

Governance of the Remuneration Framework

The Board of Directors is responsible for the Credit Union's remuneration framework and its effective application. The Board has established the Board Governance, Remuneration and Nominations Committee to oversee the operation of the remuneration framework, review the Remuneration Policy, and make recommendations to the Board on remuneration matters. The Board retains ultimate responsibility for remuneration decisions.

The Committee comprises independent non-executive directors and has access to internal and external advice, including risk management input, where required to support remuneration decisions.

Remuneration Framework

The Credit Union's remuneration framework is designed to support prudent risk management, sustainable performance and the long-term financial soundness of the Credit Union. The framework seeks to attract and retain capable employees while ensuring remuneration outcomes are aligned with the Credit Union's strategic objectives, risk management framework and conduct expectations.

Remuneration for employees and senior management is principally comprised of fixed remuneration, including salary and statutory superannuation contributions.

Variable Remuneration and Consequence Management

The Credit Union did not operate an ongoing variable remuneration scheme during the reporting period. During the year, a one-off discretionary performance-based remuneration payment was approved for a member of senior management. The payment was non-recurring in nature and was assessed having regard to performance, financial and non-financial risk outcomes, and conduct considerations. Any variable remuneration awarded during the reporting period was below the threshold requiring deferred remuneration arrangements under the Financial Accountability Regime (FAR).

Where remuneration decisions involve performance-based outcomes, the Board and Committee consider relevant financial and non-financial risk outcomes and conduct matters to ensure remuneration outcomes remain consistent with the objectives of the remuneration framework.

The Credit Union did not identify any material risk takers for the purposes of CPS 511 during the reporting period.

Review of the Framework

The Board, through the Committee, reviews the remuneration framework periodically to ensure it remains effective and compliant with regulatory requirements. During the reporting period, the Remuneration Policy and Committee Charter were reviewed and no material changes were made to the remuneration framework.

During the financial year ended 30 June 2026, the Board met three times and the Board Governance, Remuneration and Nominations Committee met four times.