

Brighter Super
CPS 511 Annual Remuneration Disclosures
Financial Year ended 30 June 2025



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Table of contents

Introduction	3
Governance of the Remuneration Framework	4
Specified Roles	9
Quantitative Disclosures	10

Introduction

The following remuneration disclosures have been prepared in accordance with the Australian Prudential Regulation Authority (**APRA**) remuneration requirements under Prudential Standard *CPS 511 Remuneration (CPS 511)*.

CPS 511 requires APRA-regulated entities to make clear, comprehensive, meaningful, consistent and comparable public disclosure of information on their remuneration framework and practices. These disclosures must be undertaken on a financial year basis for each full financial year of the APRA-regulated entity.

Brighter Super Trustee (**Trustee**) is considered a Significant Financial Institution (**SFI**) for the purposes of CPS 511.

The Trustee acts as trustee of Brighter Super (**Fund**) under the *Local Government Act (Qld)*.

These disclosures relate to 1 July 2024 to 30 June 2025 (the **2025 financial year**).

Governance of the remuneration framework

Brighter Super's remuneration framework

Brighter Super's remuneration framework is comprised of the following policies:

- *Remuneration Policy (Directors and Specialist Advisers)*
- *Remuneration Policy (Team Members)*
- *Short Term Incentive Plan (STIP)*
- *Short Term Incentive Downward Adjustment Review Policy (STI Downward Adjustment Policy)*

(together **Remuneration Policies**).

The remuneration framework is designed to ensure that remuneration decisions across Brighter Super are consistent. Through the Remuneration Policies, it specifies the following:

- To ensure fairness, remuneration decisions will consider objective criteria, be administered through structured and authorised processes and have the requisite oversight as required under APRA standards.
- Job evaluation and external remuneration benchmarking will be adopted to provide an objective and industry-specific framework for the consideration of Brighter Super's remuneration position.
- Remuneration decisions will consider individual merit and be rewarded differentially based on employee performance and competency; and
- Brighter Super's remuneration position will ensure compliance with all legislative requirements and demonstrate a commitment to maintaining wage equality.

Brighter Super's Remuneration Policies apply to all staff, directors and specialist advisors within the Brighter Super Group. We do not have any foreign branches or subsidiaries.

The role of the Board and the People and Culture Committee

The Brighter Super Board of Directors (**Board**) has overall accountability for the remuneration framework, the Remuneration Policies and all remuneration decisions at Brighter Super.

To assist the Board in discharging its statutory, fiduciary, governance and regulatory responsibilities associated with people management activities, including those in relation to remuneration decisions, the Board has established the People and Culture Committee (**PCC**). The members of the PCC as at 30 June 2025 were:

- Mr Henry Capra, Committee Chair
- Mr John Smith (ex officio)
- Mr Ron Dewhurst, Member
- Ms Rebecca Girard, Member
- Cr Cameron O'Neil, Member.

The primary purpose of the PCC is to provide an objective review and oversight of Brighter Super's people and remuneration policies, frameworks, and practices to ensure:

- alignment with Brighter Super's strategic goals
- compliance with external regulations and legal requirements
- compliance with Brighter Super's *Risk and People Management Frameworks*
- consideration of Brighter Super's members' best financial interests.

The PCC provides regular reporting to Brighter Super's Board, including on remuneration matters.

The PCC met four times during the 2025 financial year. The Board met 10 times during the 2025 financial year and received reporting from the PCC after each of those meetings.

Reviewing the Remuneration Policies

Annual consideration is given to whether Brighter Super's remuneration framework is fit for purpose, and whether outcomes are fair, appropriate and encourage desired behaviours.

The PCC reviews the *Remuneration Policy (Directors and Specialist Advisers)* and the *Remuneration Policy (Team Members)* at least every two years to ensure it remains aligned to the business' needs and meets Brighter Super's remuneration principles. The *Remuneration Policy (Directors and Specialist Advisers)* is reviewed by the PCC and approved by the Board. The *Remuneration Policy (Team Members)* is developed by the Chief People Officer (**CPO**), reviewed by the Chief Executive Officer (**CEO**) and approved by the PCC.

The STIP is developed annually by the CPO, reviewed by the CEO and approved by the PCC. The *STI Downward Adjustment Policy* is reviewed every two years by the CPO and CEO, and approved by the PCC.

The following Remuneration Policies were reviewed during the 2025 financial year:

- *Remuneration Policy (Team Members)* – alignment with members' best financial interest and eligibility criteria for performance-based remuneration increases were added to uplift the remuneration framework.
- *STI Downward Adjustment Policy* – is a new policy introduced for the 2025 financial year to implement a fair and transparent process for consequence management and remuneration impacts, in conjunction with compliance with the *Financial Accountability Regime Act 2023 (Cth)*.
- *Short Term Incentive Plan* – was amended during the 2025 financial year to align with the new *STI Downward Adjustment Policy* and the obligations under the *Financial Accountability Regime Act 2023 (Cth)*.

From time to time, the PCC also engages external remuneration consultants to assist with a review of the remuneration framework to ensure it complies with the requirements of CPS 511 and that Brighter Super's remuneration practices are consistent with the market.

The role of the remuneration framework in delivering Brighter Super's objectives

The remuneration framework is designed to promote Brighter Super's business plan and objectives, and support prudent risk management. When designing the remuneration arrangements and the organisational performance outcomes for each financial year, Brighter Super takes into consideration our long-term financial soundness and members' best financial interests, including adherence to approved operating budgets, comparative fund metrics and performance outcomes for investment options.

Annually, organisational key performance indicators (**KPIs**) are developed by the CEO and recommended to the Board for consideration as part of setting the rolling three-year *Strategy and Business Plan*. These KPIs provide clear metrics for the achievement of Brighter Super's objectives, across key result areas (Investment, Member, Operations, People, Finance). With the executive, these KPIs are then cascaded to each division and team member and utilised in performance reviews.

Non-financial measures are given material weight in the setting of KPIs and the subsequent determination of both fixed and variable remuneration. Our variable remuneration programme, the Short-Term Incentive Plan or STIP, is subject to Gateways to Participation which are designed to ensure that non-financial outcomes relating to conduct, competence, and regulatory requirements are considered, including the obligation to act in members' best financial interests.

More broadly, behavioural and conduct criteria are specifically considered in each individual performance assessment which informs fixed remuneration reviews. There are also clear consequence management processes for conduct which does not meet expected standards under Brighter Super's *Code of Conduct*.

Brighter Super's Short-Term Incentive Plan

The only variable remuneration offered to Brighter Super staff is a cash bonus, albeit under specific circumstances some component might be deferred.

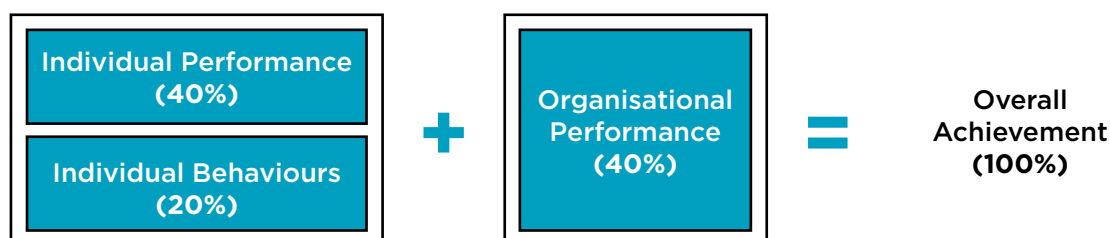
Brighter Super offers a variable remuneration plan, the Short-Term Incentive Plan (**STIP**), each year to members of the executive and senior leadership teams as well as to some other defined specialist roles. Eligible roles are approved annually by the PCC and incumbents are invited to participate in the STIP.

Included in the letter of invitation is the maximum potential payment applicable to each specific role for that financial year under the STIP. The maximum amounts vary from 15% to 30% depending on the role.

All 'Senior Managers' (see below for definitions) are eligible to participate. The Senior Manager cohort and the 'Material Risk Taker' cohort at Brighter Super are comprised of the same group of executives.

Assessing STIP awards

In assessing performance, both quantitative and qualitative factors are considered to determine the overall achievement over the financial year. The overall achievement of the annual incentive award is assessed based on the following criteria:



The total variable remuneration pool available is determined after assessment of the final annual organisational performance outcomes and is approved by the Board on recommendation from the PCC. This is to ensure that the STIP promotes the achievement of Brighter Super's business strategy and objectives for the relevant financial year.

The individual outcome for the CEO is determined by the PCC and approved by the Board. Individual outcomes for the executive team are determined by the CEO and reviewed by the PCC. Individual outcomes for leaders and team members below this level, including 'Risk and Financial Control personnel', are determined by their line managers, and reviewed and approved through a moderation process undertaken by the executive team.

Individual team members' performance ratings are assessed under the following categories, and this assessment is used to build up the individual recommendations moderated under the above process:

Performance rating	% of target
Too new to rate	N/A
Developing	0%
Fully meets	75%
Exceeds	100%

Ensuring that conduct is considered in the STIP

Like Brighter Super's other Remuneration Policies, the STIP is structured to prioritise appropriate risk management behaviours and discourage misconduct. There are three non-financial, conduct-related gateways to receiving a STIP award (Gateways to Participation):

- Organisational competence – this gateway requires compliance with organisational policies, the requirements of APRA Prudential Standard SPS 520 *Fit and Proper* and the completion of mandatory training, including risk and compliance training
- Regulatory compliance risk – this gateway requires that the eligible team members comply with their regulatory obligations
- Conduct – this gateway requires compliance with the Brighter Super *Code of Conduct*.

Failure to meet all Gateways to Participation automatically disqualifies a team member from receiving a STIP award. The participation Gateways for the STIP are aligned to Brighter Super's *Risk Appetite Statement* applicable to conduct not meeting our fiduciary obligations and putting our members at the heart of all our decisions, with no appetite for unlawful or unethical behaviour.

Remuneration consequences when conduct does not meet expected standards

Where a team member who was eligible to participate in the STIP is considered to have failed to meet any of the Gateways to Participation, the circumstances regarding the alleged failure are considered by the CEO, Chief Risk Officer (**CRO**) and the CPO. If they agree that any of the Gateways to Participation have not been met, they will recommend to the PCC that the relevant staff member be excluded from participating in the STIP.

The *STI Downward Adjustment Policy* also provides for downward adjustments in 'unusual or exceptional circumstances', e.g., in material cases of adverse risk or conduct outcomes which have or could have impacted Brighter Super's prudential standing or reputation.

In the case where it is alleged that any of the CEO, CRO or CPO have failed to meet the Gateways to Participation, they will be excluded from consideration of the matter, and the review will be undertaken by two other executives. The PCC and Board will then make a final decision about participation.

The Board may, at its discretion, vary the payments to be made under the STIP. Further, a downward adjustment of a payment under the STIP may be made for any of the following:

- (a) misconduct leading to materially adverse outcomes
- (b) failure of an 'Accountable Person' (as that term is defined in Brighter Super's *Financial Accountability Regime Policy*) to take reasonable steps to avoid a breach of their Accountable Person obligations under the *Financial Accountability Regime Act 2023 (Cth)*
- (c) material failure of financial or non-financial risk management
- (d) a material failure or breach of fitness and propriety, or compliance obligations
- (e) an error or a significant misstatement of criteria on which the variable remuneration determination was based, rendering the initial recommendation invalid
- (f) action leading to avoidable adverse outcomes for members, beneficiaries, or counterparties.

Risk management outcomes for fixed remuneration

For team members who are not eligible to participate in the STIP, risk outcomes are assessed as part of the semi- and annual performance review process. These performance reviews include metrics regarding the completion of mandatory risk and compliance training, and compliance with Brighter Super's *Code of Conduct*.

All team members, irrespective of STIP eligibility, are subject to the *Code of Conduct* and any breaches of this Code are considered in remuneration decisions as well as other forms of consequence management.

Variable remuneration of risk and financial control personnel

For the 2025 financial year, 'Risk and Financial Control Personnel' who report directly to senior managers were remunerated through a combination of fixed and, where eligible, variable remuneration, in accordance with CPS 511. The design of the STIP ensures that Gateways to Participation are non-financial, preserving the independence and authority of individuals in these roles.

Remuneration outcomes are assessed by line managers, calibrated across the enterprise as described above, and reviewed by the executive. Aggregate remuneration outcomes, and any STIP outcomes subject to a downward adjustment are reviewed by PCC before being approved by the Board. Board and PCC approval of STIP payments is conducted at an aggregate level, except in the case of the CEO.

Of the Financial Control Personnel, 11% are eligible to participate. Of the Risk Control Personnel, 13% are eligible to participate¹.

For the financial year, the average variable remuneration outcome for these employees was 1.7% of fixed remuneration. No adjustments to remuneration outcomes were applied during the year. No special payments were made to Risk and Financial Control Personnel in the reporting year.

Delivery and deferral of variable remuneration

Any payments under the STIP are delivered as a cash bonus for eligible team members. Payments for the 2025 financial year that are not subject to deferral were paid on 9 September 2025.

For the CEO, 40% of the eligible annual incentive is paid in the relevant financial year. The remaining 60% of the CEO's total annual incentive is deferred over a period of six years, vesting on a pro-rata basis in three equal instalments after four, five, and six years.

Forfeiture and termination

Any deferred annual incentive payment is subject to malus and claw back.

Where an eligible employee terminates their employment within the performance year or where the employment comes to an end before the annual incentive award payment date, the employee will not be automatically eligible to receive the annual incentive award that would have been otherwise payable.

However, the Board does have the discretion to grant any annual incentive award payment in circumstances where the employment comes to an end before the annual incentive award payment is due and where conduct has been meritorious.

¹ This excludes the Chief Risk Officer and Chief Financial Officer, who are included in the 'Senior Managers' cohort.

SPECIFIED ROLES

CPS 511 provides for certain categorisations of senior roles within Brighter Super.

These roles, their definitions, and the relevant personnel at Brighter Super are detailed below:

Specific Role	Description	Brighter Super personnel
Senior managers	<p>means a person (other than a director of the RSE licensee) who:</p> <ul style="list-style-type: none"> • makes, or participates in making, decisions that affect the whole, or a substantial part, of the RSE licensee's business operations. • has the capacity to affect significantly the RSE licensee's business operations or its financial standing. • may materially affect the whole, or a substantial part, of the RSE licensee's business operations or its financial standing through their responsibility for: <ul style="list-style-type: none"> • enforcing policies and implementing strategies approved by the Board. • the development and implementation of systems used to identify, assess, manage or monitor risks in relation to the RSE licensee's business operations; or • monitoring the appropriateness, adequacy and effectiveness of risk management frameworks; or • is otherwise an executive officer of the RSE licensee. 	<p>All members of the executive leadership team, being:</p> <ul style="list-style-type: none"> • Chief Executive Officer • Chief Commercial Officer • Chief Investment Officer • Chief Financial Officer • Chief Member Officer • Chief Operating Officer • Chief People Officer • Chief Risk Officer • Chief Technology Officer • Company Secretary
Executive director	means a director that is not a non-executive director	Nil
Material risk taker	<p>means a person:</p> <ul style="list-style-type: none"> • whose activities have a material potential impact on the entity's risk profile, performance and long-term soundness; or • a person whose activities have a material potential impact on performing its duties and exercising its powers in the best financial interests of beneficiaries. 	None in addition to the Senior Managers.
Risk and financial control personnel	means persons whose primary role is in risk management, compliance, internal audit, financial control or actuarial control.	All staff employed in the Risk, Compliance, Finance and Governance teams.

QUANTITATIVE DISCLOSURES

The following quantitative disclosures have been prepared in accordance with the requirements of CPS 511 for the 2025 financial year. All amounts are expressed in Australian dollars. The tables below present the remuneration outcomes for the 2025 financial year.

Table 2 Remuneration outcomes for the financial year

AUD \$M (3 decimal places)		CEO	Other senior managers	Highly paid material risk-takers ²	Other material risk-takers ³
Fixed remuneration					
1	Number of employees paid fixed remuneration (FTE)	1	12	-	-
2	Total fixed remuneration⁴	0.699	3.529	-	-
3	of which: cash-based	0.699	3.529	-	-
4	of which: share-based awards	-	-	-	-
5	of which: other (non-monetary benefits)	-	-	-	-
6	Average % increase in total fixed remuneration (row 2) on previous financial year	18%	6%	-	-
Variable remuneration					
7	Number of employees eligible for variable remuneration	1	10	-	-
8	Number of employees that received variable remuneration	1	9	-	-
9	Total variable remuneration	0.196	0.612	-	-
10	of which: cash-based	0.196	0.612	-	-
11	of which: share-based awards	-	-	-	-
12	of which: other	-	-	-	-
13	Total variable remuneration (row 9) that has been deferred	0.114		-	-
14	of which: cash-based	0.114	-	-	-
15	of which: share-based awards	-	-	-	-
16	of which: other	-	-	-	-
17	Average % increase in total variable remuneration (row 9) on previous financial year	57%	-	-	-
18	Total remuneration (sum of rows 2 + 9)	0.894	4.141	-	-

² There were no Highly Paid Material Risk-Takers.

³ There were no Other Material Risk-Takers in addition to the Senior Managers.

⁴ Includes cash salary, other short term cash payments and superannuation contributions.

Table 3 Special payments

AUS \$M (3 decimal places)		CEO	Other senior managers	Highly paid material risk-takers ⁵	Other material risk-takers ⁶
Guaranteed bonuses					
1	Number of employees paid a guaranteed bonus	-	-	-	-
2	Total guaranteed bonuses	-	-	-	-
Sign-on awards					
3	Number of employees paid a sign-on award	-	-	-	-
4	Total sign-on awards	-	-	-	-
Severance payments					
5	Number of employees paid a severance payment	-	1	-	-
6	Total severance payments	-	0.221	-	-

Table 4 Deferred and adjusted variable remuneration⁷

AUS \$M (3 decimal places)		A Total amount of outstanding deferred variable remuneration (post adjustments)	B Total amount of variable remuneration not deferred (post adjustments)	C Total amount of downward adjustments to variable remuneration reported in columns A and B
CEO				
1	Total CEO	0.114	0.108	-
2	of which: cash	0.114	0.108	-
3	of which: share-based awards	-	-	-
4	of which: other	-	-	-
Other senior managers				
5	Total other senior managers	-	-	-
6	of which: cash	-	-	-
7	of which: share-based awards	-	-	-
8	of which: other	-	-	-
Highly paid material risk-takers⁸				
9	Total highly paid material risk-takers	-	-	-
10	of which: cash	-	-	-
11	of which: share-based awards	-	-	-
12	of which: other	-	-	-
Other material risk-takers⁹				
13	Total other material risk-takers	-	-	-
14	of which: cash	-	-	-
15	of which: share-based awards	-	-	-
16	of which: other	-	-	-
17	Total (sum of rows 1 + 5 + 9 + 13)	-	-	-

⁵ There were no Highly Paid Material Risk-Takers to meet disclosure thresholds.

⁶ There were no Other Material Risk-Takers in addition to the Senior Managers.

⁷ Reflects the total amount of outstanding deferred variable remuneration relating to FY25 only.

⁸ There were no Highly Paid Material Risk-Takers.

⁹ There were no Other Material Risk-Takers to meet disclosure thresholds.



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Brighter Super may refer to the Trustee or the Fund as the context may be. Brighter Super products are issued by the Trustee on behalf of the Fund.