidswell Master Superannuation Plan	0.3	\$58,000	OR
Retail	Questor Financial Services Limited (part of IOOF group)	SMF Eligible Rollover Fund The Portfolio Service Retirement Fund	5.5	***	
Retail	State Super Financial Services Australia Limited	State Super Retirement Fund	11.6	na	
Retail	Suncorp Portfolio Services Limited	Suncorp Master Trust	6	\$83,000	\$66,000
Retail	TAL Superannuation Limited	TAL Superannuation and Insurance Fund	1.6	na	\$35,000
Retail	Aracon Superannuation Pty Ltd	The ARA Retirement Fund	0.2	\$13,000	nil
Retail	Sandhurst Trustees Limited	The Bendigo Superannuation Plan	3.3	\$92,000	\$87,000
Retail	MLC Nominees Pty Ltd	The Universal Super Scheme	38	\$114,000	\$78,000
Retail	N M Superannuation Proprietary Limited (part of AMP)	Wealth Personal Superannuation and Pension Fund First Quest Retirement Service National Mutual Retirement Fund Super Directions Fund Synergy Superannuation Master Fund The Retirement Plan	29	\$44,400	\$33,800
Retail	Westpac Securities Administration Limited	Westpac Mastertrust - Superannuation Division Westpac Personal Superannuation Fund	6.1	\$30,000	\$24,000
Retail	Zurich Australian Superannuation Pty Ltd	Zurich Master Superannuation Fund	1.3	\$85,000	\$80,000
Retail - ERF	BT Funds Management Limited	Advance Retirement Savings Account	0.2	**	
Retail - ERF	AMP Superannuation Limited	AMP Eligible Rollover Fund	1.7	\$4,250	\$3,250

Fund type	Trust	Fund Name	FUM \$Bil	Rem chair	Rem trustee
Retail - ERF	AON Superannuation Pty Limited	Aon Eligible Rollover Fund	0.1	**	
Retail - ERF	Industry Funds Investments Ltd	AUSFund (Australia's Unclaimed Super Fund)	0.5	\$5680 (part yr)	\$8,160
Retail - ERF	Perpetual Superannuation Limited	Australian Eligible Rollover Fund	0.9	**	
Retail - ERF	I.O.O.F. Investment Management Limited	SMF Eligible Rollover Fund	0.1	**	
Retail - ERF	Colonial Mutual Superannuation Pty. Ltd.	SuperTrace Eligible Rollover Fund	1.6	**	

\* Towers Watson apportion the remuneration for trustee services between plans (at about \$7,000). This is not meaningful overall due to lack of info about the number of the plans

\*\* refer Group entity for total remuneration

Other fees 'y' - committee fess are paid to trustees

OR - Otherwise Remunerated. Executive directors; employees of the corporate are remunerated as part of their overall executive remuneration.