

Remuneration Disclosures

As At 30th June 2024

The Board Audit Committee is responsible for overseeing remuneration. This includes conducting regular reviews of and making recommendations to the Board on the Remuneration Policy and making annual recommendations to the Board on the remuneration of the Chief Executive Officer (CEO) and any other person specified by APRA.

The committee will meet annually to discuss the remuneration policy and the remuneration recommendations of the CEO and to assess the CEO's performance annually.

The Board approved CMCU's Remuneration Policy in January 2024, which applies to the remuneration arrangements for the following positions:

- CEO
- Finance and Compliance Manager
- Operations Manager

Remuneration Framework

The objectives of the Remuneration framework are to:

- Ensure the remuneration arrangements align with CMCU's circumstances and advance its mission of serving its members;
- Ensure CMCU's activities involve the provision of simple, easily understood and relatively risk-free financial services to members;
- Ensure compliance with CPS 511 Remuneration; and
- Ensure compliance with the FAR.

"Variable remuneration" means the amount of a person's total remuneration conditional on objectives, including performance criteria, service requirements or the passage of time. It excludes payment of small amounts of less than \$300, which qualify as minor benefit exemption under FBT, which CMCU assesses as not being material to realising the objectives of this policy.

"Misconduct" means action or inaction by a person that does not meet applicable:

- Legal and prudential obligations;
- Requirements or standards of a professional body; or
- CMCU's policies and procedures

Variable remuneration

CMCU controls the risk that variable remuneration may conflict with the objectives of the remuneration policy by not paying any variable remuneration to employees.

Conduct risk

Employees owe a duty of fidelity whereby they must serve faithfully and avoid situations of conflict between their own interests and those of CMCU. Relevantly, the interests of CMCU include strict compliance with the requirements imposed on it as an ADI and under each of its ACL and AFSL. CMCU's policy is to insist on compliance by employees with their duty of fidelity, and this includes a requirement that employees must:

- a) Avoid any acts of misconduct;
- b) Upon appointment, provide a declaration of any conflicts of interest between their own interests and that of CMCU and disclose those circumstances to their immediate supervisor.