

Super
together

Financial Report

30 June 2026

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 2026.

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	Full financial year
Anthony Cavanagh	Member-Representative Director	Full financial year
Wayne Davy	Employer-Representative Director	Appointed 18 July 2025
Andrew Dettmer	Member-Representative Director	Full financial year
Michael Drew	Employer-Representative Director	Full financial year
Jeremy Johnson	Employer-Representative Director	Full financial year
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
Robert Potter	Member-Representative Director	Full financial year
Peter Savige	Employer-Representative Director	Full financial year
Nola Watson	Employer-Representative Director	Full financial year

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 of Meat Industry Employee's Superannuation Fund Pty Ltd (MIESF).

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 2026	30 June 2025
	\$'000	\$'000
Net assets available for member benefits	\$64,657,219	\$58,842,789
Total member liabilities	\$64,124,013	\$58,263,970
Net benefits allocated to defined contribution members	\$4,430,295	\$3,938,262
Net change in defined benefit member benefits	\$4,010	\$3,587
Operating result after income tax	(\$48,099)	\$208,117

Delivering today while building tomorrow

Almost two years on from our successful merger, 2025-26 was a year of consolidation powered by our people, our purpose and our commitment to members. We recognise that Australians are navigating a more complex environment: cost-of-living pressure, longer retirements, more digital interactions and greater exposure to scams and fraud. In that context, our job is not only to help protect and grow retirement savings, but to make it easier for members to get the support, guidance and confidence they need. That is why we continue to focus on the whole picture: investment performance, service, guidance, advice, security and capability working together for members.

Investing for our members' futures

As a profit-to-member Industry SuperFund, we are run to benefit members, not external shareholders. Over the financial year, our 'smooth ride' investment strategy and pre-mixed options delivered positive returns, supported by resilient markets even as inflation and higher interest rates remained a feature of the environment. When it comes to super, long-term performance matters, and our pre-mixed options have delivered strong results over the 10 years to 30 June 2026. While investment performance is an important measure of success, it is only part of the value members expect from us.

Service that makes a difference

Behind every performance metric is a member outcome, and behind every interaction is a member seeking support, reassurance or guidance about their financial future. Providing a strong member experience remains a defining feature of CareSuper. This year, we resolved 90% of member queries on first contact, achieved a 90% ease of doing business score and recorded an 89% member satisfaction score, all exceeding our targets.

Consistently now, we have also been independently ranked number 1 for customer experience across the super and financial services sectors by Customer Service Benchmarking Australia (CSBA). This is recognition we're very proud of because the independent assessment across 30 criteria found that our team is consistently available to help our members solve problems when they need it most, they make it easy for our members to make good decisions about their financial future and most importantly, they make these interactions human. Our team ensures that our members receive the best possible service and support and it reflects that the personalised experiences we are able to provide our members is setting them up for a confident retirement.

Many members tell us that having just one conversation with our team has given them greater clarity and confidence about their retirement. Those conversations remind us that the impact of good service extends far beyond a single interaction.

Members are asking for more than good investment performance. They want a fund that is easy to deal with, helps protect their savings and gives them confidence to make decisions about their future.

We've also welcomed further external recognition for our focus on experience this year from others including WeMoney, Mozo, RIAA and other industry award programs. While we value these awards, they are not measures that matter the most. Our real test is whether members feel supported, informed and confident when they deal with us and we are always looking for new ways to make sure this remains.

Protecting our members and their savings

Members trust us not only to help them prepare for and enjoy retirement, but also to help protect their savings and personal information. As scams and fraud become more sophisticated across the community, safeguarding member accounts and helping members access quality, affordable guidance has never been more important.

At CareSuper, we continue to invest in the systems, controls and capabilities needed to protect member information and accounts. We also know that member awareness is an important line of defence. Our website includes practical tips, tools and resources to help members spot common scams, protect their information and act quickly if something does not feel right.

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 pressures.
- 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 2025-26 results, our threshold limits have not been breached, supporting the continued appropriateness of our *Strategic and Business Plan*.

Protecting and advancing members' interests

Every decision we make at CareSuper is guided by a simple purpose: helping our members achieve greater financial security and confidence in retirement.

For many members, the year brought continued cost-of-living pressure, changing expectations about retirement and growing concern about the security of their information and savings. These issues are personal, practical and immediate. Against this backdrop, the Board has remained focused on what matters most: protecting members' interests, strengthening trust and ensuring CareSuper is ready to support members today and as their needs continue to change.

Strong governance for better member outcomes

Our vision is to be Australia's most trusted partner in retirement confidence. Achieving that starts with strong governance and remaining true to our values as a profit-to-member fund.

Members rightly expect their retirement savings to be well managed, protected and overseen with care. Throughout the year, the Board maintained close oversight of investment performance, risk management, cybersecurity, operational resilience and the quality of services provided to members.

Strong governance is not an end in itself. It matters because members are trusting us with decisions that affect their financial security for decades. Every decision we make is guided by one question: how will this improve outcomes for our members?

Advocating for a stronger retirement system

This year, CareSuper continued to advocate for practical reforms that would help members keep more of the super they earn, reduce avoidable gaps in retirement savings and strengthen confidence in Australia's superannuation system.

This included supporting Payday Super, with reforms coming into effect from 1 July this year, advocating for an increase to the Low-Income Super Tax Offset (LISTO) to boost the balances of our members earning lower incomes or in insecure work, and backing stronger protections for members and consumers.

We also continued to call for fairer superannuation rules for young workers. With more than 91,000 CareSuper members under the age of 25, we know many young workers are missing opportunities to build their retirement savings from the start of their working lives. Today, people under 18 miss out on super unless they work more than 30 hours a week for a single employer. To put that into context, research from the Super Members Council tells us that a typical teenager who spends at least two years in part-time work before turning 18 could miss out on around \$2,500 in super contributions. That lost super could compound to an \$11,000 reduction by retirement (in today's dollars). At CareSuper, we believe paying super on every dollar earned would help more young Australians benefit from the long-term power of compounding returns.

These reforms matter because missed or delayed contributions can mean materially lower retirement savings over time, particularly for members on lower incomes, younger workers and those in insecure or fragmented work.

Listening to what matters most

One of the most valuable insights we receive comes directly from our members. Their experiences continue to shape how we think about retirement confidence and the support we provide.

We know many members are looking for simple, affordable and personalised guidance to help them make informed decisions. Members remind us that superannuation is about much more than accounts and balances. It is about helping people feel secure, supported and confident about their future.

Whether it's planning for retirement or protecting savings after identity theft, these experiences reinforce the important role we play in members' lives and it's a role you can be assured we take seriously.

Preparing for the future

Australians are living longer, member needs are becoming more complex and more people are looking for personalised support as they move from saving for retirement to living in retirement. To meet these changing needs, we will continue to invest in retirement guidance, education, advice and digital capability so members can access support in ways that are simple, practical and relevant to them. Members want greater flexibility, guidance and confidence as they navigate this next stage of life.

CareSuper has an important role to play in helping members achieve that confidence while continuing to advocate for a retirement system that delivers dignity, fairness and security.

Our focus remains clear: to help members feel informed, supported and confident about their financial future, while continuing to earn their trust through the quality of our service and the decisions we make on their behalf.

Significant changes in the state of affairs

On 1 October 2025, the Successor Fund Transfer of Meat Industry Employees' Superannuation Fund Pty Ltd (MIESF) was completed, with all assets and member entitlements transferred to CareSuper.

Significant events after the end of year

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the operation of the Fund, the result of those operations, or the state of affairs of the Fund in future financial years.

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 2025-26 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
- investment and valuation governance
- 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 and Audit 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	\$166,000

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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 2026, 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

This declaration is in respect of CareSuper and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

A handwritten signature in black ink, appearing to read 'Maree Pallisco', written over a horizontal line.

Maree Pallisco
Partner
Melbourne
17 September 2026

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 2026. 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	Full financial year
Anthony Cavanagh*	Member-Representative Director	Full financial year
Wayne Davy*	Employer-Representative Director	Appointed 18 July 2025
Andrew Dettmer	Member-Representative Director	Full financial year
Michael Drew*	Employer-Representative Director	Full financial year
Jeremy Johnson*	Employer-Representative Director	Full financial year
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
Robert Potter	Member-Representative Director	Full financial year
Peter Savige*	Employer-Representative Director	Full financial year
Nola Watson	Employer-Representative Director	Full financial year
Executive KMP		
Jason Murray*	Chief Executive Officer	Full financial year
Jean-Luc Ambrosi*	Chief Member Officer	Ceased 12 August 2025
Jinglu McLay	Acting Chief Member Officer	Appointed 13 August 2025, ceased 30 November 2025
Katrina McPhee	Chief Member Officer	Appointed 1 December 2025
Suzanne Branton*	Chief Investment Officer	Full financial year
Kathleen Crawford*	Chief Operations Officer	Full financial year
Sam Horskins *	Chief Financial Officer	Full financial year
Robyn Judd*	Chief People Officer	Full financial year
Ningning Lyons*	Chief Strategy Officer	Full financial year
Simon Reiter	Chief Technology Officer	Full financial year
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.

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.
How much can executives earn?	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%. The actual short-term incentive is determined by achievement against key performance metrics including corporate and individual outcomes and moderated by risk culture indicators.

How is performance measured?	All short-term incentive payments are subject to the discretion of the Board. Performance is assessed across two components, corporate performance and individual performance: Corporate performance includes metrics such as investment performance, member retention, employee engagement and risk culture. Individual measures involve setting mutually agreed-upon targets, monitoring performance, providing feedback, and conducting a year-end review to assess achievements against established objectives. Performance outcomes are tailored to each executive's area of responsibility and varies from year to year in-line with the business plan. There have been no alterations to the terms or conditions of any short-term incentives. A summary of the weightings is provided below: <table data-bbox="548 789 1317 915"> <tr> <th>Performance type</th><th>Weighting</th></tr> <tr> <td>Individual performance</td><td>30%</td></tr> <tr> <td>Corporate performance</td><td>70%</td></tr> </table>	Performance type	Weighting	Individual performance	30%	Corporate performance	70%
Performance type	Weighting						
Individual performance	30%						
Corporate performance	70%						
When is it assessed and paid?	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. 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 Other Senior Managers and Highly-Paid Material Risk Takers who are subject to deferral, 60% will be paid in cash within the same timeframe, with the remaining 40% deferred in accordance with CPS 511 requirements. 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.						
Deferral terms	In accordance with CPS 511, where total variable remuneration is greater than \$50,000, a minimum of 60% for the CEO and 40% for Other Senior Managers and Highly-Paid Material Risk Takers must be deferred. These deferred amounts are subject to vesting over a minimum period six years for the CEO and five years for Material Risk Takers, 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 2026:

Executive	Maximum short-term incentive opportunity (% of fixed remuneration)	Amount earned *
Jason Murray	20%	14.4%
Katrina McPhee**	20%	12.4%
Suzanne Branton	60%	34.4%
Kathleen Crawford	20%	9.3%
Sam Horskins	20%	14.4%
Robyn Judd	20%	12.5%
Ningning Lyons	20%	14.9%
Simon Reiter	20%	14.4%
Will Sadler	20%	13.9%

* Percentage relates to short term incentive payments earned in the reporting period and paid the following financial year (2026-27).

**Commenced during the financial year payment is pro-rated.

4. Remuneration agreements

Executive employment agreements

Remuneration arrangements for executives are formalised in employment agreements with CareSuper (Secretariat Co) Pty Ltd*.

* 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 2026

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	698,925	51,909	-	-	55,925	102,178	908,937
Jean-Luc Ambrosi	91,109	-	-	-	-	14,157	105,266
Jinglu McLay	71,866	-	-	-	-	8,984	80,850
Katrina McPhee	269,408	34,072	-	-	1,836	19,698	325,014
Suzanne Branton	506,802	154,423	7,293	-	26,951	30,000	725,469
Kathleen Crawford	364,062	36,046	2,862	-	14,226	30,000	447,196
Sam Horskins	410,105	68,564	1,404	-	16,747	30,000	526,820
Robyn Judd	422,365	54,327	2,862	-	40,372	30,000	549,926
Ningning Lyons	376,818	67,603	2,862	-	15,720	30,000	493,003
Simon Reiter	415,342	71,895	-	-	6,340	30,000	523,577
Will Sadler	325,708	58,178	1,918	-	19,138	30,000	434,942

¹Includes all salary sacrifice amounts and accrued annual leave but not paid annual leave. | ²Bonus paid relates to short term incentive payments earned in the reporting period and paid the following financial year. | 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. | ⁶ Includes super guarantee contributions. | ⁷ See above listing for KMP changes throughout the year.

5B. Director remuneration for the year ended 30 June 2026

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	189,494	-	-	22,739	212,233
Anthony Cavanagh	108,493	-	-	13,019	121,513
Andrew Dettmer	87,003	-	-	10,441	97,444
Michael Drew	126,857	-	-	15,223	142,080
Jeremy Johnson	104,495	-	-	12,540	117,035
Geoffrey Lowe	94,190	-	-	11,303	105,493
Thomas Lynch	108,027	-	-	12,963	120,990
John Mazengarb	8,872	-	-	1,065	9,937
Jessica Munday	106,211	-	-	12,745	118,956
Robert Potter	87,314	-	-	10,478	97,792
Peter Savige	88,854	-	-	10,662	99,516
Nola Watson	102,573	-	-	12,309	114,882
Wayne Davy	81,212	-	-	9,745	90,957

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.

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 2026

CARESUPER
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CARESUPER
Statement of Financial Position
As at 30 June 2026

	Note	2026 \$'000	2025 \$'000
Assets			
Cash and cash equivalents	19	271,707	263,117
Receivables	9	1,125,226	1,223,228
Other assets		4,373	3,240
Financial assets	3-4		
Cash & short-term deposits held for investing activities		7,062,306	7,794,829
Fixed interest		5,280,991	4,959,274
Australian shares		14,284,399	13,161,215
Overseas shares		18,105,364	15,483,269
Credit		3,994,152	3,243,413
Alternatives		3,932,315	2,700,816
Property		4,004,783	3,872,235
Infrastructure		6,309,581	5,935,900
Private equity		3,524,126	3,013,226
Derivative assets		906,014	1,162,522
Property, plant and equipment	10	2,031	3,257
Intangible assets	11	54	143
Right-of-use-assets	12	16,236	17,163
Deferred tax assets	18	8,056	7,548
Total assets		68,831,714	62,844,395
Liabilities			
Payables	14	(1,416,145)	(1,782,525)
Income tax payable		(178,277)	(128,197)
Lease liabilities	12	(21,450)	(22,050)
Derivative liabilities	4	(1,235,520)	(803,012)
Deferred tax liabilities	18	(1,323,103)	(1,265,822)
Total liabilities excluding member benefits		(4,174,495)	(4,001,606)
Net assets available for member benefits		64,657,219	58,842,789
Defined contribution (DC) member liabilities	7a	(64,055,782)	(58,185,172)
Defined benefit (DB) member liabilities	7b	(67,701)	(78,148)
Unallocated contributions	7a	(530)	(650)
Liability for member benefits		(64,124,013)	(58,263,970)
Total net assets		533,206	578,819
Equity			
Operational risk reserve	13	(132,011)	(152,350)
General reserve	13	(276,491)	(223,307)
Investment reserve	13	(100,732)	(180,745)
Defined benefits that are (over)/under funded	7b	(23,972)	(22,417)
Total equity		(533,206)	(578,819)

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

CARESUPER
Income Statement
For the year ended 30 June 2026

	Note	2026 \$'000	2025 \$'000
Superannuation activities			
Interest income		650,045	511,093
Dividend and distributions		1,137,299	1,041,111
Net changes in fair value of financial instruments	5	3,331,418	3,161,720
Other investment income		7,756	9,293
Other income		626	5,809
Total superannuation activities income		5,127,144	4,729,026
Investment expenses	16	(176,429)	(114,393)
Operating expenses	15	(163,926)	(148,884)
Total expenses		(340,355)	(263,277)
Result from superannuation activities before income tax expense		4,786,789	4,465,749
Income tax expense	18	(400,583)	(315,783)
Result from superannuation activities after income tax expense		4,386,206	4,149,966
Benefits allocated to members' accounts, comprising:			
Net investment income		(4,557,683)	(4,038,783)
Administration fees		127,388	100,521
Net change in defined benefit member benefits		(4,010)	(3,587)
Operating result after income tax		(48,099)	208,117

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 2026

	Note	Defined contribution \$'000	Defined benefit \$'000	Total \$'000
For the year ended 30 June 2026				
Opening balance of member benefits		58,185,172	78,148	58,263,320
Member balances received from the successor fund transfer	1(a)	1,121,131	-	1,121,131
Contributions:				
Employer		3,660,669	1,898	3,662,567
Member		975,762	396	976,158
Transfers from other superannuation funds		559,430	-	559,430
Government co-contributions		2,214	-	2,214
Income tax on contributions		(572,933)	(430)	(573,363)
Net after tax contributions		5,746,273	1,864	5,748,137
Benefits paid to members or beneficiaries		(4,236,466)	(4,694)	(4,241,160)
Transfers from defined benefit to defined contribution		11,546	(11,546)	-
Insurance premiums charged to member's accounts		(186,689)	(81)	(186,770)
Death and disability insurance benefits paid to members or beneficiaries		105,651	-	105,651
Benefits allocated to members' accounts, comprising:				
Net investment income		4,557,683	-	4,557,683
Administration fees		(127,388)	-	(127,388)
Net change in defined benefit member accrued benefits		-	4,010	4,010
Closing balance of member benefits		64,055,782	67,701	64,123,483
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		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 members' 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

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 2026

	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 2025		152,350	223,307	180,745	22,417	578,819
Received from successor fund transfer	1(a)	2,820	1,309	-	-	4,129
Net transfers to/(from) reserves		(35,000)	50,865	(15,865)	-	-
Transfers into/(out of) reserves affecting net assets available to pay members' benefits		-	24	(1,667)	-	(1,643)
Operating result		11,841	986	(62,481)	1,555	(48,099)
Closing balance as at 30 June 2026	13	132,011	276,491	100,732	23,972	533,206
		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		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

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 2026

	Note	2026 \$'000	2025 \$'000
Cash flows from operating activities			
Interest received		8,211	9,172
Insurance proceeds		101,796	113,666
Other income		1,190	12,019
Other general administration expenses		(187,590)	(276,607)
Purchase of fixed assets		(232)	(362)
Proceeds on disposal of fixed assets		2	31
Insurance premiums paid		(154,631)	(115,645)
Income tax paid		(313,376)	(83,452)
Net cash outflows from operating activities	19	(544,630)	(341,178)
Cash flows from investing activities			
Purchase of investments		(39,872,409)	(32,001,255)
Proceeds from sale of investment		40,067,388	32,092,041
Investment expenses		(13,217)	(16,093)
Net cash inflows from investing activities		181,762	74,693
Cash flows from financing activities			
Employer contributions		3,662,348	2,888,186
Member contributions		976,158	700,278
Government co-contributions		2,214	1,768
Transfers from other superannuation funds received		559,430	471,873
Benefits paid to members or beneficiaries		(4,246,655)	(3,283,735)
Income tax paid on contributions received		(601,380)	(471,775)
Net cash inflows from financing activities		352,115	306,595
Net (decrease)/increase in cash and cash equivalents		(10,753)	40,110
Cash and cash equivalents at the beginning of the financial year		263,117	133,888
Received from successor fund transfer		19,343	89,119
Cash and cash equivalents at the end of the financial year	19	271,707	263,117

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

CARESUPER
NOTES TO THE FINANCIAL STATEMENTS

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CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

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. The Fund is a profit-to-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 division 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 (the "Trustee") 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 17 September 2026.

(a) Successor Fund Transfer

On 1 October 2025, CareSuper, the successor fund, transferred by successor fund transfer ('SFT') all the assets and liabilities of the Meat Industry Employees Superannuation Fund (MIESF) for no consideration. The net amount transferred to the Fund was \$1,125,260,000, comprising of a Defined Contribution Scheme.

The following reconciles the balance in the successor fund transferred in items as at 1 October 2025.

	\$'000
Successor fund transfer - statement of changes in equity/reserves	4,129
Successor fund transfer - statement of changes in member benefits	1,121,131
	<u>1,125,260</u>
 MIESF statement of financial position balances as at 30 September 2025	
Assets	1,160,506
Liabilities	<u>(35,246)</u>
	<u>1,125,260</u>
 Equity	<u>1,125,260</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 Fund's Trust Deed. CareSuper is a profit-to-members industry super fund and is a not-for-profit entity under *AASB 1054 Australian Additional Disclosures*.

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):

The IASB issued a new standard on presentation and disclosure in financial statements, which replaces AASB 101, with a focus on updates to the statement of profit or loss.

As decided by the AASB Board in May 2026, the new standard requires superannuation entities applying AASB 1056 Superannuation Entities to:

- present primary financial statements in accordance with that standard, rather than the presentation formats in AASB 18, including identifying the statement of changes in member benefits as a primary financial statement and classifying and presenting income and expenses in accordance with AASB 1056;
- apply the AASB 18 requirements on labelling, aggregation and management-defined performance measures;
- reconcile cash flows from operating activities to the profit or loss total presented in the statement of profit or loss; and
- retain the existing accounting policy choice for classifying cash flows from dividends received and interest paid and received, for example as cash flows from operating activities.

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 2025 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 2026

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 (Secretariat Co) Pty Ltd, 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. Refer to Note 6 for a list of controlled entities.

(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. Refer to Note 7(b) for details.

Refer to Note 2(i) for tax judgements, estimates and assumptions.

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 instruments

(i) Classification

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

(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 are measured at fair value. Gains and losses are presented in the Income Statement in the period in which they arise as net changes in fair value of financial instruments.

(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).

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

2. Summary of material accounting policies (continued)

(g) Cash and cash equivalents

Cash and cash equivalents (maturity date of 3 months or less) 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) Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured, regardless of when the payment is received. Income 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 income is recognised.

Changes in fair value

Changes in the fair value of financial instruments 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 income 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 income is recognised when the Fund's right to receive payment is established. Income is presented gross of any non-recoverable withholding taxes, which are disclosed separately as tax expense in the Income Statement.

(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.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

2. Summary of material accounting policies (continued)

(j) Goods and services tax (GST)

Incomes, 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 income 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.

(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. Investment receivables include accrued dividends, interest and distributions receivable, together with amounts receivable for securities sold but not yet settled at reporting date.

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. Investment payables include accrued investment-related fees and amounts payable for securities purchased but not yet settled at reporting date.

(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 income 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.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

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

Comparative information has been reclassified, where required, to align with current period disclosures. During the year, the Fund completed a comprehensive review of its investment disclosures to improve clarity and transparency.

This resulted in the reclassification of cash, investment receivables and payables from within investment portfolios, as well as the reallocation of certain investments to other asset classes to better reflect their underlying asset class descriptions. The adoption of a look-through approach also resulted in movements between levels 1, 2 and 3 of the fair value hierarchy.

The impacts of these changes on the statement of financial position and notes are disclosed on the tables below:

Classification	Statement of Financial Position	Note 3(a) (iii) Interest rate risk		Note 3(b) Summarised sensitivity analysis		Note 3(d) Liquidity risk	Note 5. Changes in fair value of financial instruments	
		Floating Interest Rate	Fixed Interest Rate	Interest Rate Risk	Price Risk		Investments held at balance date	Investments realised during the year
	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000
Receivables	1,222,148	-	-	-	-	-	-	-
Cash & short-term deposits held for investing activities	3,869,283	1,239,042	2,630,241	-	-	-	(91)	100
Fixed interest	(2,225,564)	664,858	(2,890,422)	-	-	-	-	-
Australian shares	(467,614)	-	-	-	(60,790)	-	-	-
Overseas shares	(313,465)	-	-	-	(47,020)	-	-	-
Credit	(26,130)	(33,936)	7,806	-	-	-	-	-
Guaranteed Income	(1,110)	(1,110)	-	-	-	-	91	(100)
Alternatives	(289,479)	(23,319)	7,769	-	-	-	-	-
Property	(40,233)	-	-	-	(3,621)	-	-	-
Infrastructure	(10,127)	(8,264)	(70)	-	-	-	-	-
Private equity	(17,116)	-	-	-	-	-	-	-
Other assets	-	-	-	-	(160,542)	-	-	-
Derivative assets	(1,219)	1,609	11,833	-	-	-	-	-
Derivative liabilities	-	-	-	-	-	-	-	-
Payables	(1,699,374)	-	-	-	-	(1,669,374)	-	-
Total Fund	-	-	-	30,289	-	-	-	-
Derivatives (Outflows)	-	-	-	-	-	(1,219)	-	-
Derivatives (Net)	-	-	-	-	-	(1,219)	-	-

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2. Summary of material accounting policies (continued)

(r) Reclassification of financial information (continued)

Classification	Note 3(c) Credit risk	Note 4(b) Fair value hierarchy			Note 4(d) Level 3 investments	Note 6. Structured and controlled entities	Note 9. Receivables	Note 14. Payables
		Level 1	Level 2	Level 3	Closing balance			
		\$'000	\$'000	\$'000	\$'000			
Receivables	-	-	-	-	-	-	1,222,148	-
Cash & short-term deposits held for investing activities	3,869,283	4,708,857	(839,574)	-	-	-	-	-
Fixed interest	(2,225,564)	(8,363)	(2,217,201)	-	-	-	-	-
Australian shares	-	(346,592)	(121,236)	214	214	-	-	-
Overseas shares	-	(322,481)	9,016	-	-	(1,598,056)	-	-
Credit	(26,130)	-	2,585,303	(2,611,433)	(2,611,433)	407,866	-	-
Guaranteed Income	(1,110)	-	(1,110)	-	-	-	-	-
Alternatives	(1,706,901)	14,861	(304,340)	-	-	(102,693)	-	-
Property	(3,912,468)	395,065	(410,518)	(24,780)	(24,780)	98,985	-	-
Infrastructure	(5,843,767)	(30)	198,380	(208,477)	(208,477)	1,595,286	-	-
Private equity	(3,030,342)	40,673	-	(57,789)	(57,789)	1,675,817	-	-
Derivative assets	13,442	18,322	(19,541)	-	-	-	-	-
Derivative liabilities	-	(42,008)	42,008	-	-	-	-	-
Other receivables	1,222,148	-	-	-	-	-	-	-
Payables	-	-	-	-	-	-	-	1,699,374
AAA	152,392	-	-	-	-	-	-	-
AA+	627,660	-	-	-	-	-	-	-
AA	445,006	-	-	-	-	-	-	-
AA-	1,649,548	-	-	-	-	-	-	-
A+	1,041,261	-	-	-	-	-	-	-
A	1,842,534	-	-	-	-	-	-	-
A-	306,122	-	-	-	-	-	-	-
A-1+	8,519	-	-	-	-	-	-	-
B to D	508,675	-	-	-	-	-	-	-
Not rated	3,630,057	-	-	-	-	-	-	-

Classification	Note 4(e) Offsetting financial assets and financial liabilities			Note 19. Cash flow statement reconciliation
	Derivative Fair Value	Derivative amounts set off	Net Market Value	
	\$'000	\$'000	\$'000	
Forward foreign exchange contracts (Asset)	(1,571,433)	(1,517,416)	(17)	-
Spot Currency Exchange Contract (Asset)	17	-	17	-
Swaps contracts (Asset)	(128,417)	(127,918)	(1,219)	-
Forward foreign exchange contracts (Liability)	1,571,478	(1,517,416)	62	-
Spot Currency Exchange Contract (Liability)	(62)	-	(62)	-
Swaps contracts (Liability)	127,918	127,918	-	-
Increase in financial assets measured in fair value	-	-	-	(387,147)
Decrease/(increase) in receivables	-	-	-	(777,684)
(Decrease)/Increase in payables	-	-	-	1,164,831

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 investment activities expose it to a variety of investment risks:

Market risk (comprised of Price risk, Interest rate risk, and Foreign currency risk), Credit risk, Liquidity risk, Environmental, social and governance (ESG) risk, Inflation risk, Security-specific risk, Derivatives risk, Agency risk, Climate risk, and Investment operational risk.

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

3. Financial risk management (continued)

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 over market and economic cycles. 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 asset class investment options.

The asset allocation is reviewed throughout the year in accordance with the Fund's Investment Policies, including its Rebalancing Policy. 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 interests in other entities including pooled investment vehicles such as managed investment schemes, unit trusts, limited partnerships, corporate investment vehicles and other externally managed investment structures.

The Trustee appoints investment managers after conducting a rigorous due diligence process, assessing the respective managers' investment process, personnel, capacity, and operational capability, to determine suitability for the Fund and alignment 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 relevant governing document (for example, a trust deed or partnership agreement). The underlying investments held by these managers, including equity securities, insurance policies, fixed interest securities, property, infrastructure, private equity, hedge funds, cash and short-term deposits, are expected to generate appropriate levels of return, with acceptable levels of risk.

A range of qualitative risk measures are 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 Investment exposures and 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. Derivative exposures are managed within counterparty and outright limits set out in the Fund's Derivatives Policy.

The Fund's listed and liquid markets investments are generally held on behalf of the Trustee by JPMorgan Chase Bank, National Association (JPM) in their role as custodian. To the extent assets are held directly, the Trustee ensures appropriate controls are in place to ensure the correct recording of the assets, liabilities, income and expenses.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate. 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.

(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 moderates this risk through investment portfolio design, diversification of investment exposures, 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 and are reviewed annually. These ranges have been set to ensure the appropriate overall portfolio risk/return ratio is maintained and to ensure satisfactory diversification across sectors. In this way the Fund's exposure is not overly concentrated to asset class, market or sector, which could be impacted disproportionately by an underlying economic event. This approach is designed to produce investment performance over time which smooths out some of the volatility experienced through market risk. The asset allocation of the investment options are monitored 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).

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Notes to the Financial Statements
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3. Financial risk management (continued)

(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 through its investment in financial instruments denominated in a foreign currency. These exposures are managed by a combination of the hedging policies of the underlying managers, overlayed by the hedging strategy established by the Trustee, in conjunction with the investment consultant. The Funds 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.

2026	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 *	(14,381,556)	(781,715)	(427,327)	(2,644,689)	(1,500,567)	(19,735,854)
Gross investment amount	22,513,048	1,070,326	983,579	3,663,123	4,165,089	32,395,165
Net currency exposure	8,131,492	288,611	556,252	1,018,434	2,664,522	12,659,311

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)
Gross investment amount**	19,326,767	971,251	904,434	3,395,399	3,085,291	27,683,142
Net currency exposure	7,180,983	287,380	457,359	1,208,618	1,889,189	11,023,529

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

** Gross investment amount that was reported at 30 June 2025 has been restated. Accordingly for the year ended 30 June 2025, US Dollar has decreased by \$333,973,000, GB Pound has decreased by \$1,943,000, Japanese Yen has decreased by \$6,622,000, Euro has decreased by \$8,067,000 and Other has decreased by \$2,708,000.

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 in 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.

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

2026	Floating Interest Rate \$'000	Fixed Interest Rate \$'000	Total \$'000
Financial assets			
Cash & short-term deposits held for investing activities	1,420,080	5,642,226	7,062,306
Fixed interest	860,966	4,420,025	5,280,991
Credit	3,565,693	428,459	3,994,152
Infrastructure	102,260	-	102,260
Alternatives	2,573,611	223,968	2,797,579
Derivatives	398	16,977	17,375
Total financial assets	8,523,008	10,731,655	19,254,663

2025	Floating Interest Rate \$'000	Fixed Interest Rate \$'000	Total \$'000
Financial assets			
Cash & short-term deposits held for investing activities	1,674,270	6,120,559	7,794,829
Fixed interest	822,459	4,136,815	4,959,274
Credit	2,959,621	283,792	3,243,413
Infrastructure	102,260	-	102,260
Alternatives	1,124,590	158,804	1,283,394
Derivatives	1,609	11,833	13,442
Total financial assets	6,684,809	10,711,803	17,396,612

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).

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Notes to the Financial Statements
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3. Financial risk management (continued)

(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 income 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
2026	+/- 7%	1,006,709	54,720	29,913	185,128	105,040	1,381,510
2025	+/- 10%	751,496	28,932	46,398	121,669	189,190	1,137,685

		Interest rate risk	Price risk				
		Total Fund	Australian shares	Overseas shares	Property	Other assets	Total
2026	Change in variable (%)	0.83%	13%	16%	13%	8%	
	Effect on net assets and net profit/loss (\$'000)	159,814	1,856,972	2,896,858	526,818	940,386	6,221,033
2025	Change in variable (%)	0.64%	13%	15%	9%	8%	
	Effect on net assets and net profit/loss (\$'000)	111,338	1,710,958	2,322,490	348,501	959,304	5,341,253

(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 2026 is the carrying amount of the financial assets in the table below, as reported in the Statement of Financial Position.

Financial assets	2026 \$'000	2025 \$'000
Investments		
Cash & short-term deposits held for investing activities	7,062,306	7,794,829
Fixed interest	5,280,991	4,959,274
Credit	3,994,152	3,243,413
Alternatives	2,797,579	1,283,394
Infrastructure	102,260	102,260
Derivative assets	17,375	13,442
Other assets		
Cash at bank	271,707	263,117
Other receivables	1,129,599	1,226,468
Total financial assets	20,655,969	18,886,197

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.

Rating	2026 \$'000	2025 \$'000
AAA	1,391,296	1,089,269
AA+	1,030,848	1,348,010
AA	629,587	944,749
AA-	4,306,804	3,035,191
A+	767,204	1,419,150
A	1,730,676	2,032,577
A-	666,095	1,310,178
A-1+	12,871	8,519
B to D	1,532,851	1,427,272
Not rated	7,186,431	4,781,697
	19,254,663	17,396,612

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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.

2026	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	1,416,145	-	-	-	1,416,145
Member liabilities	64,055,782	-	-	-	64,055,782
Lease liabilities	278	631	2,235	18,306	21,450
Derivatives					
Inflows	29,281,875	-	-	-	29,281,875
(Outflows)	(29,611,381)	-	-	-	(29,611,381)
Net derivatives	(329,506)	-	-	-	(329,506)

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	1,782,525	-	-	-	1,782,525
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)	(26,380,059)	-	-	-	(26,380,059)
Net derivatives	359,510	-	-	-	359,510

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 Board, and the Investment team is responsible for its implementation. The Policy is reviewed on a biennial basis or more frequently if required.

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.

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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 1 April 2026. 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 or at call 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 and data 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 other asset backed lending.

Fixed interest

Fixed interest investments (or bonds) are interest-bearing debt securities issued by governments and large corporations. These 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.

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Notes to the Financial Statements
For the year ended 30 June 2026

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. The Fund's Level 1 assets include listed equity securities whose fair value is determined using the last quoted market price provided by independent pricing sources.
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Securities quoted in an inactive market are also included in Level 2. These may include broker quotes, observable market prices for similar instruments, unit prices provided by underlying fund managers, and valuation models using observable market inputs. The Fund's Level 2 assets include certain fixed interest securities, interests in other entities (including pooled investment vehicles) and over-the-counter derivatives.
- Level 3 : inputs that are not based on observable market data and require significant judgement, include discount rates, capitalisation rates, manager-provided unit prices, limited partnership account balances and other material unobservable inputs. The Fund's Level 3 assets include certain unlisted investments, such as property, infrastructure, private equity and credit investments.

Financial instruments are classified in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. 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.

2026	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Cash & short-term deposits held for investing activities	4,482,850	2,579,456	-	7,062,306
Fixed interest	77,137	5,203,762	92	5,280,991
Australian shares	14,240,189	-	44,210	14,284,399
Overseas shares	18,061,201	44,013	150	18,105,364
Credit	3,498	845,037	3,145,617	3,994,152
Alternatives	36,951	3,768,569	126,795	3,932,315
Property	483,601	-	3,521,182	4,004,783
Infrastructure	2	102,259	6,207,320	6,309,581
Private equity	-	-	3,524,126	3,524,126
Derivative assets	23,949	882,065	-	906,014
Total financial assets	37,409,378	13,425,161	16,569,492	67,404,031
Derivative liabilities	(53,180)	(1,182,340)	-	(1,235,520)
Total net financial assets	37,356,198	12,242,821	16,569,492	66,168,511
2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets				
Cash & short-term deposits held for investing activities	4,794,305	3,000,524	-	7,794,829
Fixed interest	-	4,959,274	-	4,959,274
Australian shares	13,155,903	5,098	214	13,161,215
Overseas shares	15,474,253	9,016	-	15,483,269
Credit	-	3,213,765	29,648	3,243,413
Alternatives	14,861	2,685,955	-	2,700,816
Property	395,759	-	3,476,476	3,872,235
Infrastructure	2	198,380	5,737,518	5,935,900
Private equity	40,673	-	2,972,553	3,013,226
Derivative assets	18,322	1,144,200	-	1,162,522
Total financial assets	33,894,078	15,216,212	12,216,409	61,326,699
Derivative liabilities	(42,008)	(761,004)	-	(803,012)
Total net financial assets	33,852,070	14,455,208	12,216,409	60,523,687

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 the framework and processes the Trustee uses to value the Fund's investments so that they appropriately and fairly reflect market value, support robust unit pricing and financial statements, and promote equity among members. The Board Valuation Committee oversees the Fund's valuation governance framework, including the application of the Asset Valuation Policy and the independence of the valuation process. The Finance and Audit Committee oversees the accurate reflection of investment valuations in unit pricing and financial statements.

For externally managed unlisted investments, valuations are generally undertaken by the relevant Responsible Entity or Investment Manager and communicated to the Custodian, with Trustee oversight applied through due diligence, monitoring, annual attestations, audit review and net asset value ("NAV") back-testing. For directly held unlisted investments, the Trustee has established a valuation program under which independent valuations are regularly undertaken.

Valuation techniques may include net asset value, discounted cash flow analysis, capitalisation and sales comparison approaches, market multiples, comparison to substantially similar instruments, and observable transactions or market evidence where available.

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 including 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 being the last traded price.

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.

Interests in other entities

The Fund holds interests in other entities which are not quoted in an active market and may be subject to restrictions on redemptions, such as lock-up periods and redemption gating. These investments include interests in pooled investment vehicles such as managed investment schemes, unit trusts, limited partnerships, corporate investment vehicles and other externally managed investment structures.

Fair value is generally determined based on the most recent net asset value, capital account balance or equivalent valuation provided by the investment manager, responsible entity, general partner or administrator. The Fund considers the valuation techniques and inputs used in valuing these investments as part of its due diligence processes to assess whether they are reasonable and appropriate.

In measuring fair value, these valuations may be adjusted, where necessary, to reflect restrictions on redemptions, future commitments and other investment-specific factors. Consideration is also given to any recent transactions in the relevant ownership interests. Depending on the significance of adjustments applied and the observability of inputs, these investments are classified as either Level 2 or Level 3 in the fair value hierarchy.

Oversight of valuations provided by external investment managers is performed through regular review of their valuation policies and processes to assess whether they are consistent with the Fund's valuation principles. The Trustee also performs due diligence to consider whether the valuation approaches adopted by investment managers are consistent with relevant industry guidelines.

Direct investments in unlisted assets

The Fund holds direct investments in unlisted assets, including infrastructure, property and equity investments. These assets are not quoted in an active market and are therefore classified as Level 3 in the fair value hierarchy, as valuations are determined using inputs that are not based on observable market data. Fair value is determined using appropriate valuation techniques based on the nature of the underlying assets, including income-based and market-based approaches.

Valuations incorporate key assumptions such as expected cash flow growth, discount rates, capitalisation rates and comparable market metrics. These inputs are not directly observable and require the application of judgement.

Valuations are performed in accordance with the Asset Valuation Policy and are generally undertaken at least annually by suitably qualified independent valuers. Independent valuers are periodically rotated.

Market uncertainty considerations for the fair value of Level 3 investments

Market uncertainty, inflationary pressures and changes in interest rates have had, and continue to have, an impact on the general business environment and financial markets. The Trustee's evaluation of Level 3 investment valuations includes consideration of current market conditions on the fair value of those investments.

Estimating the valuation implications of market uncertainty on the fair value of the Fund's Level 3 investments continue to require considerable judgement by independent external valuers, external investment managers and the Trustee. These valuations are based on information available at the time of the relevant valuation which may change as circumstances and events continue to unfold. Level 3 investment valuations will continue to be closely monitored and are updated when new information becomes available or circumstances change, in accordance with the Fund's Asset Valuation Policy.

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Notes to the Financial Statements
For the year ended 30 June 2026

4. Financial assets and liabilities (continued)

(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:

2026	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
Fixed interest	-	5	(5)	92	-	92	(5)
Australian shares	214	2,738	22,754	21,921	(3,417)	44,210	22,724
Overseas shares	-	73	2	19,370	(19,295)	150	2
Credit	29,648	2,457,115	(32,465)	978,609	(287,290)	3,145,617	(127,610)
Alternatives	-	27,059	2,230	97,506	-	126,795	2,230
Property	3,476,476	-	(37,871)	1,661,335	(1,578,758)	3,521,182	47,686
Infrastructure	5,737,518	135,059	217,008	2,775,271	(2,657,536)	6,207,320	(213,450)
Private equity	2,972,553	40,673	(61,878)	1,285,367	(712,589)	3,524,126	(287,563)
Total	12,216,409	2,662,722	109,775	6,839,471	(5,258,885)	16,569,492	(555,986)

2025	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
Australian shares	-	-	26	201	(13)	214	26
Credit	-	-	20,907	19,458	(10,717)	29,648	20,907
Property	1,987,901	(30,037)	542,838	1,289,200	(313,426)	3,476,476	815,103
Infrastructure	3,029,242	52,375	1,027,726	1,943,572	(315,397)	5,737,518	880,111
Private equity	1,199,987	(18,717)	1,324,448	1,014,306	(547,471)	2,972,553	1,276,500
Total	6,217,130	3,621	2,915,945	4,266,737	(1,187,024)	12,216,409	2,992,647

*Total purchases includes the assets that were acquired by SFT

(i) Private equity

As at 30 June 2026 the Fund has Private equity of \$3,524,126,000 (2025: \$2,972,553,000) categorised as level 3. These investments comprise direct investments, interests in unlisted unit trusts, partnerships and managed funds. As active markets are generally not available for these investments, fair value is determined using valuations provided by independent valuers, the external investment manager or general partner. These valuations may incorporate valuation methodologies that involve significant unobservable inputs and judgement, including assumptions relating to the underlying investments, market conditions and expected future performance. The Fund assesses the reasonableness of these valuations through its valuation governance framework, including consideration of the valuation methodologies, assumptions and supporting information provided by investment managers.

(ii) Property

As at 30 June 2026, the Fund has property assets of \$3,521,182,000 (2025: \$3,476,476,000) categorised as Level 3. As active markets are generally not available for these investments, fair value is determined using valuations performed by independent valuers and/or external investment managers. Valuations are typically based on income approaches, including discounted cash flow and net present value methodologies, and may also incorporate capitalisation and direct comparison methodologies where appropriate. These valuation methodologies involve significant unobservable inputs and judgement, including discount rates, capitalisation rates, rental growth assumptions and forecast cash flows. The Fund assesses the reasonableness of these valuations through its valuation governance framework.

(iii) Infrastructure

As at 30 June 2026, the Fund has infrastructure assets of \$6,207,320,000 (2025: \$5,737,518,000) categorised as Level 3. As active markets are generally not available for these investments, fair value is determined using valuations performed by independent valuers and/or external investment managers. Valuations are generally based on discounted cash flow and net present value methodologies, incorporating assumptions relating to forecast cash flows, discount rates, inflation, patronage and other asset-specific variables. These valuation methodologies involve significant unobservable inputs and judgement. The Fund assesses the reasonableness of these valuations through its valuation governance framework, including consideration of the valuation methodologies, assumptions and supporting information provided by valuers and investment managers.

(iv) Credit

As at 30 June 2026 the Fund has Credit of \$3,145,617,000 (2025: \$29,648,000) categorised as level 3. These investments primarily comprise interests in unlisted credit funds and private debt vehicles. As active markets are generally not available for these investments, fair value is determined using valuations provided by the external investment manager or general partner, which may rely on valuation models incorporating significant unobservable inputs and judgement. The Fund assesses the reasonableness of these valuations through its valuation governance framework, including consideration of the valuation methodologies, assumptions and supporting information provided by investment managers.

(v) Alternatives

As at 30 June 2026 the Fund has Alternatives of \$126,795,000 (2025: \$Nil) categorised as level 3. These investments comprise interests in unlisted alternative investment vehicles, including strategies that may invest across a range of asset classes and market opportunities. As active markets are generally not available for these investments, fair value is determined using valuations provided by the external investment manager or general partner. These valuations may incorporate valuation methodologies that involve significant unobservable inputs and judgement, including assumptions relating to the underlying investments and market conditions. The Fund assesses the reasonableness of these valuations through its valuation governance framework, including consideration of the valuation methodologies, assumptions and supporting information provided by investment managers.

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Notes to the Financial Statements
For the year ended 30 June 2026

4. Financial assets and liabilities (continued)

(d) Level 3 investments (continued)

(vi) Australian shares, International shares and Fixed income

As at 30 June 2026, the Fund has a limited number of Australian shares, international shares and fixed income securities classified as Level 3. These investments generally arise where securities have been delisted, become inactive or illiquid, are subject to trading suspensions, or where impairment indicators exist such that observable market prices are no longer considered representative of fair value.

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 2026

Asset class	Key unobservable input	Fair value \$'000	Range of inputs	Relationship of unobservable to fair value
Alternatives	Unlisted company unit price/ Limited partnership capital	126,795	8%	A 8% movement in the unit price or capital account balance will result in movement in fair value of \$10.1m.
Australian Shares	Recovery value estimate	44,210	13%	A 13% movement in the unit price or capital account balance will result in movement in fair value of \$5.7m.
Credit	Unlisted company unit price/ Limited partnership capital account balance	3,145,617	7%	A 7% movement in the unit price or capital account balance will result in movement in fair value of \$220.2m.
Fixed Interest	Expected default rate	92	7%	A 7% movement in the unit price or capital account balance will result in movement in fair value of \$6k.
Infrastructure	Discount rate	4,185,089	7.25% - 12.1%	An increase in the discount rate will result in a lower fair value.
	Unlisted company unit price / Limited partnership capital account balance	2,022,231	9%	A 9% movement in the unit price or capital account balance will result in movement in fair value of \$182m.
Private Equity	Unlisted trust unit price / Limited partnership capital account balance	3,524,126	13%	A 13% movement in the unit price or capital account balance will result in movement in fair value of \$458.1m.
Property	Discount rate	741,090	6.5% - 22%	An increase in the discount rate will result in a lower fair value.
	Unlisted trust unit price	2,780,092	7%	A 7% movement in the unit price will result in movement in fair value of \$194.6m.
Overseas Shares	Recovery value estimate	150	16%	A 16% movement in the unit price or capital account balance will result in movement in fair value of \$24k.

30 June 2025

Asset class	Key unobservable input	Fair value \$'000	Range of inputs	Relationship of unobservable to fair value
Australian Shares	Recovery value estimate	214	10%	A 10% movement in the unit price or capital account balance will result in movement in fair value of \$0.02m.
Credit	Unlisted company unit price/ Limited partnership capital account balance	29,648	10%	A 10% movement in the unit price or capital account balance will result in movement in fair value of \$3.0m.
Infrastructure	Discount rate	2,063,607	7.9% - 10.4%	An increase in the discount rate will result in a lower fair value.
	Unlisted company unit price / Limited partnership capital account balance	3,673,911	10%	A 10% movement in the unit price or capital account balance will result in movement in fair value of \$367.4m.
Private Equity	Unlisted trust unit price / Limited partnership capital account balance	2,972,553	10%	A 10% movement in the unit price or capital account balance will result in movement in fair value of \$297.3m.
Property	Discount rate	749,882	8.0% - 17.5%	An increase in the discount rate will result in a lower fair value.
	Unlisted trust unit price	2,726,594	10%	A 10% movement in the unit price will result in movement in fair value of \$272.7m.

4. Financial assets and liabilities (continued)

(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
2026			
Financial Assets			
Forward foreign exchange contracts	29,512,993	29,391,854	121,139
Futures contracts	23,944	-	23,944
Options Contracts	34	-	34
Spot Currency Exchange Contract	273	-	273
Swaps contracts	5,949,322	5,188,703	760,619
Warrants	5	-	5
Total	35,486,571	34,580,557	906,014
Financial Liabilities			
Forward foreign exchange contracts	(29,803,308)	(29,391,854)	(411,454)
Futures contracts	(53,180)	-	(53,180)
Options contracts	(313)	-	(313)
Spot Currency Exchange Contract	(82)	-	(82)
Swaps contracts	(5,959,194)	(5,188,703)	(770,491)
Total	(35,816,077)	(34,580,557)	(1,235,520)
Net Financial Assets	(329,506)	-	(329,506)

	Derivative fair value \$'000	Derivative amounts set off \$'000	Net Market Value \$'000
2025			
Financial Assets			
Forward foreign exchange contracts	24,047,946	23,464,195	583,751
Futures contracts	18,322	-	18,322
Options Contracts	775	-	775
Spot Currency Exchange Contract	17	-	17
Swaps contracts	3,985,073	3,425,416	559,657
Total	28,052,133	26,889,611	1,162,522
Financial Liabilities			
Forward foreign exchange contracts	(23,660,203)	(23,464,195)	(196,008)
Futures contracts	(42,008)	-	(42,008)
Options contracts	(103)	-	(103)
Spot Currency Exchange Contract	(62)	-	(62)
Swaps contracts	(3,990,247)	(3,425,416)	(564,831)
Total	(27,692,623)	(26,889,611)	(803,012)
Net Financial Assets	359,510	-	359,510

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Notes to the Financial Statements
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5. Changes in fair value of financial instruments

	2026	2025
	\$'000	\$'000
Investments held at balance date		
Cash & short-term deposits held for investing activities	68	32
Fixed interest	(159,520)	117,433
Australian shares	631,205	623,001
Overseas shares	1,866,799	1,414,610
Credit	(55,534)	99,000
Infrastructure	255,479	451,126
Alternatives	73,547	(35,895)
Private equity	(74,719)	230,930
Property	(4,771)	(89,016)
Derivatives	(174,949)	361,863
Total unrealised gains	2,357,605	3,173,084

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.

	2026	2025
	\$'000	\$'000
Investments realised during the year		
Cash & short-term deposits held for investing activities	(97)	(113)
Fixed interest	110,768	(14,708)
Australian shares	(126,769)	122,965
Overseas shares	(262,841)	526,594
Credit	(16,012)	32,852
Infrastructure	2,814	1,166
Alternatives	120,524	49,413
Private equity	(2,093)	(574)
Property	34,073	(13,929)
Derivatives	1,113,446	(715,030)
Total realised (losses)/gains	973,813	(11,364)
Net changes in fair value of financial instruments	3,331,418	3,161,720

6. Structured and controlled entities

Structured entities

A structured entity is an entity designed such that voting or similar rights are not the dominant factor in determining control with relevant activities directed through contractual arrangements.

The Fund's interests in structured entities primarily comprise investments in pooled investment vehicles established to provide exposure across asset classes. These vehicles may include managed investment schemes, unit trusts, limited partnerships, corporate investment vehicles and other externally managed investment structures.

The Fund holds ownership interests in these vehicles in order to obtain exposure to underlying investments and to generate returns through investment income, capital appreciation or both.

The Fund generally does not have the ability to direct the relevant activities of these structured entities and therefore does not control them. The Fund's exposure to loss is typically limited to the carrying amount of its investment together with any undrawn commitments. Direct investments in unlisted companies are not structured entities, as control in those entities is typically determined by voting rights.

Some structured entities may also be controlled entities; however, they are presented separately to distinguish the AASB 12 structured entity disclosure from the AASB 10 control assessment.

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Notes to the Financial Statements
For the year ended 30 June 2026

6. Structured and controlled entities (continued)

Structured entities (continued)

The Fund's exposure to investments in structured entities, measured at fair value, and presented by investment strategy, is disclosed below, these exclude structured entities which are also controlled entities, which are disclosed separately:

	Fair value of investment	
	2026 \$'000	2025 \$'000
Overseas shares	44,013	24,184
Credit	766,691	804,223
Property*	2,488,188	2,477,107
Infrastructure	4,305,589	3,982,562
Private equity	1,702,763	1,745,908
Alternatives	2,003,827	1,417,422
	11,311,071	10,451,406

The fair value of financial assets (30 June 2026: \$11,311,071,000; 30 June 2025: \$10,451,406,000) is included in financial investments in the Statement of Financial Position.

During the year ended 30 June 2026, total gains on investments in investee MIS's were \$193,475,000 (total gains for the year ended 30 June 2025: \$342,371,000).

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 under *AASB 10 Consolidated Financial Statements* as it satisfies the following criteria:

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

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

Under *AASB 10 Consolidated Financial Statements*, a controlled entity is an entity over which the Fund has control.

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 over the trustee to affect its returns.

As an investment entity under AASB 10, the Fund does not consolidate controlled entities (other than those providing services to the Fund) and instead measures these investments at fair value through profit or loss.

The table below sets out the Fund's controlled entities, including their principal place of business and ownership interest.

Entity	Principle place of business	Proportion of
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 (Ferntree 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%
LGT CS Special Investments	Switzerland	100%
Flinders Ports Holdings	Victoria	100%
Arqiva	United Kingdom	100%
Partners Group Yarra	Switzerland	100%
Flinders Ports Wineshed	Victoria	100%
28-52 Victoria Crescent	Victoria	100%
62 Lygon Street Carlton	Victoria	100%

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Notes to the Financial Statements
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6. Structured and controlled entities (continued)

Controlled entities (continued)

The Fund's investments in controlled entities, measured at fair value, and presented by investment strategy, is disclosed below:

	Fair value of investment	
	2026	2025
	\$'000	\$'000
Credit	2,519,117	1,815,095
Infrastructure	647,163	569,386
Private Equity	1,153,827	1,057,118
Property	988,422	983,578
	5,308,529	4,425,177

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 2026 \$530,441 (2025: \$649,597) 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.

	2026	2025
	\$'000	\$'000
Members liability at end of the financial year	64,055,782	58,185,172
Reserves	509,234	556,402
Unallocated contributions	530	650
Net assets available to pay benefits	64,565,546	58,742,224

(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.

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Notes to the Financial Statements
For the year ended 30 June 2026

7. Liability for member benefits (continued)

(b) Defined benefit member liabilities (continued)

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 2025-26 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 future rate of investment return +/- 1%
and no change in future rate of salary increase
Increase / (decrease) in future rate of salary increase by +/- 1%
and no change in future rate of investment returns
Increase / (decrease) in future rate of investment return +/- 1%
and increase / (decrease) in future rate of salary increase by +/- 1%

Increase/(decrease) in DB member liabilities \$'000

2026: (302) / 1,233
2025: (268) / 1,396
2026: 1,233 / (303)
2025: 1,396 / (290)
2026: 931 / (930)
2025: 1,128 / (1,106)

The amount of the vested benefits attributable to defined benefit members as at 30 June 2026 is \$90,085,111.

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

	Effective date of last actuarial review (valuation date)	Vested benefits for defined benefit members at 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	Total actuarial value for accrued benefits	Net assets for defined benefit member at valuation date	Over funded
2026							
Quadrant	30/06/2026	23,789,023	20,139,572	3,817,053	23,956,625	34,094,210	10,137,585
Hobart City Council	30/06/2026	21,943,875	19,327,468	2,938,655	22,266,123	31,265,571	8,999,448
Launceston City Council	30/06/2026	44,352,213	28,233,611	16,531,173	44,764,784	49,599,752	4,834,968
Total		90,085,111	67,700,651	23,286,881	90,987,532	114,959,533	23,972,001
2025							
Quadrant	30/06/2025	28,969,894	24,347,760	4,904,461	29,252,221	38,810,917	9,558,696
Hobart City Council	30/06/2025	25,565,654	23,194,443	2,789,010	25,983,453	34,387,699	8,404,246
Launceston City Council	30/06/2025	48,753,237	30,605,410	18,472,074	49,077,484	53,531,349	4,453,865
Total		103,288,785	78,147,613	26,165,545	104,313,158	126,729,965	22,416,807

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 12% (2025: 11.5%) 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.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

9. Receivables

	2026	2025
	\$'000	\$'000
Recoverable within 12 months		
GST receivable	1,298	919
Investment receivables	1,119,420	1,222,148
Contributions receivable	122	22
Income receivable	12	107
Sundry receivables	4,374	32
	1,125,226	1,223,228

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

	2026	2025
	\$'000	\$'000
Opening net written down value	3,257	1,618
Additions	366	3,013
Disposals	(60)	(2)
Depreciation	(1,532)	(1,372)
Closing net written down value	2,031	3,257
Cost	15,967	16,258
Accumulated depreciation	(13,936)	(13,001)
Closing net written down value	2,031	3,257

11. Intangible assets

	2026	2025
	\$'000	\$'000
Opening net written down value	143	225
Additions	-	-
Depreciation	(89)	(82)
Closing net written down value	54	143
Cost	2,526	2,526
Accumulated depreciation	(2,472)	(2,383)
Closing net written down value	54	143

12. Leases

(i) Amounts recognised in the Statement of Financial Position

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

	2026	2025
	\$'000	\$'000
Right-of-use assets		
Current	3,076	2,677
Non-current	13,160	14,486
	16,236	17,163
Lease liabilities		
Current	2,752	2,401
Non-current	18,698	19,649
	21,450	22,050

(ii) Amounts recognised in the Income Statement

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

	2026	2025
	\$'000	\$'000
Depreciation charge of right-of-use assets		
Buildings	2,965	1,797
Equipment	12	8
	2,977	1,805
Interest expense	576	351

The total cash outflow for leases in 2026 was \$3,225,735 (2025: \$1,821,060).

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

12. Leases (continued)

(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 2025	17,149	14	17,163
Additions	1,989	-	1,989
Depreciation expense	(2,965)	(12)	(2,977)
Adjustment for change in provision	61	-	61
As at 30 June 2026	16,234	2	16,236

Presented below is a maturity analysis of future lease payments:

	2026	2025
	\$'000	\$'000
Not later than 1 year	3,348	2,354
Later than 1 year and not later than 5 years	14,701	11,744
Later than 5 years	3,762	7,110
	21,811	21,208

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 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 \$132.01 million (2025: \$152.35 million) represents approximately 20 bps (2025: 26 bps) of the net assets of the Fund. The Trustee has an Operational Risk Financial Requirement target of 20 bps (2025: 25 bps). The Operational Risk Reserve must be maintained at or above 16 bps. 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 \$276.49 million (2025: \$223.31 million) represents funds held 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 \$100.73 million (2025: \$180.75 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

	2026	2025
	\$'000	\$'000
Due within 12 months		
Insurance premiums payable	17,985	13,863
Investment payables	1,356,095	1,713,993
Benefits payable	27,095	36,446
Operating expenses payable	8,513	17,392
Sundry creditors	6,449	831
Income in advance	8	-
	1,416,145	1,782,525

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.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

15. Operating expenses

	Note	2026 \$'000	2025 \$'000
Advertising and sponsorships		14,866	12,722
Internal and external audit fees		1,227	922
Consulting fees		5,721	1,079
Depreciation and amortisation		1,608	1,454
Lease expenses		327	335
IT expenses		13,658	8,770
Regulatory fees		3,395	2,515
Secretariat Co expenses (non-investment)	15(a)	94,772	82,016
Trustee expenses		2,691	3,841
Merger implementation expenses		-	18,761
Other operating expenses		25,661	16,469
Total operating expenses		163,926	148,884

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 \$0.5m (2025: \$1.6m) Trustee fee to allow the Trustee to generate Trustee capital.

(a) Secretariat Co expenses (non-investment) break down

Salaries and related payments	87,056	70,653
Premises, motor vehicles and car parks	2,624	4,053
Software licensing, consulting and IT expenses	2,457	3,366
Travel and accommodation	1,137	978
Other	1,498	2,966
Total Secretariat Co expenses (non-investment)	94,772	82,016

16. Investment expenses

	2026 \$'000	2025 \$'000
Investment management and performance fees	138,615	87,007
Investment consulting fees	4,118	1,730
Secretariat Co expenses (investment related)	24,049	16,012
Other investment expenses	9,647	9,644
Total investment expenses	176,429	114,393

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

(a) Secretariat Co expenses (investment related) break down

Salaries and related payments	22,283	13,707
Other	1,766	2,305
Total Secretariat Co expenses (investment related)	24,049	16,012

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 insurer 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 income 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.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

18. Income Tax

	2026	2025
	\$'000	\$'000
(a) Major components of income tax expense:		
<i>Current tax expense:</i>		
- Current tax charge	350,220	110,081
- Adjustments in respect of current income tax of previous years	13,238	(5,633)
<i>Deferred tax:</i>		
- Relating to the originating and reversal of temporary differences	44,306	227,307
- Adjustments in respect of current income tax of previous years	(7,181)	(15,972)
Total income tax expense as reported in the Income statement	400,583	315,783

	2026	2025
	\$'000	\$'000
(b) Reconciliation between income tax expense and the accounting profit before income tax		
Result from superannuation activities before income tax expense	4,786,789	4,465,749
Income tax at 15%	718,018	669,862
	-	
Imputation credits and other tax credits	(180,966)	(141,733)
Net non-assessable (income)/losses	(67,410)	(89,197)
(Over)/under provision in prior years	6,057	(21,605)
Exempt pension income	(75,118)	(106,948)
Estimated assessable member contributions	-	5,400
Other	2	4
	400,583	315,783

The above income tax expense is separate to the \$573.4m (2025:\$450.3m) tax on members' contributions disclosed on the Statement of Changes in Member Benefits.

(c) Deferred tax

	2026			
	Opening balance	SFT transfer in	Charged to income	Closing balance
	\$'000	\$'000	\$'000	\$'000
Deferred tax assets				
Other	7,548	163	345	8,056
	7,548	163	345	8,056
Deferred tax liabilities				
Unrealised gains in investments	1,265,822	19,811	37,470	1,323,103
	1,265,822	19,811	37,470	1,323,103
	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

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

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:

	2026 \$'000	2025 \$'000
Reconciliation of cash		
The figure shown for cash in the Statement of Cash Flows consists of:		
Cash and cash equivalents	271,707	263,117
Reconciliation of operating result after income tax to net cash inflow/(outflow) from operating activities		
Operating result after income tax	(48,099)	208,117
Adjustments for:		
Increase in financial assets measured in fair value	(4,692,202)	(4,986,799)
Increase in fixed assets through profit and loss	(157)	(331)
Depreciation and impairment	1,622	1,454
Increase in insurance	(52,835)	(1,979)
Decrease/(increase) in receivables	109,048	(772,629)
Decrease in right-of-use-assets	927	301
(Decrease)/Increase in payables	(383,846)	1,036,474
Increase in income tax payables	87,207	232,331
(Decrease)/increase in lease liabilities	(600)	34
Allocation to member's accounts	4,434,305	3,941,849
Net cash outflow from operating activities	(544,630)	(341,178)

Non-cash financing and investing activities

Successor fund transfer settled as non-cash

Member assets of \$1,160.5m (2025: \$24,677.4m) and liabilities of \$35.2m (2025: \$919.6m) were transferred into the Fund due to a successor fund transfer with MIESF. There were no other non-cash financing activities during the year (2025: \$Nil).

20. Commitments

As at 30 June 2026, the Fund had commitments of \$2,003.0m (2025: \$1,983.8m) in respect of uncalled elements of its investments. The uncalled commitments relate to the Fund's private equity, 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 (2025: \$Nil).

22. Significant events after balance date

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected or may significantly affect the operation of the Fund, the result of those operations, or the state of affairs of the Fund in future financial years.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

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:

Employer Representative Directors

P.Savage*
G.Lowe*
J.Mazengarb (Deputy Chair) (retired 17 July 2025)
N.Watson
J.Johnson*
M.Drew* (Deputy Chair)
W.Davy (appointed 18 July 2025)*

Member Representative Directors

L.Scott (Chair)*
A.Dettmer
J.Munday*
T.Lynch
A.Cavanagh*
R.Potter

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.Horskins (Chief Financial Officer)*
R.Judd (Chief People Officer)*
K.Crawford (Chief Operations Officer)*
N.Lyons (Chief Strategy Officer)
S.Branton (Chief Investment Officer)*
S.Reiter (Chief Technology Officer)
W.Sadler (Chief Risk Officer)
K.McPhee (Chief Member Officer) (appointed 1 December 2025)
J.Ambrosi (Chief Member Officer) (ceased 12 August 2025)*
J.McLay (Acting Chief Member Officer) (appointed 13 August 2025, ceased 30 November 2025)

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

(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:

	2026	2025
	\$	\$
Short-term benefits	5,862,323	7,536,668
Post-employment benefits	510,249	482,967
Long-term benefits	197,255	155,387
Termination benefits	-	266,548
	<u>6,569,827</u>	<u>8,441,570</u>

2025 benefits are inclusive of termination and additional short term incentive payments arising from the successor fund transfer of Former CARE Super into CareSuper (formerly known as Spirit Super).

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 2026

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 \$118,822,356 for the 2026 year (2025: \$105,289,527).

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:

L.Scott
J.Mazengarb (retired 17 July 2025)
J.Murray (ceased 30 October 2025)
A.Cavanagh (appointed 18 July 2025)
W.Davy (appointed 31 October 2025)
P.Savidge (appointed 31 October 2025)
G.Lowe (appointed 31 October 2025)
N.Watson (appointed 31 October 2025)
J.Johnson (appointed 31 October 2025)
M.Drew (appointed 31 October 2025)
A.Dettmer (appointed 31 October 2025)
J.Munday (appointed 31 October 2025)
T.Lynch (appointed 31 October 2025)
R.Potter (appointed 31 October 2025)

There are no directors' fees paid or payable to the directors of Secretariat Co for these positions for the period 1 July 2025 to 30 June 2026.

CareSuper Advice Pty Ltd

CareSuper (Secretariat Co) Pty Ltd holds 100% of the shares in CareSuper Advice Pty Ltd ("CareSuper Advice"). At 30 June 2026 \$Nil (2025: \$Nil) was receivable from CareSuper Advice. The Fund paid CareSuper Advice \$1,453,375 (2025: \$1,373,625) (gross) for the provision of financial planning services including the provision of authorisations to authorised representatives of the Fund. At 30 June 2026 \$Nil (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:

K.Crawford
W.Sadler (ceased 30 January 2026)
J.Ambrosi (ceased 13 August 2025)
K.McPhee (appointed 30 January 2026)

William Sadler was appointed as an alternate director on the 26 August 2026.

There are no directors' fees paid or payable to directors of CareSuper Advice for these positions for the period 1 July 2025 to 30 June 2026.

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 CareSuper Pty Ltd (formerly known as 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. Tasplan Pty Ltd's share is held by CareSuper Pty Ltd beneficially.

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

J.Mazengarb (retired 17 July 2025)
T.Lynch

There are no directors' fees paid or payable to directors of Tasplan Pty Ltd for the period 1 July 2025 to 30 June 2026.

Former CARE Super Pty Ltd

Former CARE Super Pty Ltd remains registered but is not operational. It will remain registered for a period of 7 years following the successor fund transfer to CareSuper Pty Ltd on 1 November 2024 for the purpose of maintaining insurance, access to records and potential claims. Former CARE Super Pty Ltd's shares are held by CareSuper Pty Ltd beneficially.

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

L.Scott
A.Cavanagh
J.Johnson
M.Drew

There are no directors' fees paid or payable to directors of Former CARE Super Pty Ltd for these positions for the period 1 July 2025 to 30 June 2026.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

23. Related parties (continued)

(c) Related party transactions (continued)

Industry Super Holdings

CareSuper has a 7.88% holding in Industry Super Holdings Pty Ltd (ISH) (2025: 7.88%), valued at \$248,820,906 (2025:\$209,607,173), 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 (2025: \$Nil).

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 (2025: \$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 (2025: \$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 \$1,144,298 (2025: \$1,065,317).

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

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 \$4,499,891,742 with IFM (2025: \$4,058,196,402) for which it received \$260,415,220 in earnings (2025: \$339,434,443) and paid \$11,283,920 in fees (2025: \$7,635,759). These investments include the Fund's holdings in ISPT products, which have been managed by IFM since IFM acquired ISPT on 13 December 2024.

Suzanne Branton is a member of the IFM shareholder Advisory Board. There was no remuneration paid for this membership this year to the Fund (2025: \$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 (2025: \$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.

Of the Fund's controlled special purpose entities (SPEs), CareSuper (Secretariat Co) Pty Ltd provides administration and support services to the Fund and CareSuper Advice Pty Ltd provides financial planning services, including the provision of authorisations to authorised representatives of the Fund. The Fund has deemed these entities 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 Level 6, 447 Collins Street, Melbourne, VIC 3000. 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.

CARESUPER
Notes to the Financial Statements
For the year ended 30 June 2026

23. Related parties (continued)

(d) Controlled entities (continued)

	Ownership Interest %	
	2026	2025
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%
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 SPEs 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. Income is derived from interest, dividends, gains on sales of investments and unrealised changes in values of investments.

25. Auditor's remuneration

	2026 \$'000	2025 \$'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	652	569
Other services provided by the Fund auditor		
Merger advisory support services	55	208
Research services	81	120
Taxation services	30	3
Other services	-	40
	818	940

CARESUPER
Trustee Declaration
For the year ended 30 June 2026

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

- (a) the accompanying financial statements and notes set out on pages 3 to 38 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 2026 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 2026, 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

17 September 2026



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Independent auditor's report to the members of CareSuper

Opinion

We have audited the financial report of CareSuper (the Fund), which comprises the statement of financial position as at 30 June 2026, the income statement, statement of changes in member benefits, statement of cash flows and statement of changes in equity 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 Fund is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Fund's financial position as at 30 June 2026, 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 Fund 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 audits of the financial report of public interest entities 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Valuation of level 2 and level 3 financial assets

Why significant	How our audit addressed the key audit matter
At 30 June 2026, the Fund's financial assets measured at fair value through profit or loss predominantly comprised investments in listed securities, unlisted unit trusts/partnerships and investments in directly held infrastructure and private equity assets. Note 4 to the financial report describes the valuation techniques and inputs used to determine the fair value of these financial assets, which are measured at fair value through profit or loss. The Fund outsources certain processes and controls related to the custody and investment management of the financial assets, including the recording and valuation of investments. The valuation of level 2 and level 3 financial assets was considered a key audit matter due to the: • Size of these financial assets which comprise a significant proportion of total assets of the Fund and the impact of the net change in valuation of financial assets on the income statement • Level of judgement in assessing the valuation of level 2 and level 3 unlisted unit trusts/partnerships, which are generally based on the net asset value (NAV)/capital account balance of the unlisted unit trust/partnership provided by the underlying investment manager • Level of judgement in assessing the valuation of directly held infrastructure and private equity assets which are based on independent external valuations obtained by the Fund.	Our audit procedures included: • Assessing the design, implementation and operating effectiveness of the Fund's valuation process for financial assets. • Obtaining and assessing the independent assurance report of the Fund's custodian to assess the design and operational effectiveness of processes and controls relevant to the custody, recording and valuation of the Fund's financial assets. • Risk assessed a sample of the external investment managers used by reviewing: ▪ Length of operating history. ▪ Market reputation and prominence within the industry. ▪ Licensing and regulatory approvals. ▪ Regulatory history, including any breaches, investigations, or enforcement actions. ▪ Performing an independent search to identify any adverse media coverage, regulatory concerns, litigation, or other negative matters. ▪ Confirming whether key functions, including accounting records and unit pricing, were administered by an independent third-party i.e. custodian. • Assessing the quantity of investments held/capital account balance against the quantity/balance confirmed by the Custodian and/or the underlying investment manager at 30 June 2026. • Testing the valuation of investments on a sample basis. Our audit procedures included: • For level 2 and level 3 unlisted unit trusts/partnerships: ▪ Assessed the fair value basis recorded by the Fund against the fair value provided by the investment manager of the unlisted unit trust/partnership. The fair value at year end is based on the NAV/capital account balance of the unlisted unit trust/partnership. ▪ Assessed the year end NAV against the redemption price of transactions in the unlisted unit trust during the year.



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Why significant	How our audit addressed the key audit matter
	▪ Assessed redemption liquidity by reviewing confirmation responses to ensure that no redemption restrictions, gating arrangements, or other limitations on investor withdrawals were currently in place. ▪ Assessed the latest available audited financial statements of the unlisted unit trust/partnership to: - determine the reliability of the financial information on which the year-end NAV/capital account balance is based. - assess the valuation techniques applied by the unlisted unit trust/partnership for consistency with the accounting standards and the valuation techniques applied by the Fund ▪ Where the audited financial statements have a different year end to the Fund, we applied management's performance expectations and assessed the movement in the unlisted unit trust NAV/partnership capital account balance from the audit financial statement date to 30 June 2026 against these expectations. ▪ We obtained controls assurance reports for the external investment manager, where available. • For directly held infrastructure and private equity we: ▪ Involved our valuation specialists in assessing the reasonableness of key assumptions applied in the discounted cash flow model including discount rates, forecast cash flows, terminal growth rates and, where applicable, evidence of recent transactions. ▪ Assessed the objectivity, competency and capability of the specialist valuers engaged by the Fund in determining the valuations of these assets. • We assessed the adequacy of the disclosures included in Note 4 to the financial report against the requirements of Australian Accounting Standards.



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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.

Responsibilities of the directors for the financial report

The directors of CareSuper Pty Ltd (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 responsible for assessing the Fund'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 Fund 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 Fund's internal control.



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- 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 Fund'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 Fund 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.

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 2026.

In our opinion, the Remuneration Report of CareSuper for the year ended 30 June 2026, 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.

Ernst & Young

Ernst & Young

Maree Pallisco

Partner

Melbourne

17 September 2026