



Media Release

Friday 2 October

GESB STATEMENT ON CEO REMUNERATION

The Chairman of GESB, Mr Phil Harvey wishes to advise that the Chief Executive Officer of GESB did not receive a salary increase during 2008/9, as has been reported. The CEO's current salary level was determined by the Board in January 2008 and has been frozen since that time.

"The CEO's current salary was set in January 2008, in compliance with due process and in line with independent remuneration advice provided by the Hay Group," Mr Harvey said.

"It has been frozen since that time and we intend to maintain that freeze for the foreseeable future. When considering the matter earlier this year, the Board took a hard look at the prevailing global economic environment and took the decision that the salary should be held at the 2008 level."

Mr Harvey said the Board strongly believed that the CEO's salary appropriately reflects the risk profile of the role and the complexity of the over \$9.5 billion fund (as at 2nd October 2009) – which, unlike most of the superannuation funds against which GESB has been compared, is responsible for investment management, in house administration of defined benefits, accumulation and retirement schemes and its own financial advice business.

"Managing the retirement savings of around one quarter of all working Western Australians is a massive task and we believe the CEO's salary adequately reflects that role," he said.

He continued, "Since 2003, under Ms Dolin's stewardship, GESB has delivered above market median investment returns over one and three years for the vast majority of its members and as a result of its prudent management of liquidity, capital and risk, through unprecedented economic conditions, is strongly positioned to deliver further sound investment returns."

Mr Harvey said three Board members attended the annual conference of our peak industry body, the Association of Superannuation Funds of Australia (ASFA), at a cost of \$13,044.73, in November 2008. A further 12 individuals also attended this conference at a further cost of \$50,766.22. It is routine for industry professionals to attend this conference for the purposes of fulfilling essential professional development, some of which is required to maintain professional accreditation. The location of the conference is decided by ASFA, it was last held in Perth in 2006.

Mr Harvey added, "Remuneration of our Board is set independently of GESB within Government."

Ends

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Notes to editors:

1. About GESB

GESB is the largest WA-based super provider with more than 310,000 members, representing nearly one quarter of the WA workforce, and over \$9.0 billion funds under management as at 1 September 2009.

With more than 70-years of superannuation experience, GESB is ideally situated to provide members with a choice of superannuation, retirement, financial planning and insurance products and services, combined with competitive fees and a wide range of free member education, information and resources.

For further information visit gesb.com.au .

2. Industry awards

SuperRatings awarded GESB Super, West State Super and Retirement Income Allocated Pension its highest Platinum rating in 2009. This is granted to only the top 15% of the best 'value for money' funds, based on an assessment of investment returns, investment methodology, fees, administration and advisory services, as well as a robust, secure and proven governance framework.

Chant West awarded GESB Super, West State Super and Retirement Income Allocated Pension its highest rating in 2009, Five Apples, following an assessment

of organisational strengths, investments, fees, insurance, administration, member services and employer services.

The Heron Partnership has also awarded GESB its highest rating in 2009, 5 Quality Stars, granted to only the top 25% of super products, based on an assessment of investment arrangements, insurance, ancillary benefits, communications and contributions.