

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

#### Mine Super

**MINE144QW:** Please provide as separated data, what the base salary and bonuses were, or are set to be, paid in the 2019/2020 and 2020/21 financial year for your:

- Chief Executive Officer or equivalent?
- Chief Investment Officer or equivalent?

**Answer:** The following table outlines base salary (fixed annual remuneration and non-monetary benefits) paid to the Chief Executive Officer and Chief Investment Officer during the relevant periods (exclusive of superannuation).

Remuneration	Base salary		Bonuses <sup>3</sup>	
	2021	2020	2021	2020
Year ended 30 June				
<b>Harry Mitchell</b> Chief Executive Officer <sup>1</sup>	\$517,608	\$708,997	\$0	\$0
<b>Vasyl Nair</b> Acting Chief Executive Officer <sup>2</sup>	\$125,153	Not applicable	\$0	Not applicable
<b>Seamus Collins</b> Chief Investment Officer	\$578,306	\$578,997	\$0	\$0

<sup>1</sup> Harry Mitchell concluded the associated duties as Chief Executive Officer on 23 March 2021.

<sup>2</sup> Vasyl Nair commenced his role as Acting Chief Executive Officer on 24 March 2021.

<sup>3</sup> All bonuses (comprised of short term incentive and long term incentive payments) for the Mine Group were ceased on 30 June 2019.

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS**

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS  
SUPERANNUATION SECTOR**

**Mine Super**

**MINE145QW:** Do you support superannuation funds delisting public companies?

**Answer:** The Fund does not have a position on superannuation funds delisting public companies.

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS**

**REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS  
SUPERANNUATION SECTOR**

**Mine Super**

**MINE146QW:** Property investments

- a. Do you have any current investments in the National Housing Finance and Investment Corporation? If so, what is the size of your investments?
- b. Please provide information on the rental income for any residential property investments held for each year for the last five financial years.

**Answer:**

- a. The Trustee does not directly hold any current investments in the National Housing Finance and Investment Corporation.
- b. The Trustee has not directly held any residential property investments over the last five financial years.

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

#### Mine Super

##### **MINE147QW:** Subscriptions to The New Daily

- a. Has your fund ever considered subscribing your members to The New Daily through an opt-out model?  
If so:
  - i. Was this proposed initially internally, or externally?
  - ii. Who proposed it?
  - iii. Who approved it?
  - iv. What was the approval process?
  - v. What legal advice was sought?
  - vi. On what date did it proceed, or is it proposed to proceed?
- b. Have the following groups ever enquired or requested your fund to subscribe your members to The New Daily:
  - i. Industry Super Holdings?
  - ii. The New Daily?

##### **Answer:**

- a. The Trustee has not considered subscribing the Fund's members to The New Daily through an opt-out model.
- b. The Trustee has not received any enquiries or requests from Industry Super Holdings or The New Daily to subscribe the Fund's members to The New Daily.

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

#### Mine Super

**MINE148QW:** What arrangements, including donations, commissions, marketing expenditure or partnerships, do you have that lead to payments to research organisations or 'think tanks'? Please provide:

- a. Names of the think tanks.
- b. Payments made over the last five years.

**Answer:** The Trustee does not have arrangements, including donations, commissions, marketing expenditure or partnerships that lead to payments to research organisations or 'think tanks' over the last five years.

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

#### Mine Super

**MINE149QW:** According to the Australian Financial Review (IFM's Tandem leaves workers in the lurch, 7 July 2021), IFM Investors have invested in a business that has left them wholly owning a subsidiary, Tandem Networks, that avoids them paying out the full entitlements of subcontractors. Therefore, if you are an owner of IFM Investors:

- a. Do you think it is acceptable that an investment made by your investment vehicle dishonours contractual arrangements with subcontractors?
- b. What inquiries have been made to ensure that subcontractors are being paid?
- c. What steps do you expect IFM Investors to go through should they not honour entitlements to subcontractors?
- d. Would you divest from IFM Investors should they not honour entitlements to subcontractors?

**Answer:** The Trustee has no investment exposure to the Tandem asset via investment vehicles managed by IFM. The Trustee understands that the matter is before the courts and has made its own independent inquiries with IFM.

IFM has communicated to the Trustee that they have been informed by Tandem that the subcontractors were paid consistently in accordance with agreed payment terms and were up to date at the time the administrators were appointed.

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS SUPERANNUATION SECTOR

#### Mine Super

**MINE150QW:** At the House Economics superannuation hearing on 8 July 2021 representatives of Australian Super and CBUS outlined they were not aware that IFM Investors (a company wholly owned by industry funds) had paid a bonus of \$12m, and were asked whether they had asked questions about the bonus and the bonus structures within IFM Investors.

According to the Australian Financial Review (IFM Investors gives \$12.7m bonus to UK Director, 14 February 2020) a bonus of \$12.7 million bonus was paid.

According to the Sydney Morning Herald (A lot of bling: Industry shocked at \$36 million bonus allegation, 22 March 2019) bonus structures existed to allow for bonuses of up to \$36m to be paid.

Therefore, if you are an owner of IFM Investors, please advise:

- a. What inquiries have been made, or will be made, about bonuses of that size with IFM Investors?
- b. What information you have sought, or will seek, from IFM investors about bonus structures within IFM Investors?

**Answer:** The Trustee has an Investment Governance Framework in place that requires the regular review of all mandated fund managers (including IFM's remuneration arrangements in 2019). This information is assessed against comparable market opportunities and used to support the Trustee's investment decision making process, which requires the Trustee to act in the best financial interest of its members.

The Trustee has been informed that the IFM's remuneration structures are designed to attract, retain, motivate and align their investment teams in support of their purpose to protect and grow the long term retirement savings of working people.

Furthermore, IFM advised:

- remuneration structures:
  - reflect the markets in which IFM operates;
  - help ensure that individual key performance objectives are linked to IFM's strategic goals and objectives;
  - incorporate and uphold IFM's risk management frameworks; and
  - do not compromise the independence of risk and financial control of IFM employees in carrying out their roles and functions;
- remuneration outcomes are aligned to long term investment returns for investors and its members; and
- performance-based remuneration at IFM is based primarily on product performance exceeding investor return benchmarks net of all fees.