

# Remuneration report

1 July 2022 to 30 June 2023

Qantas Superannuation Limited (the Trustee) is the trustee of the Qantas Superannuation Plan (Qantas Super). For over 80 years, the Trustee has been looking after Qantas Super members' retirement savings and has evolved to accommodate their distinct needs as aviation employees.

With just over 26,000 members and approximately \$8.5 billion in assets, Qantas Super is one of Australia's largest corporate super funds. As a not-for-profit fund, Qantas Super is run entirely for the benefit of members, which means that the fees we charge go back into providing products and services to our members.

Though a wholly owned subsidiary of Qantas Airways Limited (Qantas Airways), the Trustee is a Registered Superannuation Entity Licensee and as such is regulated by the Australian Prudential Regulation Authority (APRA). The Trustee has its own board of directors (Board) that oversees all aspects of its executive team, including what annual objectives are set, how risk is monitored and assessed, and how performance is evaluated. This includes having its own Remuneration Framework and Policy, separate to that of Qantas Airways.

## About this report

The purpose of this report is to set out the remuneration for the Trustee's:

1. Board; and
2. Executive Officers.

## 1. About the Board

The Board has ten directors:

- five directors that are appointed by Qantas Airways (a mix of Qantas Airways employees and external directors); and
- five directors that are elected by our members from various occupational groups (all Qantas Airways employees).

All directors must act in the best financial interests of members, regardless of whether they are appointed by Qantas Airways or elected by members.

## The remuneration approach for the Board

**Directors who are Qantas Airways employees** do not receive payments or monetary benefits for their roles in relation to the Board.

**Company-appointed directors who are not otherwise Qantas Airways employees** are remunerated in keeping with superannuation industry practice. Fees are paid by Qantas Airways to these directors.

## Directors who are Qantas Airways employees

as at 30 June 2023

Qantas Airways employees who serve as directors on the Board **do not** receive additional payments or benefits associated with their role as a director. However, Qantas Airways allows directors who are employees to take paid leave to prepare for, and attend, meetings and to take part in professional development. The following eight directors are Qantas Airways employees.

### Company-appointed:

- Cecilia Ho, Treasurer Capital Markets
- Reed Tanger, Executive Manager – Group Finance and Strategy
- Rachel Yangoyan, Executive Manager – Qantas Aircraft Programs

### Member-elected:

- Group A: Richard Garner, Second Officer A330
- Group B: Klair Safier, Customer Service Supervisor
- Group C: Denis Evison, Resource Analytics and Task Performance Planner, Production Engineering
- Group D: Luke Murray, LAME Mechanical
- Group E: Lyle Brownscombe, Project Lead – DNA for Jetstar

## Directors who are not otherwise Qantas Airways employees

as at 30 June 2023

John Atkin, Chair of the Board: Qantas Airways pays Mr Atkin a fee for being a director, in consideration of all responsibilities and in keeping with superannuation industry practice. Qantas Airways also provides the Chair with access to a travel benefit.

Lorraine Berends: Qantas Airways pays Ms Berends a fee for being a director, in consideration of all responsibilities and in keeping with superannuation industry practice. Qantas Airways also provides Ms Berends with access to a travel benefit.

The travel benefit is inclusive of travel concessions, which are provided to these directors under the Qantas Airways' staff travel policy. Travel at concessionary prices is on a sub-load basis, that is, subject to considerable restrictions and limits on availability.

Trustee Board - Payment and benefits  
as at 30 June 2023

Director name	Period served on Qantas Super Board	Year	Fee	Superannuation contributions	Non-monetary benefits
J Atkin Chair from 31/05/2019	07/03/2019 – current	2022 – 2023	\$114,299	\$5,701	\$39,729 <sup>1</sup>
		2021 – 2022	\$114,545	\$5,455	\$3,153 <sup>1</sup>
L Berends	31/05/2019 – current	2022 – 2023	\$72,398	\$7,602	\$0
		2021 – 2022	\$72,727	\$7,273	\$0
L Brownscombe	26/11/2021 – current	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	\$0	\$0	\$0
M Cheung	12/03/2020 – 31/08/2021	2022 – 2023	n/a	n/a	n/a
		2021 – 2022	\$0	\$0	\$0
D Evison	08/12/2022 – current	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	n/a	n/a	n/a
R Garner	13/06/2021 – current	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	\$0	\$0	\$0
R Greaves	19/09/2019 – 10/10/2022	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	\$0	\$0	\$0
C Ho	28/01/2015 – current	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	\$0	\$0	\$0
A Monaghan	26/11/2014 – 31/12/2022	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	\$0	\$0	\$0
L Murray	04/12/2017 – current	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	\$0	\$0	\$0
K Safier	01/10/2020 – current	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	\$0	\$0	\$0
R Tanger	16/03/2023 – current	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	n/a	n/a	n/a
R Yangoyan	10/11/2016 – current	2022 – 2023	\$0	\$0	\$0
		2021 – 2022	\$0	\$0	\$0

Notes

1. John Atkin, as Chair of the Board, is entitled to one free of charge long-haul and two short-haul flights on Qantas operated services each calendar year for him and his nominated beneficiaries. If the trips are not taken during the year, that year's entitlements lapse.

## 2. About our executive team

The Trustee's executive team consists of specialists across member experience, investments, operations, legal, finance, and risk and compliance.

The Trustee's Remuneration Framework and Policy is reviewed by the People, Remuneration and Nominations Committee and approved by the Board. The People, Remuneration and Nominations Committee is composed of several directors.

The objectives for executive remuneration are to attract, motivate, retain and appropriately reward a capable executive team. This is achieved by setting fixed remuneration and performance-based incentives at an appropriate level and by linking remuneration outcomes to performance.

An independent benchmarking review of executive remuneration was conducted in 2023.

The Board, in principle, does not support guaranteed or upfront cash payments for incoming executives or accelerated or unusually large payments to terminating executives.

### Executive remuneration

The principles which underpin the Trustee's Remuneration Framework and Policy are:

- Remuneration is structured to reward people for the following:
  - their individual and collective contribution to the long-term financial soundness of Qantas Super,
  - demonstrating exemplary governance in action, and
  - protecting and creating value for members.
- Remuneration and risk management are aligned.
- Fair, consistent and competitive remuneration will be provided to attract, motivate and retain high calibre people.
- Reward includes fixed pay, performance-based incentives and other benefits where available.
- Benchmarking is undertaken periodically, and judgement is applied in the evaluation of market data to ensure remuneration remains appropriate and proportional when compared to market practice. As the Trustee is a financial services organisation, it is acknowledged that financial services comparisons are used when making these assessments.

Executive remuneration consists of the following components:

- **Base pay** – referred to as Fixed Annual Remuneration (FAR). This is established upon employment and is reviewed annually. Performance and the positioning of an executive's FAR relative to market data will be considered in each review. FAR is comprised of salary, statutory and salary sacrifice superannuation contributions and other salary package benefits as detailed on employment and amended from time to time.
- **Annual performance-based incentive** – this incentive depends upon Trustee's overall performance relative to its objectives as well as the executive's individual performance.

The key elements are:

- there is no entitlement to the performance-based incentive;
  - the target performance-based incentive (Target) for each executive is established upon employment (as a percentage of FAR) and is reviewed annually;
  - the performance-based incentive that is actually paid is calculated as: (Target) x (a factor reflecting the Trustee's performance) x (a factor reflecting individual performance); and
  - the performance-based incentive is paid in full each year in the form of cash.
- **The key performance indicators** – the Trustee includes measurement of performance against objectives in areas such as:
    - investment performance;
    - member attraction and retention;
    - financial performance;

- enhancements to the value of the business operations of Qantas Super year to year;
- compliance with risk and compliance frameworks;
- management of staff; and
- behaviour that demonstrates appropriate culture.

**Note:** Long-term incentives such as share-based payments or the issue of any options or rights over equity are not paid or awarded. There are no contracts for services or payments to organisations or entities other than persons.

Travel concessions are provided to the Trustee's executives under the Qantas Airways' staff travel policy. Travel at concessionary prices is on a sub-load basis, that is, subject to considerable restrictions and limits on availability.

Each year the People, Remuneration and Nominations Committee reviews the following prior to recommendation to the Board for approval:

- changes to FAR and/or the performance-based incentive for all responsible persons;
- the factor reflecting the Trustee's performance; and
- the factor reflecting individual performance for each responsible person.

## Executive Officers - Payment and benefits

as at 30 June 2023

The Trustee's executives do not receive fees or other short-term employee benefits and are not compensated for short-term absences. They do not participate in short-term cash profit sharing or receive other short-term employee benefits.

Executive name & title	Period of employment	Year	Base pay – FAR (includes super) <sup>1</sup>	Annual performance-based incentive (cash) <sup>2,3</sup>	Minimum & maximum possible value of the performance-based incentive for future financial years <sup>4</sup>
<b>M Clancy</b> Chief Executive Officer	07/12/2015 – current	2022 – 2023	\$448,050	\$270,510	\$0-\$415,740
		2021 – 2022	\$435,000	\$287,644	\$0-\$378,602
<b>A Moser<sup>5</sup></b> Chief Financial Officer	11/03/2013 – current	2022 – 2023	\$294,525	\$106,692	\$0-\$153,875
		2021 – 2022	\$271,278	\$102,950	\$0-\$149,324
<b>A Spence</b> Chief Investment Officer	28/07/2008 – current	2022 – 2023	\$462,470	\$267,076	\$0-\$402,431
		2021 – 2022	\$449,000	\$322,719	\$0-\$390,787
<b>S Thurman</b> Chief Risk Officer	16/12/2019 – current	2022 – 2023	\$278,500	\$92,114	\$0-\$150,833
		2021 – 2022	\$265,250	\$96,087	\$0-\$141,200

### Notes

The table reflects the Trustee's executives who are its Key Management Personnel.

1. FAR means Fixed Annual Remuneration. FAR includes compulsory superannuation contributions (post-employment benefits). For executives who commenced prior to 1 July 2013, the Trustee pays the individual's superannuation administration fees and standard insurance premiums.
2. The Board (after recommendation from the People, Remuneration and Nominations Committee) makes the decision to award performance-based incentives following the end of the relevant financial year. This meeting usually takes place in August or September each year. Accordingly, the date the performance-based incentive is granted is typically in August or September following the relevant financial year.
3. This figure represents actual payment. Performance-based incentives are paid in relation to the relevant financial year and in full (in other words, the amounts are 100% vested and are not deferred).
4. These are estimates of the minimum and maximum possible total potential value of the performance-based incentive for future financial years after the most recently completed financial year. This assumes both the maximum value of the Trustee's performance factor and the individual's performance factor are 1.3. They are based on FAR. Any change in FAR will change these amounts.
5. Andy Moser became part of the Trustee's Key Management Personnel from 13 July 2021 and the base pay and annual performance-based incentive have been apportioned accordingly.

Issued by Qantas Superannuation Limited ABN 47 003 806 960 AFSL 288330 (Trustee, we, our, us) as trustee for the Qantas Superannuation Plan ABN 41 272 198 829 (Qantas Super).