

relevant disclosures

H.E.S.T. Australia Ltd

16 February 2024

We seek to maintain the highest standards of fund governance. Good governance requires strong control mechanisms that encourage robust decision-making, accurate and timely execution of decisions, clear and effective accountability, regular review and assessment of governance policies and procedures, and transparency.

HESTA is run by a trustee company — H.E.S.T. Australia Ltd. The Trustee Directors and staff put all their efforts into maximising the retirement incomes of HESTA members, most of who work in health and community services. We do this through our investment strategy, high quality services and education and advice programs.

H.E.S.T. Australia Ltd, is an APRA and ASIC licensed trustee company with Guarantors (who don't receive dividends). Guarantors represent employee and employer organisations and some are eligible to nominate Directors to the Board.

Trustee Directors

There are 14 Trustee Directors on the Board, with an Independent Chair, an Independent Director who serves as the Chair of the Investment Committee, and equal appointments from employee and employer organisations in the health and community services sector. This ensures the voices of both employers and members are heard and that their views are taken into account when decisions are made.

The rules relating to the nomination, appointment and removal of Trustee Directors can be found in our Constitution, available at hesta.com.au/disclosure

The Board meets up to eight times a year, overseeing every aspect of the Fund including investments, administration, communications and service delivery.

Specialised responsibilities are delegated to Board-appointed committees consisting of Directors who report to the full Board Meeting. The committees comprise the Finance Audit & Compliance Committee, Risk Committee, Governance and Remuneration Committee, Investment Committee and the Executive Committee. In addition to Board Committee Members, an Independent External Adviser also sits on the Investment Committee.

We are required to disclose information about Trustee Directors' attendance at Board and Committee meetings for the last seven financial years. This information is available at hesta.com.au/disclosure

The role of the Board is to determine strategic direction and to monitor operations, ensuring the Fund is administered in accordance with the Trust Deed, relevant legislation and regulations.

More information about our individual Trustee Directors, their qualifications and experience is available at hesta.com.au/aboutus

The Trustee holds professional indemnity insurance to protect itself and the Directors, in the event of legal action.

Trust Deed and Constitution

HESTA is governed by a Trust Deed, a legal document that outlines the way HESTA is managed. The Trustee has a Constitution, which together with the Trust Deed, forms the governing rules for HESTA and the Trustee. Copies of the Trust Deed and Constitution are available at hesta.com.au/disclosure

Executive Management Team

The day-to-day management of HESTA is the responsibility of our highly skilled and experienced Chief Executive Officer and team of seven Executives. More information about our individual Executives, their qualifications and experience is available at hesta.com.au/aboutus

Payments and benefits relating to executive officers

As an industry super fund, HESTA is run only to benefit members and our remuneration practices reflect this, together with the need to ensure we have adequate resources to provide quality benefits and services to members.

Trustee Director Assessment and Remuneration:

Our Board is responsible for the overall governance and strategic direction of HESTA to ensure we meet our obligations to members. Accordingly, the Board and individual Directors are subject to an internally conducted annual assessment of its performance, with an independent external consultant engaged every three years to perform this assessment process. The Board is assessed against its functions as outlined in the Board Charter whilst Directors are also assessed against their performance and contributions at Board meetings and general compliance with any other applicable policies.

Key areas evaluated as part of annual review include:

- Governance and composition of the Board;
- Effectiveness of Board Meetings, Board Agendas and Reports;
- Board and Management relationships;
- Strategy of organisation; and
- Monitoring and evaluation

HESTA confirms that the performance evaluations for 2022/23 year were undertaken in accordance with its processes and policies.

Key Management Personnel	Position held	Position commenced	Position ceased	Financial year	Short-term employee benefits		Post-employment Benefits	Recipient
					Cash salary and short-term compensated absences	Other short-term benefits	Pension and superannuation benefits	
Nicola Roxon	Director	01/01/2019	-	2023	\$184,500	-	\$19,373	Self
				2022	\$184,500	-	\$18,450	Self
Deborah Cole	Director	01/01/2015	-	2023	\$91,809	-	\$9,760	Self
				2022	\$82,780	-	\$8,387	Self
Helen Gibbons	Director	04/02/2016	-	2023	\$98,229	-	\$10,444	United Workers Union
				2022	\$80,831	-	\$8,196	United Workers Union
Gary Humphrys	Director	18/05/2015	-	2023	\$80,659	-	\$8,575	Self
				2022	\$72,755	-	\$7,370	Self
Catherine Smith	Director	25/09/2015	-	2023	\$68,897	-	\$7,323	Self
				2022	\$62,755	-	\$6,358	Self
Lori-Anne Sharp	Director	01/07/2018	-	2023	\$63,949	-	\$6,799	Australian Nursing and Midwifery
				2022	\$55,255	-	\$5,735	Australian Nursing and Midwifery
Emeline Gaske	Director	12/02/2020	-	2023	\$68,897	-	\$7,323	Australian Services Union
				2022	\$52,755	-	\$5,345	Australian Services Union
Alan Morrison	Director	01/03/2021	-	2023	\$68,897	-	\$7,323	Self
				2022	\$61,255	-	\$6,205	Self
Brett Holmes	Director	15/09/2021	-	2023	\$44,090	-	\$4,704	Self
				2022	-	-	-	Self
Brett Holmes	Director	01/01/2018	-	2023	\$13,439	-	\$1,411	NSW Nurses and Midwives' Association
				2022	\$42,234	-	\$4,291	NSW Nurses and Midwives' Association
Ben Davison	Director	15/09/2021	-	2023	\$57,529	-	\$6,115	Self
				2022	\$42,234	-	\$4,291	Self
Kate Marshall	Director	01/01/2022	-	2023	\$57,529	-	\$6,115	Health and Community Services Union Victoria No.2 Branch
				2022	\$25,754	-	\$2,643	Health and Community Services Union Victoria No.2 Branch
Jacqueline Bennett	Director	01/01/2023	-	2023	\$23,636	-	\$2,541	Self
				2022	-	-	-	-

Executive Management Team Assessment and remuneration:

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, with input from the Board Chair and Deputy Chairs. 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.

All employees undertake an annual performance review with their manager, and the performance evaluation for our senior management was undertaken during the 2022/23 year in accordance with our processes and policies.

Key Management Personnel	Position held	Position commenced	Position ceased	Financial Year	Short-term employee benefits			Post-employment Benefits	Other Benefits	
					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	-	-
				2022	\$927,311	-	\$2,294	\$27,499	-	-
Lisa Samuels	Chief Experience Officer	02/04/2018	-	2023	\$621,406	-	\$3,946	\$28,594	-	-
				2022	\$455,840	-	\$2,294	\$26,870	-	-
Sonya Sawtell-Rickson	Chief Investment Officer	24/07/2017	-	2023	\$805,003	\$201,146	\$3,946	\$25,292	-	-
				2022	\$814,543	\$296,187	\$2,294	\$23,568	-	-
Stephen Reilly	Chief Operating Officer	24/08/2015	-	2023	\$684,708	-	\$3,946	\$25,292	-	-
				2022	\$522,796	-	\$2,294	\$23,568	-	-
Andrew Major	Chief Risk Officer (formerly Chief Risk and Compliance Officer)	13/01/2020	-	2023	\$564,708	-	\$3,946	\$25,292	-	-
				2022	\$464,446	-	\$2,294	\$23,568	-	-
Joshua Parisotto	Chief Member Engagement Officer	13/01/2020	-	2023	\$564,708	-	\$3,946	\$25,292	-	-
				2022	\$459,142	-	\$2,294	\$23,568	-	-
Sam Harris	Chief Growth Officer	14/06/2022	-	2023	\$514,787	-	\$15,404	\$25,292	-	-
				2022	\$334,312	-	\$6,240	\$23,568	-	-
Sally Collins	Chief Financial Officer	19/04/2022	-	2023	\$656,542	-	\$3,946	\$25,292	-	-
				2022	\$140,490	-	-	\$5,892	-	-

*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 other objectives. Apart from the CIO, no other Key Management Personnel are entitled to participate in an Incentive Plan. The incentive applicable for FY22 performance was approved by the Governance and Remuneration Committee during FY23 and paid in October 2022.

Comparatives have been updated to reflect the incentive applicable for FY21 performance approved by the Governance and Remuneration Committee during FY22.

** 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). Please note FY22 comparative was updated to include car parking fringe 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, FY22 \$31,336; Lisa Samuels FY23 \$44,460, FY22 \$13,174; Sonya Sawtell-Rickson FY23 \$20,108, FY22 \$22,365; Stephen Reilly FY23 \$44,858, FY22 \$14,985; Andrew Major FY23 \$46,936, FY22 \$15,218; Joshua Parisotto FY23 \$20,612, FY22 \$11,792; Sam Harris FY23 \$20,445, FY22 \$1,624; and Sally Collins FY23 \$16,844, FY22 \$3,379.

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

Debby Blakey FY23 \$63,657, FY22 -\$56,544; Lisa Samuels FY23 \$43,494, FY22 -\$486; Sonya Sawtell-Rickson FY23 \$15,646, FY22 -\$31,325; Stephen Reilly FY23 \$43,992, FY22 \$15,485; Andrew Major FY23 \$7,323, FY22 -\$23,956; Joshua Parisotto FY23 \$99,571, FY22 \$13,122; Sam Harris FY23 \$16,521, FY22 \$3,618; and Sally Collins FY23 \$12,920, FY22 \$10,407.

Trustee Director and Executive Management Team termination information:

Key Management Personnel	Position held	Position commenced	Position ceased	Financial year	Short-term employee benefits		Post-employment benefits	Other benefits		Recipient
					Cash salary and short-term compensated absences	Other short-term benefits *	Pension and superannuation benefits	Long-term employee benefits ^	Termination benefits	
Megan Bolton	Chief Financial Officer	02/04/2018	03/01/2022	2023	-	-	-	-	-	Self
				2022	\$303,752	\$1,479	\$17,676	\$63,097	\$109,628	Self
Tim Mitchell-Adams	Chief Growth Officer	23/08/2021	20/05/2022	2023	-	-	-	-	-	Self
				2022	\$368,813	-	\$23,568	-	\$134,210	Self
Neil Saxton	Chief Partnerships Officer	02/04/2018	01/07/2021	2023	-	-	-	-	-	Self
				2022	\$26,337	\$2,294	-	\$88,302	\$300,000	Self
Mark Burgess	Director	03/04/2017	27/06/2023	2023	\$150,755	-	\$15,829	-	-	Self
				2022	\$150,755	-	\$15,076	-	-	Self
Stephen Cornelissen	Director	14/02/2022	10/10/2022	2023	\$12,021	-	\$1,262	-	-	Self
				2022	\$16,603	-	\$1,715	-	-	Self
Saranne Cooke	Director	01/01/2018	30/06/2023	2023	\$63,949	-	\$6,799	-	-	Self
				2022	\$60,185	-	\$6,092	-	-	Self
Klaus Zimmermann	Director	01/01/2012	31/12/2021	2023	-	-	-	-	-	Self
				2022	\$33,378	-	\$3,338	-	-	Self
Lloyd Williams	Director	01/01/2012	31/12/2021	2023	-	-	-	-	-	Health Services Union
				2022	\$33,145	-	\$3,314	-	-	Health Services Union
Anna Claude	Director	01/01/2017	16/07/2021	2023	-	-	-	-	-	Australian Nursing and Midwifery Federation (NSW Branch)
				2022	\$2,817	-	\$282	-	-	Australian Nursing and Midwifery Federation (NSW Branch)
Sophie Ismail	Director	01/03/2019	23/08/2021	2023	-	-	-	-	-	Australian Council of Trade Unions
				2022	\$8,600	-	\$863	-	-	Australian Council of Trade Unions

* 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). Please note FY22 comparative was updated to include car parking fringe benefits.

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

Changes to Director and Executive Positions

Director / Executive	Position held	Position Started	Position Ceased
Anna Claude	Director	1/1/2017	16/7/2021
Sophie Ismail	Director	1/3/2019	24/8/2021
Tim Mitchell-Adams	Chief Growth Officer	23/8/2021	20/5/2022
Brett Holmes	Director	15/09/2021	26/09/2023
Benjamin Davison	Director	15/09/2021	
Lloyd Williams	Director	1/1/2012	31/12/2021
Kate Marshall	Director	1/1/2022	
Klaus Zimmermann	Director	1/1/2012	31/12/2021
Klaus Zimmermann	Deputy chair	1/1/2016	8/12/2021
Helen Gibbons	Deputy chair	8/12/2021	
Megan Bolton	Chief Financial Officer	2/4/2018	3/1/2022
Stephen Cornelissen	Director	14/2/2022	10/10/2022
Sally Collins	Chief Financial Officer	19/4/2022	16/02/2024
Sam Harris	Chief Growth Officer	13/6/2022	
Jacqueline Bennett	Director	1/1/2023	
Mark Burgess	Director	3/4/2017	27/6/2023
Saranne Cooke	Director	1/1/2018	30/6/2023
Susanne Dahn	Director	1/7/2023	
Emma Maiden	Director	20/07/2023	
Angela van Vorst	Director	1/10/2023	
Lori-Anne Sharp	Director	1/07/2018	8/12/2023
Robert Bonner	Director	1/01/2024	

Register of relevant interests

The Trustee maintains a Register of Relevant Duties and Relevant Interests for itself and its responsible persons including all Directors and Executive Managers.

A relevant duty is, for example, other directorships or employment that an individual may hold, and a relevant interest is, for example, major shareholdings.

Go to hesta.com.au/disclosure to find out more about the relevant duties and interests of our Trustee Directors and Executive Managers, or read the *HESTA Conflicts Management Summary* available at hesta.com.au/disclosure

Financial statements

The financial statements of the Trustee can be viewed at hesta.com.au/disclosure

An extract of the *Statement of Financial Position and Operating Statement* for the Fund, for the year ended 30 June 2022 is available in our *Annual Report* at hesta.com.au/annualreport

Responsibility to members

Significant event notices

We notify members about any material change to a matter, or significant event that affects a matter, being a matter that would have been required to be specified in a Product Disclosure Statement. This could be a change to fees and costs, a change to insurance cover offered, or where a member's benefit may be transferred without their consent.

The message we send to affected members, advising them of these changes and their possible impact on retirement savings is known as a *Significant Event Notice*.

For a summary of significant event and material change notices issued since 30 June 2020 go to hesta.com.au/disclosure

Other documents and information

- We produce six Product Disclosure Statements (PDS). The most recent copies of the following PDS is available at hesta.com.au/pds: HESTA, HESTA Personal Super, HESTA Corporate Super and HESTA Income Stream. The most recent copies of the following PDS is available at hestaformercy.com.au/pds: HESTA for Mercy Super and HESTA for Mercy Income Stream.
- The most recent Annual Report is available at hesta.com.au/annualreport together with Annual Reports from previous years.
- Our Financial Services Guide (FSG) is available at hesta.com.au/disclosure
- Information about our outsourced service providers, who provide a service which may affect a material business activity of the Fund is available at hesta.com.au/disclosure
- Our share voting policies are available hesta.com.au/disclosure