

Super
together

Financial Report

30 June 2025

Service you expect.
Care you deserve.

CareSuper 

Directors' report

The directors of CareSuper Pty Ltd, the Trustee for CareSuper (the Fund), present their report on the Fund together with the financial statements for the year ended 30 June 2025.

Directors

Below are the names of the directors in office of CareSuper Pty Ltd during the financial year and until the date of this report. Unless otherwise stated, directors were in office for the entire period.

Name	Position	Term as Director
Linda Scott	Chair and Member-Representative Director	Appointed 1 November 2024
Maria Wilton	Independent Chair Independent Director	Retired 31 October 2024 Appointed 1 November 2024 and retired 30 June 2025
Anthony Cavanagh	Member-Representative Director	Appointed 1 November 2024
Wayne Davy	Employer-Representative Director	Appointed 18 July 2025
Andrew Dettmer	Member-Representative Director	Full financial year
Michael Drew	Employer-Representative Director	Appointed 1 November 2024
Rebecca Girard	Member-Representative Director	Appointed 1 November 2024 and retired 6 March 2025
Jeremy Johnson	Employer-Representative Director	Appointed 1 November 2024
Geoffrey Lowe	Employer-Representative Director	Full financial year
Thomas Lynch	Member-Representative Director	Full financial year
John Mazengarb	Employer-Representative Director	Retired 17 July 2025
Jessica Munday	Member-Representative Director	Full financial year
Anne O'Donnell	Independent Director	Retired 31 October 2024
Rhonda O'Donnell	Member-Representative Director	Retired 31 October 2024
Susan Parr	Employer-Representative Director	Retired 31 October 2024
Robert Potter	Member-Representative Director	Appointed 3 June 2025
Peter Savige	Employer-Representative Director	Full financial year
Nola Watson	Employer-Representative Director	Appointed 1 November 2024

General information about operations and activities

The purpose of this section is to:

- provide a review of CareSuper's operations and results
- outline any significant changes in the state of affairs of the fund
- state CareSuper's principal activities and any significant changes during the year
- detail any significant events after the end of the year
- refer to likely developments in CareSuper's operations in future financial years and the expected results
- detail any environmental regulations CareSuper is subject to and the impact on performance.

Principal activities and significant changes

During the financial year, our principal activities continued to be providing superannuation, retirement and insurance benefits, and information and advice services to members. We made no significant changes to the principal activities during the year, apart from the successor fund transfer with Former CARE Super.

We are a hybrid fund providing accumulation and defined benefits to members (the defined benefits division is closed to new members). We maintained three legacy defined benefit funds for Quadrant Defined Benefits Fund, Hobart City Council Defined Benefits Fund, and Launceston City Council Defined

Benefits Fund. These are internally administered. The defined benefits funds are closed to new members and are fully funded.

Review of operations and results

The Fund's performance and financial positions are summarised as follows:

	30 June 2025	30 June 2024
	\$'000	\$'000
Net assets available for member benefits	\$58,842,789	\$30,658,320
Total member liabilities	\$58,263,970	\$30,455,054
Net benefits allocated to defined contribution members	\$3,938,262	\$2,444,646
Net change in defined benefit member benefits	\$3,587	\$9,080
Operating result after income tax	\$208,117	(\$134,106)

Delivering value, purpose and retirement confidence

The 2024–25 financial year has been one of transformation, resilience, and achievement. Eight months on from our merger, CareSuper is thriving, powered by our people, our purpose, and our unwavering commitment to members.

As a profit-to-member Industry SuperFund, every dollar we earn is reinvested for your benefit. Despite global uncertainty and market volatility, our 'smooth ride' investment strategy continues to protect member balances and deliver strong long-term returns. This year, our Balanced (MySuper) option returned 8.58%, and our Retirement Income Balanced option returned 8.87% to 30 June 2025.

These results were driven by strong global share market performance, particularly in the U.S. technology sector. Our diversified investment approach helps manage volatility while capturing upside, reinforcing our ability to grow retirement savings with confidence. Pleasingly, we remain a top-performing fund over 10 and 15 years giving members confidence that their money is invested wisely for the long-term.

Our strategic vision is clear: to be Australia's most trusted partner in retirement. We're proud to be a fund that delivers strong long-term returns, exceptional service, and expert advice – while staying true to our values as a profit-to-member fund. Every decision we make is in the best interests of our members, not shareholders.

What sets CareSuper apart is our unwavering commitment to simplicity, accessibility, and care. We do the basics brilliantly. Whether it's resolving as many of our members' calls and queries on the first contact (on average, 90% of the time) or offering tailored advice about their account at no extra cost, our member-first culture is embedded in everything we do. We're large enough to make a real impact for our members, yet still small enough to know and care about them as individuals.

Expanding member value

Retirement confidence means knowing you and your money are in the right place. CareSuper has a proud history of delivering strong performance and value-for-money services. Following our merger, we've expanded our offering to provide greater choice, flexibility, and support. Members now benefit from:

- A unique investment strategy designed to smooth market fluctuations and deliver strong long-term returns
- Award-winning, member-focused service delivered by our teams across Australia, including local contact centres, face-to-face advice, and workplace visits
- Three levels of advice, from general account support at no extra cost to complex advice with fees deductible from your account

- A Direct Investment Option (DIO) that is designed for members who want to play a more active role in managing their super. DIO offers members flexibility and choice about how part of their super is invested, and is managed through an easy to use online portal
- Online tools, calculators and over 60 webinars, seminars and events
- Free access to expert online health services via MetLife 360, for members and their families
- Flexible, affordable insurance options through superannuation

These services empower members to make informed decisions and feel confident about their financial future. Education, guidance, and advice are powerful tools and we believe every Australian should have access to quality, affordable support to help them retire with confidence. Care is in our name, and it drives our culture and values in everything we do.

Our in-house advantage

Our in-house administration model is a key strength and it's now even stronger after our merger. It's run by our people, for our members, every single day. This year, our member satisfaction rate reached 88% and ease of service scored 92%, both exceeding our targets.

We were again ranked #1 for customer experience across both the super and financial services sectors by Customer Services Benchmarking Australia (CSBA) and named Australia's 'Highly Trusted' super fund in the 2025 Mozo People's Choice Awards. These accolades reflect the care and expertise of our team, and the strength of our model that puts members and employers first. We prioritise conversations over transactions, and we'll continue to invest in our people, systems and processes to ensure this experience endures.

Risk Management

Our risk management strategies will be used to safeguard the financial futures of members. They will also help us navigate emerging risks, such as:

- Heightened regulatory changes and scrutiny — government and regulatory bodies are increasingly focused on fund performance, conduct, culture, and member outcomes to protect members' financial interests and ensure integrity of the financial system.
- Economic conditions — we will monitor and respond to economic conditions that may influence superannuation contributions and long-term financial plans, such as the cost-of-living crisis.
- New and emerging technologies — we will adopt digital technologies in a considered and structured manner to drive innovation and optimise processes. This includes taking advantage of artificial intelligence while providing sufficient safeguards to ensure its appropriate use.
- Cybersecurity — we will safeguard members' privacy and financial wellbeing from emerging digital threats.
- Environmental, Social and Governance (ESG) considerations — we will integrate ESG considerations into our investment strategy, reporting and disclosures.

Regular, frequent monitoring against the *Strategic and Business Plan* helps us quickly identify and respond to emerging issues. It also allows us to take prompt action where outcomes are not being achieved. In isolation, expected or explainable deviation of performance from the target for scorecard measures quarterly will not trigger a change in strategic objective or the requirement to develop or activate a contingency plan.

However, where there is a failure of one or more key scorecard measures (together with key fund and financial sustainability indicators) in combination or a consistent pattern of underperformance in either absolute or relative terms, it may trigger the development or activation of a contingency plan, consistent with the duty to act in the best interest of members. This includes, but is not limited to:

- cost reduction strategies such as deferral or cancelling of major strategic initiatives
- ceasing business activities or closing off products to new members

- transfer of members to another RSE licensee.

The Trustee has established risk trigger thresholds, which will be monitored in line with regular quarterly reporting.

Based on 2024-25 results, our threshold limits have not been breached, supporting the continued appropriateness of our *Strategic and Business Plan*.

Security and protection

Cybersecurity remains a top priority. As scams and cybercrime evolve, protecting member data is more important than ever. While CareSuper was not impacted by recent incidents, our in-house cyber and financial crime teams remain vigilant. From multi-factor authentication to proactive threat detection, we're investing in the systems and people that keep your super secure and we'll continue to educate members on how to stay safe.

Advocating for a fairer system for all

We have a diverse and dispersed membership, representing members who are just starting their first job right through to those who are enjoying a well-earned retirement. Our members and heritage markets span right across Australia in both regional and metro areas, with employment sectors spread across Federal, State and Local Government, major banks and ASX listed entities, through to medium to small businesses. For this reason, we are proud advocates for a fairer and more sustainable superannuation system that benefits our diverse membership into the future. We've recently supported key reforms like the increase in the Superannuation Guarantee to 12% from 1 July 2025, PayDay Super which aims to address the issue of unpaid super contributions affecting 2.8 million Australians, and greater access to affordable financial advice. These changes matter – they help ensure that every Australian can retire with dignity and confidence.

Changes to the Board

We have farewelled several dedicated Board members this year who have made invaluable contributions to both CareSuper and Spirit Super over many years. Departing this year was Vanessa Seagrove, Merran Kelsall, Kathie Sampson, Rhonda O'Donnell, Susan Parr, Anne O'Donnell, Rebecca Girard, John Mazengarb and Maria Wilton.

We also welcomed two new Directors to our Board in Wayne Davy and Robert Potter. Both join us with a wealth of experience and a deep understanding of our members and the workplaces in which they work. We have an equal representation board, including representatives from unions, motor trades and business chamber nominating bodies.

Building for the future

At CareSuper, we have a proud history of growing and investing to deliver better outcomes for our members.

Looking ahead, our priorities are to invest in our people to ensure exceptional service remains from a future-ready team, embed technology and processes for faster, more secure digital experiences, and grow sustainably while staying true to our roots to continue delivering value for members.

Later this year, our Successor Fund Transfer with the Meat Industries Employees' Super Fund will bring 17,000 new members and add \$1 billion in funds under management, growing our total to over 600,000 members and \$60 billion in funds under management – further strengthening our scale and impact.

Our members' needs are evolving and so are we. We have a three-year transformation program focused on building fund resilience, enhancing member engagement, and driving sustainable growth. This strategy will ensure we remain easy to deal with, closely connected to our members, and well-positioned to lead on member experience and retirement confidence.

Significant changes in the state of affairs

CareSuper Pty Ltd was formerly known as Motor Trades Association of Australia Superannuation Fund Pty. Limited, having changed its name on 1 November 2024 to CareSuper Pty Ltd, following the successor fund transfer of Former CARE Super into Spirit Super. Spirit Super changed its name on 1 November 2024 to CareSuper.

In March 2025, CareSuper Pty Ltd and Meat Industry Employees' Superannuation Fund Pty Ltd ('MIESF Trustee') entered into a binding agreement to merge the two funds, confirming the parties' intention to transfer all transferring members' entitlements and assets of Meat Industry Employees' Superannuation Fund (MIESF) to CareSuper by way of a successor fund transfer. This comes after an extensive due diligence process.

Significant events after the end of year

On 30 July 2025, CareSuper Pty Ltd and MIESF Trustee signed a Successor Fund Transfer Deed, confirming the parties' intention to transfer all transferring members' entitlements and assets of MIESF to CareSuper by way of a successor fund transfer on 1 October 2025.

Environmental regulation and performance

Our operations aren't subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

Impact of legislation and other external requirements

We operate in a highly regulated environment overseen by bodies such as the Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC). We actively monitor, plan, and respond to updated requirements to ensure ongoing compliance and consideration for longer-term strategy development and execution.

Across 2024-25 and beyond, we expect regulators to focus on several key areas, including but not limited to:

- strategic planning and member outcomes
- financial accountability regime
- retirement income strategy
- operational risk management
- recovery and exit planning, and resolution planning
- remuneration
- financial reporting changes and climate-related disclosures
- APRA reporting standards (publishing of expense data)
- annual superannuation performance test
- quality of advice reforms.

Likely developments in our operations and expected results

We will continue to be managed in accordance with the investment objectives and guidelines as set out in the Trustee's *Product disclosure statements* and the provisions of the *Trust Deed*.

Investment performance isn't guaranteed, and future returns may differ from past returns. As investment conditions change over time, past returns shouldn't be used to predict future returns.

There are no likely developments as at the date of this report.

Non-audit services

The following non-audit services were provided by our auditor, Ernst & Young Australia. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied because the Finance, Audit and Compliance Committee or its delegate has assessed each service, having regard to auditor independence requirements of applicable laws, rules and regulations, and concluded that the provision of each service or type of service would not impair the independence of Ernst & Young Australia.

Ernst & Young Australia received or is due to receive the following amounts for the provision of non-audit services:

	\$
Assurance services that are required by legislation to be provided by the external auditor	-
Other assurance and agreed-upon-procedures under other legislation or contractual arrangements	-
Other services	371,000

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with confidence**

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Auditor's independence declaration to the directors of CareSuper Pty Ltd as trustee of CareSuper

As lead auditor for the audit of the financial report of CareSuper for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- b. No contraventions of any applicable code of professional conduct in relation to the audit and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit

other than the following:

Breach of APES 110 Code of Ethics for Professional Accountants

In June 2025 it was identified that a Partner in the EY Melbourne office's spouse held financial interests in CareSuper. The Partner did not provide any services to the Fund, or its affiliates, and was not part of the audit engagement team.

Based on our assessment of the facts and circumstances, we concluded that we are capable of exercising objective and impartial judgement with respect to our audits and other compliance obligations to CareSuper Pty Ltd and CareSuper Fund. To reduce the risk of further similar breaches occurring, the internal system has been promptly updated reflecting the correct independence restrictions.

This declaration is in respect of CareSuper during the financial year.

Ernst & Young

Maree Pallisco
Partner
18 September 2025

Remuneration report (audited)

1. Report overview

The directors of CareSuper Pty Ltd (the Trustee) present the *Remuneration Report* for the fund for the year ended 30 June 2025. The *Remuneration Report* forms part of the *Directors' Report*. It has been audited in accordance with section 300C of the *Corporations Act 2001*. The *Remuneration Report* details the remuneration arrangements for the Key Management Personnel (KMP) of the fund, which include those persons who, directly or indirectly, have authority and responsibility for planning, directing, and controlling the major activities of the fund. For CareSuper, this includes:

- Directors of CareSuper Pty Ltd, the Trustee for the fund
- Certain senior executives of CareSuper Pty Ltd who meet the definition of KMP above (collectively the Executive KMP).

Name	Position	Term as KMP
Directors of the Trustee		
Linda Scott*	Chair and Member-Representative Director	Appointed 1 November 2024
Maria Wilton	Independent Chair	Retired 31 October 2024
	Independent Director	Appointed 1 November 2024 and retired 30 June 2025
Anthony Cavanagh*	Member-Representative Director	Appointed 1 November 2024
Wayne Davy*	Employer-Representative Director	Appointed 18 July 2025
Andrew Dettmer	Member-Representative Director	Full financial year
Michael Drew*	Employer-Representative Director	Appointed 1 November 2024
Rebecca Girard	Member-Representative Director	Appointed 1 November 2024 and retired 6 March 2025
Jeremy Johnson*	Employer-Representative Director	Appointed 1 November 2024
Geoffrey Lowe*	Employer-Representative Director	Full financial year
Thomas Lynch	Member-Representative Director	Full financial year
John Mazengarb	Employer-Representative Director	Retired 17 July 2025
Jessica Munday*	Member-Representative Director	Full financial year
Anne O'Donnell	Independent Director	Retired 31 October 2024
Rhonda O'Donnell*	Member-Representative Director	Retired 31 October 2024
Susan Parr*	Employer-Representative Director	Retired 31 October 2024
Robert Potter	Member-Representative Director	Appointed 3 June 2025
Peter Savige*	Employer-Representative Director	Full financial year
Nola Watson	Employer-Representative Director	Appointed 1 November 2024
Executive KMP		
Jason Murray*	Chief Executive Officer	Full financial year
Jean-Luc Ambrosi*	Chief Member Officer	Appointed 1 November 2024 and ceased 12 August 2025
Suzanne Branton*	Chief Investment Officer	Appointed 1 November 2024
Ross Barry*	Chief Investment Officer	Ceased 30 September 2024
Philip Naylor	Acting Chief Investment Officer	Acting 29 August 2024 and ceased 31 October 2024
Kathleen Crawford*	Chief Operations Officer	Full financial year
Sam Horskins *	Chief Financial Officer	Appointed 1 November 2024
May Lim	Acting Chief Finance Officer	Ceased 31 October 2024

Robyn Judd*	Chief People Officer	Full financial year
Ningning Lyons*	Chief Strategy Officer	Full financial year
Simon Reiter	Chief Technology Officer	Appointed 5 August 2024
Alex Mehl	Chief Technology Officer	Ceased 27 August 2024
Will Sadler	Chief Risk Officer	Full financial year

* These persons are members of CareSuper. Their membership terms and conditions are the same as those applied to other members of the Fund.

2. Overview of director and executive remuneration

Elements of remuneration

This section includes a high-level summary explaining how remuneration is managed, consistent with the Trustee's Remuneration and Variable Remuneration policies and Remuneration Framework.

Director remuneration

CareSuper Pty Ltd directors' fees are based on comparable positions in other superannuation funds, benchmarked annually against the industry median. The fees payable to individual directors consist of a combination of cash and superannuation (subject to minimum super guarantee requirements). In addition to their base fees, Directors receive an additional fee if they hold a position on board committees with a higher fee for those serving as committee chairs. Directors do not receive performance-related incentives, annual or long service leave, retirement, or termination benefits.

Executive KMP remuneration

Executives in KMP roles are offered a mix of fixed and variable remuneration appropriate to their position, responsibilities, and performance in a way that aligns with the fund's business strategy and performance. Executives receive mainly fixed remuneration and variable remuneration consisting of short-term incentives. Executive remuneration levels are reviewed annually by the Governance, Remuneration and Culture Committee of the Trustee with reference to the Fund's Remuneration Framework and market movements. Executive remuneration, both fixed and variable remuneration is reviewed annually and benchmarked against the median of comparable roles in the superannuation industry.

Fixed remuneration

Fixed remuneration consists of base salary, superannuation and other non-monetary benefits and is designed to reward for:

- the scope of the executive's role and the accountabilities
- the executive's skills, experience, and qualifications.

Retention incentives

As part of the successor fund transfer of Former CARE Super into Spirit Super on 1 November 2024 executives in KMP roles (apart from the CEO) were offered retention incentives. These incentives were designed to support leadership continuity and ensure the effective execution of post-merger integration activities. These were delivered in cash in the 2024-25 financial year. Retention incentives recognised the critical skills and knowledge of executive KMPs, which were essential to the successful completion of the successor fund transfer.

Short term incentives

Short-term incentives are designed to recognise and reward annual performance outcomes, incorporating both financial and non-financial measures. These include progress against the business's strategic objectives, individual performance, and demonstration of risk culture and values. Under the short-term incentive program, executive KMPs may be eligible to receive an annual cash incentive subject to performance outcomes, up to a defined maximum opportunity.

How is it paid?	All Executive KMPs receive short-term incentive payments in cash, based on the assessment of annual performance outcomes.
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<p>How much can executives earn?</p>	<p>Executives have a maximum short-term incentive opportunity of 20% of fixed remuneration, with the exception of the Chief Investment Officer who has a short-term incentive opportunity of 60%.</p> <p>The actual short-term incentive is determined by achievement against key performance metrics including corporate and individual outcomes and moderated by risk culture indicators.</p>						
<p>How is performance measured?</p>	<p>All short-term incentive payments are subject to the discretion of the Board.</p> <p>Performance is assessed across two components, corporate performance and individual performance:</p> <p>Corporate performance includes metrics such as investment performance, member retention, employee engagement and risk culture.</p> <p>Individual measures involves setting mutually agreed-upon targets, monitoring performance, providing feedback, and conducting a year-end review to assess achievements against established objectives.</p> <p>Performance outcomes are tailored to each executive's area of responsibility and varies from year to year in-line with the business plan.</p> <p>There have been no alterations to the terms or conditions of any short-term incentives.</p> <p>A summary of the weightings is provided below:</p> <table border="1" data-bbox="512 1151 1342 1290"> <thead> <tr> <th>Performance type</th> <th>Weighting</th> </tr> </thead> <tbody> <tr> <td>Individual performance</td> <td>30%</td> </tr> <tr> <td>Corporate performance</td> <td>70%</td> </tr> </tbody> </table>	Performance type	Weighting	Individual performance	30%	Corporate performance	70%
Performance type	Weighting						
Individual performance	30%						
Corporate performance	70%						
<p>When is it assessed and paid?</p>	<p>Short-term incentives are determined after the end of the financial year following a review of performance over the year against the performance measures. While the CEO is responsible for conducting performance assessments for the executive KMPs, the Board is responsible for assessing and approving final incentive outcomes.</p> <p>For the CEO, 40% of the variable remuneration will be paid in cash within three months following the end of the performance period, with the remaining 60% deferred in accordance with CPS 511 requirements. For the Chief Investment Officer, 60% will be paid in cash within the same timeframe, with the balance subject to deferral</p> <p>For all other executive KMPs not subject to deferral, the full short-term incentive will be paid in cash within three months of the end of the performance period.</p>						
<p>Deferral terms</p>	<p>In accordance with CPS 511 if the deferred variable remuneration is greater than \$50,000 a minimum of 60% for the CEO and 40% for other Senior Managers must be deferred. These deferred amounts are subject to vesting over a minimum</p>						

period of four to six years, with vesting commencing on a pro-rata basis from year four.

3. Performance and executive remuneration outcomes

The following table outlines the proportion of maximum short-term incentives earned for the year ended 30 June 2025:

Executive	Maximum short-term incentive opportunity (% of fixed remuneration)	Amount earned * (% of fixed remuneration since 1 November 2024)
Jason Murray	20%	14.9%
Jean-Luc Ambrosi	20%	11.2%
Suzanne Branton	60%	30.6%
Kathleen Crawford	20%	11.2%
Sam Horskins	20%	17.1%
Robyn Judd	20%	12.4%
Ningning Lyons	20%	16.6%
Simon Reiter	20%	14.4%
Will Sadler	20%	12.9%

* Percentage relates to short term incentive payments earned in the reporting period and paid the following financial year (2025-26).

4. Remuneration agreements

Executive employment agreements

Remuneration arrangements for executives are formalised in employment agreements. CareSuper (Secretariat Co) Pty Ltd* was formerly known as MTAA Superannuation Fund (Secretariat Co.) Pty. Ltd, having changed its name on 1 November 2024 to CareSuper (Secretariat Co) Pty Ltd, following the successor fund transfer of Former CARE Super into Spirit Super. Spirit Super changed its name on 1 November 2024 to CareSuper. As part of the successor fund transfer all executive KMPs participated in a formal application process for roles within the new merged entity. There was also several termination payments made during the reporting period in accordance with contractual entitlements, reflecting changes in executive appointments resulting from the successor fund transfer.

* CareSuper (Secretariat Co.) Pty Ltd ("Secretariat Co.") is wholly owned by the Fund. The Fund utilises Secretariat Co. as a management services company through which it engages staff to provide member administration, investment administration, back office, IT, finance and related support services to the Fund. In addition to director and staff-related costs which includes learning and development costs, Secretariat Co. also incurs occupancy costs associated with CareSuper's offices, software and IT-related costs. Secretariat Co.'s running costs are reimbursed on a full cost recovery basis from the Fund.

5. Statutory remuneration

5A. Executive KMP remuneration for the year ended 30 June 2025

Executives ⁷	Short-term benefits			Termination Payments ³	Long-term benefits	Post-employment benefits	Total remuneration
	Cash salary, fees and short-term compensated absences ¹	Short-term cash sharing and other bonuses ²	Non-monetary benefits ⁴	Termination Payments ³	Long service leave entitlement paid ⁵	Super ⁶	
	\$	\$	\$		\$	\$	
Jason Murray	825,045	49,884	-	-	44,449	97,380	1,016,758
Jean-Luc Ambrosi	231,076	191,471	-	-	4,692	22,449	449,688
Suzanne Branton	474,646	416,186	3,721	-	38,989	22,449	955,991
Ross Barry	184,425	254,653	566	266,548	-	8,077	714,269
Philip Naylor	69,513	-	-	-	-	5,306	74,819
Kathleen Crawford	330,630	148,281	2,797	-	22,119	29,956	533,783
Sam Horskins	274,088	261,786	869	-	22,465	22,449	581,657
May Lim	136,947	157,303	-	-	3,570	12,778	310,598
Robyn Judd	304,103	181,908	2,797	-	2,541	29,956	521,305
Ningning Lyons	379,266	235,097	2,797	-	3,521	29,956	650,637
Simon Reiter	418,832	65,553	-	-	2,757	27,682	514,824
Alex Mehl	95,994	123,735	566	-	-	7,493	227,788
Will Sadler	363,158	168,193	1,859	-	10,284	29,956	573,450

¹Includes all salary sacrifice amounts and accrued annual leave. | ²Bonus paid relates to short term incentive payments earned in the reporting period and paid the following financial year and retention payments paid during the 2024-25 as a result of the successor fund transfer. | ³Termination payments are made up of redundancy payments. | ⁴Includes car, car parking, expense and residual fringe benefits. | ⁵Includes the amount of long-service leave accrued if still employed at the end of the financial year. | ⁶Includes super guarantee contributions. | ⁷ See above listing for KMP changes throughout the year relating to the successor fund transfer.

5B. Director remuneration for the year ended 30 June 2025

Directors ¹¹	Short-term benefits			Post-employment benefits	Total remuneration
	Cash salary, fees and short-term compensated absences ⁸	Short-term cash sharing and other bonuses	Non-monetary benefits ⁹	Super ¹⁰	
	\$	\$	\$	\$	\$
Linda Scott	117,649	-	-	13,530	131,179
Maria Wilton	126,795	-	-	14,581	141,376
Anthony Cavanagh	68,733	-	-	7,904	76,637
Andrew Dettmer	68,212	-	-	9,545	77,757
Michael Drew	68,287	-	-	7,853	76,140
Rebecca Girard	31,954	-	-	3,675	35,629
Jeremy Johnson	64,877	-	-	7,461	72,338
Geoffrey Lowe	87,466	-	-	10,059	97,525
Thomas Lynch	86,106	-	-	9,902	96,008
John Mazengarb	107,673	-	-	12,382	120,055
Jessica Munday	98,726	-	-	11,353	110,079
Anne O'Donnell	34,483	-	575 ¹²	3,965	39,023
Rhonda O'Donnell	32,988	-	569 ¹²	3,794	37,351
Susan Parr	28,987	-	569 ¹²	3,334	32,890
Robert Potter	4,271	-	-	491	4,762
Peter Savige	84,153	-	-	9,678	93,831
Nola Watson	65,849	-	-	7,573	73,422

⁸Includes all salary sacrifice amounts. | ⁹Includes car, car parking, expense and residual fringe benefits. | ¹⁰Includes super guarantee contributions. | ¹¹ See above listing for KMP changes throughout the year relating to the successor fund transfer. | ¹²Retirement gift.

For more information on remuneration including CPS 511 disclosures (when available) please go to –

<https://www.caresuper.com.au/members/about-us/governance-and-reporting>

End of Remuneration report



CARESUPER
ABN 74 559 365 913

ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

**CARESUPER
TABLE OF CONTENTS**

	Page
Statement of Financial Position	3
Income Statement	4
Statement of Changes in Member Benefits	5
Statement of Changes in Equity/Reserves	6
Statement of Cash Flows	7
Notes to the Financial Statements	9-37
Trustee Declaration	38
Independent Report by the Approved Auditor to the Trustee	39

CARESUPER
Statement of Financial Position
As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Assets			
Cash and cash equivalents	19	263,117	133,888
Receivables	9	1,080	3,135
Other assets		3,240	2,101
Financial assets	3-4		
Cash & short-term deposits held for investing activities		3,925,546	3,647,368
Fixed interest		7,184,838	3,578,230
Australian shares		13,628,829	7,481,918
Overseas shares		15,796,734	9,477,962
Credit		3,269,543	426,347
Guaranteed Income		1,110	-
Alternatives		2,990,295	270,257
Property		3,912,468	1,988,027
Infrastructure		5,946,027	3,029,242
Private equity		3,030,342	1,199,987
Derivative assets*		1,163,741	156,881
Property, plant and equipment	10	3,257	1,618
Intangible assets	11	143	225
Right-of-use-assets	12	17,163	-
Deferred tax assets	18	7,548	1,586
Total assets		61,145,021	31,398,772
Liabilities			
Payables	14	(83,151)	(41,341)
Income tax payable		(128,197)	(107,201)
Lease liabilities	12	(22,050)	-
Derivative liabilities*	4	(803,012)	(53,777)
Deferred tax liabilities	18	(1,265,822)	(538,133)
Total liabilities excluding member benefits		(2,302,232)	(740,452)
Net assets available for member benefits		58,842,789	30,658,320
Defined contribution (DC) member liabilities	7a	(58,185,172)	(30,367,292)
Defined benefit (DB) member liabilities	7b	(78,148)	(87,632)
Unallocated contributions	7a	(650)	(130)
Liability for member benefits		(58,263,970)	(30,455,054)
Total net assets		578,819	203,266
Equity			
Operational risk reserve	13	(152,350)	(85,786)
General reserve	13	(223,307)	(124,979)
Investment reserve	13	(180,745)	25,499
Defined benefits that are (over)/under funded	7b	(22,417)	(18,000)
Total equity		(578,819)	(203,266)

*Some derivatives that were reported as assets as at 30 June 2024, have been restated. Accordingly for the year ended 30 June 2024, Derivative assets have been increased by \$4,840,000 and Derivative liabilities have been increased by \$4,840,000.

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

CARESUPER
Income Statement
For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Superannuation activities			
Interest income		511,093	274,990
Dividend and distributions		1,041,111	639,798
Net changes in fair value of financial assets	5	3,161,720	1,745,987
Other investment income		9,293	9,093
Other income		5,809	1,151
Total superannuation activities income		4,729,026	2,671,019
Investment expenses	16	(114,393)	(79,069)
Operating expenses	15	(148,884)	(99,211)
Total expenses		(263,277)	(178,280)
Result from superannuation activities before income tax expense		4,465,749	2,492,739
Income tax expense	18	(315,783)	(173,119)
Result from superannuation activities after income tax expense		4,149,966	2,319,620
Benefits allocated to members' accounts, comprising:			
Net investment income		(4,038,783)	(2,505,800)
Administration fees		100,521	61,154
Net change in defined benefit member benefits		(3,587)	(9,080)
Operating result after income tax		208,117	(134,106)

The above Income Statement should be read in conjunction with the accompanying notes.

CARESUPER**Statement of Changes in Member Benefits
For the year ended 30 June 2025**

	Note	Defined contribution \$'000	Defined benefit \$'000	Total \$'000
For the year ended 30 June 2025				
Opening balance of member benefits		30,367,292	87,632	30,454,924
Member balances received from the successor fund transfer	1(a)	23,591,451	-	23,591,451
Contributions:				
Employer		2,884,170	2,117	2,886,287
Member		699,823	455	700,278
Transfers from other superannuation funds		471,873	-	471,873
Government co-contributions		1,768	-	1,768
Income tax on contributions		(449,797)	(469)	(450,266)
Net after tax contributions		27,199,288	2,103	27,201,391
Benefits paid to members or beneficiaries		(3,302,915)	(620)	(3,303,535)
Transfers from defined benefit to defined contribution		14,922	(14,922)	-
Insurance premiums charged to member's accounts		(143,277)	(101)	(143,378)
Death and disability insurance benefits paid to members or beneficiaries		111,600	469	112,069
Benefits allocated to members' accounts, comprising:				
Net investment income		4,038,783	-	4,038,783
Administration fees		(100,521)	-	(100,521)
Net change in defined benefit member accrued benefits		-	3,587	3,587
Closing balance of member benefits		58,185,172	78,148	58,263,320
For the year ended 30 June 2024				
Opening balance of member benefits		27,340,271	95,867	27,436,138
Contributions:				
Employer		1,848,044	2,510	1,850,554
Member		337,262	547	337,809
Transfers from other superannuation funds		393,899	-	393,899
Government co-contributions		1,469	-	1,469
Income tax on contributions		(286,161)	(543)	(286,704)
Net after tax contributions		2,294,513	2,514	2,297,027
Benefits paid to members or beneficiaries		(1,699,501)	(1,366)	(1,700,867)
Transfers from defined benefit to defined contribution		18,349	(18,349)	-
Insurance premiums charged to members' accounts		(92,207)	(121)	(92,328)
Death and disability insurance benefits paid to members or beneficiaries		61,221	7	61,228
Benefits allocated to members' accounts, comprising:				
Net investment income		2,505,800	-	2,505,800
Administration fees		(61,154)	-	(61,154)
Net change in defined benefit member accrued benefits		-	9,080	9,080
Closing balance of member benefits		30,367,292	87,632	30,454,924

The above Statement of Changes in Member Benefits should be read in conjunction with the accompanying notes.

CARESUPER
Statement of Changes in Equity/Reserves
For the year ended 30 June 2025

	Note	Operational risk reserve \$'000	General reserve \$'000	Investment reserve \$'000	DB over/ (under) funded \$'000	Total equity \$'000
Opening balance as at 1 July 2024		85,786	124,979	(25,499)	18,000	203,266
Received from successor fund transfer	1(a)	59,606	103,700	1,667	-	164,973
Net transfers to/(from) reserves		-	1,297	(1,297)	-	-
Transfers into reserves affecting net assets available to pay members' benefits		-	2,559	(96)	-	2,463
Operating result		6,958	(9,228)	205,970	4,417	208,117
Closing balance as at 30 June 2025	13	152,350	223,307	180,745	22,417	578,819
		Operational risk reserve \$'000	General reserve \$'000	Investment reserve \$'000	DB over/ (under) funded \$'000	Total equity \$'000
Opening balance as at 1 July 2023		76,566	85,097	158,355	17,277	337,295
Net transfers to/(from) reserves		6,000	(5,923)	-	-	77
Transfers into reserves affecting net assets available to pay members' benefits		-	-	-	-	-
Operating result		3,220	45,805	(183,854)	723	(134,106)
Closing balance as at 30 June 2024	13	85,786	124,979	(25,499)	18,000	203,266

The above Statement of Changes in Equity/Reserves should be read in conjunction with the accompanying notes.

CARESUPER
Statement of Cash Flows
For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Interest received		9,172	7,080
Insurance proceeds		113,666	63,101
Other income		12,019	694
Other general administration expenses		(276,607)	(94,665)
Purchase of fixed assets		(362)	(12)
Proceeds on disposal of fixed assets		31	14
Insurance premiums paid		(115,645)	(78,175)
Income tax (paid)/refund		(83,452)	108,831
Net cash (outflows)/inflows from operating activities	19	(341,178)	6,868
Cash flows from investing activities			
Purchase of investments		(32,001,255)	(4,361,395)
Proceeds from sale of investment		32,092,041	3,795,713
Investment expenses		(16,093)	(19,028)
Net cash inflows/(outflows) from investing activities		74,693	(584,710)
Cash flows from financing activities			
Employer contributions		2,888,186	1,849,159
Member contributions		700,278	337,809
Government co-contributions		1,768	1,469
Transfers from other superannuation funds received		471,873	393,899
Benefits paid to members or beneficiaries		(3,283,735)	(1,701,163)
Income tax paid on contributions received		(471,775)	(300,558)
Net cash inflows from financing activities		306,595	580,615
Net increase in cash and cash equivalents		40,110	2,773
Cash and cash equivalents at the beginning of the financial year		133,888	131,115
Received from successor fund transfer		89,119	-
Cash and cash equivalents at the end of the financial year	19	263,117	133,888

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

**CARESUPER
NOTES TO THE FINANCIAL STATEMENTS**

	Page
Notes to the Financial Statements	9
1. Operation of the Fund	9-14
2. Summary of material accounting policies	9-14
Financial Instruments	
3. Financial risk management	15-20
4. Financial assets and liabilities	21-25
5. Changes in fair value of investments	26
6. Structured and Controlled Entities	26-27
Member liabilities and other areas of risk	
7. Liability for member benefits	28-29
8. Funding arrangements	29
9. Receivables	29
10. Property, plant and equipment	29
11. Intangible assets	30
12. Leases	30
13. Reserves	31
14. Payables	31
15. Operating expenses	31
16. Investment expenses	31
17. Insurance	32
18. Income tax	32
Cashflow information	
19. Cash flow statement reconciliation	33
Unrecognised items	
20. Commitments	33
21. Contingent assets and liabilities	33
22. Significant events after balance date	33
Other information	
23. Related parties	34-37
24. Segment Information	37
25. Auditors' remuneration	37

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

1. Operation of the Fund

CareSuper (the "Fund") is a superannuation fund domiciled in Australia. The principal continuing activities of the Fund consisted of providing superannuation, retirement and insurance benefits for its members. CareSuper was formerly known as Spirit Super, having changed its name on 1 November 2024 to CareSuper following a successor fund transfer of Former CARE Super into Spirit Super. The Fund is a profit-for-members industry super fund, welcoming members from all industries, jobs and life stages.

The Fund is a hybrid fund which comprises defined benefits, defined contributions and account based pension divisions as constituted by the Trust Deed dated 1 November 2024 (as amended). The defined benefits division of the Fund is closed to new members. Any new members will join the defined contributions or account based pension divisions of the Fund.

The defined contribution sections of the Fund accepts contributions from employers and the members which are made in accordance with the terms of the Fund's Trust Deed. Members of the Fund are either those employees of Australian based employers who have selected the Fund as the default fund for their employees or those members who have voluntarily selected the Fund.

The Trustee of the Fund is CareSuper Pty Ltd, having changed its name from Motor Trades Association of Australia Superannuation Fund Pty Limited on 1 November 2024 and it is the holder of a public offer class Registrable Superannuation Entity Licence (licence no. L0001069). Its registered office is Level 8, 188 Collins Street, Hobart, Tasmania 7000.

The financial statements were approved by the Board of Directors of the Trustee on 18 September 2025.

(a) Successor Fund Transfer

On 1 November 2024, the Fund acquired by successor fund transfer ('SFT') all the assets and liabilities of the Former CARE Super for no consideration. The net amount transferred to the Fund was \$23,757,855,000, comprising of a Defined Contribution Scheme.

The following reconciles the balance in the successor fund transferred in items as at 1 November 2024.

	\$'000
Successor fund transfer - statement of changes in equity/reserves	163,464
Successor fund transfer - statement of changes in member benefits	23,591,451
Unallocated contributions - statement of financial position	2,940
	<u>23,757,855</u>
Former CARE Super statement of financial position balances as at 31 October 2024	
Assets	24,677,424
Liabilities	(919,569)
	<u>23,757,855</u>
Equity	<u>23,757,855</u>

2. Summary of material accounting policies

(a) Basis of preparation

The financial statements are a general purpose financial report which have been prepared in accordance with Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board, including *AASB 1056 Superannuation Entities*, the Superannuation Industry (*Supervision*) Act 1993 and Regulations and the provisions of the Trust Deed.

The principal accounting policies applied in the preparation of these financial statements are set out below, unless covered in other notes in the financial statements.

(b) New accounting standards and interpretations

AASB 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2028):

AASB 18 will replace *AASB101 Presentation of Financial Statements*, introducing new requirements designed to enhance consistency in how financial performance is reported across entities, while also improving the relevance and clarity of information presented to users. The Fund is still in the process of assessing the impact of the amendments on its operations or financial statements.

AASB 2024 -2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026):

Recent amendments aim to clarify the recognition and derecognition of financial assets and liabilities, particularly in cases involving electronic payment systems. They also offer additional guidance on complex financial instruments and those linked to ESG-related features. Furthermore, the updates introduce expanded disclosure requirements for certain equity investments and instruments with variable terms. The Fund does not expect these amendments to have a material impact on its operations or financial statements.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2024 that have a material impact on the amounts recognised in the prior or current periods or that will affect future periods.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(c) Consolidation

For the purposes of accounting standards, The Fund controls an entity where the Fund is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. In accordance with AASB 10 Consolidated financial statements the Fund has determined that it meets the definition of an investment entity. As a result the Fund is only required to consolidate entities which provide services to the Fund, that is CareSuper Pty Ltd, the Fund's Trustee, and the entities it controls. The impact of consolidating this group of entities has been deemed immaterial and therefore consolidated accounts have not been prepared. All controlled entities are accounted for at fair value through the Income Statement.

(d) Significant accounting judgements, estimates and assumptions

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel. Refer to note 4 for details.

The amount of defined benefits member liabilities has been determined using actuarial valuation techniques and assumptions. An actuarial valuation involves making various assumptions about the future. Actual developments in the future may differ from these assumptions. The key assumptions are future investment returns, inflationary salary increases, promotional salary increases and rates of demographic movements. Due to the complexities involved in the valuation and its long term nature, defined benefit member liabilities are highly sensitive to changes in these assumptions. Assumptions are reviewed at each reporting date.

The material accounting policies detailed here and throughout the notes have been consistently applied in the current financial year and the comparative period, unless otherwise stated. Where necessary, comparative information has been re-presented to be consistent with current period disclosures.

(e) Financial assets and liabilities

(i) Classification

The Fund's financial assets are classified at fair value through profit or loss in accordance with AASB 1056 Superannuation Entities.

Financial assets and liabilities held at fair value through profit or loss

The Fund classifies its investments based on its business model for managing those financial instruments and the contractual cash flow characteristics of the financial instruments. The Fund's portfolio of financial instruments was managed and its performance was evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund uses fair value information to assess performance of the portfolio and to make decisions to rebalance the portfolio or to realise fair value gains or minimise losses through sales or other trading strategies. The Fund's policy was for the Trustee to evaluate the information about these financial instruments on a fair value basis together with other related financial information.

Equity securities, unlisted unit trusts and derivatives are measured at fair value through profit or loss. For debt securities, the contractual cash flows are solely payments of principal and interest, however they are neither held for collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows was only incidental to achieving the Fund's business model's objective. Consequently, the debt securities are measured at fair value through profit or loss.

(ii) Recognition/derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in the fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments has expired or has been transferred and the Fund has transferred substantially all of the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires. Any gains or losses arising on derecognition of the asset or liability (calculated as the difference between the disposal proceeds and the carrying amount of the asset or liability) are included in the Income Statement in the reporting period that the asset or liability is derecognised as realised gains or losses on financial instruments.

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately in the Income Statement.

Subsequent to initial recognition, all financial assets and financial liabilities held at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities held at fair value through profit or loss are presented in the Income Statement within 'net gains/(losses) on financial instruments held at fair value through profit or loss' in the period in which they arise.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. Refer to Note 4(b).

(g) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise of cash at bank.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents held by the Fund.

Cash & short-term deposits held for investing activities is reported separately on the Statement of Financial Position.

(h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The specific recognition criteria described below must also be met before revenue is recognised.

Changes in fair value

Changes in the fair value of investments and derivatives are calculated as the difference between the fair value at sale, or at balance date, and the fair value at the previous valuation point. All changes are recognised in the Income Statement.

Interest

Interest revenue on cash and other financial assets carried at fair value is recorded according to the terms of the contract and is recognised in the Income Statement.

Dividends and distributions

Dividend and distribution revenue is recognised when the Fund's right to receive payment is established. Revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately as tax expense in the Income Statement.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(i) Income tax

The Fund is a complying superannuation fund within the provisions of the *Income Tax Assessment Act 1997*. Income tax expense (or benefit) on operating results in the Income Statement is calculated based on the accounting profit (or loss) for the financial year. It is calculated as 15% (current tax rate) of accounting profit, adjusted for any permanent differences (i.e. income that is not taxable, or expenses that are not deductible). Financial assets held for less than 12 months are taxed at the Fund's rate of 15%. For financial assets held for more than 12 months, the Fund is entitled to a further discount on the tax rate leading to an effective tax rate of 10% on any gains/(losses) arising from the disposal of investments.

Current tax represents the income tax payable or recoverable at the reporting date, in respect of the taxable profit or loss for the financial year. It is calculated using tax rates and tax laws that have been enacted, or substantively enacted by the reporting date. Current tax is recognised as a liability to the extent that it is unpaid, or as an asset to the extent that it is refundable. The difference between current tax and tax expense is deferred tax and is explained below.

Deferred tax consists of deferred tax assets and deferred tax liabilities, which is the result of timing differences between recognition of income tax expense for accounting purposes and assessability/deductibility for tax purposes.

Deferred tax assets may result from:

- Expenses incurred in current and/or prior years that are deductible in future years;
- Tax paid in current and/or prior years for income that is recognised as earned in future years;
- Losses resulting from current and/or prior year performance that have not yet been claimed; or
- Tax offsets from current and prior years that have not yet been claimed.

Deferred tax liabilities may result from:

- Income earned in current and/or prior years that is taxable in future years; or
- Deductions claimed in current and/or prior years for assets that are depreciated/amortised in future years.

Deferred tax assets and liabilities do not result from:

- Income that is not taxable (e.g. insurance claims);
- Expenses that are not deductible (e.g. fines, infringements and penalties); or
- The initial recognition of assets and liabilities (except as a result of business combinations).

Measurement and recognition

Deferred tax is calculated using the comprehensive balance sheet liability method. This involves calculating all temporary differences between:

- The carrying amounts of assets and liabilities in the financial statements; and
- The corresponding tax bases of those items.

Once the temporary difference has been calculated, this is multiplied by the expected tax rate to determine the deferred tax asset or liability. The expected tax rate refers to the rate that is expected to apply once the asset is realised or liability is settled, representing the future expected benefit or liability.

A deferred tax asset is only recognised where it is expected that, in future years, there would be sufficient taxable income to realise the benefit, while deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable that the related tax benefit will be realised.

Key Estimates

In determining the income taxes balances, judgement is required by the Trustee in relation to certain transactions and calculations undertaken in the ordinary course of operations for which the ultimate tax determination is uncertain or is uncertain at the time of the preparing the financial statements.

(j) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable; or
- When receivables and payables are stated with the amount of GST included.

The net amounts of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing activities, which is recoverable from, or payable to the taxation authority are classified as operating cash flows.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

(k) Foreign currency

The functional and presentation currency of the Fund is Australian Dollars, which is the currency of the primary economic environment in which it operates. The Fund's performance is evaluated and its liquidity managed in Australian Dollars. Therefore, the Australian Dollar is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Transactions in foreign currencies are initially recorded at the functional currency spot rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in a previous financial report, are recognised in the Income Statement in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(l) Receivables and payables

Receivables are carried at nominal amounts due which approximate fair value. Receivables are normally settled within 30 days. Collectability of trade receivables is reviewed regularly. Debts which are known to be uncollectable are written off by reducing the carrying amount.

Payables are carried at nominal amounts which approximate fair value. They represent liabilities for goods and services provided to the Fund prior to the end of the financial year that are unpaid as at the end of the reporting period. Payables are normally settled on 30 day terms.

(m) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Fund and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on assets is calculated using diminishing value or the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives ranging from 2 to 20 years.

The low value pool rules are used to depreciate assets costing less than \$1,000. Assets costing less than \$100 are expensed in the year of purchase.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(n) Intangible assets

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over periods generally ranging from 3 to 5 years. The amortisation of the intangible assets are included in operating expenses on the Income Statement.

2. Summary of material accounting policies (continued)

(o) Right-of-use assets and lease liabilities

The Fund leases various offices and equipment. Rental contracts are typically made for fixed periods of 6 months to 7 years, but may have extension options as described in Note 12 (iii).

Contracts may contain both lease and non-lease components. The Fund allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Fund is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the fixed payments less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Fund where possible, uses a quote for third-party financing as a starting point, adjusted to reflect changes in financing conditions. In absence of the quote received from the third-party, the Fund obtained the Bank Bill Swap Bid Rate (BBSY) as appropriate. It is noted that Superannuation Funds are not permitted to borrow against the assets of the Fund.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

If the Fund is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

While the Fund revalue its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Fund.

Payments associated with short-term leases (lease terms of 12 months or less) of equipment and vehicles and all leases of low-value assets (equal to or less than \$7,500) are recognised on a straight-line basis as an expense in the Income Statement.

(p) Rounding of amounts

Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

(q) Contributions received and transfers from other superannuation funds

Contributions received and transfers from other funds are recognised in the Statement of Changes in Member Benefits when the control of the contribution or transfer has transferred to the Fund. They are recognised gross of any taxes.

(r) Reclassification of financial information

Where necessary, comparative information has been reclassified to achieve consistency with current period disclosures.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

3. Financial risk management

Financial risk management is carried out by the Trustee through the Board and various Committees with advice from external advisors and internal management.

The Fund's activities expose it to a variety of investment risks:

- market risk (including foreign currency risk, interest rate risk and price risk);
- credit risk; and
- liquidity risk.

These risks are managed as part of the Fund's overall Risk Management Framework, Investment Governance Framework, Investment Policy Statement and associated investment policies.

The Fund's overall objective is to maximise each member's returns during their working and retirement life, while protecting their accumulated retirement savings from large fluctuations during the economic cycle. Accordingly, the Trustee's Investment Strategy is to build a diversified portfolio of assets that balances investment returns and risks over the medium to long term. The Trustee determines the strategic asset allocations of each of the Fund's diversified portfolio and individual investment options, after receiving advice from its investment advisor.

The asset allocation is reviewed throughout the year in accordance with the Fund's Investment Policy and Risk Management Plan and Strategy. A range of tools are employed to measure the different types of risk to which the portfolios are exposed, and these include asset allocation modelling, historical stress testing and forward-looking scenario testing.

The Trustee primarily invests via individual manager mandates or units in managed trusts, after determining that the appointment of each manager is appropriate for the Fund and in accordance with the Fund's investment strategy. Each investment manager is required to invest the Fund's assets in accordance with the terms of a written mandate or Trust Deed. The equity securities, insurance policies, fixed interest securities, property, infrastructure, private equity, hedge funds, cash and short-term deposits in which these managers invest, are expected to generate appropriate levels of return, with acceptable levels of risk.

A range of qualitative risk measures is employed by the Fund to assess the overall investment arrangements of individual managers and the Fund. Additionally, the Fund obtains regular reports from each investment manager on the nature of the investments made on its behalf and the associated risks.

The Fund also enters derivative transactions, principally in equity and fixed interest futures and foreign exchange contracts. Their main purpose is to manage the financial risks associated with the Fund's investment transactions or effect a change in the asset mix. Investments in derivatives are not used to gear the Fund's investment portfolio and are regulated by the Fund's asset allocation limits for the underlying investment class.

Most of the Fund's investments are held on behalf of the Trustee by JPMorgan Chase Bank, National Association (JPM) who act as the master custodian. To the extent assets are held out of custody, the Trustee ensures appropriate controls are in place to ensure the correct recording of the assets, liabilities, revenues and expenses.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Changes in market prices are reflected in earnings credited to members. Market risk comprises three types of risk: Price risk, foreign currency risk and interest rate risk.

The Fund's policies and procedures that have been put in place to mitigate the Fund's exposure to market risk are detailed in the Risk Management Framework and investment policies. Throughout the past few years, geopolitical issues, supply chain issues, high inflation, central banks raising interest rates and US tariff announcements have created market uncertainty which has changed the Fund's exposure to a potential market risk and the way the Fund manages and measures the risk. The Fund's active investment strategy aims to smooth out the ups and downs of market cycles. This heightened market risk has been managed in part by increasing reporting frequency and including additional detail in daily monitoring and review processes.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

3. Financial risk management (continued)

(i) Price risk

Price risk represents the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments in the market. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

Price risk is minimised through ensuring all investment activities are undertaken in accordance with established mandate limits and investment strategies.

The Fund is exposed to the price risk relating to changes in the net market value of the respective investment options held by the Fund, namely unit trusts, equity prices, fixed interest and discount securities as well as infrastructure and direct property valuations. Any changes in the net market value of these investments are due to movements in the price of the underlying assets that the fund invests in and the volatility of those assets.

The Trustee, in consultation with JANA Investment Advisors Pty Ltd as the appointed investment consultant, moderates this risk through diversification and the careful selection of investment managers who trade in securities and other financial instruments within specified limits. The Fund's overall market positions are monitored monthly by the Trustee. In addition, the Trustee reviews each asset class and manager in detail each quarter to ensure that performance is within expectations and ranges of the specific mandate.

The asset allocation ranges for each investment sector have been determined by the Trustee in consultation with the investment consultant. These ranges have been set to ensure the appropriate overall fund risk/return ratio is maintained and to ensure satisfactory diversification across sectors. Investments in each sector are spread over more than one security manager. In this way the Fund is not overly exposed to one manager, asset class or underlying economic event. This approach is designed to produce a moderate outperformance over time. The asset allocation of the investment options are monitored by internal management in line with the Rebalancing Policy and are reported on a regular basis to the Investment Committee.

The sensitivity analysis is performed below in Note 3(b).

(ii) Foreign exchange risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund has exposure to foreign currency risk implicit in the value of portfolio securities denominated in a foreign currency. These exposures are managed by a combination of the hedging policies of the underlying managers, and a currency overlay established by the Trustee, in conjunction with the investment consultant, to manage the exposure to international currency movements to a neutral benchmark. Exposure to currency risk is implemented through exposure to overseas shares.

The tables below summarise the Fund's assets and liabilities that are denominated in a currency other than the Australian dollar.

2025	US Dollar A\$'000	GB Pound A\$'000	Japanese Yen A\$'000	Euro A\$'000	Other A\$'000	Total A\$'000
Monetary assets						
Foreign exchange contracts *	(12,145,784)	(683,871)	(447,075)	(2,186,781)	(1,196,102)	(16,659,613)
Net monetary asset currency	(12,145,784)	(683,871)	(447,075)	(2,186,781)	(1,196,102)	(16,659,613)
Non monetary assets	19,660,740	973,194	911,056	3,403,466	3,087,999	28,036,455
Net currency exposure	7,514,956	289,323	463,981	1,216,685	1,891,897	11,376,842

2024	US Dollar A\$'000	GB Pound A\$'000	Japanese Yen A\$'000	Euro A\$'000	Other A\$'000	Total A\$'000
Monetary assets						
Foreign exchange contracts *	(3,897,925)	(260,400)	(158,829)	(710,468)	(354,998)	(5,382,620)
Net monetary asset currency	(3,897,925)	(260,400)	(158,829)	(710,468)	(354,998)	(5,382,620)
Non monetary assets	7,472,346	495,630	335,260	1,304,084	779,508	10,386,828
Net currency exposure	3,574,421	235,230	176,431	593,616	424,510	5,004,208

* Foreign Exchange Contracts are the value of the exchange exposure (rather than the market value of the hedging instruments).

The sensitivity analysis is performed below in Note 3(b).

(iii) Interest rate risk

Interest rate risk represents the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Fund's exposure to market risk for changes in interest rates relate primarily to investments held in discounted securities and interest bearing securities.

The Fund's policy is to invest in fixed interest as a diversifying strategy as well as moderate the volatility of the expected returns of the Fund.

The risks within the fixed interest investments lie in the duration and credit limits held by the investment managers. Managers are subject to strict guidelines with regard to both parameters and they are monitored regularly by the Trustee in conjunction with the investment consultant.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

3. Financial risk management (continued)

The Fund's exposure to interest rate movement on those investments were as follows:

2025	Floating Interest Rate \$'000	Fixed Interest Rate \$'000	Total \$'000
Financial assets			
Cash & short-term deposits held for investing activities	435,228	3,490,318	3,925,546
Fixed interest	157,601	7,027,237	7,184,838
Credit	2,993,557	275,986	3,269,543
Guaranteed income	1,110	-	1,110
Infrastructure	110,524	70	110,594
Alternatives	1,147,909	151,035	1,298,944
Total financial assets	4,845,929	10,944,646	15,790,575

2024	Floating Interest Rate \$'000	Fixed Interest Rate \$'000	Total \$'000
Financial assets			
Cash & short-term deposits held for investing activities**	582,525	3,064,843	3,647,368
Fixed interest* **	342,858	3,235,372	3,578,230
Credit* **	426,347	-	426,347
Total financial assets	1,351,730	6,300,215	7,651,945

*Fixed interest and Credit that were reported as price risk as at 30 June 2024, have been restated to Interest rate risk. Accordingly for the year ended 30 June 2024, for Fixed interest, for fixed interest rate it has increased by \$3,213,135,000. For Credit, the floating interest has increased by \$3,531,000 and fixed interest rate has decreased by \$2,000.

**Cash & short-term deposits held for investing activities, Fixed interest and Credit, that were reported as non-interest bearing investments as at 30 June 2024, have been restated to Floating interest rate risk. Accordingly for the year ended 30 June 2024, for Cash & short-term deposits held for investing activities, the floating interest rate has increased by \$415,443,000. For Fixed interest, floating interest rate has increased by \$279,309,000 and for Credit, floating interest rate has increased by \$422,791,000.

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instrument.

The other financial instruments of the Fund that are not included in the above tables are non-interest bearing and therefore not subject to interest rate risk.

The sensitivity analysis is performed below in Note 3(b).

(b) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Fund's net assets available to pay benefits and net profit/loss to price risk, foreign exchange risk and interest rate risk. The reasonably possible movements in the risk variables have been based on the Trustee's best estimate coming from the annual strategic review process, having regard to a number of factors, including historical levels of changes in interest rates, foreign exchange rates and market volatility. Actual movements in the risk variables may be greater or less than anticipated due to a number of factors. As a result, historical variations in risk variables should not be used to predict future variations in the risk variables.

A positive movement in the variable would result in an increase in the net assets and net revenue of the Fund; a negative movement would have the opposite effect.

		Foreign exchange risk					
	Change in variable	US Dollar \$'000	GB Pound \$'000	Japanese Yen \$'000	Euro \$'000	Other \$'000	Total \$'000
2025	+/- 10%	751,496	28,932	46,398	121,669	189,190	1,137,685
2024	+/- 10%	357,442	23,523	17,643	59,362	42,451	500,421

		Interest rate risk	Price risk				
	Change in variable (%)	Total Fund*	Australian shares	Overseas shares	Property**	Other assets**	Total
2025	0.64%	81,049	13%	15%	9%	8%	5,613,226
	Effect on net assets and net profit/loss (\$'000)	81,049	1,771,748	2,369,510	352,122	1,119,846	
2024	1%	64,709	16%	15%	9%	9%	3,125,987
	Effect on net assets and net profit/loss (\$'000)	64,709	1,271,926	1,232,135	178,922	443,004	

*Fixed interest and Other assets that were reported as price risk as at 30 June 2024, have been restated to Interest rate risk. Accordingly for the year ended 30 June 2024, the interest rate risk for the Fund has been increased by \$31,532,000.

**Property that were reported as Other assets as at 30 June 2024, have been restated to Property and some of Other assets were restated as Interest rate risk. Accordingly for the year ended 30 June 2024, the Other assets have been reduced by \$179,241,000 and Property have been increased by \$178,922,000.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

3. Financial risk management (continued)

(c) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss.

With respect to credit risk arising from the financial assets of the Fund, other than derivatives, the Fund's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these investments.

In relation to derivative financial instruments, credit risk, whether recognised or unrecognised, arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The risk associated with these contracts is minimised by undertaking transactions with counterparties on recognised exchanges, and ensuring that transactions are undertaken with a large number of counterparties.

The Fund determines credit risk and measures expected credit losses for financial assets measured at amortised cost using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

There are no significant concentrations of credit risk within the Fund.

The Fund restricts its exposure to credit losses on the trading of derivative instruments it holds by entering into master netting arrangements as set out in Note 4(e).

The Fund's maximum exposure to credit risk at 30 June 2025 is the carrying amount of the financial assets in the table below, as reported in the Statement of Financial Position.

Financial assets	2025	2024
	\$'000	\$'000
Investments		
Cash & short-term deposits held for investing activities	3,925,546	3,647,368
Fixed interest	7,184,838	3,578,230
Credit	3,269,543	426,347
Guaranteed Income	1,110	-
Alternatives	2,990,295	270,257
Property	3,912,468	1,988,027
Infrastructure	5,946,027	3,029,242
Private equity	3,030,342	1,199,987
Other assets		
Cash at bank	263,117	133,888
Other receivables	4,320	5,236
Total financial assets	30,527,606	14,278,582

The Fund is also exposed to credit risk through investments in the Fixed interest securities, Cash and short-term deposits held for investing activities, Derivative assets and Alternatives classes which are rated by Standard and Poors. For unrated securities the Trustee assesses credit risk using an approach similar to that used by rating agencies. An analysis of fixed interest securities by credit rating is as follows.

	2025	2024
	\$'000	\$'000
Rating		
AAA	936,877	776,118
AA+	720,350	726,087
AA	499,743	290,124
AA-	1,385,643	115,915
A+	377,889	273,153
A	190,043	36,465
A-	1,004,056	142,348
A-1+	-	5,979
B to D	918,597	389,806
Not rated	1,151,640	822,235
	7,184,838	3,578,230

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

3. Financial risk management (continued)

(d) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations to members or counterparties in full as they fall due or can only do so on terms that are disadvantageous.

The Fund is obligated to pay member benefits upon request. The Trustee's policy is therefore to hold a substantial proportion of the Fund's assets in investments that are traded in an active market and can be readily disposed. Only a limited proportion of its assets are held in investments not actively traded on a stock exchange.

The investment team regularly monitors the Fund's liquidity position and reviews the results of liquidity stress testing across a number of different scenarios. These tests assess the impact on the liquidity of the investment portfolio and any consequential impact on asset allocations for a range of stressed market events taking into account potential adverse impacts on cash flows resulting from investment switching by members, rollover and benefit requests, settling foreign currency transactions and funding capital call commitments.

The liquidity position of the Fund is conditional on a number of external factors including the liquidity of the investment markets in which the Fund invests, the relevant legislative requirements governing members' access to their superannuation benefits and redeeming and investing net cash flows based on the strategic asset allocation.

The Fund is obligated to pay member benefits in accordance with the relevant legislative requirements. This includes the payment of rollovers to other superannuation funds upon request and the payment of benefits to members.

The Fund ensures its allocation to cash is consistent with the investment objectives and the Fund's expected demographic profile and net cash flows. The Fund's membership profile coupled with the bulk of its assets being invested in highly liquid asset classes allows the Fund to tolerate an exposure to assets with lower levels of inherent liquidity (e.g. property, infrastructure and alternative investments) in an expectation of higher risk adjusted investment returns in the longer term.

The tables below show the Fund's financial liabilities based on their contractual maturities using undiscounted cash flows. Liabilities to defined contribution members are payable upon request. The Fund considers it highly unlikely that all liabilities to members would fall due at the same time.

2025	Less than 1 month A\$'000	1 to 3 months A\$'000	3 to 12 months A\$'000	>12 months A\$'000	Total A\$'000
Financial liabilities					
Payables	83,151	-	-	-	83,151
Member liabilities	58,185,172	-	-	-	58,185,172
Lease liabilities	279	838	2,234	18,699	22,050
Derivatives					
Inflows	26,739,569	-	-	-	26,739,569
(Outflows)	(26,378,840)	-	-	-	(26,378,840)
Net derivatives	360,729	-	-	-	360,729
2024	Less than 1 month A\$'000	1 to 3 months A\$'000	3 to 12 months A\$'000	>12 months A\$'000	Total A\$'000
Financial liabilities					
Accounts payable	41,341	-	-	-	41,341
Member liabilities	30,367,292	-	-	-	30,367,292
Derivatives					
Inflows	9,718,639	-	-	-	9,718,639
(Outflows)	(9,615,535)	-	-	-	(9,615,535)
Net derivatives	103,104	-	-	-	103,104

Member liabilities (refer Note 7) has been included in the less than one month column, as this is the amount that members could call upon as at year-end. This is the earliest date on which the Fund can be required to pay members' vested benefits, however members may not necessarily call upon amounts vested to them during this time.

Derivatives have been disclosed on a gross settlement basis and are based on the remaining period to the contractual maturity date at the year end.

3. Financial risk management (continued)

(e) Environmental, social and governance (ESG) risk

The Fund's purpose is to maximise members' best financial interests and retirement incomes by investing in assets that are expected to deliver competitive risk-adjusted returns over the long term. The selection of investments which achieve those returns is important.

Responsible investing is an approach to investing which considers financially material environmental, social and governance (ESG) factors in investment decision-making, and involves stewardship of assets through company engagement, voting and policy advocacy. At CareSuper, we believe that incorporating financially material ESG considerations into investment decision-making can help better manage risk and contribute to stronger investment returns in certain circumstances for our members. Furthermore, we believe that stewardship can assist with the careful and responsible management of our members' capital.

The Fund manages ESG risks in accordance with its Responsible Investing Policy which sets out the key principles and commitments in relation to ESG risk factors in the management of the Fund's investment program. As part of this commitment, a range of ESG issues such as climate change, labour and human rights, board diversity and corporate governance may be integrated into the investment processes and decision-making.

ESG Integration

Our approach to ESG integration is two-fold. It involves ESG integration by our external investment managers and ESG oversight by our internal investment team.

(i) ESG integration by our external investment managers

At CareSuper, our external investment managers integrate ESG factors into their decision-making processes where they view these considerations as financially material and relevant to their investment strategy. They do so using their own specific processes, investment strategies and objectives. ESG integration approaches may vary between investment managers, asset classes and types of ESG consideration, and may include the following methods:

- **Risk management:** Identifying and seeking to manage ESG risks (such as the examples provided above) that could impact investment performance
- **ESG data analysis:** Using ESG data (such as carbon emissions data) from specialised providers or in-house frameworks to assess the ESG performance of potential investments
- **Integration into financial models:** Incorporating ESG factors into financial analysis and valuation models to assess the risks and opportunities associated with these factors (potentially over various time frames)
- **Thematic investing:** Investing in certain holdings that in the external investment manager's view can benefit financially from environmental and social themes such as a listed shares investment manager or fixed interest manager seeking out companies that are involved in renewable energy projects, energy efficiency initiatives or healthcare

(ii) ESG oversight by our internal investment team-individual investment manager oversight

Our internal investment team oversees ESG integration by our external investment managers in the following ways:

- **Investment manager selection:** We review how, and the extent to which, they consider material ESG risks and opportunities in their investment decision-making processes. We do this by reviewing the managers' ESG policies, investment strategies, processes, and ESG-related reporting
- **Ongoing review:** We periodically review our external investment managers' ESG programs per our ongoing monitoring processes. We review our external investment managers' areas of ESG focus, examples of how the managers have considered material ESG risks and/or opportunities in relation to investments, and examples of the managers' engagement with companies or assets. This may involve discussions with the investment managers on these topics, with the aim of increasing our understanding of any enhancements or changes that may have occurred to their ESG programs. It may also involve asking our managers to provide responses to in-depth surveys on their ESG-related investment practices. These surveys help to provide us with up-to-date information including policy, process and team updates, as well as practical examples of ESG integration
- **Oversight of the total investment portfolio:** We evaluate certain potentially material ESG risks at the overarching investment portfolio level (excluding the Direct Investment option, where members choose their own investments). We do this by analysing, where sufficient data is available, how these ESG risks or opportunities may arise across asset classes. Oversight at the total investment portfolio level provides insight into how these ESG risks may impact the whole fund (and not just individual investments or investment managers). From time to time, we may use various external data sources such as carbon emissions data and data relating to contribution to the UN Sustainable Development Goals, to assist with this analysis

Stewardship

Our stewardship approach involves company engagement, voting, and policy advocacy designed to support responsible investment practices and assist with the careful and responsible management of our members' capital. As part of our stewardship work, we participate in collaborative ESG-focused initiatives, including:

- The Australian Council of Superannuation Investors (ACSI)
- Responsible Investment Association Australasia (RIAA)
- The Investor Group on Climate Change (IGCC)
- CareSuper has adopted the Australian Asset Owner Stewardship Code (the Code)
- CareSuper publishes its Modern Slavery Statement annually to meet obligations under the Modern Slavery Act 2018

Oversight of the Fund's Responsible Investing Policy is the responsibility of the Investment Committee and the Investment team is responsible for its implementation. The Policy is reviewed on an annual basis.

Beyond its investment program, the Fund is also cognisant of its own operational carbon footprint and practices various sustainability measures including recycling, energy efficient workspaces, the use of green energy, increased digital communications and reduced printing.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

4. Financial assets and liabilities

(a) Asset classes

The investments of the Fund are aggregated by asset class. The asset classes are broadly consistent with the asset classes listed in the Fund's Investment Guide, which is a supplement to the Product Disclosure Statement, released 26 April 2025. The Fund separately discloses the value of derivative assets and liabilities, which may be used in various asset classes.

Cash & short-term deposits held for investing activities

Cash investments include cash, term deposits (with terms normally less than one year), fixed term annuities, deposit accounts held on notice and marketable discount securities including bank accepted bills, commercial paper and short-term fixed interest securities.

Australian shares

Investments in Australian shares are equity securities listed on the Australian Securities Exchange (ASX) which represent part ownership in a company.

Overseas shares

Investments in Overseas shares are equity securities listed on various international securities exchanges which represent part ownership in a company.

Alternatives

Alternative investments is a broad term used to describe a range of different types of investments. The Fund groups these into two broad categories:

- Absolute return: This asset class involves a mix of investment strategies which invest predominantly across fixed interest, credit and currency markets. The objective of this asset class is to produce a return in excess of cash over the long term, but with less volatility than would be expected from shares.
- Thematic opportunities:
This asset class is designed to include investment in strategies and assets that have a lower correlation to traditional shares and fixed interest. It's also likely to encompass investments expected to capitalise on emerging economic and investment trends.

Infrastructure

These are mainly equity holdings in airports, transmission networks, telecommunications infrastructure, ports and rail.

Private Equity

These investments comprise mainly equity holdings in unlisted companies, ranging from those in an early stage of development to more mature businesses seeking capital restructure, change of ownership or expansion.

Credit

This asset class comprises investments in debt instruments that typically pay an interest rate that is floating. Examples of credit investments include direct loans made to companies, securitised bank loans, mortgage-backed securities and infrastructure debt.

Fixed interest

Fixed interest investments (or bonds) are interest-bearing debt securities issued by governments and large corporations. They represent loans made to borrowers for a pre-determined period, for which regular interest payments are received.

Property

Property investments include commercial, industrial and retail real estate assets. These investments generate a return through rental income and by increases (or decreases) in capital value over time.

Derivative assets / liabilities

These derivative assets and liabilities represent Over The Counter (OTC) and exchange traded derivative securities, including futures, forward foreign exchange contracts, options, warrants and swaps. Derivative securities comprise the assets and liabilities of various asset classes of the Fund, which are disclosed separately in Note 4(e) in the Financial Statements.

Guaranteed Income

Invests in life policies, issued by Challenger Life Company Limited, which guarantees the payments for the life of the policies.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

4. Financial assets and liabilities (continued)

(b) Fair value hierarchy

The Fund classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets and liabilities. These inputs are readily available in the market and are normally obtainable from multiple sources.
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly. The Trustee values fixed interest securities held by the Fund using broker quotes, units in unit trusts using the unit price provided by the underlying fund manager and OTC derivatives using valuation models.
- Level 3 : one or more of the significant inputs are not based on observable market data, examples include discount rates and other material unobservable inputs. The Trustee values units in unit trusts classified as Level 3 using the unit price provided by the underlying fund manager. These unit trusts hold illiquid investments such as unlisted property and private equity.

The levels in which instruments are classified in the hierarchy is based on the lowest level input that is significant to the fair value measurement in its entirety. Assessment of the significance of an input requires judgements after considering factors specific to the instrument as set out in Note 4(c).

Recognised fair value measurements

The table below sets out the level of the fair value hierarchy within which the fair value measurements of the Fund are categorised.

2025	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash & short-term deposits held for investing activities	85,448	3,840,098	-	3,925,546
Fixed interest	8,363	7,176,475	-	7,184,838
Australian shares	13,502,495	126,334	-	13,628,829
Overseas shares	15,796,734	-	-	15,796,734
Credit	-	628,462	2,641,081	3,269,543
Guaranteed Income	-	1,110	-	1,110
Alternatives	-	2,990,295	-	2,990,295
Property	694	410,518	3,501,256	3,912,468
Infrastructure	32	-	5,945,995	5,946,027
Private equity	-	-	3,030,342	3,030,342
Derivatives assets	-	1,163,741	-	1,163,741
Total financial assets	29,393,766	16,337,033	15,118,674	60,849,473
Derivative liabilities	-	(803,012)	-	(803,012)
Total net financial assets	29,393,766	15,534,021	15,118,674	60,046,461
2024	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash & short-term deposits held for investing activities	1,725,340	1,922,028	-	3,647,368
Fixed interest	85,786	3,492,444	-	3,578,230
Australian shares	7,403,485	78,433	-	7,481,918
Overseas shares	8,512,175	965,787	-	9,477,962
Credit	-	426,347	-	426,347
Alternatives	-	270,257	-	270,257
Property	126	-	1,987,901	1,988,027
Infrastructure	-	-	3,029,242	3,029,242
Private equity	-	-	1,199,987	1,199,987
Derivatives assets*	-	156,881	-	156,881
Total financial assets	17,726,912	7,312,177	6,217,130	31,256,219
Derivative liabilities*	-	(53,777)	-	(53,777)
Total net financial assets	17,726,912	7,258,400	6,217,130	31,202,442

*Some derivatives that were reported as assets as at 30 June 2024, have been restated. Accordingly for the year ended 30 June 2024, Derivative assets have been increased by \$4,840,000 and Derivative liabilities have been increased by \$4,840,000.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

4. Financial assets and liabilities (continued)

(c) Valuation process and techniques used to derive fair value

The Fund has an Asset Valuation Policy which sets out its approach to determining the carrying value of investment assets. The Asset Valuation Policy describes the Fund's use of asset valuations calculated by investment managers or other third parties. The Trustee-appointed Investment Committee is responsible for the oversight of application of this policy, while the Finance and Audit Committee has oversight of ensuring that investment valuation decisions are independent of investment decision makers and that valuations of fund investments are accurately reflected in unit pricing and financial statements.

Valuation of unlisted investment assets is conducted by independent external valuers, the Fund's investment managers, or their administrators or responsible entities, notwithstanding that the ultimate responsibility lies with the Trustee. The inputs used to calculate valuations for these investments include net asset value ('NAV'), discounted cash flow models and observable transactions in similar securities.

For financial instruments classified in Level 3 in the fair value hierarchy some of the inputs to the valuation models are unobservable and therefore subjective in nature. The use of reasonably possible alternative assumptions could produce a different fair value measurement.

Information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used) is detailed below.

Listed equities

When fair values of publicly traded equity securities are based on quoted market prices, or binding dealer price quotations, in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy. The Fund values these investments at market close price (i.e. the last traded price).

Unlisted unit trusts

The Fund invests in these trusts which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock up periods and redemption gating. The Fund considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investing, to ensure they are reasonable and appropriate and therefore the NAV of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions on redemptions, future commitments, and other specific factors of the fund and fund manager. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Depending on the nature and level of adjustments needed to the NAV and the level of trading in the fund, the Fund classifies these funds as either Level 2 or Level 3.

Derivative assets and liabilities

The Fund uses widely recognised valuation models for determining fair values of over-the-counter interest rate swaps, currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including both credit and debit valuation adjustments for counterparty and own credit risk, foreign exchange spot and forward rates and interest rate curves. For these financial instruments, significant inputs into models are market observable and are included within Level 2.

Holdings of pooled investment vehicles

The Fund's holding in pooled investment vehicles comprises holdings of limited partnerships, limited liability corporate investment vehicles and other alternative investment vehicles. Some of the Fund's holdings of investments via pooled investment vehicles are classified as Level 3 in the Fair Value Hierarchy disclosure. This is due to the valuations of these vehicles being calculated using inputs that are not based on observable market inputs. Oversight of the valuation of external investment managers is achieved through regular review of valuation policies of the Fund's custodian and investment managers, to ensure they are consistent with the Fund's principles. Through its due diligence processes, the Trustee ensures the asset valuation standards of its investment managers follow industry guidelines. Assets classified as Level 3 are across the property, infrastructure, private equity and credit investments of the Fund.

Direct holdings in unlisted infrastructure and property

When assessing fair value of the Fund's unlisted infrastructure and property assets, valuers have used the following valuation methodologies, and in some instances have used all three to provide a comparison against each approach:

- capitalisation approach - the annual net rental income is capitalised at an appropriate market yield to arrive at the property's market value. Appropriate capital adjustments are then made where necessary to reflect the specific cash flow profile and the general characteristics of the property.
- discounted cash flow approach - this approach incorporates the estimation of future annual cash flows over a period of time by reference to expected rental growth rates, ongoing capital expenditure, terminal sale value and acquisition and disposal costs. The present value of future cash flows is then determined by the application of an appropriate discount rate to derive a net present value for the property.
- direct comparison approach - this approach identifies comparable sales on a dollar per square metre of lettable area basis and compares the equivalent rates to the property being valued to determine the property's market value.

These are classified as Level 3 in the Fair Value Hierarchy disclosure.

Direct holdings in unlisted equity

The Fund carries an exposure to direct holdings in unlisted equity securities. These are classified as Level 3 in the Fair Value Hierarchy disclosure as the securities are not actively traded on an exchange and the valuation of these holdings is not observable through on-market transactional data. Valuation of the Fund's direct equity holdings is conducted according to the Asset Valuation Policy. Direct holdings in unlisted equity securities are valued using market multiples of comparable listed or unlisted companies. These valuations are conducted at least annually by a suitably qualified independent valuer. The independent valuer is periodically rotated.

Market uncertainty considerations for the fair value of Level 3 investments

Market uncertainty, high inflation and high interest rates have had, and continue to have, a significant impact on the general business environment and financial markets. The Trustee's evaluation of Level 3 investment valuations has included further consideration relating to the economic implications of the current market volatility and the measures taken to contain it.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

4. Financial assets and liabilities (continued)

(c) Valuation process and techniques used to derive fair value (continued)

Estimating the valuation implications of the ongoing market uncertainty for the Fund's Level 3 investments has continued to require considerable judgement by the independent external valuers, external investment managers and the Trustee. The valuation of the Fund's Level 3 investments is based on data available at the time of the relevant valuation which may change as circumstances and events continue to unfold. The Fund's Level 3 investment valuations will continue to be closely monitored through the current market uncertainty. Valuations are updated when new information becomes available or circumstances change, in accordance with the Fund's Asset Valuation Policy and will be reflected in member balances at the time.

(d) Level 3 investments

Changes in valuation techniques

There have been no changes to asset valuation techniques during the year.

Reconciliation of Level 3 fair value measurements of financial assets:

2025	Opening balance	Transfers in/(out) of level 3	Changes in fair value	Total purchases*	Total Sales	Closing balance	Unrealised gains/(losses) in profit or loss
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Credit	-	684,925	238,689	2,162,470	(445,003)	2,641,081	101,238
Property	1,987,901	-	(17,504)	1,915,939	(385,080)	3,501,256	(84,707)
Infrastructure	3,029,242	-	568,341	2,585,990	(237,578)	5,945,995	451,222
Private equity	1,199,987	-	103,152	1,975,119	(247,916)	3,030,342	231,453
Total	6,217,130	684,925	892,678	8,639,518	(1,315,577)	15,118,674	699,206

2024	Opening balance	Transfers (out)/in of level 3	Changes in fair value	Total purchases	Total Sales	Closing balance	Unrealised gains/(losses) in profit or loss
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Credit	49,246	-	2,666	115	(52,027)	-	-
Property	2,157,733	(128)	(203,358)	95,320	(61,666)	1,987,901	(272,950)
Infrastructure	2,817,204	-	219,216	87,549	(94,727)	3,029,242	164,516
Private equity	923,482	-	73,275	232,773	(29,543)	1,199,987	49,221
Total	5,947,665	(128)	91,799	415,757	(237,963)	6,217,130	(59,213)

*Total purchases includes the assets that were acquired by SFT

(i) Private equity

As at 30 June 2025 the Fund has private equity of \$3,030,342 (2024: \$1,199,987) categorised as level 3, which include unlisted unit trusts, partnerships and unlisted managed funds. These investments are recorded using the valuations available at balance date, as provided by the external investment manager or general partner.

(ii) Property and Infrastructure

The income approach is applied where there is not a liquid market and where an independent valuer can base valuations on the underlying assets and projected cashflows on a Net Present Value (NPV) or Discounted Cashflow (DCF) basis. With regards to properties, independent valuers may also use the capitalisation and/or direct comparison methodologies.

Significant unobservable input	Fair value impact from significant increase in input	Fair value impact from significant decrease in input
Capitalisation rate	Decrease	Increase
Discount rate	Decrease	Increase

Valuation inputs and relationships to fair value

The Fund's Level 3 fair value investments comprise investments in unlisted alternative investment assets, infrastructure assets and investment properties.

The significant unobservable inputs used in Level 3 fair value measurements are summarised below:

30 June 2025

Asset class	Key unobservable input	Fair value \$'000	Range of inputs	Relationship of unobservable to fair value
Credit	Unlisted company unit price/ Limited partnership capital account balance	2,641,081	10%	A 10% movement in the unit price or capital account balance will result in movement in fair value of \$264.1m.
Infrastructure	Discount rate	1,848,897	7.9% - 10.4%	Increase/(decrease) by 50 bps would (decrease)/increase fair value by \$122.2m.
	Unlisted company unit price / Limited partnership capital account balance	4,097,098	10%	A 10% movement in the unit price or capital account balance will result in movement in fair value of \$409.7m.
Private Equity	Unlisted trust unit price / Limited partnership capital account balance	3,030,342	10%	A 10% movement in the unit price or capital account balance will result in movement in fair value of \$303.m.
Property	Discount rate	49,336	8.0% - 17.5%	Increase/(decrease) by 50 bps would (decrease)/increase fair value by \$5.5m.
	Unlisted trust unit price	3,451,920	10%	A 10% movement in the unit price will result in movement in fair value of \$345.2m.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

4. Financial assets and liabilities (continued)

(d) Level 3 investments (continued)

Valuation inputs and relationships to fair value (continued)

30 June 2024

Asset class	Key unobservable input	Fair value	Range of inputs	Relationship of unobservable to fair value
Credit	Manager unit prices	-	10%	A 10% movement in the unit price will result in movement in fair value of \$0m.
Infrastructure	Discount rate	1,645,756	7.5% - 10.25%	Increase/(decrease) by 50 bps would (decrease)/increase fair value by \$108.6m.
	Manager unit prices	1,383,486	10%	A 10% movement in the unit price will result in movement in fair value of \$138.3m.
Private Equity	Manager unit prices	1,199,987	10%	A 10% movement in the unit price will result in movement in fair value of \$120.0m.
Property	Discount rate	52,643	7.4% - 18%	Increase/(decrease) by 50 bps would (decrease)/increase fair value by \$6.3m.
	Manager unit prices	1,935,258	10%	A 10% movement in the unit price will result in movement in fair value of \$193.5m.

(e) Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the Statement of Financial Position are disclosed in the tables below.

	Derivative fair value \$'000	Derivative amounts set off \$'000	Net Market Value \$'000
2025			
Financial Assets			
Forward foreign exchange contracts	25,619,379	25,035,611	583,768
Futures contracts	18,322	-	18,322
Options Contracts	775	-	775
Swaps contracts	4,113,490	3,552,614	560,876
Total	29,751,966	28,588,225	1,163,741
Financial Liabilities			
Forward foreign exchange contracts	(25,231,681)	(25,035,611)	(196,070)
Futures contracts	(42,008)	-	(42,008)
Options contracts	(103)	-	(103)
Swaps contracts	(4,117,445)	(3,552,614)	(564,831)
Total	(29,391,237)	(28,588,225)	(803,012)
Net Financial Assets	360,729	-	360,729

	Derivative fair value \$'000	Derivative amounts set off \$'000	Net Market Value \$'000
2024			
Financial Assets			
Forward foreign exchange contracts	9,904,799	9,760,716	144,083
Futures contracts	8,092	-	8,092
Swaps contracts	66,844	62,138	4,706
Total	9,979,735	9,822,854	156,881
Financial Liabilities			
Forward foreign exchange contracts	(9,797,338)	(9,760,716)	(36,622)
Futures contracts	(12,421)	-	(12,421)
Swaps contracts	(66,872)	(62,138)	(4,734)
Total	(9,876,631)	(9,822,854)	(53,777)
Net Financial Assets	103,104	-	103,104

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

5. Changes in fair value of financial assets

	2025	2024
	\$'000	\$'000
Investments held at balance date		
Level 1 and 2 instruments		
Cash & short-term deposits held for investing activities	123	85
Fixed interest	117,433	39,929
Australian shares	623,001	439,902
Overseas shares	1,414,610	1,110,382
Credit	(1,534)	28,471
Guaranteed Income	(91)	-
Alternatives	(35,895)	(10,065)
Derivatives	361,863	78,103
Property	(4,309)	1
Level 3 instruments		
Credit	100,534	-
Property	(84,707)	(272,950)
Infrastructure	451,126	164,516
Private equity	230,930	49,221
Total unrealised gains	3,173,084	1,627,594

The amounts recorded as 'realised gains/(losses)' below is the difference between the fair value at sale and the carrying amount at the beginning of the reporting period or when acquired, if acquired during the year.

Investments realised during the year

Level 1 and 2 instruments		
Cash & short-term deposits held for investing activities	(213)	(1)
Fixed interest	(14,708)	(42,867)
Australian shares	122,965	31,241
Overseas shares	526,594	133,164
Credit	(2,220)	(61)
Guaranteed Income	100	-
Infrastructure	847	-
Alternatives	49,413	38,849
Property	(7,433)	-
Derivatives	(715,030)	(42,727)
Level 3 instruments		
Credit	35,072	-
Property	(6,496)	(42)
Infrastructure	319	49
Private equity	(574)	788
Total realised (losses)/gains	(11,364)	118,393
Net changes in fair value of financial assets	3,161,720	1,745,987

6. Structured and controlled entities

Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity and the relevant activities are directed by means of contractual arrangements.

The Fund considers all investments in managed investment schemes ('MIS') to be structured entities. The Fund invests in underlying managed funds for the purpose of capital appreciation and/or earning investment income.

The objectives of the investee MIS are to achieve medium to long term capital growth. The investee MIS invest in a number of different financial instruments, including equities, debt instruments and non-financial assets, including property. The investee MIS finance their operations by issuing either redeemable units which are puttable at the holder's option or units which are redeemable only at the discretion of the issuer. These units entitle the holder to a proportional stake in the respective MIS's net assets.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

6. Structured and controlled entities (continued)

Structured entities (continued)

The Fund seeks to hold redeemable shares in each of the MIS it invests in wherever possible. The exposure to investments in investee MIS at fair value, by investment strategy, is disclosed below:

	Fair value of investment	
	2025	2024
	\$'000	\$'000
Fixed interest	-	258,605
Overseas shares	1,622,240	2,020,831
Credit	396,357	132,516
Property	2,378,122	1,207,049
Infrastructure	2,387,276	850,373
Private equity	70,091	69,638
Alternatives	1,520,115	293,804
	8,374,201	4,832,816

The fair value of financial assets (30 June 2025: \$8,374,201,000; 30 June 2024: \$4,832,816,000) is included in financial investments in the Statement of Financial Position.

The Fund's maximum exposure to loss from its interests in investee MIS's is equal to the total fair value of its investments in the investee funds.

During the year ended 30 June 2025, total gains on investments in investee MIS's were \$406,881,000 (total gains for the year ended 30 June 2024: \$209,899,000).

During the year the Fund earned fair value gains and distribution income as a result of its interests in other funds.

Controlled entities

The Trustee has assessed that the Fund meets the definition of an investment entity within AASB 10 Consolidated Financial Statements as it meets the following criteria:

1. The Fund obtains money from members for the purpose of providing them with investment management services;
2. The Fund's business purpose, which it communicated directly to members, is investing solely for returns from capital appreciation, investment income or both; and
3. The performance of investments made by the Fund are measured and evaluated on a fair value basis.

The Fund also meets all the other typical characteristics of an investment entity.

Control is achieved when the Fund:

- * has power over the investee
- * is exposed, or has rights, to variable returns from its involvement with the investee; and
- * has the ability to use its power to affect its returns.

Entity	Principle place of business	Proportion of ownership held by investment entity
Go Victoria Trust	New South Wales	100%
Roc Private Opportunities Fund	New South Wales	100%
Adams Street MTAA PE Fund II	New South Wales	98.29%
Parliament Square Hotel Trust	Tasmania	100%
Parliament Square Property Trust	Tasmania	100%
MTAA Superannuation Fund (40 Market St) Property Trust	Victoria	100%
MTAA Superannuation Fund (Chapel Street) Property Trust	Victoria	100%
MTAA Superannuation Fund Property (Fernree Business Park) Property Trust	Victoria	100%
MTAA Superannuation Fund Property (RG Casey Building) Property Trust	Australian Capital Territory	100%
MTAA Superannuation Fund (100 Broadway) Property Trust	New South Wales	100%
Spirit Super Direct Property Investment Fund	New South Wales	100%
Charter Hall Prime Retail Fund	New South Wales	100%
Marathon Mornington Fund	Delaware, United States	100%
Bain Capital Credit Bellarine	New South Wales	100%
Blackbird Hotham Co Investment Trust	Delaware, United States	100%
Square Peg Bourke CL 2022 Trust	New South Wales	100%

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

7. Liability for member benefits

(a) Defined contribution member liabilities

Defined contribution member liabilities are measured at the amount of accrued benefits. Defined contribution member liabilities are measured as the amount of member account balances as at the reporting date. The Trustee's management of the investment market risks is as disclosed within Note 3.

Member account balances are determined by unit prices that are determined based on the underlying investment movements.

Members bear the investment risk relating to the underlying assets and unit prices used to measure the members liabilities. Unit prices are updated daily for movements in investment markets.

At 30 June 2025 \$649,597 (2024: \$130,152) have not been allocated to members' accounts. The amount not yet allocated to members' accounts consists of contributions received by the Fund that have not been able to be allocated to members as at balance date.

Member liabilities vest 100% to members.

	2025	2024
	\$'000	\$'000
Members liability at end of the financial year	<u>58,185,172</u>	<u>30,367,292</u>
Reserves	556,402	185,266
Unallocated contributions	650	130
Net assets available to pay benefits	<u>58,742,224</u>	<u>30,552,688</u>

(b) Defined benefit member liabilities

Defined benefit member liabilities are measured as the amount of a portfolio of investments that would be needed as at the reporting date to yield future net cash inflows that would be sufficient to meet accrued benefits as at the date when they are expected to fall due. The amount of accrued benefits has been determined on the basis of the present value of the expected future payments which arise from membership of the Fund up to the measurement date. The figure reported has been determined by reference to the expected future salary levels and by application of a market-based, risk-adjusted discount rate and relevant actuarial assumptions. The valuation of the defined benefit member liabilities is performed by the Fund's appointed Actuary on an annual basis for each of its defined benefit sub funds.

The actuarial value of the defined benefit member liability reflects an actuarial assessment of benefits accrued up to the date of calculation and payable to members on resignation, retirement, death and disablement. This assessment may result in an employer being required to make additional contributions to the sub fund. Each sub fund is quarantined from the others and the other assets of the Fund. In the event that the assets of a particular sub fund is not adequate to meet the member's liabilities and that there are insufficient employer contributions, the defined benefit member liabilities are limited to the assets of the particular sub fund.

The main assumptions used to determine the values of the accrued benefits for each of the Fund's sub funds were:

- Future rate of investment return of investments forecasted for each defined benefit sub fund at 4.5% per annum
- Future rate of salary increase forecasted at 3.5% per annum

The Fund's Actuary considers the following movements in the main assumptions used to determine the values of the accrued benefits are reasonably possible for the 2024-25 reporting period:

- Future rate of investment return +/- 1%
- Future rate of salary increase +/- 1%

The impact of the reasonably possible changes in these key assumptions are shown below:

Reasonable possible change in key assumptions	Increase/(decrease) in DB member liabilities \$'000
Increase / (decrease) in future rate of investment return +/- 1% and no change in future rate of salary increase	2025: (268) / 1,396 2024: (336) / 552
Increase / (decrease) in future rate of salary increase by +/- 1% and no change in future rate of investment returns	2025: 1,396 / (290) 2024: 552 / (342)
Increase / (decrease) in future rate of investment return +/- 1% and increase / (decrease) in future rate of salary increase by +/- 1%	2025: 1,128 / (1,106) 2024: 216 / (210)

The amount of the vested benefits attributable to defined benefit members as at 30 June 2025 is \$103,288,785.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

7. Liability for member benefits (continued)

(b) Defined benefit member liabilities (continued)

The following table summarises the financial condition of the sub-funds:

	Effective date of last actuarial review (valuation date)	Actuarial value of accrued benefits for defined benefit members at valuation date	Actuarial value of accrued benefits for defined contribution members at valuation date	Vested benefits for defined benefit members at valuation date	Net assets for defined benefit member at valuation date	Over funded
2025						
Quadrant	30/06/2025	24,347,760	4,904,461	28,969,894	38,810,917	9,558,696
Hobart City Council	30/06/2025	23,194,443	2,789,010	25,565,654	34,387,699	8,404,246
Launceston City Council	30/06/2025	30,605,410	18,472,074	48,753,237	53,531,349	4,453,865
Total		78,147,613	26,165,545	103,288,785	126,729,965	22,416,807
2024						
Quadrant	30/06/2024	27,558,031	5,472,792	32,599,407	41,804,041	8,773,218
Hobart City Council	30/06/2024	26,326,255	3,011,511	27,256,130	35,186,851	5,849,085
Launceston City Council	30/06/2024	33,747,462	19,185,625	52,192,418	56,311,124	3,378,037
Total		87,631,748	27,669,928	112,047,955	133,302,016	18,000,340

*In the Actuary's opinion all the sub funds at valuation date were in a satisfactory financial condition

8. Funding arrangements

Employers provided contributions with respect of defined contribution members at a rate of 11.5% (2024: 11%) of the gross salaries of the employees. Members contributions were made in accordance with the requirements of the Trust Deed pursuant to applications contained in the product disclosure statements and supplements on issue by the Trustee during the year.

The funding policy adopted in respect of the Fund is directed at ensuring that benefits accruing to members and beneficiaries are fully funded as the benefits fall due. As such, in framing employer contribution rates for the defined benefit funds, the Actuary has considered long-term trends in such factors as Fund membership, the surplus position, salary growth and average market value of Fund assets.

The employers contributing to the defined benefit funds contribute at the rates recommended by the Actuary.

9. Receivables

	2025	2024
	\$'000	\$'000
Recoverable within 12 months		
GST receivable	919	452
Contributions receivable	22	1,402
Income receivable	107	1,267
Sundry receivables	32	14
	1,080	3,135

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

The maximum exposure to credit risk is the fair value of receivables. Information regarding credit risk exposure is set out in Note 3(c).

10. Property, plant and equipment

	2025	2024
	\$'000	\$'000
Opening net written down value	1,618	2,313
Additions	3,013	-
Disposals	(2)	(38)
Depreciation	(1,372)	(657)
Closing net written down value	3,257	1,618
Cost of fair value	16,258	6,953
Accumulated depreciation	(13,001)	(5,335)
Closing net written down value	3,257	1,618

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

11. Intangible assets

	2025	2024
	\$'000	\$'000
Opening net written down value	225	201
Additions	-	135
Depreciation	(82)	(111)
Closing net written down value	143	225
Cost of fair value	2,526	2,525
Accumulated depreciation	(2,383)	(2,300)
Closing net written down value	143	225

12. Leases

(i) Amounts recognised in the Statement of Financial Position

The Statement of Financial Position shows the following amounts relating to leases:

	2025	2024
	\$'000	\$'000
Right-of-use assets		
Current	2,677	-
Non-current	14,486	-
	17,163	-
Lease liabilities		
Current	2,401	-
Non-current	19,649	-
	22,050	-

(ii) Amounts recognised in the Income Statement

The Income Statement shows the following amounts as operating expenses relating to leases:

	2025	2024
	\$'000	\$'000
Depreciation charge of right-of-use assets		
Buildings	1,797	-
Equipment	8	-
	1,805	-
Interest expense	351	-

The total cash outflow for leases in 2025 was \$1,821,060 (2024: \$Nil).

(iii) Extension and termination options

Extension and termination options are included in some of the leases of the Fund. These are used to maximise operational flexibility in terms of managing the assets used in the Fund's operations. The majority of extension and termination options held are exercisable only by the Fund and not by the respective lessor.

Set out below are the carrying amounts of right of use assets recognised and the movements during this period:

	Buildings	Equipment	Total
	\$'000	\$'000	\$'000
As at 1 July 2024	-	-	-
Additions	18,896	22	18,918
Depreciation expense	(1,797)	(8)	(1,805)
Adjustment for change in provision	50	-	50
As at 30 June 2025	17,149	14	17,163

Presented below is a maturity analysis of future lease payments:

	2025	2024
	\$'000	\$'000
Not later than 1 year	2,354	-
Later than 1 year and not later than 5 years	11,744	-
Later than 5 years	7,110	-
	21,208	-

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

13. Reserves

The Fund maintains an Operational Risk Reserve, in accordance with the requirements established by APRA under Prudential Standard SPS 114 Operational Risk Financial Requirement, and also holds Administration and Direct investment reserves.

The purpose of the Operational Risk Reserve is to provide protection to the Fund in the event that a loss is incurred from an operational risk event occurring. The use of the Operational Risk Reserve is governed by the requirements of SPS 114, which is applicable to all APRA-regulated funds. The current Operational Risk Reserve of \$152.35 million (2024: \$85.79 million) represents approximately 26 bps (2024: 28 bps) of the net assets of the Fund. The Trustee has an Operational Risk Financial Requirement target of 25 basis points. The Operational Risk Reserve must be maintained at or above 20 basis points. During the current and previous financial year, there were no drawdowns made against the Operational Risk Reserve related to an operational risk event.

The General Reserve of \$223.31 million (2024: \$124.98 million) represents that pool of funds required to meet the general operating and administration costs of the Fund and any unexpected or otherwise unforeseeable operating costs that may arise. Administration levies are deducted from members' accounts to fund the Reserve. The General Reserve may be used to fund approved expenses, projects, system development or other costs as determined by the Fund where there is a benefit to members over the long term.

The Investment Reserve of \$180.75 million (2024: (\$25.50) million) is used to accumulate investment income prior to it being allocated to members' accounts. The Investment Reserve comprises the difference between the cumulative amount of investment income earned (net of expenses and tax) and the cumulative amount of investment income allocated to members' accounts.

14. Payables

	2025	2024
	\$'000	\$'000
Due within 12 months		
Insurance premiums payable	13,863	7,639
Unsettled investment purchases	14,619	8,635
Benefits payable	36,446	15,049
Operating expenses payable	17,392	7,976
Sundry creditors	831	2,042
	83,151	41,341

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value. Information regarding interest rate, foreign exchange and liquidity risk exposure is set out in Note 3.

15. Operating expenses

	Note	2025	2024
		\$'000	\$'000
Advertising and sponsorships		12,722	13,291
Internal and external audit fees		922	819
Consulting fees		1,079	646
Depreciation and amortisation		1,454	767
Lease expenses		335	-
IT expenses		8,770	4,646
Regulatory fees		2,515	2,226
Secretariat Co expenses (non-investment)	23(c)	82,016	53,254
Trustee expenses		3,841	5,121
Merger implementation expenses		18,761	9,477
Other operating expenses		16,469	8,964
Total operating expenses		148,884	99,211

Under section 56 in the *Superannuation Industry (Supervision) Act 1993* (SIS Act), the Trustees may be held liable for breaches of Commonwealth law which can include administrative penalties. To ensure the Trustee can continue to operate the Fund, the Trustees will increase the capital held to ensure it remains solvent in the event of any liabilities imposed after 1 January 2022. The Trust deed has been amended to allow for a Trustee fee to be levied on member accounts.

Trustee expenses includes a \$1.6m (2024: \$3.7m) Trustee fee to allow the Trustee to generate Trustee capital.

16. Investment expenses

		2025	2024
		\$'000	\$'000
Investment management and performance fees		87,007	60,041
Investment consulting fees		1,730	276
Secretariat Co expenses (investment related)	23(c)	16,012	11,604
Other investment expenses		9,644	7,148
Total investment expenses		114,393	79,069

Included in Investment consulting fees are expenses paid to the Fund's asset consultants to manage some of its unlisted assets.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

17. Insurance

The Fund provides death, disability and income protection benefits to its members. The Trustee has a group policy in place with a third party insurance to insure the death, disability and income protection benefits for the members of the Fund.

The Fund collects premiums from members on behalf of the insurance company. Insurance claim amounts are recognised where the insurer has agreed to pay the claim. Therefore, insurance premiums are not revenues or expenses of the superannuation entity and do not give rise to insurance contract liabilities or reinsurance assets. Insurance premiums charged to members' accounts and reinsurance recoveries allocated are recognised in the Statement of Changes in Members Benefits.

The Trustee determined that the Fund is not exposed to material insurance risk because:

- members (or their beneficiaries) will only receive insurance benefits if the external insurer pays the claim;
- insurance premiums are only paid through the Fund for administrative reasons; and
- insurance premiums are effectively set directly by reference to premiums set by an external insurer.

18. Income Tax

	2025	2024
	\$'000	\$'000
(a) Major components of income tax expense:		
<i>Current tax expense:</i>		
- Current tax charge	110,081	28,606
- Adjustments in respect of current income tax of previous years	(5,633)	6,278
<i>Deferred tax:</i>		
- Relating to the originating and reversal of temporary differences	227,307	140,216
- Adjustments in respect of current income tax of previous years	(15,972)	(1,981)
Total income tax expense as reported in the Income statement	315,783	173,119

	2025	2024
	\$'000	\$'000
(b) Reconciliation between income tax expense and the accounting profit before income tax		
Result from superannuation activities before income tax expense	4,465,749	2,492,739
Income tax at 15%	669,862	373,911
Imputation credits and other tax credits	(141,733)	(92,844)
Net non-assessable (income)/losses	(89,197)	(89,221)
(Over)/under provision in prior years	(21,605)	4,297
Exempt pension income	(106,948)	(23,029)
Estimated assessable member contributions	5,400	-
Other	4	5
	315,783	173,119

The above income tax expense is separate to the \$450.3m (2024:\$286.7m) tax on members' contributions disclosed on the Statement of Changes in Member Benefits.

(c) Deferred tax

	2025			
	Opening balance	SFT transfer in	Charged to income	Closing balance
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets				
Other	1,586	6,660	(698)	7,548
	1,586	6,660	(698)	7,548
Deferred tax liabilities				
Unrealised gains in investments	538,133	517,052	210,637	1,265,822
	538,133	517,052	210,637	1,265,822
2024				
	Opening balance	SFT transfer in	Charged to income	Closing balance
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets				
Other	5,713	-	(4,127)	1,586
	5,713	-	(4,127)	1,586
Deferred tax liabilities				
Unrealised gains in investments	404,026	-	134,107	538,133
	404,026	-	134,107	538,133

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

19. Cash flow statement reconciliation

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>
Reconciliation of cash		
The figure shown for cash in the Statement of Cash Flows consists of:		
Cash and cash equivalents	<u>263,117</u>	<u>133,888</u>
Reconciliation of operating result after income tax to net cash inflow/(outflow) from operating activities		
Operating result after income tax	208,117	(134,106)
Adjustments for:		
Increase in financial assets measured in fair value	(4,599,652)	(2,583,719)
(Increase)/Decrease in fixed assets through profit and loss	(331)	2
Depreciation and impairment	1,454	791
Increase in insurance	(1,979)	(15,074)
Decrease in receivables	5,055	100
Decrease/(Increase) in right-of-use-assets	301	-
Increase/(Decrease) in payables	(128,357)	3,198
Increase in income tax payables	232,331	281,950
Increase in lease liabilities	34	-
Allocation to member's accounts	3,941,849	2,453,726
Net cash (outflow)/inflow from operating activities	<u>(341,178)</u>	<u>6,868</u>

Non cash financing and investing activities

Successor fund transfer settled as non-cash

Member assets of \$24,677.4m (2024: nil) and liabilities of \$919.6m (2024: nil) were transferred into the Fund due to a successor fund transfer with Former CARE Super. There were no other non-cash financing activities during the year (2024: nil).

20. Commitments

As at 30 June 2025, the Fund had commitments of \$1,983.8m (2024: \$476.2m) in respect of uncalled elements of its investments. The uncalled commitment relate to the Fund's private equity investments, property and infrastructure investments. Time bands cannot be placed on those commitments, as it is difficult to predict the exact timing and pace of capital calls for any commitment based investment.

21. Contingent assets and liabilities

There were no material contingent assets or liabilities at the reporting date (2024: \$Nil).

22. Significant events after balance date

On 30 July 2025, the Company and MIESF Trustee signed a Successor Fund Transfer Deed, confirming the parties' intention to transfer all transferring members' entitlements and assets of MIESF to CareSuper by way of a successor fund transfer on 1 October 2025.

MIESF is a \$1 billion union-sponsored, profit-to-member, industry fund that has provided benefits for meat workers since 1981.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

23. Related parties

(a) Trustee and key management personnel

The Trustee of the Fund is CareSuper Pty Ltd (ABN 14 008 650 628). The following directors of the Trustee were key personnel during all or part of the reporting period up to the signing date (please note the increased changes to the Trustee and key management personnel due to the successor fund transfer on 1 November 2024 (note 1)):

Independent Chair

M.Wilton (retired 31 October 2024)

Independent Directors

A.O'Donnell (retired 31 October 2024)

M.Wilton (appointed 1 November 2024 and retired 30 June 2025)

Employer Representative Directors

P.Savige*

G.Lowe*

J.Mazengarb (Deputy Chair) (retired 17 July 2025)

S.Parr (retired 31 October 2024)*

N.Watson (appointed 1 November 2024)

J.Johnson (appointed 1 November 2024)*

M.Drew (appointed 1 November 2024)*

W.Davy (appointed 18 July 2025)*

Member Representative Directors

L.Scott (Chair) (appointed 1 November 2024)*

R.O'Donnell (retired 31 October 2024)*

A.Dettmer

J.Munday*

T.Lynch

R.Girard (appointed 1 November 2024 and retired 6 March 2025)

A.Cavanagh (appointed 1 November 2024)*

R.Potter (appointed 3 June 2025)

The following executive officers were key management personnel during all or part of the reporting period up to the signing date:

Executives

J.Murray (Chief Executive Officer)*

S.Lim (Acting Chief Financial Officer) (ceased 31 October 2024)

S.Horskins (Chief Financial Officer) (appointed 1 November 2024)*

R.Judd (Chief People Officer)*

K.Crawford (Chief Operations Officer)*

N.Lyons (Chief Strategy Officer)*

R.Barry (Chief Investment Officer) (ceased 30 September 2024)* **

S.Branton (Chief Investment Officer) (appointed 1 November 2024)*

P.Naylor (Acting Chief Investment Officer) (appointed 29 August 2024 and ceased 31 October 2024) **

A.Mehl (Chief Technology Officer) (ceased 27 August 2024)

S.Reiter (Chief Technology Officer) (appointed 5 August 2024)

W.Sadler (Chief Risk Officer)

J.Ambrosi (Chief Member Officer) (appointed 1 November 2024 and ceased 12 August 2025)*

* These persons are members of CareSuper. Their membership terms and conditions are the same as those applied to other members of the Fund.

** R Barry was on annual leave from the 29 August 2024 until he ceased as Chief Investment Officer on the 30 September 2024.

(b) Compensation of key management personnel

The Trustee directors are remunerated for their services to the Trustee and the Fund. Directors are paid an annual fixed amount.

Compensation of the Trustee's directors and the executives as listed in 23(a) was:

	2025	2024
	\$	\$
Short-term employer benefits	7,536,668	4,465,348
Post-employment benefits	482,967	379,844
Long-term benefits	155,387	81,610
Termination benefits	266,548	-
	<u>8,441,570</u>	<u>4,926,802</u>

All key management personnel are also reimbursed for reasonable expenses incurred in carrying out their duties for the Trustee.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

23. Related parties (continued)

(c) Related party transactions

CareSuper Pty Ltd

CareSuper Pty Ltd the Trustee, is fully reimbursed from the Fund for all expenditure incurred on its behalf.

CareSuper (Secretariat Co) Pty Ltd

CareSuper (Secretariat Co) Pty Ltd ("Secretariat Co") is wholly owned (non-beneficially) by CareSuper Pty Ltd. The shares are beneficially held for the Fund. The Fund utilises Secretariat Co as a management services company through which it engages staff to provide member administration, investment administration, back office, IT, finance and related support services to the Fund. In addition to director and staff-related costs which includes learning and development costs, Secretariat Co also incurs occupancy costs associated with CareSuper's offices, software and IT-related costs.

Secretariat Co's running costs are reimbursed on a full cost recovery basis from the Fund. This amounts to \$105,289,527 for the 2025 year (2024: \$69,247,024).

The following persons were the directors of CareSuper (Secretariat Co) Pty Ltd during all or part of the reporting period up to the signing date:

M.Wilton (ceased 31 October 2024)
A.O'Donnell (ceased 31 October 2024)
L.Scott (appointed 1 November 2024)
J.Mazengarb (appointed 1 November 2024 and retired 17 July 2025)
J.Murray
A.Cavanagh (appointed 18 July 2025)

There are no directors' fees paid or payable to the directors of Secretariat Co for these positions.

CareSuper Advice Pty Ltd

CareSuper (Secretariat Co) Pty Ltd holds 100% of the shares in CareSuper Advice Pty Ltd ("CareSuper Advice"). At 30 June 2025 \$Nil was receivable from CareSuper Advice. The Fund paid CareSuper Advice \$1,373,625 for the provision of financial planning services including the provision of authorisations to authorised representatives of the Fund. At 30 June 2025 \$125,583 was payable to CareSuper Advice.

The following persons were the directors of CareSuper Advice Pty Ltd during all or part of the reporting period up to the signing date:

Alan Thuaux (ceased 9 November 2024)
Kathleen Crawford
William Sadler (appointed 9 November 2024)
Jean-Luc Ambrosi (appointed 11 November 2024 and ceased 12 August 2025)

There are no directors' fees paid or payable to directors of CareSuper Advice for these positions.

Tasplan Pty Ltd

Tasplan Pty Ltd remains registered but is not operational. It will remain registered for a period of 7 years following the successor fund transfer to Motor Trades Association of Australia Superannuation Fund Pty Ltd on 1 April 2021, for the purpose of maintaining insurance, access to records and potential claims. At 30 June 2025, John Mazengarb was the sole shareholder for Tasplan Pty Ltd. Both John Mazengarb and Tom Lynch are directors of Tasplan Pty Ltd. There are no directors' fees paid or payable to directors of Tasplan Pty Ltd for the period 1 July 2024 to 30 June 2025.

Industry Super Holdings

CareSuper has a 7.88% holding in Industry Super Holdings Pty Ltd (ISH) (2024: 5.16%), valued at \$209,607,173 (2024:\$107,325,677), which included a 7.5% minority shareholder discount adopted by the Trustee. ISH is valued by an independent valuer on a periodic basis. The Fund adopts the valuation determined by the independent valuer as the carrying value for this investment. ISH is the holding company for several wholly owned subsidiary companies as follows:

IFS Insurance Solutions Pty Ltd (IFSIS) provides insurance broking and insurance consulting services to CareSuper. These services are provided under normal commercial terms and conditions. Fees for services provided during the year amounted to \$Nil (2024: \$52,520).

Industry Fund Credit Control Pty Ltd (IFCC) provides debt collection services to CareSuper. These services are provided under normal commercial terms and conditions. There were no services acquired from or payments to IFCC in the current reporting period \$Nil (2024: \$Nil).

Industry Fund Financial Planning (IFFP) provides financial planning services to the CareSuper for the Fund's members. These services are provided under normal commercial terms and conditions. Fees for services provided during the year amounted to \$Nil (2024: \$Nil).

Industry Super Australia (ISA) provides marketing, research and policy information services. CareSuper jointly funds the marketing campaign of ISA and contributes funding for policy development and research. Fees for services provided during the year amounted to \$1,065,317 (2024: \$1,485,582).

Mr Jason Murray is a director of ISA. There was no remuneration paid for this directorship.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

23. Related parties (continued)

(c) Related party transactions (continued)

Industry Funds Management Pty Ltd

IFM is an investment manager used by the Fund. IFM offers investment management services to institutional investors across a number of asset classes and strategies. The Fund invests with IFM for Australian listed equity, fixed interest, infrastructure, and private equity asset classes. These investment capabilities are accessed at commercial terms consistent with its other investment management arrangements with comparable investment management firms. The Fund invests \$3,491,640,448 with IFM (2024: \$1,722,525,708) for which it received \$336,859,952 in earnings (2024: \$175,701,718 in earnings) and paid \$5,634,400 in fees (2024: \$1,794,434).

Suzanne Branton is a member of the IFM shareholder Advisory Board. There was no remuneration paid for this membership this year to the Fund (2024: \$Nil).

Linda Scott is a member of the IFM Directors Nomination Committee. There was no remuneration paid for this membership this year to the Fund (2024: \$Nil).

Industry Superannuation Property Trust Pty Ltd and Operating Company Trust

The Fund owned a 4% shareholding (2024: 0%) in Industry Superannuation Property Trust Pty Ltd (ISPT Pty Ltd) and a beneficial ownership in the Operating Company Trust (OpCo Trust). ISPT Pty Ltd is an institutional property investment manager, offering access to property investments through various unlisted vehicles. In August 2024, IFM and ISPT issued a joint statement confirming that ISPT board has notified IFM that it has elected to support a binding offer made to ISPT and their unit holders. On 13 December 2024, by way of court order scheme of arrangement, IFM acquired the Fund's one share in ISPT Pty Ltd for \$1.

The Fund holds investments in the ISPT Core Fund and the ISPT Retail Australia Property Trust, while it held a residual interest in the ISPT Development Opportunities Fund 2 which has been wound up. The Fund invests \$566,555,954 with ISPT (2024: \$Nil) across these strategies, for which it received \$2,574,491 in gains (2024: \$Nil) and paid \$2,001,359 in fees (2024: \$Nil).

(d) Controlled entities related parties

The Fund has multiple investments which it controls. However, the Fund has determined that it is an investment entity under the definition in AASB 10 Consolidated Financial Statements as it meets the following criteria:

1. The Fund obtains funds from members for the purpose of providing those members with investment management services;
2. The Fund commits to its members that its business purpose is to invest solely for returns from capital appreciation, investment income, or both; and
3. The Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Fund has established a number of investment vehicles known as special purpose entities (SPE's) for trading, investment, investment administration and support services. Control is achieved when the Fund:

- * has power over the investee
- * is exposed, or has rights, to variable returns from its involvement with the investee; and
- * has the ability to use its power to affect its returns.

The Fund has concluded that of the controlled SPE's, CareSuper (Secretariat Co) Pty Ltd is a service entity that provides administration and support services to the Fund. The Fund has deemed them to be immaterial for consolidation purposes.

All other controlled SPE's are deemed to be Investment Entities as they have been established for the purpose of holding investments. The Fund measures and evaluates the performance of the investments on a fair value basis. As such, these entities have not been consolidated and are accounted for at fair value.

Each SPE's principal place of business is 39 Brisbane Avenue, Barton, ACT 2600. The following table is a list of all active SPE's during the reporting period, the relevant asset class and the Fund's ownership interest in each. Dormant entities have not been listed.

	Ownership Interest %	
	2025	2024
Property		
MTAA Superannuation Fund (Alkimos) Property Pty Ltd*	100%	100%
MTAA Superannuation Fund (Flagstone Creek and Spring Mountain Park) Property Pty Ltd*	100%	100%
MTAA Superannuation Fund (Flinders Ports Storage) Property Pty Ltd*	100%	100%
MTAA Superannuation Fund (Flinders Ports Storage No. 1) Property Pty Ltd*	100%	100%
MTAA Superannuation Fund (Flinders Ports Storage No. 2) Property Pty Ltd*	100%	100%
MTAA Superannuation Fund (Flinders Ports Stores) Property Pty Ltd*	100%	100%
MTAA Superannuation Fund (Flinders Ports) Utilities Pty Ltd*	100%	100%
Private Equity		
MTAA Superannuation Fund (Companion Funds) Private Equity Investments Pty Ltd*	100%	100%
MTAA Superannuation Fund (MGOP) Private Equity Investments Pty Ltd*	100%	100%

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2025

23. Related parties (continued)

(d) Controlled entities (continued)

Infrastructure

MTAA Superannuation Fund (Latin Power) Utilities Pty Ltd*	100%	100%
MTAA Superannuation Fund (MIP) Infrastructure Pty Ltd*	100%	100%
MTAA Superannuation Fund (NTL Broadcast) Utilities Pty Ltd*	100%	100%
MTAA Superannuation Fund (Carrix) Utilities Pty Ltd*	100%	100%

Service Entities

CareSuper (Secretariat Co) Pty Ltd	100%	100%
CareSuper Advice Pty Ltd	100%	100%

Suzanne Branton, Will Sadler and Sam Horskins are the current directors of all of the above SPE's marked with an *. There was no remuneration paid for these directorships.

24. Segment Information

The Fund operates in one reportable business segment, being the provision of benefits to members. The Fund also operates from one reportable geographic segment, being Australia, from where its activities are managed. Whilst the Fund operates from Australia only, the Fund has investment exposures in different countries and across different industries. Revenue is derived from interest, dividends, gains on sales of investments and unrealised changes in values of investments.

25. Auditors' remuneration

	2025	2024
	\$'000	\$'000
Amount paid to Ernst & Young		
Audit Services provided by Fund auditor		
Audit of financial statements and regulatory requirements of various entities within the Fund	569	466
Other services provided by the Fund auditor		
Merger support services	208	-
Research services	120	-
Website support services	-	44
Taxation services	3	34
Unit pricing review	-	69
Other services	40	61
	940	674


CARESUPER
Trustee Declaration
For the year ended 30 June 2025

In the opinion of the directors of the Trustee of CareSuper:

- (a) the accompanying financial statements and notes set out on pages 3 to 37 are in accordance with the Corporations Act 2001 (cth) including:
 - (i) complying with Australian Accounting Standards and other mandatory professional reporting requirements, and
 - (ii) give a true and fair view of the Fund's financial position as at 30 June 2025 and of its performance for the financial year ended on that date,
- (b) the Fund's financial statements have been prepared in accordance with its constituent Trust Deed and the requirements of the *Superannuation Industry (Supervision) Act 1993* and its accompanying Regulations; the relevant requirements of the *Corporations Act 2001 and Regulations*; the requirements under section 13 of the *Financial Sector (Collection of Data) Act 2001*, during the year ended 30 June 2025, and
- (c) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors of CareSuper Pty Limited (ABN 14 008 650 628) as Trustee for CareSuper.

Director: 
Linda Scott

Director: 
Anthony Cavanagh

18 September 2025



**Shape the future
with confidence**

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Independent auditor's report to the members of CareSuper

Opinion

We have audited the financial report of CareSuper (the RSE), which comprises the statement of financial position as at 30 June 2025, the income statement, statement of changes in member benefits, statement of cash flows and statement of changes in equity/reserves for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the RSE is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the RSE's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the RSE in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Shape the future
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Responsibilities of the directors for the financial report

The directors of CareSuper (the Trustee) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are assessing the RSE's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the RSE or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RSE's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the RSE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the RSE to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



**Shape the future
with confidence**

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of CareSuper for the year ended 30 June 2025 complies with section 300C of the *Corporations Act 2001*.

Responsibilities

The directors of the Trustee are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300C of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that appears to read 'Maree Pallisco'.

Maree Pallisco
Partner
Melbourne

18 September 2025