

CEO Pay in ASX200 Companies

July 2021



About ACSI

Established in 2001, ACSI exists to provide a strong, collective voice on environmental, social and governance (ESG) issues on behalf of our members.

Our members include 36 Australian and international asset owners and institutional investors. Collectively, they manage over \$1 trillion in assets and own on average 10% of every ASX200 company.

Our members believe that ESG risks and opportunities have a material impact on investment outcomes. As fiduciary investors, they have a responsibility to act to enhance the long-term value of the savings entrusted to them.

Through ACSI, our members collaborate to achieve genuine, measurable and permanent improvements in the ESG practices and performance of the companies they invest in.

ACSI staff undertake a year round program of research, engagement, advocacy and voting advice. These activities provide a solid basis for our members to exercise their ownership rights.



36 Australian & international investors



Leading voice on ESG issues



ACSI members manage over \$1 trillion in assets

About Ownership Matters

Ownership Matters is an Australian governance advisory firm. Its principals have collective experience of 60 years in advising institutional investors on governance issues at ASX listed companies.

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Foreword

Australia's largest companies have mostly shown discipline and restraint in unprecedented circumstances.

Remuneration restraint during market turmoil is not a given. Just a decade ago, in the shadows of the Global Financial Crisis, executives were being rewarded with bonuses and termination payments which were in direct contrast to the negative financial outcomes many companies were delivering to shareholders.

Since then, engagement between investors and company boards has led to a wholesale re-thinking of the ways in which CEOs, and their teams, should be rewarded to ensure long-term gains for all.

The over-arching finding of the study is that boards have responded positively on pay outcomes in both the long and short term. Newly-appointed CEOs almost always now start on a salary base significantly lower than their predecessors.

Boards largely also rose to the challenge in a COVID-19 environment, to ensure that incentive payouts were truly earned, not just windfalls from being in the right place in troubled times. And sensible discretion was applied to reduce formulaic outcomes.

That is as it should be. The test of any good remuneration structure is variability. Consistent achievement of near-maximum bonuses year in and year out, and compensation packages too heavily weighted to cash rewards, create an environment where executive outcomes are not aligned with those of their company's owners.

This is the 20th year of ACSI's unique annual study of CEO Pay, begun by our co-founder the late Phil Spathis, with an aim of giving investors greater insight into the decisions and practices of how boards are setting and awarding executive pay.

Over that time it has become a benchmark study used by listed company boards and management in structuring their remuneration schemes.

Not all companies followed the downward market trends with a number of outliers receiving high levels of realised pay on the back of long-term outperformance. This study identifies two CEOs whose realised pay exceeded \$40 million.

As equity markets recover, one question that boards will need to pose themselves, is whether the potential equity rewards on offer for CEOs will deliver gains proportionate to those of investors.



A handwritten signature in black ink, appearing to read 'Louise Davidson'.

Louise Davidson
Chief Executive Officer

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Executive summary

This report is ACSI's 20th annual survey of CEO pay in Australia's largest listed companies (and the 11th conducted by our research partner, Ownership Matters), providing leading insights into remuneration trends in the Australian sharemarket.

This FY20 report is based on pay data for 82 ASX100 CEOs and 79 ASX101-200 CEOs (CEOs terminated or appointed mid-way through the financial year are excluded to avoid distorting total numbers).

A unique feature of this report, over the past seven years, is the inclusion of 'realised pay' data. This calculates the value of cash and equity actually received by ASX200 CEOs, rather than just the accounting valuations reported in annual reports. The FY20 study also, separately, includes realised-pay data for CEOs of 12 companies that, while not domiciled in Australia and therefore fall outside this study's long-used methodology, are still part of the ASX200.

Key findings

COVID locks down ASX100 pay

The COVID-19 pandemic had a major impact on pay for ASX100 CEOs:

- Almost a third of ASX100 CEOs (31%) received zero bonus for performance reasons in FY20, more than double FY19 outcomes.
- For CEOs who did receive a bonus, outcomes were at the lowest levels in the past 6 years. The median bonus outcome (as a proportion of maximum) almost halved to 31% from 60% in FY19.
- The median bonus awarded for an ASX100 CEO dropped 31% to \$1.14mn – the lowest in ACSI's 10 years of data.

- Bonus outcomes for CEOs in smaller entities in the ASX101-200 also fell, but less dramatically, from 60% to 50% of maximum potential.

ASX100 CEO overall pay fell to levels not seen for more than a decade:

- Median realised pay for ASX100 CEOs fell 3.6% to \$3.99mn. For ex-100 CEOs it dropped 22% to below \$1.70mn.
- Median reported pay (total pay according to Australian regulations) fell 18.6% to \$3.68mn, the lowest level since 2006.
- Lower and less frequent bonuses saw median ASX100 CEO cash pay fall 26.4% to \$1.98mn, the lowest since FY03.
- Pay cuts in response to the pandemic and new CEO appointments also saw median fixed pay for ASX100 CEOs fall 5.1% to \$1.68mn, the lowest since FY07.

Termination payments jump

Aggregate termination payments nearly doubled in FY20:

- The two largest payouts – at Oil Search and APA group – were for CEOs not subject to Australia's Corporations Act requirements for shareholder approval.
- Four ASX100 CEOs received payments of more than \$3mn each in FY20.
- The average termination payment soared 58% to \$2.07mn in FY20 as 16 CEOs shared \$33.18mn, compared with \$18.35mn across 14 CEOs in FY19.
- APA Group's Mick McCormack received \$6.59mn, the highest termination payment since FY15.
- The next highest, just under \$5mn, was received by another long-serving CEO, Oil Search's Peter Botten.

Share prices still deliver high rewards

Substantial share price gains, and large equity allocations, delivered significant wealth for a small group of CEOs:

- For the first time in ACSI's study, realised pay for a CEO topped \$40mn – CSL's Paul Perreault realised \$43.04mn (FY19: \$30.53mn).
- ACSI's first-time calculations of realised pay for CEOs of 12 ASX200 companies based outside Australia showed how significant the effect is of benchmarking salaries to different jurisdictions - ResMed's US-based CEO Mick Farrell realised pay of \$45.59mn while fellow Californian-resident, Avita Medical's CEO Michael Perry, came in at \$37.57mn.

- By contrast, the five New Zealand based CEOs realised collective pay of just \$9.28mn.

Shifting group of companies in top 10 groups:

- No 'big four' bank CEO has made either the Top 10 realised or reported pay in four years. The last was Commonwealth Bank's Ian Narev in 2016, who earned \$12.26mn on a realised pay basis and \$8.77mn in reported pay.

Table 1: 20 highest-paid ASX200 CEOs on a realised-pay basis in FY20 (includes 'foreign company' CEOs)

Rank	CEO	Company	Realised Pay	1yr TSR	5 yr TSR (P/A)
1	Paul Perreault	CSL	\$43,044,606	35.0%	28.9%
2	Bill Beament	Northern Star	\$31,783,929	16.4%	45.9%
3	Greg Goodman	Goodman Group	\$26,868,195	0.9%	22.3%
4	Shemara Wikramanayake	Macquarie Group	\$16,394,225	-30.5%	7.4%
5	Jake Klein	Evolution Mining	\$15,849,082	33.8%	41.2%
6	Brad Banducci	Woolworths Group	\$12,675,608	15.4%	10.5%
7	JS Jacques	Rio Tinto	\$11,878,372	20.7%	28.1%
8	Michael Clarke	Treasury Wine Estates	\$11,307,382	-27.6%	19.0%
9	Kevin Gallagher	Santos	\$11,041,969	-22.1%	12.7%
10	Sandeep Biswas	Newcrest Mining	\$10,985,657	-0.3%	20.3%
11	Andrew Barkla	IDP Education	\$10,899,091	-10.6%	N/A*
12	Alan Joyce	Qantas Airways	\$10,744,156	-25.6%	8.3%
13	Graham Kerr	South32	\$10,683,138	-33.6%	5.9%
14	Vincent English	MegaPort	\$10,350,800	85.0%	N/A*
15	Julian Pemberton	NRW Holdings	\$10,232,305	-23.7%	60.2%
16	Mark McInnes	Premier Investments	\$8,800,000	10.6%	8.6%
17	Scott Charlton	Transurban Group	\$8,471,892	-1.0%	13.9%
18	Philippe Wolgen	Clinuvel Pharmaceuticals	\$8,212,826	-23.8%	55.4%
19	Andrew Bassat	SEEK	\$7,818,756	5.4%	12.0%
20	Magnus Nicolin	Ansell	\$7,476,082	40.2%	11.7%

*Company listed on ASX in 2015

TSR calculated to the FY20 balance date for each company with 5 year TSR calculated per annum. For the majority of companies on the list, FY20 year end was 30 June 2020 or 31 December 2020. Macquarie Group's year end was 31 March 2020, during a short-lived drop in market value due to the spread of the COVID-19 pandemic.

Methodology

This study includes CEO pay for entities in the ASX200 for the 2020 financial year (FY20). The relevant date range covers 31 March 2020 to 31 December 2020 with 30 June the most common balance date.¹

FY20 marked the 20th year of ACSI's ASX100 CEO Pay longitudinal study and the 10th year of the study including CEOs of ASX101-200 entities. It is the seventh year the study has also included realised pay for all CEOs in the sample. This ACSI study remains the only public source of realised pay data for all ASX200 CEOs; the FY20 study, also for the first time, includes realised pay data for the 12 'foreign company CEOs' included in the sample.

There are 82 ASX100 CEOs (FY19: 83) in the FY20 sample and 79 ASX101-200 CEOs (FY19: 73), not including the 12 foreign company CEOs. In order to show the impact of changes in sample composition, the study also continues to include data for incumbent CEOs, members of their respective cohort (either ASX100 or ASX101-200) in both FY19 and FY20. There are, in FY20, 68 ASX100 incumbents (FY19: 66) and 54 ASX101-200 CEOs (FY19: 52).

Under the study's consistent methodology, not all ASX200 CEOs are included in the sample:

- CEOs appointed mid-way through the financial year are excluded to avoid distorting total numbers. This means BHP is not represented in FY20 as Andrew Mackenzie stood down as CEO at the end of December 2019 and was replaced by Mike Henry.
- The four externally managed entities in the ASX200 at the sample date – 30 June 2020 – are also excluded even though they may disclose a 'CEO'. This is because executives of these entities are paid by the external manager, not the listed entity, and their pay is not disclosed.
- Companies domiciled outside of Australia, and subject to different remuneration disclosure requirements – such as Janus Henderson, Fisher & Paykel Healthcare and ResMed – are also excluded because their pay disclosures are not comparable to those of Australian companies, especially those relating to share-based payments expenses. In FY20 however, as noted above, realised-pay disclosures have been included for those CEOs of 'foreign companies' where data allows it to be determined.
- CEOs of entities technically not subject to the Corporations Act remuneration report disclosure requirements (such as internally managed trusts APA Group and Dexu Property Group), are included because they have elected to produce remuneration reports under the Corporations Act framework.

¹ In the ASX100 sample, 60 had a 30 June 2020 year-end, 13 a 31 December year-end, four a 30 September year-end, two a 31 March year-end and the remaining three had year-ends on 28 June, 31 July and 31 August. For the ASX101-200 sample 58 had a 30 June year-end, nine a 31 December year-end, three apiece had year-ends on 31 July and 30 September, two had their year-end on 27 June and single entities had year-ends on each of 27 December, 25 July, 3 May and 30 April.

- Certain other companies that were in the ASX200 as at 30 June 2020 are excluded because they did not produce a remuneration report for the year in question, usually due to corporate activity. In FY20 this was the case for TPG Telecom, which merged with Vodafone Hutchinson Australia in July 2020 and thus did not produce FY20 accounts, and also for Avita Medical, which redomiciled from Australia to the US just prior to 30 June 2020 but remained part of the ASX200. The realised pay for Avita's CEO is however included among that for the foreign company CEOs.

Pay data is disclosed in Australian dollars (AUD) and is drawn from annual reports. If the listed entity disclosed pay in another currency (in all cases the alternative currency was United States dollars; USD), these figures have been converted into AUD using the average exchange rate for the relevant financial year or, in some cases, the AUD figures provided as supplementary disclosure by the company.

This study refers to 'CEO pay', although for some companies the executive whose pay is included did not carry that title. In the case of Harvey Norman Holdings, for example, executive chair Gerry Harvey is included rather than his wife, CEO Katie Page, because he is the highest-ranking executive.

In Magellan Financial Group's case, executive chair and CIO Hamish Douglass is included, despite Brett Cairns holding the title of CEO.

Realised pay, as in prior years, is calculated on a 'cash pay' basis; that is, reported pay excluding share-based payments expense but including the value of any equity that vested during the reporting year, using disclosures from annual reports and 'change of director interest' notices. The value of options with an exercise price is assessed when they are exercised, rather than when they vest. The value of zero exercise price options (ZEPOs) is assessed on vesting.

To illustrate how realised pay is calculated, the table below shows how the realised pay for Northern Star's Bill Beament was calculated for FY20.

There is a difference between realised pay calculated for the purposes of this study and the actual value received by executives because it depends on whether the shares received on vesting are sold or retained. In Beament's case most of the shares were retained although he did sell 502,000 shares in November 2019 to part-fund the tax arising from receiving 3mn shares on vesting of equity incentives.²

Table 2: Reconciliation of reported to realised pay for Northern Star executive chair Bill Beament

	FY20 pay	Reference
A - Reported pay	\$3,158,560	2020 Annual Report, pp.84-85
B - Less share-based payments expense	(\$1,494,631)	As above
C - Plus value of ZEPOs & options vesting during FY19	\$30,120,000	Change of director's interest notice, 21 October 2019 (closing price on vesting date \$10.04)
Total realised pay	\$31,783,929	A – B + C

² Change of director's interest notice, 15 November 2019.

Realised and reported pay

For the first time in seven years of calculating realised-pay outcomes, one CEO was above \$40mn: CSL's **Paul Perreault** (whose FY19 realised pay was also above \$30mn).

The \$43.04mn received by Perreault surpassed the highest realised pay previously reported in the study, the \$37.76mn received by IDP Education CEO Andrew Barkla in FY19. In FY20 Barkla topped the ASX101-200 sample for realised pay but with a much lower \$10.9mn). There was one other CEO who realised above \$30mn in FY20 – Northern Star's Bill Beament at \$31.78mn.

A substantial gap opened in FY20 realised-pay outcomes between ASX100 CEOs and those in the ASX101-200. In prior years, one or more CEOs of ex-100 companies realised pay that was comparable with those in the ASX100, mostly due to meteoric share price increases.

In the latest year, however, no member of the ASX101-200 sample achieved a realised-pay outcome that would rank them within the Top 10 of the ASX200 overall.

Typically, CEOs with the highest realised pay have presided over periods of substantial share price growth, coupled with large equity allocations. The outcome for CSL's Perreault, for example, was in large part because 148,000 options, granted in October 2015 under a legacy scheme and with an exercise price of \$89.52, were exercised when the CSL share price was ~\$233.

For mining company duo **Bill Beament** and **Jake Klein**, their inclusion in the Top 10 flowed from 'mega-grants' made in FY17, which vested in full in the last months of calendar 2019; over that time, the share prices of both gold-mining companies appreciated substantially, with Northern Star (Beament) shares more than doubling and Evolution (Klein) increasing more than 50%.

Table 3: 10 highest-paid ASX100 CEOs on a realised-pay basis in FY20

Rank	CEO	Company	Realised pay	FY19 rank	Reported pay	FY20 rank
1	Paul Perreault	CSL	\$43,044,606 ³	1	\$16,555,163	2
2	Bill Beament	Northern Star	\$31,783,929	9	\$3,158,560	49
3	Greg Goodman	Goodman Group	\$26,868,195 ⁴	3	\$11,994,034	4
4	Shemara Wikramanayake	Macquarie Group	\$16,394,225 ⁵	N/A	\$14,905,737	3
5	Jake Klein	Evolution Mining	\$15,849,082 ⁶	37	\$3,723,399	40
6	Brad Banducci	Woolworths Group	\$12,675,608 ⁷	49	\$6,108,437	15
7	JS Jacques	Rio Tinto	\$11,878,372 ⁸	6	\$19,180,588	1
8	Michael Clarke	Treasury Wine Estates	\$11,307,382 ⁹	2	\$7,838,701	7
9	Kevin Gallagher	Santos	\$11,041,969 ¹⁰	46	\$6,139,171	13
10	Sandeep Biswas	Newcrest Mining	\$10,985,657 ¹¹	28	\$8,551,750	6

³ CSL Limited, 2020 Annual Report, pp.78,80,82-83; Change of director's interest notice, 30 August 2019 & 6 September 2019.

⁴ Goodman Group, 2020 Annual Report, p.62; Change of director's interest notice, 5 September 2019.

⁵ Macquarie Group Limited, 2020 Annual Report, pp.107,116-17,123, 2016 Annual Report, pp.90-91, 2014 Annual Report, pp.74-75, 2013 Annual Report, pp.70-71; Change of director's interest notice, 21 May 2019.

⁶ Evolution Mining Limited, 2020 Annual Report, pp.121,126; Change of director's interest notices, 22 August 2019 & 27 December 2019.

⁷ Woolworths Group Limited, 2020 Annual Report, pp.56,59; Change of director's interest notice, 3 September 2019.

⁸ Rio Tinto, 2020 Annual Report, pp.176-77,180,182,184.

⁹ Treasury Wine Estates Limited, 2020 Annual Report, pp.53,56-57; Change of director's interest notice, 19 August 2019 & 9 September 2019.

¹⁰ Santos Limited, 2020 Annual Report, pp.42,46; Change of director's interest notices, 6 January 2020 & 20 February 2020

¹¹ Newcrest Mining Limited, 2020 Annual Report, pp.D20, D26; Change of director's interest notices, 1 November 2018 & 21 November 2019.

Table 4: 10 highest-paid ASX101-200 CEOs on a realised-pay basis in FY20

Rank	CEO	Company	Realised pay	FY19 rank	Reported pay	FY20 rank
1	Andrew Barkla	IDP Education	\$10,899,091 ¹²	1	\$2,234,089	28
2	Vincent English	Megaport	\$10,350,800 ¹³	N/A	\$1,394,453	55
3	Julian Pemberton	NRW Holdings	\$10,232,305 ¹⁴	6	\$2,976,619	13
4	Mark McInnes	Premier Investments	\$8,800,000 ¹⁵	5	\$5,419,444	1
5	Philippe Wolgen	Clinuvel Pharmaceuticals	\$8,212,826 ¹⁶	2	\$3,374,739	6
6	David Singleton	Austal	\$6,869,271 ¹⁷	41	\$1,848,696	41
7	Paul Flynn	Whitehaven Coal	\$5,509,846 ¹⁸	N/A	\$2,958,049	14
8	Thomas Beregi	Credit Corp Group	\$5,314,506 ¹⁹	12	\$665,468	75
9	Robert Kelly	Steadfast Group	\$4,857,265 ²⁰	4	\$3,966,168	5
10	Scott Wyatt	Viva Energy Group	\$4,259,897 ²¹	30	\$1,890,449	40

Repeat entries

IDP Education's **Andrew Barkla** topped realised-pay outcomes for CEOs in the ex-100 for the second year running, still reaping the benefits of the poorly-structured options he was granted shortly before the company's 2015 IPO. These had an exercise price of \$1.44 (the IPO was at \$2.65) and, after Barkla exercised most of them in FY19, he exercised a further 425,000 in FY20 for proceeds of \$6.84mn (the remaining 295,000 were exercised in September 2020 for proceeds of \$5.33mn).²²

Like Barkla, half the ASX200 CEOs who featured in this year's rankings were also there in FY19.

That persistence indicates strong share-price growth is not the sole driver of outcomes although, without exception, all CEOs in the highest realised-pay groups owe their inclusion, at least in part, to share prices performing strongly up to the point of vesting.

Macquarie Group provides a good case study of factors beyond share price that drive inclusion in the Top 10. Over the period that the ACSI study has captured realised-pay data – FY14 to the end of FY20 – a Macquarie CEO has been ranked in the ASX100 Top 10 every year but FY19.²³ Over that time, the Macquarie share price more than doubled (the \$85.75 closing share price at Macquarie's FY20 year-end – 31 March 2020 – was heavily COVID-19 affected and had been ~\$150 at its peak a month earlier).

¹² IDP Education Ltd, 2020 Annual Report, p.33; Change of director's interest notices, 3 July 2019, 3 September 2019, 7 November 2019 & 5 June 2020.

¹³ Megaport Limited, 2020 Annual Report, pp.41,44; Change of director's interest notices, 2 September 2019, 31 March 2020, 1 June 2020.

¹⁴ NRW Holdings Limited, 2020 Annual Report, pp.20,26; Change of director's interest notices, 30 August 2019 & 2 December 2019.

¹⁵ Premier Investments Limited, 2020 Annual Report, pp.25,27,30; Change of director's interest notice, 22 May 2020.

¹⁶ Clinuvel Pharmaceuticals Limited, 2020 Annual Report, pp.39,45; Change of director's interest notice, 6 November 2019.

¹⁷ Austal Limited, 2020 Annual Report, pp.44,47,48; Change of director's interest notice, 13 September 2019.

¹⁸ Whitehaven Coal Ltd, 2020 Annual Report, pp.52,5; Change of director's interest notice 5 Sept. 2019. Assumes cash-settled options exercised same day as equity-settled options.

¹⁹ Credit Corp Group Ltd, 2020 Annual Report, pp.27,28. Deemed vesting of long-term incentive on 1 Nov. 2019, based on November testing for LTI.

²⁰ Steadfast Group Limited, 2020 Annual Report, pp.52,61; Change of director's interest notice, 29 August 2019.

²¹ Viva Energy Group Limited, 2020 Annual Report, pp.81,95,97.

²² IDP Education Limited, Change of director's interest notice, 3 September 2020.

²³ MQG was not included in the FY19 pay study sample as Nicholas Moore retired mid-year, replaced by Shemara Wikramanayake.

In addition to share-price performance, Macquarie CEOs have never received an annual profit share over this period of less than \$11mn – the average, for the six full years for which data is available, is \$16.3mn (prior to becoming CEO, **Shemara Wikramanayake**'s profit share allocation as head of Macquarie's funds management business was also regularly above \$10mn).²⁴

Most of the CEO's profit share is allocated as deferred Macquarie equity, vesting over three to seven years. Absent a major decline in Macquarie's share price, its CEO will regularly receive realised pay comfortably above \$10mn each year. The average realised pay for Macquarie CEOs over the six years they have been in the sample has been \$19.82mn.

In the ASX101-200, Premier's **Mark McInnes**, who is retiring in 2021, has similarly been part of the realised-pay Top 10 every year since FY14, with realised pay over this period of \$63.6mn and no year where his realised pay fell below \$7.55mn.

This, again, has been consistent with share-price performance. Premier shares more than doubled over the six years to the end of FY20, but McInnes was also receiving fixed pay of at least \$2mn annually, along with cash bonuses of \$16.24mn in aggregate.

The sometimes temporary nature of strong share-price performance is also apparent from the highest realised-pay list. Treasury Wine Estates' now former CEO, **Michael Clarke**, appeared for the third consecutive year. His FY17 LTI allocation vested, again in full, delivering shares worth \$7.67mn but he received zero bonus for FY20 – the first time as CEO he failed to receive maximum bonus.

This followed Clarke's October 2019 announcement of planned retirement at the end of FY20, an earnings downgrade at the end of January 2020 and then onset of the COVID-19 pandemic. The share price declined from \$19.17 in September 2019 to close FY20 at \$10.48.

Table 5: Realised pay for ASX100 CEOs (excludes foreign company CEOs)

	FY20	FY19	FY18	FY17	FY16	FY15	FY14
Median realised	\$3,987,511	\$4,134,518	\$4,502,000	\$4,361,201	\$3,878,990	\$3,880,672	\$3,958,000
Average realised	\$5,844,786	\$5,240,383	\$5,660,301	\$6,226,213	\$5,695,184	\$5,542,509	\$5,610,057
Highest	\$43,044,606	\$30,526,634	\$23,876,351	\$36,837,702	\$26,255,778	\$24,753,949	\$30,796,223
Lowest	\$505,257	\$516,885	\$750,000	\$646,396	\$637,100	\$518,238	\$657,073
Median incumbent	\$4,340,764	\$4,190,787					
Average incumbent	\$6,341,878	\$5,428,836					

²⁴ In FY18, for example, it was \$15.96mn and in FY17 \$14.57mn. See Macquarie Group Limited, 2018 Annual Report, p.60.

Minimal COVID-19 impact

Whatever the COVID-19 pandemic effect in the broader community, it had minimal impact on average and median realised CEO pay across the ASX100. The FY20 median realised pay for an ASX100 CEO was down 3.6% on FY19 at \$3.99mn – although still its lowest since FY16. Average realised pay for the ASX100, however, rose to its second-highest level in the seven this study has been calculating it, jumping 11.5% to \$5.85mn.

That was driven by the more than \$30mn in realised pay received by CSL's Perreault and Northern Star's Beament.

The decline in the median reflected changes to the CEOs in the sample, rather than changes in pay levels. Across the 68 incumbent-CEOs sample, median and average realised pay increased (median: +3.6% to \$4.341mn, average: +16.8% to \$6.34mn).

The lack of pandemic impact on ASX100 realised pay is at least partly due to it capturing the value of equity incentives on vesting (or exercise in the case of options).

At the onset of the pandemic in March 2020, share prices plunged but recovered relatively quickly. Very few listed entities had vesting dates for equity incentives in this window. Indeed, for the majority of ASX200 entities with a 30 June year-end in this study, most incentives vested in the second half of calendar 2019, long before the pandemic descended.

The 30.7% decline in average realised pay for ASX101-200 CEOs in FY20 was unsurprising, given the absence of the unusually large outcomes seen in FY19 for IDP's Barkla and Clinuvel's **Philippe Wolgen**.

As shown above, both men were still among the highest paid ex-100 CEOs in FY20, but their collective realised pay fell from \$58.39mn in FY19 to 'only' \$19.11mn; this also drove substantial declines in average and median outcomes for the incumbent CEOs cohort. Still, average realised pay for ASX101-200 CEOs of \$2.51mn was substantially above every year prior to FY18 and only fractionally lower than FY18. Median realised pay also declined, falling 21.8% from FY19's record \$2.17mn to just under \$1.70mn.

Table 6: Realised pay for ASX101-200 CEOs (excludes foreign company CEOs)

	FY20	FY19	FY18	FY17	FY16	FY15	FY14
Median realised	\$1,698,206	\$2,172,579	\$1,735,892	\$1,754,582	\$1,437,375	\$1,413,322	\$1,738,822
Average realised	\$2,514,852	\$3,628,690	\$2,544,732	\$2,262,776	\$2,023,930	\$1,885,457	\$2,297,001
Highest	\$10,899,091	\$37,761,322	\$13,246,088	\$10,295,490	\$11,090,136	\$12,804,929	\$18,028,506
Lowest	\$394,583	\$407,847	\$390,707	\$382,489	\$378,581	\$379,455	\$357,009
Median incumbent	\$1,933,416	\$2,228,309					
Average incumbent	\$2,751,375	\$3,923,316					

Table 7: Realised pay for ASX200 CEOs (including & excluding foreign company CEOs)

	Whole sample	Ex-foreign CEOs	Foreign CEOs
Median realised	\$2,644,500	\$2,614,000	\$3,666,627
Average realised	\$4,691,527	\$4,210,843	\$11,140,709
Highest	\$45,591,060	\$43,044,606	\$45,591,060
Lowest	\$394,583	\$394,583	\$1,344,432

International expansion

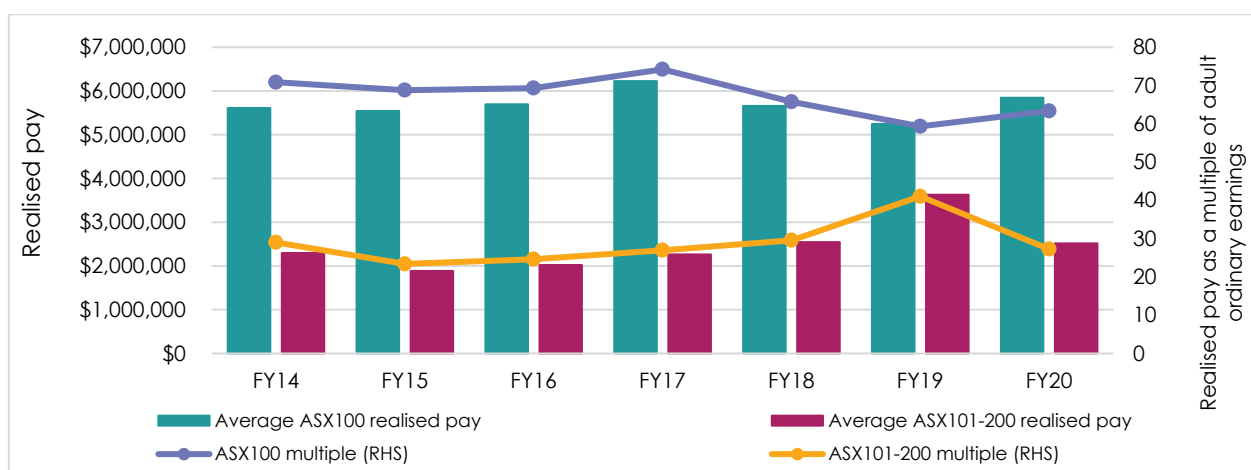
For the first time, this study (Table 7) includes realised-pay data for the 12 CEOs of companies domiciled outside of Australia but for whom there was sufficient detail to calculate an outcome. These included CEOs of five companies domiciled in NZ, one domiciled in the UK, two domiciled in Jersey, one in Ireland and three in the United States.

The foreign CEO sample included two who realised more than \$35mn in FY20 – ResMed's **Mick Farrell** and Avita Medical's **Michael Perry** – who in both cases owed their large outcomes to generous equity allocations and strong share price performance. Farrell's realised pay appears to reflect only limited impact from COVID-19, despite demand for ResMed's respirators increasing due to the pandemic, given that the US\$27.88mn of equity that vested occurred largely prior to the pandemic's onset.

For both men, their high realised-pay outcomes also reflected a more 'US' approach to pay with large equity incentives. By contrast, the five NZ CEOs, including the CEO of ResMed competitor Fisher & Paykel Healthcare, had collective realised pay in FY20 of \$9.28mn – less than the realised pay of each of Amcor's **Ron Delia** and News Corporation's **Robert Thomson**.²⁵

Despite receiving only 12.5% of his maximum FY20 cash bonus, Thomson's cash pay in FY20 – that is, prior to any vesting of equity incentives – was still US\$4.88mn, again indicating the higher levels of pay prevailing for CEOs able to claim they head a US company.

Graph 1: Average ASX100 & ASX101-200 realised CEO pay relative to average adult earnings FY14 – FY20²⁶



²⁵ Fisher & Paykel Healthcare CEO Lewis Gradon for the 12 months to 31 March 2020 had realised pay of NZ\$2.272mn. See 2020 Annual Report, pp.86,87. The other four NZ CEOs included in the foreign company sample were the CEOs of SKC, FBU, XRO and SPK.

²⁶ Average adult earnings is average weekly adult total earnings as at May of each year from ABS 6302.

High reported pay, calculated under Australian disclosure rules, continues to correlate relatively well with high levels of actual pay. There was, again, significant overlap between the CEOs with the highest realised pay and those with the highest reported pay in FY20.

Six ASX100 CEOs featured in the Top 10 for both reported and realised pay. The CEO with the highest realised pay, CSL's Perreault, would have topped the reported pay cohort as well but for Rio Tinto CEO **JS Jacques'** departure at the end of FY20 as part of Rio's response to the destruction of Juukan Gorge.

Jacques' reported pay of \$19.18mn (US\$13.32mn) included a charge of US\$6.21mn as the equity incentives he retained on departure were accelerated over his remaining time in office and not their vesting periods to the end of FY24 (vesting remains contingent on Rio achieving the performance hurdles over the original vesting periods).

The only Top 10 reported-pay CEOs whose realised pay was outside the highest 15 in the ASX100 cohort were Woodside's **Peter Coleman** and Wesfarmers' **Rob Scott**.

For Coleman, this reflected a much lower incentive award for FY20 than in prior years because Woodside reported a substantial FY20 loss after oil prices plunged in the first half of 2020. Almost all of his incentive pay is delivered as equity, vesting over many years (Coleman, who departed Woodside in mid-2021, did not receive a cash bonus after FY18).

In Scott's case, it also reflects the equity-heavy incentive structure for senior executives at Wesfarmers that has operated since 2015. Under that, almost all incentive pay is delivered as equity that vests over multiple years. The first equity allocations to Scott since his appointment as Wesfarmers' CEO will not be free of restriction until the end of FY21.

Table 8: 10 highest paid ASX100 CEOs on a reported pay basis in FY20

Rank	CEO	Company	Reported pay	FY19 rank	Realised pay	FY20 rank
1	JS Jacques	Rio Tinto	\$19,180,588	7	\$11,878,372	7
2	Paul Perreault	CSL	\$16,555,163	1	\$43,044,606	1
3	Shemara Wikramanayake	Macquarie Group	\$14,905,737	N/A	\$16,394,225	4
4	Greg Goodman	Goodman Group	\$11,994,034	4	\$26,868,195	3
5	Peter Coleman	Woodside Petroleum	\$8,633,207	12	\$6,197,877 ²⁷	21
6	Sandeep Biswas	Newcrest Mining	\$8,551,750	8	\$10,985,657	10
7	Michael Clarke	Treasury Wine Estates	\$7,838,701	5	\$11,307,382	8
8	Rob Scott	Wesfarmers	\$7,762,781	16	\$4,255,865 ²⁸	37
9	Magnus Nicolin	Ansell	\$7,570,911	20	\$7,476,082 ²⁹	15
10	Graham Kerr	South 32	\$7,300,000	15	\$10,683,138 ³⁰	12

²⁷ Woodside Petroleum Limited, 2020 Annual Report, pp.68-69,77.

²⁸ Wesfarmers Limited, 2020 Annual Report, pp.100,110,111; Change of director's interest notice, 26 September 2019.

²⁹ Ansell Limited, 2020 Annual Report, pp.54,62; Change of director's interest notice, 28 August 2019.

³⁰ South 32 Limited, 2020 Annual Report, pp.77,84; Change of director's interest notice, 30 August 2019.

Unlike with realised pay, the impact of COVID-19 was apparent in the reported-pay cohort in FY20. Only four of the Top 10 in FY20 had reported pay above \$10mn, down from seven in FY19, as annual bonuses declined and deferral into equity increased.

Even for those CEOs where COVID-19 had minimal impact on overall incentive levels, such as Macquarie's Wikramanayake, corporate responses to COVID-19 reduced reported pay for many.

Macquarie, in response to regulatory guidance from APRA, elected to defer senior executive profit shares entirely in equity, meaning they will be expensed over the period FY20 to FY27, reducing the amount expensed in FY20.

There were, however, some CEOs whose inclusion in the Top 10 partly reflected a positive impact of COVID-19, such as Ansell's **Magnus Nicolin**, where demand for the company's protective equipment surged, leading to higher incentive payouts even after the board moderated outcomes to reduce windfall pandemic gains for its executives.

Consistency in the make-up of the Top 10 cohort from year to year was again apparent in the ASX100, where five of the FY19 Top 10 also appeared in FY20 rankings.

While Macquarie's Wikramanayake, in her first full year as CEO (her predecessor at Macquarie was part of the FY18 Top 10) was a new addition, all of the other nine FY20 Top 10 CEOs were ranked in the Top 20 in FY19.

Five FY19 Top 10 CEOs did not make the FY20 Top 10 – three departed their roles (Afterpay's **David Hancock**, Oil Search's **Peter Botten** and BHP's **Andrew Mackenzie**), and two received no bonus (AMP's **Francesco De Ferrari** and Woolworths' **Brad Banducci**).

De Ferrari still ranked 12th on reported pay in FY20 and Banducci was in the Top 10 for realised pay but only 15th on the reported pay table because he waived his FY20 bonus in response to staff underpayment issues.

Table 9: Reported pay for ASX100 CEOs³¹

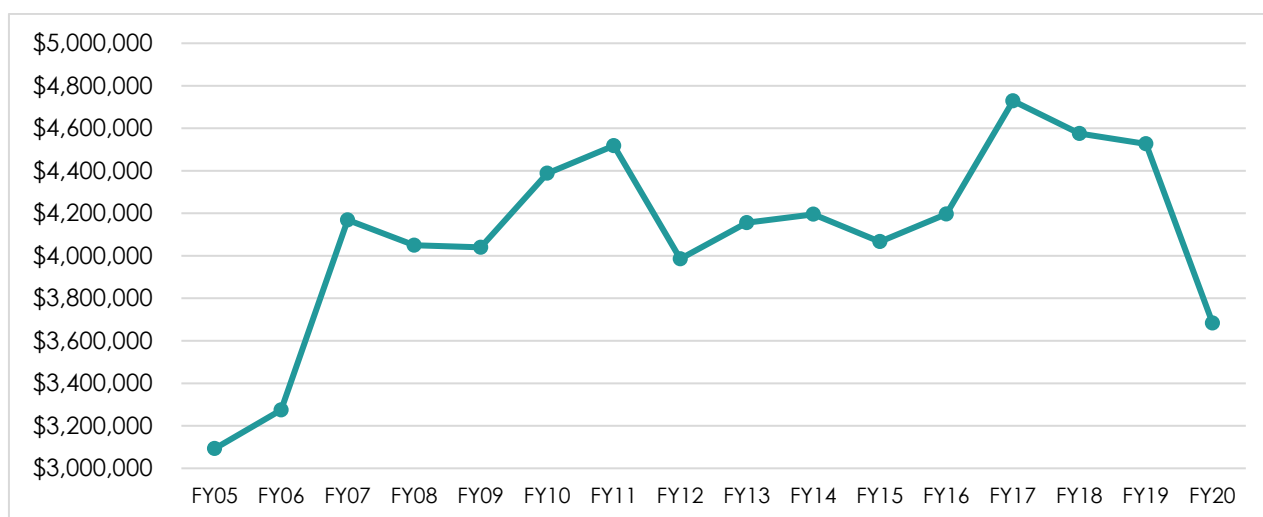
	FY20	FY19	FY15	FY10	One-year change	Five-year p.a. change	10-year p.a. change
Median	\$3,683,541	\$4,526,589	\$4,066,225	\$4,388,073	-18.6%	-2.0%	-1.7%
Average	\$4,342,270	\$5,075,478	\$4,992,943	\$4,991,319	-14.4%	-2.8%	-1.4%
Highest	\$19,180,588	\$16,382,276					
Lowest	\$600,000	\$516,885					
Median incumbent	\$3,912,108	\$4,508,118					
Average incumbent	\$4,494,546	\$5,021,318					

³¹ See Appendix D for full data over the period 2001 to 2020.

Across the ASX100 sample, the impact of COVID-19 on reported pay was stark. Median reported pay fell almost 19% to \$3.68mn – the first time below \$4mn since FY12 and the lowest median in 15 years (FY06). Average reported pay dropped 14.4% to \$4.34mn, below \$5mn for the first time since FY15 and the lowest recorded since ACSI's 2005 study. The decline was across the cohort, although incumbent CEO reported pay remained higher than that for the sample as a whole (the median incumbent had reported pay of \$3.91mn, down 13.2% on FY19, while the average incumbent's reported pay fell 10.5% to \$4.50mn).

This reflected the sharp decline in annual bonuses across the sample (discussed in more detail [below](#)), greater deferral of annual bonuses when awarded into equity and, in some cases, reversal of expenses associated with equity incentives where hurdles would not be achieved (the average share-based payment expense for an ASX100 CEO fell from \$2.33mn in FY19 to \$2.15mn in FY20, even with the one-off impacts of Jacques' departure from Rio, and the return of a Macquarie CEO to the sample.³²

Graph 2: Median reported pay for ASX100 CEOs FY05 – FY20



³² Excluding Macquarie from the sample would have seen the average equity incentive expense fall from \$2.147mn to \$2mn, down 14.3% on the FY19 average.

Table 10: 10 highest-paid ASX101-200 CEOs on a reported pay basis in FY20

Rank	CEO	Company	Reported pay	FY19 rank	Realised pay	FY20 rank
1	Mark McInnes	Premier Investments	\$5,419,444	2	\$8,800,000	4
2	Chris Ellison	Mineral Resources	\$4,335,993	13	\$2,524,596 ³³	20
3	Alistair Field	Sims	\$4,215,872	3	\$3,123,165 ³⁴	19
4	Ryan Stokes	Seven Group	\$4,111,998	4	\$4,242,191 ³⁵	11
5	Robert Kelly	Steadfast Group	\$3,966,168	8	\$4,857,265	9
6	Philippe Wolgen	Clinuvel Pharmaceuticals	\$3,374,739	52	\$8,212,826	5
7	Paul Weightman	Cromwell Property Group	\$3,257,854	5	\$3,444,203 ³⁶	16
8	Malcolm Parmenter	Healius	\$3,232,745	37	\$1,691,547 ³⁷	41
9	Kevin Russell	Vocus Group	\$3,198,442	10	\$1,101,254 ³⁸	65
10	Jeff Adams	Metcash	\$3,163,638	7	\$2,490,464 ³⁹	22

The ASX101-200 Top 10 for reported pay also featured a number of familiar names. While the CEO who topped the 2019 list, Emeco's **Ian Testrow**, was not included in the FY20 sample due to Emeco leaving the S&P/ASX 200 in September 2019, seven of FY20's Top 10 were also in FY19 list. The three 'new' entrants were Mineral Resources' **Chris Ellison** (ranked 13th in FY19), Clinuvel's Wolgen (thanks to a very large equity incentive allocation granted at the 2019 AGM and his fixed pay increasing from \$924,000 to \$1.73mn), and Healius's **Malcolm Parmenter** whose large equity incentive granted during FY20 began to be expensed during the year.

All Top 10 reported pay CEOs for the ASX101-200 were also among the highest ASX101-200 CEOs for realised pay, with the exception of Parmenter and Vocus Group's **Kevin Russell**. The smoothing impact of expensing of equity incentives is apparent in Russell's reported pay which reflects expensing over time of a single large grant of options in FY19. Should the Vocus takeover proposal be approved by shareholders in late June 2021, the options held by Russell will be cancelled for \$23.4mn in cash with half paid immediately and the remainder in two equal tranches over two years.⁴⁰

³³ Mineral Resources Limited, 2020 Annual Report, p.68; Change of director's interest notice, 10 October 2019.

³⁴ Sims Limited, 2020 Annual Report, pp.47,52.

³⁵ Seven Group Holdings Limited, 2020 Annual Report, pp.92,93,94,97.

³⁶ Cromwell Property Group, 2020 Annual Report, pp.62,63,64; Change of director's interest notice, 20 December 2019.

³⁷ Healius Limited, 2020 Annual Report, pp.48-49,52-53,54.

³⁸ Vocus Group Limited, 2020 Financial Report, pp.19,21-22.

³⁹ Metcash Limited, 2020 Annual Report, pp.42,52,53.

⁴⁰ Vocus Group Limited, Scheme Booklet, 18 May 2021, p.55.

Other than Emeco's Testrow, the other two 2019 Top 10 CEOs not included in the 2020 list were Brickworks' **Lindsay Partridge** (ranked 16th in FY20), and Austal's **David Singleton** who was only 41st in the reported pay list but was 6th in the FY20 realised pay Top 10. If Emeco had been included in the FY20 sample, Testrow's reported pay of \$9.96mn would have again ranked him first.⁴¹

Unlike the ASX100 sample, reported pay for ex-100 CEOs as a whole did not reduce substantially in FY20, indicating that significant pay restraint in response to COVID-19 was largely confined to large cap entities. The median reported pay for ASX101-200 CEOs was effectively flat, down just 0.5% to \$1.89mn and still the second highest over the 10 years of the ex-100 study. Average reported pay fell further, declining 7.6% to \$2.01mn.

Among the 54 ASX101-200 incumbent CEOs, median reported pay rose 3.9% to \$1.96mn and the average fell marginally to \$2.1mn, down from \$2.11mn. This indicates that movements in the average and median were driven by changes to the sample as a whole. 10 CEOs (13%) had reported pay below \$1mn in FY20, up from 11% in FY19, although the proportion with reported pay of \$2.5mn or more remained steady at a quarter of the sample.

Table 11: Average, median and outliers for ASX101-200 reported CEO pay⁴²

	FY20	FY19	FY15	FY11	One-year change	Five-year p.a. change	Nine-year p.a. change
Median	\$1,890,449	\$1,899,523	\$1,471,321	\$1,518,654	-0.5%	5.1%	2.5%
Average	\$2,009,799	\$2,176,210	\$1,782,417	\$1,700,321	-7.6%	2.4%	1.9%
Highest	\$5,419,444	\$11,439,633	\$6,831,204	\$4,924,362			
Lowest	\$394,583	\$407,847	\$379,455	\$365,053			
Median incumbent	\$1,957,554	\$1,884,340					
Average incumbent	\$2,099,657	\$2,113,279					

⁴¹ Emeco Holdings Limited, 2020 Annual Report, p.31.

⁴² Full data on reported pay for the period FY11 – FY20 is available in Appendix D.

Fixed pay

Median fixed pay for ASX100 CEOs fell to its lowest level since 2007, while the median and average fixed pay for ASX101-200 CEOs rose, showing the bifurcated response to the pandemic between large and small cap entities.

In FY20, median fixed pay for an ASX100 CEO dipped 5.1% to \$1.68mn – its first time below \$1.7mn since 2007 (when the median was \$1.53mn). Average fixed pay declined 7% to \$1.76mn, its lowest since 2005.

While this was partly driven by changes in the sample, with new CEOs starting at lower pay levels than predecessors, flat wages among the 68 incumbent CEOs played their part.

In response to COVID-19, many incumbent CEOs took temporary salary cuts – Qantas's **Alan Joyce**, for example, received no fixed pay for the last three months of FY20. Continued restraint in fixed pay increases for ASX100 CEOs has been apparent in the ASX100 sample since FY12.⁴³

CEO changeover contributed to the decline – for example, APA's new CEO, **Rob Wheals**, had his fixed pay set 22% below that of his predecessor, the long-serving **Mick McCormack**.⁴⁴

A handful of ASX100 CEOs did, however, enjoy significant fixed-pay increases in FY20 – such as ANZ's CEO since 2016, **Shayne Elliott**, who received a near 20% increase, from \$2.1mn to \$2.5mn, from the start of FY20.⁴⁵

Table 12: Average, median and outliers for ASX100 CEO fixed pay⁴⁶

	FY20	FY19	FY15	FY10	One-year change	Five-year p.a. change	10-year p.a. change
Median	\$1,675,689	\$1,764,900	\$1,715,087	\$1,823,168	-5.1%	-0.5%	-0.8%
Average	\$1,760,092	\$1,892,122	\$1,865,484	\$1,929,062	-7.0%	-1.2%	-0.9%
Highest	\$3,851,599	\$4,656,712	\$6,979,057	\$8,964,902			
Lowest	\$505,257	\$346,771	\$278,238	\$119,057			
Median incumbent	\$1,775,102	\$1,775,950					
Average incumbent	\$1,851,774	\$1,867,412					

⁴³ Qantas Airways Limited, 2020 Annual Report, p.35.

⁴⁴ APA Group, 2019 Annual Report, p.61; ASX announcement, 'APA appoints new CEO and Managing Director', 13 May 2019.

⁴⁵ Australia & New Zealand Banking Group Limited, 2020 Annual Report, p.79.

⁴⁶ Full data on ASX100 CEO fixed pay for the period FY01 – FY20 is available in Appendix A.

The 'wage restraint' observed in the ASX100 has not been replicated among their smaller cap peers. Fixed pay for ASX101-200 CEOs remained significantly lower – the \$1.03mn median for an ex-100 CEO was 38% below that of the ASX100 – but rose strongly across the ASX101-200 sample.

Median ASX101-200 CEO fixed pay rose above \$1mn for the first time in the decade that ACSI has included it in this study.

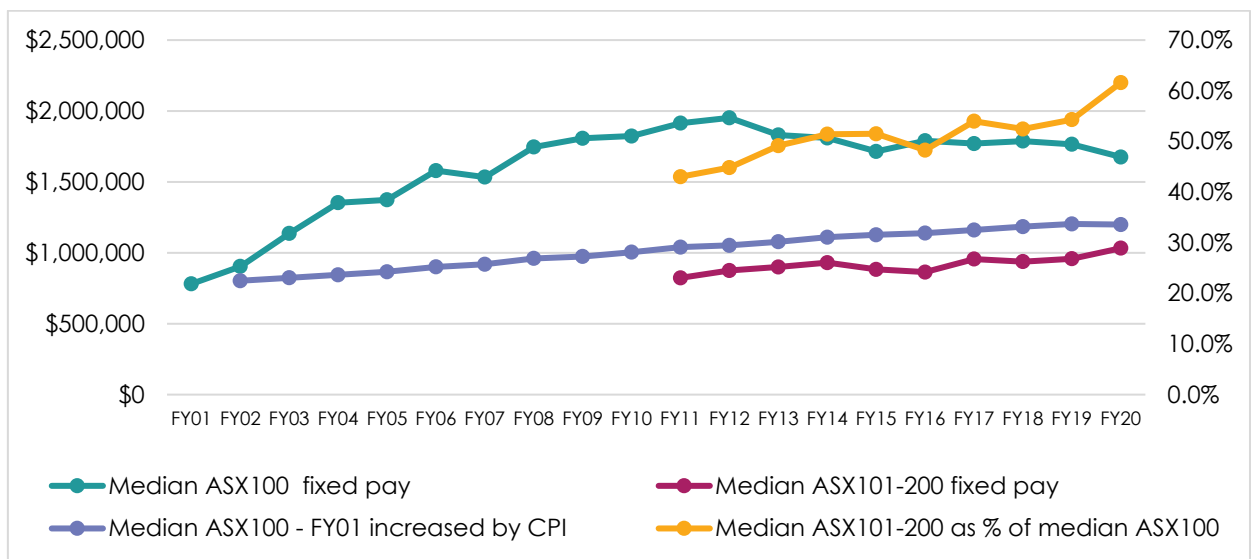
The average rose a more modest 3.9% to \$1.07mn, but was still the third highest over the 10 years (behind only FY15 and FY14).

Increases for ASX101-200 incumbent CEOs were higher than for the sample as a whole, with the median incumbent seeing fixed pay increase 8% to \$1.04mn and the average increased 5.9%.

Table 13: Average, median and outliers for ASX101-200 CEO fixed pay⁴⁷

	FY20	FY19	FY15	FY11	One-year change	Five-year p.a. change	Nine-year p.a. change
Median	\$1,032,460	\$958,061	\$883,233	\$823,493	7.8%	3.2%	2.5%
Average	\$1,072,354	\$1,032,482	\$1,075,111	\$930,358	3.9%	-0.1%	1.6%
Highest	\$2,475,000	\$2,500,000	\$5,559,838	\$3,007,279			
Lowest	\$394,583	\$407,847	\$379,455	\$280,351			
Median incumbent	\$1,035,081	\$957,994					
Average incumbent	\$1,107,466	\$1,045,704					

Graph 3: ASX100 median CEO fixed pay v ASX101-200 median CEO fixed pay v CPI⁴⁸



⁴⁷ Full data on ASX101-200 CEO fixed pay is available in Appendix A.

⁴⁸ CPI is all 'All groups Australian CPI' as at June of each year sourced from ABS 6401.0.

The decline in absolute and real terms of ASX100 fixed pay since FY12 is shown in graph 3. After increasing rapidly from FY01 to FY12 – median fixed pay more than doubled from \$781,000 to \$1.95mn, easily outstripping the 35% gain in the CPI over this period – ASX100 CEO fixed pay has declined relative to inflation and smaller cap peers.

In FY12, the median ASX101-200 CEO's fixed pay was 45% of their ASX100 counterpart. Even ignoring the COVID-blighted FY20 outcome, by the end of FY19 the median fixed pay of an ASX101-200 CEO was 54% of that of the ASX100 median.

To keep pace with inflation, median ASX100 CEO fixed pay after FY12 would have had to be \$2.22mn in FY20 and \$2.23mn in FY19; the actual median in FY19 was \$1.77mn. By contrast ASX101-200 CEO fixed pay has risen faster than inflation, increasing 25% between FY11 and FY20 compared to the CPI which rose 15.3% over this period.

The driver of the decline in ASX100 CEO fixed pay has been pay levels reducing as CEOs change. In FY20, there were 10 CEOs with fixed pay of \$2.5mn or more, all in the ASX100, down from 12 in FY19. Of the FY20 group, six were above \$2.5mn in FY19 with two of the four new entrants – ANZ's Elliott and Brambles' **Graham Chipchase** – owing their inclusion to pay increases (modest in the case of Chipchase).

The other two – CSL's Perreault and Magellan's **Hamish Douglass** – owed their inclusion in 2020 to the methodology of the CEO pay study. The salary for both men did not change – Perreault's remained US\$1.75mn and Douglass' at \$2.5mn – but the AUD was marginally lower relative to the USD over FY20 compared to FY19 and Douglass received a pay cut at the start of FY19, which substantially reduced the value of his accrued leave balances.⁴⁹

Table 14: CEOs with fixed pay of \$2.5mn or more in FY20

CEO	Fixed pay	Cohort
Stuart Irving (Computershare)	\$3,851,599 ⁵⁰	ASX100
Peter Coleman (Woodside Petroleum)	\$2,840,202	ASX100
JS Jacques (Rio Tinto)	\$2,757,776	ASX100
Brad Banducci (Woolworths)	\$2,700,931	ASX100
Andrew Bassat (Seek)	\$2,654,914 ⁵¹	ASX100
Shayne Elliott (ANZ)	\$2,615,740 ⁵²	ASX100
Paul Perreault (CSL)	\$2,605,023	ASX100
Graham Chipchase (Brambles)	\$2,588,235 ⁵³	ASX100
Rob Scott (Wesfarmers)	\$2,569,775	ASX100
Hamish Douglass (Magellan Financial Group)	\$2,541,329 ⁵⁴	ASX100

⁴⁹ See Magellan Financial Group Limited, 2019 Annual Report, p.29.

⁵⁰ Computershare Limited, 2020 Annual Report, p.53.

⁵¹ Seek Limited, 2020 Annual Report, p.34.

⁵² Australia & New Zealand Banking Group Limited, 2020 Annual Report, pp.102-103.

⁵³ Brambles Limited, 2020 Annual Report, p.44.

⁵⁴ Magellan Financial Group Limited, 2020 Annual Report, p.29.

The CEO with the highest fixed pay was again Computershare's **Stuart Irving**, although his fixed pay was down 17.3% on FY19 as his expatriate benefits ended during FY20. Of the six CEOs with fixed pay of \$2.5mn or more, to appear in both FY19 and FY20, four left their roles during FY20 – Crown's **John Alexander**, BHP's Mackenzie, Oil Search's Botten and Westpac's **Brian Hartzer**.

The other two were Treasury's Michael Clarke, who left at the end of FY20, and Premier's McInnes, who leaves in FY21. Fixed pay for Clarke fell from \$3.28mn to \$2.27mn in FY20, despite his salary increasing 2% in September 2019 to \$2.65mn. This was due to Clarke taking leave and his non-monetary benefits falling from \$491,652 in FY19 to - \$14,294 in FY20 because Clarke was required to make a payment to the company "arising from a reconciliation of worldwide tax liabilities performed under the terms of his prior year international co-location arrangement between Australia and the United States". Indicative of the ongoing downward rebasing of ASX100 CEO pay, Clarke's successor, **Tim Ford**, has annual fixed pay of \$1.5mn.⁵⁵

The other departure, McInnes, had reported fixed pay in FY20 of \$2.48mn, down from \$2.5mn in FY19 despite his fixed pay increasing from \$2.5mn to \$2.75mn at the start of FY20. The decline was due to McInnes receiving no pay in April 2020 and a 20% fixed-pay cut in May 2020 as part of Premier's response to the pandemic.⁵⁶

The only other ASX101-200 CEO to receive fixed pay above \$2mn was Sims' **Alistair Field** at \$2.27mn (FY19: \$2.02mn) whose salary of US\$1.19mn continued to be supplemented by substantial relocation & expatriate costs (at the end of FY20, Field relocated back to Australia from the US).⁵⁷

⁵⁵ Treasury Wine Estates Limited, 2020 Annual Report, p.45.

⁵⁶ Premier Investments Limited, 2020 Annual Report, p.24.

⁵⁷ Sims Group Limited, 2020 Annual Report, p.47; 2019 Notice of Annual General Meeting, 10 October 2019, p.6.

Bonuses

The COVID-19 pandemic had a marked impact on bonus outcomes for ASX100 CEOs, with the median payment falling to a new record low of 31% of maximum from FY19's 60% (also a record low). The proportion of CEOs who received zero bonus for performance reasons doubled from 15% to 31%.

When the ASX100 median bonus fell to 60% of maximum potential in FY19, it was the first significant change in the ACSI study after four consecutive years at around 70% of maximum. FY20's outcomes blew that away, with the median almost halving to 31%. Of 77 ASX100 CEOs eligible for a bonus in FY20, 24 were awarded zero, compared with 12 out of 80 in the FY19 sample.

Bonus outcomes were also lower relative to prior years among the ASX101-200 sample, where the median award as a proportion of maximum fell from 60% to 50% in FY20. The proportion receiving zero, however, was little changed – rising from 13 out of 66 in FY19 to 15 out of 70.

In FY20, there was little difference between ASX100 incumbent CEO bonus outcomes and those for the sample as a whole – the median incumbent CEO received 28% of maximum in FY20 (FY19: 62.8%), although all 24 CEOs to receive zero in FY20 were incumbents. Among the ex-100 sample, the median incumbent CEO received 48% of maximum (FY19: 75%), while 12 of the 15 CEOs to receive zero were incumbents.⁵⁸

Only seven CEOs received maximum bonus, down from 10 in FY19, although Coles' **Steve Cain** was awarded 99.2% of maximum. The seven CEOs to receive maximum in FY20 included three who received maximum in FY19; this did not include Magellan's Douglass who, despite achieving 100% of his FY20 bonus targets, waived his entitlement to a \$5mn bonus.⁵⁹ There were two CEOs who received 100% of maximum in FY19 who were awarded zero for FY20: Treasury's Clarke and Credit Corp's **Thomas Beregi**.⁶⁰

Table 15: CEO bonuses as a proportion of maximum FY15 – FY20⁶¹

	FY15	FY16	FY17	FY18	FY19	FY20
ASX100 average	68.5%	64.4%	66.4%	68.1%	55.9%	35.9%
ASX100 median	70.0%	68.6%	70.5%	70.0%	60%	31%
Proportion of eligible CEOs receiving zero	6%	11%	8%	1%	15%	31%
ASX 101-200 average	49.7%	60.9%	59.1%	67.9%	53%	47.8%
ASX101-200 median	58.2%	75.0%	69.0%	75.7%	60%	50%
Proportion of eligible CEOs receiving zero	29%	15%	13%	8%	20%	21%

⁵⁸ In FY20, incumbent CEOs accounted for 83% of the ASX100 sample and 68% of the ASX101-200 sample.

⁵⁹ Magellan Financial Group Limited, 2020 Annual Report, p.25.

⁶⁰ Credit Corp Group Limited, 2020 Annual Report, pp.22,23,27.

⁶¹ Data on bonuses awarded as a proportion of maximum was available for 76 ASX100 CEOs in FY20 and 77 were eligible for a bonus while data was available on bonuses as a proportion of maximum for 66 ASX101-200 CEOs with 70 eligible for a bonus.

The three CEOs who received maximum in both FY19 and FY20 were Premier's McInnes, **David Harrison** of Charter Hall and Steadfast's **Robert Kelly**. Of the seven to receive maximum in FY20, Harrison was the only one not to receive a cash bonus as he elected to have the entirety of his FY20 bonus awarded as deferred equity.

Among the seven maximum bonus recipients in FY20, only NEXTDC's **Craig Scroggie** received less than 80% of maximum in FY19 – indicating that high bonus outcomes are often persistent over time (Steadfast's Kelly, for example, has never received less than 70% of maximum bonus and has received maximum on three occasions and above 90% on another two occasions in the company's seven years of listing).⁶²

Table 16: ASX200 CEOs receiving maximum bonus in FY20

CEO	Awarded bonus	Cohort	FY19 outcome
Elizabeth Gaines (Fortescue Metals Group)	\$2,642,611 ⁶³	ASX100	95.2%
Mark McInnes (Premier Investments)	\$2,500,000	ASX100	100%
David Harrison (Charter Hall)	\$2,250,000 ⁶⁴	ASX100	100%
Robert Kelly (Steadfast)	\$1,650,000	ASX101-200	100%
Craig Scroggie (NEXTDC)	\$990,000 ⁶⁵	ASX100	22.9%
Silviu Itescu (Mesoblast)	\$555,500 ⁶⁶	ASX101-200	80%
Mark Ryan (Tassal Group)	\$472,058 ⁶⁷	ASX101-200	89.2%

Table 17: Awarded bonuses for ASX100 CEOs⁶⁸

	FY20	FY19	FY15	FY11	One-year change	Five-year p.a. change	Nine-year p.a. change
Median	\$1,140,000	\$1,653,837	\$1,604,724	\$1,500,000	-31.1%	-6.6%	-3.0%
Average	\$1,646,740	\$1,866,192	\$1,949,392	\$1,657,376	-11.8%	-3.3%	-0.1%
Highest	\$17,352,388	\$6,493,709	\$15,913,613	\$9,002,180			
Median incumbent	\$1,173,000	\$1,758,000					
Average incumbent	\$1,440,825	\$1,968,531					

⁶² Steadfast Group Limited, 2018 Annual Report, p.46; 2017 Annual Report, p.46; 2016 Annual Report, p.37; 2015 Annual Report, p.35; 2014 Annual Report, p.39.

⁶³ Fortescue Metals Group Limited, 2020 Annual Report, pp.133,138.

⁶⁴ Charter Hall Group, 2020 Annual Report, p.61.

⁶⁵ NEXTDC Limited, 2020 Annual Report, pp.40,42. NXT was part of the ASX101-200 sample in FY19.

⁶⁶ Mesoblast Limited, 2020 Annual Report, pp.111,113; MSB was not part of the FY19 sample – bonus outcomes from 2019 Annual Report, pp.104,106.

⁶⁷ Tassal Group Limited, 2020 Annual Report, pp.21,26.

⁶⁸ Full data on ASX100 CEO bonuses is available in Appendix B. Average and median bonus data are conditional on a bonus having been awarded.

FY20 was the first year for a revised incentive structure for Mesoblast CEO & founder **Silviu Itescu**, which saw his annual bonus potential reduced from 100% of fixed pay to 50%.

In FY20, however, the board elected to award Itescu 110% of maximum as “the company, through the leadership of the CEO, has performed exceptionally in responding to COVID-19”.

FY20 was the 10th year that the ACSI study has included data on awarded bonuses as well as cash bonuses. This allows the capture of bonuses that would not otherwise show up in statutory remuneration disclosures – such as that awarded to Charter Hall's Harrison – as they will instead be reported as share-based payments expense over the deferral period. The decline in bonus outcomes for ASX100 CEOs was also reflected in much lower awarded bonuses, even excluding CEOs who were either ineligible for a bonus or received zero bonus for FY20: The median bonus awarded to an ASX100 CEO for FY20 was \$1.14mn, 31.1% lower than in FY19 and the lowest recorded in the 10 years data is available, surpassing the previous low of \$1.29mn in FY13.

The decline in the average awarded bonus for ASX100 CEOs was significant, falling 11.8% to a record low of \$1.65mn. This was in spite of the return of Macquarie to the sample, with Shemara Wikramanayake awarded a FY20 ‘profit share’ of \$17.35mn – 20% of the entire value of ASX100 bonus awards for FY20.

Excluding Macquarie, the average bonus awarded fell to \$1.35mn, down 27.9%. There were only four bonuses awarded above \$3mn in FY20 for ASX100 CEOs, down from nine in FY19, and only one above \$4mn (four in FY19).

The decline in FY20 bonuses awarded was not due to changes in the sample.

The median bonus awarded to an ASX100 incumbent CEO declined 33.3% to \$1.17mn and the average fell 26.8% to \$1.44mn, indicating the impact of Macquarie's inclusion on the FY20 average.

The pattern of little-to-no COVID-19 impact on ASX101-200 CEO pay was again apparent in awarded bonus data. The median bonus awarded to an ex-100 CEO rose 1.3% to \$455,629, while the was effectively flat at \$561,221 (\$563,011 in FY19).

Similarly, for incumbent CEOs in this cohort the median bonus fell 1.9% to \$527,352 and the average rose modestly, from \$612,040 to \$628,073. Seven ex-100 CEOs were awarded a bonus for FY20 above \$1mn (five in FY19).

Table 18: Awarded bonuses for ASX101-200 CEOs⁶⁹

	FY20	FY19	FY15	FY11	One-year change	Five-year p.a. change	Nine-year p.a. change
Median	\$455,629	\$450,000	\$375,000	\$400,000	1.3%	4.0%	1.5%
Average	\$561,221	\$563,011	\$623,277	\$474,394	-0.3%	-2.1%	1.9%
Highest	\$2,500,000	\$2,500,000					
Median incumbent	\$527,352	\$537,385					
Average incumbent	\$628,073	\$612,040					

⁶⁹ Full data on ASX101-200 CEO bonuses is available in Appendix B. Average and median bonus data are conditional on a bonus having been awarded.

Table 19: Cash bonuses for ASX100 CEOs⁷⁰

	FY20	FY19	FY15	FY10	One-year change	Five-year p.a. change	10-year p.a. change
Median	\$660,000	\$939,593	\$1,162,488	\$1,122,000	-29.8%	-10.7%	-5.2%
Average	\$891,624	\$1,086,278	\$1,271,251	\$1,584,120	-17.9%	-6.8%	-5.6%
Highest	\$3,689,867	\$3,140,907	\$6,617,549	\$10,298,586			
Median incumbent	\$666,509	\$924,000					
Average incumbent	\$887,273	\$1,092,987					

Cash bonuses also declined sharply for ASX100 CEOs, with the median (conditional on a cash bonus being paid) falling 29.8% to \$660,000 – the lowest recorded since 2002. The average fell 17.9% to \$891,624, its lowest since ACSI's study began in 2001.

Only 40 ASX100 CEOs had a reported cash bonus in FY20 (FY19: 66), including Magellan's Douglass, whose reported cash bonus of \$3.5mn related to the payout of bonuses deferred from prior years. Another 14 CEOs were awarded a bonus for FY20 but received no cash, including Charter Hall's Harrison, Macquarie's Wikramanayake, Woodside's Coleman, Wesfarmers' Scott and Stockland's **Mark Steinert** as boards responded to the pandemic by increasing deferral of incentives into equity.

Only 10 ASX100 CEOs received a cash bonus of \$1mn or higher, down from 31 in FY19; the highest cash bonus went to Coles' Steve Cain (this included a \$1.5mn sign-on payment).⁷¹

For ASX101-200 CEOs, however, the impact of COVID-19 on pay was again less apparent than for their ASX100 colleagues. The median cash bonus fell 2.7% to \$393,457 from FY19's record high, although this was still the second highest median cash bonus reported in the 10 years ACSI has been collecting data on this cohort.

The average declined 6% to \$473,581; the median bonus for an incumbent ASX101-200 CEO rose 3.9% to \$439,200 while the average incumbent CEO cash bonus for the ASX101-200 cohort fell modestly to \$541,046.

In FY20, 49 cash bonuses were paid to ex-100 CEOs (52 in FY19), with another seven ASX101-200 CEOs awarded a bonus for FY20 but receiving no cash. There were two cash bonuses above \$1mn for ASX101-200 CEOs in FY20, in line with FY19 - Premier's McInnes, who again received \$2.5mn, and Brickworks' Lindsay Partridge.⁷²

Table 20: Cash bonuses for ASX101-200 CEOs⁷³

	FY20	FY19	FY15	FY11	One-year change	Five-year p.a. change	Nine-year p.a. change
Median	\$393,457	\$404,363	\$329,253	\$376,915	-2.7%	3.6%	0.5%
Average	\$473,581	\$504,049	\$505,987	\$421,576	-6.0%	-1.3%	1.3%
Highest	\$2,500,000	\$2,500,000	\$3,100,000	\$1,500,000			
Median incumbent	\$439,200	\$422,747					
Average incumbent	\$541,046	\$556,217					

⁷⁰ See Appendix B for full data.

⁷¹ Coles Group Limited, 2020 Annual Report, pp.85,89,90.

⁷² Brickworks Limited, 2020 Annual Report, pp.52,58.

⁷³ See Appendix F for full data.

Cash pay

The decline in bonuses for ASX100 CEOs led to a sharp decline in cash pay, with the median below \$2mn for the first time since FY03 when cash pay was \$1.741mn.

FY20's median of \$1.98mn was 26.4% down on FY19, while the average shed 18.6% to \$2.23mn – also the lowest since 2003. The decline was significant, but not as great for incumbent ASX100 CEOs, which indicates that changes to the sample had some influence on the decline in cash pay. As noted earlier, new entrants to the ASX100 cohort generally have lower pay levels:

Median cash pay for incumbent CEOs was down 23% to \$2.07mn and the average for incumbents declined 17% to \$2.28mn.

In FY20, only four ASX100 CEOs received cash pay above \$4mn – led by CSL's Perreault were Magellan's Douglass, Coles' Cain and Computershare's Irving; this was down from 13 in FY19. Cain was the only new entrant to the 'above \$4mn' group because he started at Coles during FY19 and was not included in last year's study. His cash pay for the nearly 10 months he was employed during FY19 was \$5.08mn including \$2.4mn in cash sign-on payments.⁷⁴

Table 21: Cash pay for ASX100 CEOs⁷⁵

	FY20	FY19	FY15	FY10	One-year change	Five-year p.a. change	10-year p.a. change
Median	\$1,979,778	\$2,688,900	\$2,915,332	\$2,785,900	-26.4%	-7.4%	-3.4%
Average	\$2,233,288	\$2,743,209	\$3,102,883	\$3,354,770	-18.6%	-6.4%	-4.0%
Highest	\$6,294,891	\$5,882,815	\$13,596,065	\$15,964,902			
Lowest	\$505,257	\$516,885	\$518,238	\$132,699			
Median incumbent	\$2,068,112	\$2,683,371					
Average incumbent	\$2,282,362	\$2,751,445					

Table 22: Cash pay for ASX101-200 CEOs⁷⁶

	FY20	FY19	FY15	FY11	One-year change	Five-year p.a. change	Nine-year p.a. change
Median	\$1,289,942	\$1,255,187	\$1,152,253	\$1,157,000	2.8%	2.3%	1.2%
Average	\$1,367,321	\$1,392,896	\$1,413,427	\$1,245,622	-1.8%	-0.7%	1.0%
Highest	\$4,975,000	\$5,000,000	\$6,020,256	\$4,507,279			
Lowest	\$394,583	\$407,847	\$379,455	\$365,053			
Median incumbent	\$1,346,718	\$1,313,896					
Average incumbent	\$1,448,266	\$1,447,417					

⁷⁴ Coles Group Limited, 2019 Annual Report, p.58.

⁷⁵ Full data on cash pay for ASX100 CEOs for the period FY01 – FY20 is available in Appendix C.

⁷⁶ Full data on cash pay for ASX101-200 CEOs for the period FY11 – FY20 is available in Appendix C.

Table 23: Distribution of cash pay in the ASX100 and the ASX101-200

Range	ASX100 CEOs (FY19)	ASX101-200 CEOs (FY19)
Less than \$1m	4 (3)	21 (21)
\$1m - \$2m	39 (21)	50 (44)
\$2m - \$3m	26 (30)	7 (6)
\$3m - \$4m	9 (16)	0 (1)
\$4m - \$5m	2 (8)	1 (0)
More than \$5m	2 (5)	0 (1)

By contrast, cash pay for ASX101-200 CEOs (Table 23 above) was largely unchanged in FY20, with the median increasing 2.8% to \$1.29mn and the average marginally declining, from \$1.39mn to \$1.37mn. The FY20 median cash pay was – narrowly – the highest recorded in the 10 years of the ASX101-200 CEO pay study, surpassing FY14's \$1.28mn.

Changes in the sample had little influence on this outcome, with the median cash pay for an incumbent ex-100 CEO rising 2.5% to \$1.35mn and the average flat at \$1.45mn. In FY20, the highest cash pay in this cohort was again Premier's McInnes; eight ASX101-200 CEOs received more than \$2mn in cash pay, in line with FY19.

High cash pay remains a key concern for investors, given it allows executives to insulate their own fortunes from those of shareholders.

A CEO who receives significant levels of cash pay over a prolonged period is able to effectively de-risk their personal position from the future fortunes of the company they lead, even if they retain very large allocations of equity incentives. A CEO who repeatedly receives annual cash pay of \$3mn or more will suffer minimal real harm should the company over which they preside experience a substantial decline in performance.

Of the 14 CEOs who received more than \$3mn in cash pay in FY20, nine also received more than \$3mn in FY18 and FY19. Only one of these, Premier's McInnes, was outside the ASX100. The highest amount of cash pay received by one of these nine CEOs over the period FY18-20, was \$17.74mn for CSL's Perreault; the lowest was \$10.41mn to Brambles' Chipchase.

Termination payments

Departing CEOs cost shareholders \$33.18mn in termination payments in FY20, well up on FY19, driven by four ASX100 CEOs who received more than \$3mn each.

The 16 termination payments in the FY20 study (FY19: 14) included 10 above \$1mn (FY19: 6) of which all but one was for an ASX100 CEO.

Only one ex-100 CEO, oOh!Media's **Brendon Cook**, received a termination payment above \$1mn in FY20.⁷⁷

The collective cost of FY20 termination payments for ASX100 CEOs was the highest since FY11, while for the ASX101-200 the collective cost of CEO terminations was the lowest in the 10 years that the ACSI study has included this cohort.

Table 24: Termination payments for ASX100 CEOs⁷⁸

Financial year	Total	Number	Minimum	Maximum
FY08	\$83.03m	13	\$793,333	\$18.31m ⁷⁹
FY09	\$34.56m	13	\$168,000	\$6.39m
FY10	\$5.70m	5	\$513,079	\$1.68m
FY11	\$35.02m	12	\$566,667	\$10.90m
FY12	\$19.06m ⁸⁰	13	\$150,000	\$4.57m
FY13	\$11.81m ⁸¹	9	\$141,459	\$2.81m
FY14	\$25.93m	9	\$281,644	\$13.59m
FY15	\$24.17m	8	\$30,315	\$6.68m
FY16	\$17.88m	9	\$855,000	\$4.38m
FY17	\$26.14m	12	\$832,089	\$6.27m
FY18	\$17.21mn ⁸²	9	\$631,818	\$5.36mn
FY19	\$13.48mn	7	\$34,698	\$3.92mn
FY20	\$29.92mn	11	\$432,887	\$6.59mn

⁷⁷ The former CEO of CIMIC, Michael Wright, who departed at the start of FY20, was disclosed as receiving no termination payments as he was disclosed as moving to a non-KMP role. See CIMIC Group Limited, 2020 Annual Report, pp.54-56.

⁷⁸ Termination payments include bonuses for part year worked, the value of long-term incentives that vest solely due to termination, payments in lieu of notice or for severance and the value of accrued leave entitlements for executives where leave entitlements have not previously been accrued in the remuneration table.

⁷⁹ This payment, to former Santos CEO John Ellice-Flint, includes \$14.592m which was the value of options that vested on his departure calculated based on the difference between the exercise price and closing price on the date his termination arrangements were announced to the ASX on 14 May 2008. It is not known if these options were exercised. The cash termination payments were \$3.718m.

⁸⁰ Figures disclosed in currencies other than AUD were converted into AUD using the exchange rate on the disclosed date of departure.

⁸¹ Figures disclosed in currencies other than AUD were converted using the average exchange rate for FY13 as the payments related to pro rata bonuses.

⁸² The FY18 total was restated from \$16.28mn to \$17.21mn to include additional termination payments for former Adelaide Brighton CEO Martin Brydon disclosed in the 2019 annual report. These were a \$366,962 bonus paid at 100% of maximum for three months as an employee and his accrued leave entitlements of \$560,627 paid out on departure. This also saw the highest termination payment for FY18 restated upwards, from \$4.43mn to \$5.36mn.

The highest termination payment in the FY20 sample, and the highest recorded since FY15, was the \$6.59mn paid to APA's McCormack.⁸³ This was paid under a legacy contract although, as a listed stapled trust, APA is not subject to the Corporations Act limitations on termination payments without securityholder approval.

The former APA CEO received a payment in lieu of notice, and a payment to enforce a restraint, calculated based on his total annual pay package, including bonus and long-term incentive opportunity.

The other CEOs to receive more than \$3mn on termination included Oil Search's Botten, who on his departure after more than 20 years as CEO, received just under \$5mn. As Oil Search is domiciled in PNG, it is also not subject to the Corporations Act's limits on termination payments without shareholder approval.

Botten's payout included remaining employed for six months after stepping down as CEO (for most of this period he took a 20% pay cut in line with other Oil Search executives and directors), a \$1.19mn payment on his formal retirement in August 2020 and \$2.37mn paid in 12 monthly instalments as a restraint, in addition to a bonus for his two months as CEO paid entirely in cash.⁸⁴

The two other CEOs to receive more than \$3mn were Crown Resorts' Alexander, who stepped down in January 2020 but remained formally employed for 12 months, receiving \$3.57mn, and Worley's **Andrew Wood**, who announced his departure just prior to the February 2020 half year results. His payment included a pro-rata bonus for FY20, salary for five months as an 'advisor' in addition to payment in lieu of notice, and accrued annual leave entitlements not previously disclosed as part of his statutory pay.⁸⁵

The highest termination payment outside of the ASX100 was the \$1.1mn paid to former oOh!Media's Cook.⁸⁶ This included 12 months' fixed pay and a consulting agreement for at least 12 months at \$200,000 per annum – equivalent to nine hours of work per week based on his fixed annual remuneration.

Table 25: Termination payments for ASX101-200 CEOs

Financial year	Total	Number	Minimum	Maximum
FY11	\$14,945,926	11	\$270,710	\$3,630,000
FY12	\$5,761,582	6	\$72,698	\$2,510,000
FY13	\$5,531,944	5	\$301,926	\$1,532,000
FY14	\$11,809,607	7	\$125,000	\$8,132,985
FY15	\$14,247,979	10	\$202,321	\$2,767,458
FY16	\$6,098,580	8	\$8,314	\$2,888,614
FY17	\$7,484,869	8	\$205,552	\$1,861,000
FY18	\$8,864,960	6	\$664,426	\$2,609,658
FY19	\$4,870,785	7	\$132,952	\$1,576,897
FY20	\$3,257,216	5	\$274,967	\$1,103,435

⁸³ APA Group, 2020 Annual Report, p.57.

⁸⁴ Oil Search Limited, 2020 Annual Report, pp.57,58.

⁸⁵ Worley Limited, 2020 Annual Report, pp.61,63,72.

⁸⁶ oOh!Media Limited, 2020 Annual Report, pp.33,35.

Appendix A: Fixed pay data

Year	Average		Median		Minimum		Maximum	
	ASX100	ASX101-200	ASX100	ASX101-200	ASX100	ASX101-200	ASX100	ASX101-200
2020	\$1,760,092	\$1,072,354	\$1,675,689	\$1,032,460	\$505,257	\$394,583	\$3,851,599	\$2,475,000
2019	\$1,892,122	\$1,032,482	\$1,764,900	\$958,061	\$346,771	\$407,847	\$4,656,712	\$2,500,000
2018	\$1,883,744	\$1,026,024	\$1,788,000	\$937,740	\$750,000	\$385,933	\$4,746,633	\$2,654,410
2017	\$1,909,500	\$1,041,587	\$1,770,480	\$955,688	\$371,396	\$382,489	\$6,555,254	\$2,740,835
2016	\$1,892,141	\$1,035,243	\$1,790,000	\$864,128	\$362,100	\$378,581	\$6,781,903	\$5,898,856
2015	\$1,865,484	\$1,075,111	\$1,715,087	\$883,233	\$278,238	\$379,455	\$6,979,057	\$5,559,838
2014	\$1,929,122	\$1,200,266 ⁸⁷	\$1,810,000	\$930,632	\$343,573	\$357,009	\$5,385,916	\$5,718,958
2013	\$1,948,949	\$1,066,452 ⁸⁸	\$1,830,614	\$900,000	\$247,275	\$305,799	\$6,359,705	\$3,935,131 ⁸⁹
2012	\$1,900,878	\$973,576	\$1,951,814	\$875,000	\$540,971	\$41,221	\$4,926,208	\$3,003,925
2011	\$1,946,748	\$930,358	\$1,914,050	\$823,493	\$277,638	\$280,351	\$4,573,000	\$3,007,279
2010	\$1,929,062		\$1,823,168		\$119,057		\$8,964,902	
2009	\$2,016,923		\$1,807,561		\$223,877		\$8,981,956	
2008	\$1,947,350		\$1,745,856		\$198,648		\$9,204,760	
2007	\$1,833,228		\$1,533,948		\$321,331		\$8,885,278	
2006	\$1,789,826		\$1,579,292		\$394,769		\$8,888,197	
2005	\$1,533,231		\$1,373,437		\$494,531		\$8,789,826	
2004	\$1,416,877		\$1,353,000		\$410,437		\$4,084,000	
	\$1,554,410		\$1,376,798				\$11,731,875	
2003	\$1,361,769		\$1,136,537		\$345,056		\$6,716,040	
	\$1,424,285		\$1,137,769				\$13,486,153	
2002	\$984,045		\$903,838		\$50,575		\$7,938,000	
	\$1,027,288		\$914,330				\$7,938,000	
2001	\$888,407		\$780,975		\$52,055		\$2,650,565	
	\$1,008,012		\$781,788				\$8,543,137	

(Italicised data 2001-2004 includes News Corp; ASX101-200 not reported until 2011 onwards)

⁸⁷ Average fixed pay includes a termination impact for Lynas Corp's Eric Noyrez of \$1.24m and Pacific Brands' John Pollaers \$1.4m. If these are removed the average fixed pay for FY14 was \$1,165,077.

⁸⁸ Average fixed pay includes a 'termination effect' for Seven Group and for GUD CEO Ian Campbell who departed shortly after FY13 year-end. If Campbell's termination payment of \$1.21m and the payment to Peter Gammell are excluded, average fixed pay was \$1,029,523.

⁸⁹ This relates to former Seven Group CEO Peter Gammell and includes \$926,398 in termination payments payable on him ceasing employment as at 30 June 2013. Excluding these payments Gammell had the highest fixed pay in the ASX101-200 sample.

Appendix B: Bonus data

Cash bonuses

	Average		Median		Maximum	
	ASX100	ASX101-200	ASX100	ASX101-200	ASX100	ASX101-200
2020	\$891,624	\$473,581	\$660,000	\$393,457	\$3,689,867	\$2,500,000
2019	\$1,051,938	\$504,049	\$939,593	\$404,363	\$3,140,907	\$2,500,000
2018	\$1,086,278	\$478,026	\$927,159	\$375,000	\$3,888,551	\$1,840,000
2017	\$1,277,179	\$565,494	\$1,110,087	\$355,680	\$6,389,286	\$2,889,682
2016	\$1,313,223	\$485,616	\$1,021,000	\$386,223	\$6,645,144	\$2,000,000
2015	\$1,271,251	\$505,987	\$1,162,488	\$329,253	\$6,617,549	\$3,100,000
2014	\$1,345,662	\$609,010	\$1,065,009	\$334,500	\$7,766,336	\$5,169,183
2013	\$1,220,744	\$418,911	\$950,000	\$350,000	\$6,101,360	\$1,166,229
2012	\$1,315,221	\$402,025	\$1,060,095	\$336,500	\$7,245,088	\$1,156,000
2011	\$1,255,212	\$421,576	\$1,098,300	\$376,915	\$3,367,965	\$1,500,000
2010	\$1,584,120		\$1,122,000		\$10,298,586	
2009	\$1,564,273		\$1,206,662		\$8,238,246	
2008	\$2,016,214		\$1,167,645		\$27,223,798	
2007	\$2,260,741		\$1,360,000		\$25,615,987	
2006	\$1,683,252		\$1,005,890		\$15,833,577	
2005	\$1,364,295		\$1,000,000		\$13,892,889	
2004	\$1,293,093		\$900,000		\$13,400,000	
	\$1,671,608		\$911,803		\$17,980,437	
2003	\$1,102,603		\$725,000		\$12,381,000	
	\$1,283,330		\$735,129			
2002	\$902,969		\$468,011		\$10,944,000	
	\$937,347		\$475,000			
2001	\$769,125		\$377,936		\$6,239,739	
	\$871,389		\$386,805			

(Italicised data 2001-2004 includes News Corp; ASX101-200 not reported until 2011 onwards)

Awarded bonuses

Year	Average		Median		Maximum	
	ASX100	ASX101-200	ASX100	ASX101-200	ASX100	ASX101-200
2020	\$1,646,740	\$561,221	\$1,140,000	\$455,629	\$17,352,388	\$2,500,000
2019	\$1,866,192	\$563,011	\$1,653,837	\$450,000	\$6,493,709	\$2,500,000
2018	\$2,002,305	\$582,847	\$1,606,648	\$423,056	\$18,104,604	\$1,904,000
2017	\$2,303,960	\$644,110	\$1,763,623	\$515,902	\$17,236,480	\$2,889,682
2016	\$2,063,479	\$577,978	\$1,485,000	\$486,242	\$17,721,760	\$2,000,000
2015	\$1,949,392	\$623,277	\$1,604,724	\$375,000	\$15,913,613	\$3,100,000
2014	\$1,964,975	\$671,250	\$1,516,985	\$380,150	\$11,948,209	\$5,169,863
2013	\$1,684,571	\$493,473	\$1,290,150	\$397,969	\$9,386,708	\$1,749,344
2012	\$1,736,497	\$422,474	\$1,366,730	\$336,500	\$9,177,417	\$1,359,000
2011	\$1,657,376	\$474,394	\$1,500,000	\$400,000	\$9,002,180	\$2,655,000

Appendix C: Cash pay data

Year	Average		Median		Minimum		Maximum	
	ASX100	ASX101-200	ASX100	ASX101-200	ASX100	ASX101-200	ASX100	ASX101-200
2020	\$2,233,288	\$1,367,321	\$1,979,778	\$1,289,942	\$505,257	\$394,583	\$6,294,891	\$4,975,000
2019	\$2,743,209	\$1,392,896	\$2,688,900	\$1,255,187	\$516,885	\$407,847	\$5,882,815	\$5,000,000
2018	\$2,919,156	\$1,417,176	\$2,841,711	\$1,262,389	\$750,000	\$390,707	\$6,236,722	\$4,494,410
2017	\$3,044,666	\$1,504,492	\$2,871,409	\$1,221,300	\$646,396	\$382,489	\$12,944,540	\$5,161,200
2016	\$3,037,698	\$1,427,427	\$2,602,823	\$1,226,000	\$637,100	\$378,581	\$13,427,047	\$6,333,156
2015	\$3,102,883	\$1,413,427	\$2,915,332	\$1,152,253	\$518,238	\$379,455	\$13,596,065	\$6,020,256
2014	\$3,164,908	\$1,687,739	\$2,892,000	\$1,283,925	\$657,073	\$357,009	\$13,152,252	\$8,028,508
2013	\$3,005,935	\$1,347,493	\$2,529,885	\$1,148,587	\$616,972	\$369,159	\$11,107,787	\$3,935,131 ⁹⁰
2012	\$2,981,530	\$1,273,000	\$2,888,441	\$1,237,000	\$540,971	\$448,062	\$12,171,296	\$3,363,925
2011	\$3,055,428	\$1,245,622	\$2,945,000	\$1,157,000	\$335,388	\$365,053	\$6,734,522	\$4,507,279
2010	\$3,354,770		\$2,785,900		\$132,699		\$15,964,902	
2009	\$3,397,328		\$2,853,198		\$239,295		\$14,931,956	
2008	\$3,814,687		\$2,903,752		\$198,648		\$27,894,726	
2007	\$3,837,684		\$2,900,000		\$321,331		\$26,286,806	
2006	\$3,476,833		\$2,492,718		\$415,862		\$16,504,181	
2005	\$2,832,457		\$2,134,534		\$581,750		\$14,653,688	
2004	\$2,787,708		\$2,408,309		\$410,437		\$14,692,011	
	\$3,146,703		\$2,408,670				\$29,712,312	
2003	\$2,141,128		\$1,740,537		\$387,472		\$13,393,275	
	\$2,444,368		\$1,773,180				\$25,793,845	
2002	\$2,200,664		\$1,427,877		\$50,575		\$11,922,336	
	\$2,381,356		\$1,447,111				\$16,294,620	
2001	\$1,814,371		\$1,375,000		\$166,457		\$7,823,072	
	\$2,018,190		\$1,422,662				\$14,858,824	

(Italicised data 2001-2004 includes News Corp; ASX101-200 not reported until 2011 onwards)

⁹⁰ This relates to former Seven Group CEO Peter Gammell and includes \$926,398 in termination payments payable on him ceasing employment as at 30 June 2013. Excluding these payments, Gammell had the second highest cash pay in the ASX101-200 sample behind the co-CEOs of Charter Hall at \$3,380,868.

Appendix D: Reported pay data

Year	Average		Median		Minimum		Maximum	
	ASX100	ASX101-200	ASX100	ASX101-200	ASX100	ASX101-200	ASX100	ASX101-200
2020	\$4,342,270	\$2,009,799	\$3,683,541	\$1,890,449	\$600,000	\$394,583	\$19,180,588	\$5,419,444
2019	\$5,075,478	\$2,176,210	\$4,526,589	\$1,899,523	\$516,885	\$407,847	\$16,382,276	\$11,439,633
2018	\$5,122,431	\$2,322,846	\$4,574,954	\$1,875,690	\$777,213	\$390,707	\$19,650,083	\$12,672,444
2017	\$5,544,284	\$2,169,956	\$4,728,890	\$1,875,690	\$646,396	\$382,489	\$23,566,967	\$10,090,741
2016	\$5,164,722	\$1,777,343	\$4,196,435	\$1,538,000	\$637,100	\$378,581	\$21,572,743	\$6,487,392
2015	\$4,992,943	\$1,782,417	\$4,066,225	\$1,471,321	\$518,238	\$379,455	\$21,706,636	\$6,831,204
2014	\$5,008,869	\$2,341,142	\$4,195,278	\$1,711,379	\$657,073	-\$386,999	\$22,088,011	\$19,588,095
2013	\$4,843,607	\$1,749,036	\$4,155,693	\$1,582,325	\$616,972	\$369,159	\$19,110,336	\$5,984,652
2012	\$4,705,093	\$1,654,603	\$3,985,254	\$1,595,404	\$540,791	\$448,062	\$21,105,291	\$4,072,000
2011	\$4,724,758	\$1,700,321	\$4,517,815	\$1,518,654	\$426,542	\$365,053	\$11,803,992	\$4,924,362
2010	\$4,991,319		\$4,388,073		\$132,699		\$16,157,746	
2009	\$4,924,256		\$4,039,748		-\$961,853		\$14,931,956	
2008	\$5,162,441		\$4,049,293		\$198,648		\$24,755,444	
2007	\$5,540,815		\$4,168,554		\$404,062		\$33,489,818	
2006	\$4,561,393		\$3,274,675		\$415,862		\$21,210,349	
2005	\$3,766,549		\$3,092,576		\$659,002		\$18,553,566	
2004	\$3,564,486		\$3,074,837		\$410,437		\$14,692,011	
	\$3,913,123		\$3,138,235				\$29,712,312	
2003	\$2,858,343		\$2,309,384		\$387,472		\$13,393,275	
	\$3,163,769		\$2,325,692				\$26,681,537	
2002	\$3,059,008		\$2,081,110		\$50,575		\$11,922,336	
	\$3,228,695		\$2,098,601				\$16,294,620	
2001	\$2,450,513		\$1,843,987		\$166,457		\$11,682,638	
	\$2,644,393		\$2,120,411				\$14,858,824	

(Italicised data 2001-2004 includes News Corp; ASX101-200 not reported until 2011 onwards)

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