

*every day feels
like a sunday*

2013

Pension Annual Report

“ helping you achieve
your retirement goals ”



Contents

From the Chairman	2
From the CEO	3
Our vision	4
Taking care of CareSuper	6
Governance	11
Committees	12
Executive staff	14
Year at a glance	16
Super update	18
Independent experts	19
The CareSuper team	20
A sustainable Fund	21
Investments update	22
Investment managers	26
Investment holdings	28
Investment options	32
Managing your investment	38
Fees	41
Financial statements	42
Getting help	44

From the Chairman



“CareSuper has, and always will, charge fees only to cover costs”

Welcome to the CareSuper Annual Report for the 2012/13 financial year.

Over the year we have seen a considerable number of changes in the superannuation industry. Increased regulation and controls have come in to place, requiring some adjustments to the running of the Fund, and the products and services that we offer. In light of the new prudential standards released by APRA (Australian Prudential Regulation Authority) the CareSuper Board has reviewed its operations and committee structure to ensure these requirements are met. In addition, the conditions of Stronger Super have led to the rewriting of policies and documentation that make up our governance framework.

CareSuper has, and always will, charge fees only to cover costs. As an industry fund, all profits are returned to members. This past year has seen a significant rise in operating costs associated with the introduction of the Government's MySuper regulations and a number of levies. For more information on the expenses incurred in 2012/13 go to page 18. We will continue to work to minimise any costs passed on to members without decreasing the quality of products and services we offer.

The CareSuper Board has seen a number of changes throughout 2012/13. Following the successful merger with Asset Super, four new Directors were welcomed to the Board, as well as a further two later in the year to fill vacancies. Julie Bignell, Chris Christodoulou, Monica Clavijo, Garry Brack, David Michaelis, and Mark Sibree bring an abundance of knowledge and experience to the Board.

I would like to acknowledge the considerable contribution of Angela Emslie who served on the Board for nine years and departed in 2012.

All Directors and staff were deeply saddened by the passing of Michael O'Sullivan in January. Michael made an invaluable contribution to CareSuper as a member of the Board and past Chairman, but also to the wider superannuation industry. To read more about his achievements and involvement with the Fund go to page 10.

We thank you for your support in 2012/13 and look forward to another successful year to come.

A handwritten signature in black ink, appearing to read 'S. Grant'.

Sandy Grant
Chairman

From the CEO



CareSuper's Balanced option has delivered a strong return of 18.2% for 2012/13, which is a great result for our members. This return ranks CareSuper's Balanced option in the top 10 funds for the past financial year* and in the top 5 funds over five years.** Thanks to strong market growth across the asset classes in which we invest, all of CareSuper's Managed and Asset Class options performed strongly over the last financial year. For the full returns of all investment options for 2012/13 go to page 24.

The last 12 months have seen a number of changes and solid growth at CareSuper. In October 2012 we were delighted to welcome Asset Super members and employers following the successful merger. As the size of our fund grows we are able to offer members more investment opportunities, improved benefits, more services and even better value for money. Following the merger we were happy to be able to reduce the fees for Pension members.

Towards the end of 2012 we introduced the Direct Investment option which included a new online portal and the ability for Pension members to invest in a range of term deposits and exchange-traded funds (ETFs). As always, we continue to strive to improve our products and services.

We also launched our new website at the beginning of 2013 with a fresh, new look. Smarter navigation tools and simplified content have improved the online experience for our members and employers.

We have again received a number of accolades over the year, including the *Money* Magazine Best of the Best award for Best Growth Super Fund for the second year in a row. More recently, in September 2013, we were thrilled to win the 'Industry super fund of the year' at the *Smart Investor* Blue Ribbon Awards. The judges noted that we provide 'outstanding value for members through excellent investment performance, delivered at a competitive cost and within a robust risk framework.' To see more of our awards for 2012/13 go to page 5.

As always we welcome your questions and feedback – please see our contact details on the back cover if you would like to get in touch.

Julie Lander
CEO

“a strong return of 18.2% is a great result for our members”

* As measured by the June 2013 SuperRatings Pension Fund Crediting Rate Survey – SRP50 Balanced (60-76) Index, June 2013.

** As measured by the June 2013 SuperRatings Pension Fund Crediting Rate Survey, where a 5-year return is available.

Our vision

to empower our members to achieve long-term financial security



Our mission

To achieve our vision, as a leading Australian industry superannuation fund, CareSuper's mission is to maximise financial outcomes for its members during and after their working lives and to meet the needs of employers by:

- ➔ **Adopting sound investment principles** to manage members' funds
- ➔ **Offering choices of investment strategy** to suit members' differing objectives and risk profiles
- ➔ **Offering choices of insurance protection at competitive rates**, to meet members' differing needs at various stages of their life
- ➔ **Keeping its costs of operation low**, thereby maintaining low administration charges to members and providing value for money
- ➔ **Offering relevant draw-down/pension products**
- ➔ **Maintaining a 'not-for-profit' ethos** and returning profits to members
- ➔ **Providing additional products and services** for members, through strategic partnerships, enhancing the value of CareSuper membership
- ➔ **CareSuper also commits to providing excellence in customer service** and ease of transacting to its participating employers and members by communicating fully and clearly and continuing to consider and introduce innovative investment, insurance and other benefit options and education and communication programs.

Our values

SPIRIT is the backbone of CareSuper. It is what CareSuper, our employees, management and Board stand for. It defines what we do and how we behave. The Staff jointly devised and defined the values as follows: service, professionalism, integrity, relationships, innovation and teamwork.

At CareSuper, we are committed to delivering superior service and developing long-term relationships with our members and employers. We draw on our experience, integrity, teamwork and innovative approach to business when working with stakeholders to achieve common goals.

Our guiding principles

Members

CareSuper will focus on enhancing the member experience and building relationships with our members throughout their working lives and beyond. This is demonstrated through our actions, value for money products and services, communications and technology.

Employers

CareSuper will focus on delivering efficiency for our employers, adding value, maintaining confidence in our relationships and being a trusted adviser. This is demonstrated through our service, systems and communications.

Investments

CareSuper will invest responsibly for the long-term benefit of our members and beneficiaries, and to maximise retirement savings.

Operational effectiveness

CareSuper will effectively manage its internal functions and outsourced providers to deliver efficient, cost-effective and competitive superannuation products. We will adopt the highest standards of governance.

An award-winning fund

CareSuper has been awarded top ratings by a number of independent organisations.



For more information on all of our awards go to caresuper.com.au/awards.

Taking care of CareSuper



The CareSuper Board is responsible for ensuring CareSuper is managed in the best interests of members.

The Board brings to the table specialist skills and experience to ensure your Fund is professionally managed. The CareSuper Board consists of equal numbers of Member and Employer representative Directors, and an Independent Director. Member and Employer Directors are nominated by relevant organisations in accordance with their particular nomination procedures. Decisions of the Board are made by at least a two-thirds majority.

The Trustee

The Trustee of CARE Super has taken out indemnity insurance to protect the Directors of the Trustee, and consequently the Fund, from the potential costs of legal action against them.

The Trustee of CARE Super is CARE Super Pty Ltd ABN 91 006 670 060 and it is a holder of Australian Financial Services License number 235226. CARE Super Pty Ltd is a Registered Superannuation Entity Licensee, Licence number L0000956.

Remuneration

Directors receive a fair, base level remuneration for their responsibilities on the Board for 2012/13 and are paid for meeting attendance which varies based on Committee membership.

Further information on Director remuneration and Committee membership and attendance can be found on page 12.

Sandy Grant (Chairman)

Employer Director



Sandy Grant joined the CareSuper Board in August 2008 as an Employer Director. Sandy has held senior managerial roles with the Colonial Mutual Group, including General Manager of its superannuation administration business. He has also served as Director of Members Equity Bank and brings a wealth of experience to the Board. Sandy was elected Chairman of the CareSuper Board in March 2012.

Committee membership: Investment Review Committee, Governance and Remuneration Committee.

The Chair attends meetings of other Committees on an ex officio basis.

Cate Wood (Deputy Chair)

Member Director



Cate Wood joined the CareSuper Board in 2000, having been nominated by the Australian Services Union (ASU) where she previously served as the Assistant Secretary of the Victorian Branch. Cate then served as Fund Secretary and then Director at AGEST. She is currently President of the Australian Institute of Superannuation Trustees and National Chair of Women in Super, Canberra. Cate became Deputy Chair of the CareSuper Board in March 2012.

Committee membership: Governance and Remuneration Committee (Chair), Compliance, Audit and Risk Management Committee.

“as an industry super fund, we are run
solely for the benefit of our members”

Julie Bignell
Member Director



Julie Bignell joined the CareSuper Board in April 2013 as member-representative Director nominated by the Australian Services Union. Julie has been the Branch Secretary of the Central and Southern Queensland Branch since 2000, and has served the union in a variety of capacities including as National Vice President. Other roles currently held in the union movement include Vice President of the Queensland Council of Unions and Assistant Secretary of Together.

Julie holds a Bachelor of Arts in Modern Asian Studies (Economics and Japanese), a Graduate Diploma of HR/IRM, both from Griffith University, and is a Fellow of the Australian Institute of Company Directors.

Committee membership: Member and Employer Services Committee.*

Garry Brack
Employer Director



With the merger of CareSuper and Asset Super in October 2012, Garry Brack joined the CareSuper Board on the nomination of the Australian Federation of Employers and Industries of which he is the Chief Executive. He was a leading player in the establishment of Asset Super and was a member of its Board from since inception. He has over 20 years experience in corporate and industry superannuation funds.

Committee membership: Compliance, Audit and Risk Management Committee, Governance and Remuneration Committee.

John Burge
Employer Director



John Burge joined the CareSuper Board in 2002. John was nominated by the National Insurance Brokers Association. He has previously held senior roles in industry bodies including as Executive Director, Insurance Employers Industry Association and has served as a director on the boards of two other industry super funds. He was awarded trustee of the year in 2007 by AIST at the conference of major super funds.

Committee membership: Investment Review Committee (Chair).

Sue-Anne Burnley
Member Director



Sue-Anne Burnley is a member representative Director, and joined the CareSuper Board in 2000. Sue-Anne was nominated by the Shop, Distributive and Allied Employees Association (SDA), where she is a National Industrial Officer, a position held since 1991. She holds a Bachelor of Education (Secondary) and is also a director of REST (Retail Employees Superannuation Trust).

Committee membership: Investment Review Committee, Member and Employer Services Committee.*

Taking care of CareSuper

continued

Chris Christodoulou
Member Director



Chris Christodoulou joined the CareSuper Board in October 2012 having been nominated by Unions NSW. From 2010 he had served as a Director of Asset Super, until its merger with CareSuper.

Chris began as Senior Industrial Officer at Unions NSW in 1999 and was Assistant Secretary there until August 2013.

Chris commenced his position as the CEO of Greenacres Disability Services in September 2013. He holds a Bachelor of Arts (Industrial Relations) from Wollongong University.

Committee membership: Investment Review Committee, Governance and Remuneration Committee.

Monica Clavijo
Member Director



Monica Clavijo joined the CareSuper Board in April 2013 having been nominated by Unions NSW from one of its affiliated Unions, the United Services Union. Monica has worked at the United Services Union since 2008 in the capacity of Manager – Administration and Finance.

Monica has an extensive background in all areas of corporate services and operations, having worked in commercial and the not-for-profit sectors. Additionally, Monica was a member of the Local Government Super Board and other not-for-profit boards between 1997 and 2009.

Committee membership: Compliance, Audit and Risk Management Committee, Investment Review Committee.

David Michaelis
Employer Director



David Michaelis joined the CareSuper Board in October 2012 following the merger with Asset Super. Previously he was the Chairman of Asset Super, having been nominated to that Board by the New South Wales Business Chamber.

David previously held senior legal, company secretarial and management roles in a number of public companies. He has also served as a Director and President of the New South Wales Business Chamber and The Australian Chamber of Commerce and Industry.

Committee membership: Investment Review Committee, Member and Employer Services Committee* (Chair).

Mark Sibree
Employer Director



Mark Sibree joined the Board in February 2013 having been nominated by the Victorian Employers Chamber of Commerce and Industry (VECCI) where he had been a director and President. Mark has senior management experience in the financial services, building society, health and general insurance, pharmacy and other industries. Past roles include Group Managing Director of Australian Unity and General Manager – Investment & Ventures within the Amcor Group. Mark holds Bachelor of Science and MBA degrees from Sydney and Melbourne Universities.

Committee membership: Compliance, Audit and Risk Management Committee, Member and Employer Services Committee.*

Please note that committee membership shown is as at April 2013. For more information on all committee meetings attended see page 12.

* Formerly the Administration and Insurance Committee.

Gabriel Szondy

Independent Director



Gabriel was a Senior Partner of PricewaterhouseCoopers, specialising in superannuation and taxation, and a Chartered Accountant. Gabriel has been involved with CareSuper since its inception and a member of the CareSuper Board since 2001. His involvement as an expert in the superannuation industry spans 30 years.

Committee membership: Compliance, Audit and Risk Management Committee (Chair).

Michael Want

Member Director



Michael Want has been a Director on the CareSuper Board since 1994 and was nominated by the ASU. Until January 2009 Michael was the Executive President of the USU, a branch of the Australian Services Union (ASU) in NSW. Michael has an extensive superannuation background. From 2009 to 2012, he was also a Director of Asset Super.

Committee membership: Compliance, Audit and Risk Management Committee, Member and Employer Services Committee.*

Barry Watchorn

Employer Director



Barry Watchorn was nominated as an Employer Director by the Australian Industry Group (AiG) and joined the CareSuper Board in 1998. Previously a Director of the Australian Chamber of Manufacturers and AiG, he has over 30 years experience in corporate and industry superannuation funds. Barry received the Trustee of the Year Award in 2003 at the Conference of Major Superannuation Funds, and has served as a Chair or director on the boards of three other industry super funds.

Committee membership: Compliance, Audit and Risk Management Committee, Member and Employer Services Committee.*

Angela Emslie

CareSuper Director since December 2004, departed the Board in December 2012.

Vale Michael O'Sullivan



Directors and staff of CareSuper were deeply saddened by the passing of Michael O'Sullivan on 7 January 2013.

Michael O'Sullivan was a CareSuper Director from February 1996 until January 2013. He served as Chairman for three separate two-year periods with distinction. He was also Deputy Chair for six years.

Michael was passionate about advancing the cause of a better lifestyle in retirement for all members, but especially women. His commitment to the Fund over some 17 years was palpable.

Michael's stewardship was instrumental in the development of the Fund and his leadership qualities were critical to the Fund's growth and transition to a highly sophisticated organisation. He also represented CareSuper on the Boards of other organisations including IFS and ACSI, the Australian Council of Superannuation Investors, of which he was the founding President for the first 10 years of ACSI's existence. In this role he was an articulate and effective advocate of superannuation funds and their members in developing dialogue about corporate governance with the Chairs and Boards of Australia's listed companies.

In 2011, Michael's contribution to CareSuper and the wider industry fund movement was recognised when AIST – the Australian Institute of Superannuation Trustees – bestowed on him the honour of the Trustee of the Year Award.

His colleagues at CareSuper and in the superannuation industry will miss him greatly for his considered and balanced contribution, wise counsel, fairness, integrity and collegiality. He was a true gentleman who has left a significant legacy for the betterment of superannuation fund members generally, but particularly those of CareSuper.



Governance

CareSuper has a number of governance policies including, but not limited to, the Trust Deed, Board Charter, Constitution and Fund Governance Framework. These policies are available either on our website, or by contacting CareSuper.

Our corporate governance framework consists of a number of standards, policies and procedures, which detail the Trustee's approach to managing the Fund. These policies include the Trust Deed, Board Charter and Constitution. The Trust Deed outlines the powers and responsibilities vested in the Trustee (CARE Super Pty Ltd) and the Constitution outlines how the Trustee will operate. This includes provisions for the appointment and removal of Directors and Independent Director(s). The Board Charter outlines the principle functions, policies and operations of the Board.

CareSuper's Trust Deed has been changed to ensure it meets all of the requirements of the MySuper legislation.

Related parties

CARE Super Pty Ltd is a shareholder of ISPT Pty Ltd, Members Equity (ME) Bank Pty Limited and Industry Super Holdings Pty Ltd, of which Industry Funds Management (IFM) is a subsidiary. CARE Super Pty Ltd invests in products of ISPT, ME Bank and IFM. All investments are made at arm's length and on commercial terms, after appropriate due diligence, and carry the recommendation of our independent asset consultant.

Committees

Associated directorships

The following Directors held directorships during 2012/13 for organisations in which CareSuper invests:

Sandy Grant Director, Industry Super Holdings Pty Ltd and Industry Fund Services Ltd.

Cate Wood Director, ISPT Pty Ltd and IGIPT Pty Ltd.

Committees

Following the merger with Asset Super, the size and composition of the Board was altered with four of Asset's Trustee Directors joining the CareSuper Board. This required a number of changes to the Board Committees and resulted in a larger than normal number of changes to the Committee memberships. The Director profiles on pages 6-9 show the current Committee membership as at 30 June 2013.

Board and Committee attendance

Director	Fees paid to	Total fees paid (including superannuation)	Board Meetings	Committee meetings				
				Compliance Audit & Risk	Governance & Remuneration	Member & Employer Services	Investment Review	Claims Review
Julie Bignell ¹	ASU ³	\$6,019.68	3/4			1		
Garry Brack ¹	AFEI ³	\$38,547.00	8/8	4	4			
John Burge	Director	\$49,520.20	12/12	4	2	1	1	
Sue-Anne Burnley	SDA ³	\$38,355.65	7/12	1				4
Chris Christodoulou ¹	Unions NSW ³	\$39,382.89	8/8	3	5		2	
Monica Clavijo ¹	USU ³	\$15,807.92	3/4	1			2	
Angela Emslie ²	Director	\$22,616.43	6/6	1				
Sandy Grant	Director	\$68,057.41	12/12	1	7		4	
Keith Harvey ⁴	Director	\$13,237.54	3/3					
David Michaelis	Director	\$36,349.04	8/8			2	4	
Michael O'Sullivan ²	Director	\$21,673.97	2/6					1
Mark Sibree ¹	Director	\$22,843.62	6/6	2		2		
Gabriel Szondy	Director	\$50,899.62	10/12	7	1			
Michael Want	Director	\$47,021.74	11/12	3		3		
Barry Watchorn	Director	\$54,847.73	12/12	2		3		12
Alisha Wilde ⁵	Unions NSW ³	\$10,614.65	0/3					
Cate Wood	Director	\$66,651.00	12/12	7	8			4
Total Board remuneration		\$602,446.11						

¹ Joined in 2012/13

² Departed in 2012/13

³ Where paid to an organisation, fees include GST.

⁴ Alternate Director for Michael O'Sullivan.

⁵ Maternity leave.



Compliance, Audit and Risk Management Committee

The purpose of the Compliance, Audit and Risk Management Committee (CARC) is to assist the Board in meeting its compliance and risk management responsibilities.

The CARC is responsible for:

- Monitoring compliance with relevant legislation and the Trustee APRA and AFSL Licenses
- Reviewing the effectiveness of internal control and management information systems in the Trustee company and key service providers, and ensure all Trustee staff are aware of their responsibilities
- Monitoring compliance with the Risk Management Framework (RMF) and Risk Management Strategy (RMS) including progress on the risk treatment plans included therein and consideration of any breaches
- Reviewing the draft annual accounts prior to consideration by the Trustee Board and any other financial reporting requirements
- Reviewing audit and tax management letters
- Reviewing the internal and external audit plans ensuring they cover all material risks and financial reporting requirements and any findings arising from these reviews.

Governance and Remuneration Committee

The Governance and Remuneration Committee (GRC) is a Committee of the Trustee Board and reports to the Board. The GRC is responsible to the Board for the development, implementation and review of:

- Governance policies including professional development standards
- Remuneration policies of the Board, management and staff
- Board succession planning and renewal and the management of board vacancies.

The GRC is also responsible for ensuring that Governance and Remuneration policies comply with relevant Prudential Standards. Members of the GRC will be available to meet with APRA on request.

Investment Review Committee

The Investment Review Committee (IRC) is appointed to assist the Board in fulfilling its statutory, fiduciary, governance and regulatory responsibilities.

The primary function of the IRC is to monitor the implementation of the investment strategy and investment operations within the framework approved by the Board and as documented in the Investment Policy Statement.

The Committee is responsible for the ongoing review of all external providers who manage the investments and investment operations of the Fund. This covers custody, the investment adviser and investment managers.

Member and Employer Services Committee

(previously Administration and Insurance Committee)

The Member and Employer Services Committee (MESC) is a Committee of the Trustee Board and will report to the Board. The MESC is responsible for oversight of:

- The Fund's administration function, policies and services including the standards of performance of its external administrator
- The Fund's insurance management framework and strategy and the performance of outsourced providers
- All aspects of the Fund's insurance policies and the assessment of all relevant claims by members whether insured or not
- The Fund's marketing, service, education, communications and product strategies and plans to retain and attract members and employers
- Membership and other relevant trends, impacting on or useful in the assessment of the Fund's growth and sustainability
- The performance of providers of ancillary products
- Risk elements which may arise in relation to the above.

Executive staff

The CareSuper Board has appointed an executive group who manage the day to day operations of CareSuper.

Julie Lander

CEO and Fund Secretary



Julie joined CareSuper in 2001 as General Manager – Trustee, Investment & Member Services and was appointed Chief Executive Officer in 2002. She is responsible for developing and implementing the Fund's strategy and business plan to meet the needs of members, employers, other stakeholders and for overall management of the Trustee's operations through the executive team and staff.

Her experience in superannuation has been developed over 30 years with corporate superannuation funds – both defined benefit and accumulation, as well as with industry funds. She is a Fellow of the Australian Institute of Superannuation Trustees. Julie also serves on the Policy Committee of AIST, the executive of Industry Funds Forum and is a Director of the Fund Executives Association.

Greg Nolan

General Manager – Investments



Greg joined CareSuper in 2006 as General Manager, Investments. Greg is responsible for advising on and implementing CareSuper's investment strategy as determined by the Board. Greg is also responsible for managing the relationship with the Fund's asset consultant and investment managers to ensure the philosophy and objectives of the Board's strategy are satisfied.

Greg has spent his entire career in financial markets – commencing in 1974 in money markets – where he developed extensive experience as a trader and client relationship manager in global fixed interest markets.

Belinda Ray

General Manager – Compliance,
Risk and Finance



Belinda joined CareSuper in January 2012 and is responsible for managing risk and finance, the compliance team and major projects for CareSuper. Belinda has over 18 years' experience in superannuation including consulting, auditing and accounting.

Belinda started her career as an auditor for Ernst & Young before moving to Towers Watson where she held numerous roles including Senior Consultant for corporate super funds and Head of Research, Information and Compliance.

Bernard Weekes

General Manager –
Administration and Insurance



Bernard joined CareSuper in 1998 and has overall responsibility for member and employer administration services, development and implementation of insurance benefits and managing the relationships with the fund's Administrator and Insurer.

He has over 25 years' experience in the Financial Services sector having worked in corporate superannuation funds, defined benefits and accumulation as well as industry funds. Bernard has previously held several superannuation management positions. Prior to joining CareSuper, he worked for a major insurance company as the Manager, Financial Services, where he managed a National Superannuation Fund.

Peter Theodorakopoulos

General Manager – Marketing
and Client Services



Peter joined CareSuper in 2002 as General Manager – Marketing and Client Services. He is responsible for marketing strategy and execution, and for the delivery of member and employer services, including education, communications, business services and ancillary products.

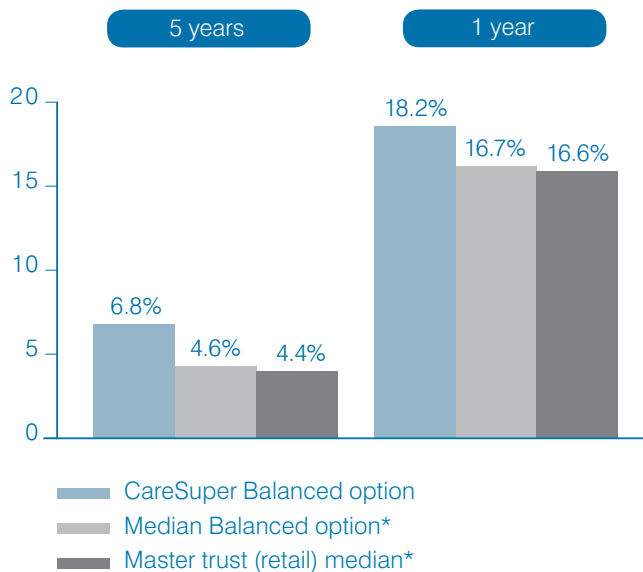
His experience in the superannuation industry spans over 20 years across a variety of roles which include marketing, sales, relationship management, product development, sponsorship agreements and administration. Peter has experience in accumulation and defined benefit schemes, as well as corporate superannuation.

Year at a glance

Facts and figures

Superior returns

Compare CareSuper's Balanced (default) option returns to 30 June 2013 with those of the Median Balanced option and Master Trust retail option.



Please note: CareSuper's 5 year returns are compounded per year. Past performance is not a guarantee of future performance.

* Source: SuperRatings Pension Fund Crediting Survey – SRP50 Balanced (60 – 76) Index, June 2013. This survey includes Balanced options for industry funds and master trusts.

In 2012/13 CareSuper:

- ✓ Welcomed over 98,000 new members and 29,000 new employers
- ✓ Recorded \$7.7 billion in funds under management
- ✓ Conducted 180 super seminars
- ✓ Answered over 143,000 calls from members and employers, including more than 5300 calls from Pension members.

The CareSuper Pension comprised:

- ✓ Over 1800 members
- ✓ \$439.9 million in funds under management

Products and services

Direct Investment option

In mid-December 2012, we introduced the Direct Investment option for Pension members. With a wider range of investment options to choose from, Pension members can now access term deposits, shares in the top 300 companies in the S&P/ASX 300 Index and exchange-traded funds (ETFs)

The Direct Investment option is designed for members who are comfortable taking an active role in managing their pension and are looking for a wider range of investment options than our Managed and Asset Class options.

Asset Super merger

Following the merger with Asset Super, we were able to reduce our Pension fees from 0.6% for the first \$100,000 invested (subject to a minimum annual fee of \$600) and 0.20% for amounts more than \$100,000 (capped at \$1200 per year) to \$3 a week plus 0.15–0.20% of your account balance (capped at \$1000) from 27 October 2012.

New website

We started off the New Year with a new-look website. The website upgrade was focused on helping members, and employers find the right information for their needs. By streamlining the content and improving the site navigation tools, all users can find the information that's relevant to them quickly and easily. Visit us at caresuper.com.au/retirement.



Super update

A number of changes to super have been implemented over the last 12 months, which has resulted in additional fees and expenses. This information is intended to assist members' understanding of the operations and fees of the Fund.

APRA fees

As an APRA-regulated fund, CareSuper pays an annual fee to the Government regulator. This annual fee covers the operational costs of APRA and other costs incurred by certain Commonwealth agencies and departments. In 2012/13 this fee for CareSuper increased to over \$1,509,000, from \$536,000 in 2011/12. A large component of this increase is to fund the SuperStream changes, which are intended to deliver long-term savings for the industry.

MySuper expenses

In setting up MySuper a number of costs were incurred by the Fund. These included additional administration fees for system changes, substantial additional communications to members, new Product Disclosure Statement documents and the use of external consultants.

The Fund expects to incur some expenses on an ongoing basis as a result of MySuper. These include internal auditing as a requirement and substantial reporting costs from the Fund's custodian, administrator, auditors and other suppliers. Administration expenses are also increasing due to SuperStream.

Financial Assistance Levy

In 2011, all super funds were required to pay a levy to recoup compensation paid to victims of the Trio Capital collapse. Towards the end of 2012, the Government agreed to provide further compensation to members of super funds that invested in Trio, with a further levy for all funds. In 2012/13 the cost of this levy to CareSuper was \$123,139.

The Federal Government has announced a range of legislative changes related to super that might affect you.

Minimum pension payment changes

After several years of lower minimum pension payments, the Federal Government has increased the minimum payment level from 1 July 2013 to previous levels as follows:

Minimum pension payment	
Age range	%
Under 65	4.0
65 – 74	5.0
75 – 79	6.0
80 – 84	7.0
85 – 89	9.0
90 – 94	11.0
95 or over	14.0

Super Guarantee

As of 1 July 2013 the Super Guarantee (SG) has increased to 9.25% with further increases planned over the coming years.

The age restriction on SG contributions has been removed meaning individuals aged over 70 are now entitled to SG payments from employers.

Independent experts

CareSuper works with a range of independent experts to assist with the key operations of your super fund.

Independent advisers

CareSuper's independent advisers during 2012/13 were:

Administration:

Australian Administration Services Pty Ltd

Asset Consultant:

JANA Investment Advisers Pty Ltd

Auditors: KPMG, PricewaterhouseCoopers

Credit Control Services:

Industry Funds Credit Control Pty Ltd

Custodian: NAB Asset Servicing

Insurer: CommInsure

Legal Adviser: IFS Legal

Tax Adviser: KPMG

Compliance

CARE Super is a regulated superannuation fund under the Superannuation Industry (Supervision) Act. The Trustee will lodge its annual return for 2013 as required by that Act and will continue to operate in accordance with all statutory requirements of superannuation, taxation and other relevant legislation.

Our professional investment adviser

JANA Investment Advisers Pty Ltd (JANA) was established in 1987 as a specialist investment adviser to large institutional investors such as CareSuper. JANA provides extensive research and recommendations on investment markets and managers for the Fund. With JANA's assistance, the Trustee monitors and reviews the performance of each investment manager.



The CareSuper team

Diversity

At CareSuper we believe that the quality of decision making is enhanced by having a range of views represented at Board, Executive and staff levels. We consciously strive to achieve balance by seeking diversity across a number of factors including gender, age, experience, skills and professional qualifications.

The Fund aims to achieve equal gender representation at Board level and when selecting to fill Director vacancies, nominating organisations are asked to consider this when proposing candidates.

In recruitment of staff, selection will be made on merit, taking into account the skills, qualifications, experience and other attributes required to perform the role and contribute to the team.

Gender diversity

Category	Males	Females
Board	9	4
Executive team	3	2
Other staff	15	23

Current as at 30 June 2013

How we remunerate staff

The objectives of the Fund's remuneration policy are to ensure that:

- CareSuper provides a fair, equitable and competitive remuneration framework that recognises and rewards individual contribution
- CareSuper attracts, retains and rewards its people appropriately
- CareSuper's remuneration reflects the market in which the Fund competes for the capabilities required to achieve its business priorities and is consistent with its values and all profit-to-members ethos.

Staff are remunerated by way of a fixed salary package. The Fund does not pay short or long term incentives, believing these are not aligned with its 'profit to members' ethos. CareSuper's target salary position is the 50th percentile

(median) of the 'all profit-to-members' financial services sector (covering superannuation funds and credit unions). Annually, the CEO sources relevant market data from surveys to benchmark the salaries of each position within the Trustee Office. The annual salaries budget and total increases are approved by the Governance and Remuneration Committee.

Salary range	Number of Trustee staff
\$0 - \$50,000*	9
\$50,000 - \$100,000	12
\$100,000 - \$150,000	16
\$150,000 - \$250,000	4
\$250,000 - \$350,000	0
\$350,000 - \$450,000	1

Current as at 30 June 2013

* Did not serve full year

A sustainable Fund



Responsible investing

At CareSuper we believe companies that act responsibly within the community will perform better over the long term. It makes sense to consider corporate performance on environmental, social and corporate governance (ESG) issues, along with traditional financial measures.

CareSuper has taken a number of steps to ensure you can be confident your money is being invested responsibly:

- ➔ We've signed up to the **Principles for Responsible Investment (PRI)**. These principles help improve corporate performance on ESG issues. We believe that putting these principles into practice, and encouraging our service providers to do the same, should lead not only to better long-term financial returns for our members, but will also make a positive difference to the world.
- ➔ We are a founding member of the **Australian Council of Superannuation Investors (ACSI)**, the peak corporate governance body for Australian super funds. ACSI provides independent research and advice to super funds on the environmental, social and corporate governance risk of companies in which they invest.
- ➔ We are a signatory to the **Carbon Disclosure Project**. This project asks companies around the world to report their carbon emissions and provides this information to investment managers to review before investing.
- ➔ We are a member of **ESG Research Australia**. This encourages broker research into the impact of environmental, social and governance issues on company performance.
- ➔ As a CareSuper member you can invest in our **Sustainable Balanced** option. The Australian and Overseas Shares components of this option favour industries and companies that are considered to have a sustainable future on environmental and/or social grounds.

sustainable partnerships

CareSuper values sustainability efforts made by all of our service providers and suppliers. CommInsure, the Fund's insurer, as part of the wider Commonwealth Bank Group (CBA), has taken huge steps in recent years to make sustainability a part of everything they do, focusing on the following areas:

- ➔ **Sustainable business practices** – A clear focus on productivity, transparency and accountability contributes to the long term sustainability of the business, as well as delivering value to customers, shareholders, people and the broader community.
- ➔ **Responsible financial services** – Taking a responsible approach to the provision of financial services and products, and remaining committed to putting customers at the centre of everything they do.
- ➔ **Environmental stewardship** – Proactively measuring and reducing their environmental footprint, and pursuing business opportunities related to renewable energy, clean technology and carbon trading.
- ➔ **Community contribution** – Continuing a proud history of supporting local communities, supporting staff in their volunteering endeavours, and investing in people development to create a rewarding workplace where people are proud to work.

In the workplace

The staff at CareSuper feel strongly about making environmentally-friendly choices and setting by example. Some of the ways we have incorporated these into the daily running of our office include:

- Carbon-offsetting for work-related flights where possible
- The use of videoconferencing, where possible, in place of staff travel
- Fleet vehicles offering low fuel usage or hybrid vehicles are preferred
- Office buildings and appliances are leased or purchased taking energy ratings and efficiency into consideration
- Co-mingled recycling throughout offices
- The use of technology to minimise printing. For example, iPads are used in place of printing large Board paper documents.



How you can help

Whenever possible, member communications are sent via email to minimise printing. If you would like to help us reduce our impact on the environment, make sure we've got your email address on file and elect to receive your statements online. To do this, log in to PensionOnline at caresuper.com.au/login or call the CareSuperPension Line on 1300 664 781.

Investment update

CareSuper has once again delivered strong investment results to our members, with our Balanced option returning 18.2% after fees and taxes for the 2012/13 financial year.



Greg Nolan
General Manager,
Investments

This result is great news for our members, many of whom have all or part of their pension invested in the Balanced option, and places CareSuper in the top 10 Balanced funds, according to independent ratings agency SuperRatings.*

CareSuper continues to outperform

When it comes to investing, it's the long-term returns that really count – and CareSuper continues to perform over all time frames. When compared to our competitors our Balanced option's average returns outrank the median return over one, three, and five years,** which proves how reliably CareSuper has delivered above-average returns in all types of market conditions.

Our members can be confident that the Balanced option's 5-year return of 6.8% p.a. places CareSuper in the top 5 balanced funds.*

What about our other investment options?

After muted returns in 2011/12, strong equity markets meant that CareSuper's Managed options delivered exceptional returns over the last financial year. Single asset class options also performed well, with most exceeding their benchmark.

The Overseas Shares option delivered the highest annual return of 35.0%, assisted by the depreciating Australian dollar, with the Australian Shares (23.1% p.a.) and Growth options (22.2% p.a.) also performing strongly over the year.

Our long-term performance compares favourably against other funds: most of our Managed and Asset Class options continue to be ranked in the top 10 over five years.**

The year that was

With fears from the aftermath of the GFC receding, and investor confidence restored, the investment environment improved markedly with much of the focus on the actions of central banks which continued to provide enormous amounts of liquidity to ensure the global economy did not slip into recession.

The optimism generated by this activity underpinned strong equity markets both in Australia and internationally. As a consequence, it was largely returns generated in the Australian and Overseas Shares asset classes that contributed to the outstanding annual returns of the Managed options throughout the year. Returns were enhanced by the Fund's active managers who outperformed market indices.

In contrast to equities, returns delivered by the fixed interest asset class in 2012/13 were noticeably lower when compared to previous years. This is a result of historically low global interest rates, a consequence of central banks continuing to adopt unprecedented 'easy' monetary policies that ensure sufficient liquidity to prevent global recession. In fact, prices in this asset class retreated in the last quarter of the financial year as investors anticipated interest rates starting to rise.

With uncertainty remaining about the level of economic growth and consumer demand, underlying valuations in the Direct Property asset class remained relatively static, resulting in the asset class offering solid returns, although marginally below benchmark.

Looking forward

As share market volatility looks set to continue, our members can depend on us to maintain our tried and tested investment philosophy and continue our vigilant approach to investing. This philosophy has helped us achieve strong long-term returns and we expect to maintain these consistent returns in the future.

* As measured by the June 2013 SuperRatings Pension Fund Crediting Rate Survey – SRP50 Balanced (60-76) Index, June 2013.

** As measured by the June 2013 SuperRatings Pension Fund Crediting Rate Survey, where a 5-year return is available.

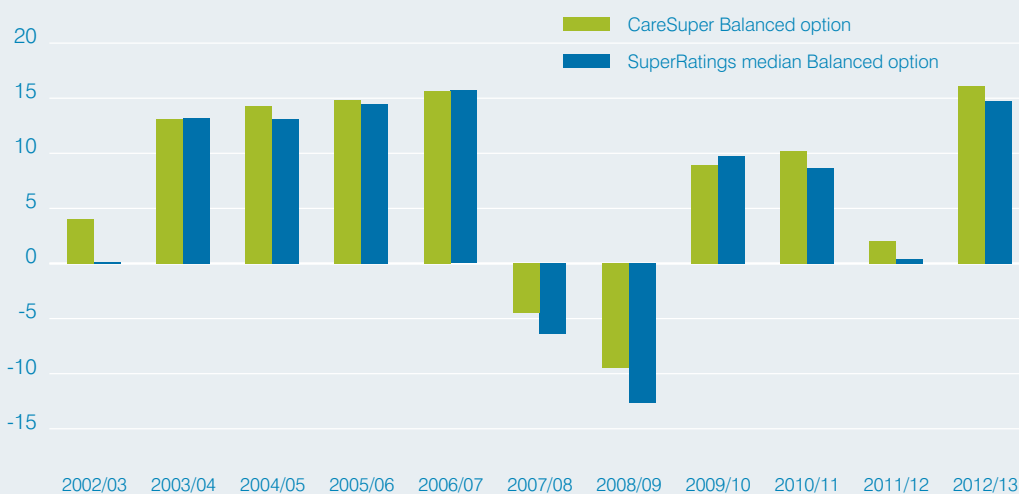
“ our balanced option return of 18.2%
places us in the top 10 balanced funds ”



The graph below shows the returns of the CareSuper accumulation product, and demonstrates CareSuper's long-term investment performance. CareSuper's Balanced option has an average return of 7.8% p.a. over the past 10-year period.

How does CareSuper compare?

Compare the annual returns of the CareSuper Balanced option over the last decade against the returns of the SuperRatings median Balanced option.



Past performance is not a guarantee of future performance.

Source: SuperRatings Fund Crediting Rate Surveys 2003-2013 – SR50 Balanced (60-76) Index

Investment update

continued

Annual returns for all investment options to 30 June 2013

Investment option	CareSuper Pension annual returns					Compound average annual returns		
	2012/13 (%)	2011/12 (%)	2010/11 (%)	2009/10 (%)	2008/09 (%)	Since inception [^] (% p.a.)	5 years (% p.a.)	3 years (% p.a.)
Managed options								
Capital Guaranteed	1.0	2.4	3.3	2.9	4.0	3.3	2.7	2.2
Capital Stable	11.7	5.8	9.1	10.6	-2.4	5.6	6.8	8.8
Conservative Balanced	15.0	4.5	10.0	10.9	-4.7	5.1	6.9	9.7
Balanced	18.2	2.8	11.5	11.7	-8.3	4.4	6.8	10.6
Sustainable Balanced	18.4	3.2	10.9	10.9	-11.4	3.5	5.9	10.7
Alternative Growth	18.9	2.3	13.0	11.2	-8.8	4.6	6.9	11.2
Growth	22.2	0.2	12.0	11.8	-11.4	3.3	6.3	11.1
Asset Class options								
Capital Secure	4.2	5.1	5.7	4.8	3.7	4.8	4.7	5.0
Fixed Interest	6.9	12.7	8.1	12.9	4.9	8.6	9.1	9.2
Direct Property	7.0	8.4	9.7	5.2	-13.4	4.2	3.0	8.4
Australian Shares	23.1	-4.7	13.2	13.5	-16.1	1.1	4.8	9.9
Overseas Shares	35.0	-1.7	9.6	10.9	-9.9	2.9	7.8	13.3

The long-term returns shown above may differ from your actual returns. The returns shown above are after fees, and have been rounded to one decimal place. All net investment returns are reflected in the sell price of each investment option. Past performance is not a guarantee of future performance.

[^] The inception date of the CareSuper Pension is 1 July 2007.



“ it's the returns over the
long term that really count... ”

Investment managers

CareSuper has appointed professional investment managers to manage the assets of the fund. The performance of each investment manager is monitored closely by the Trustee. The tables below list the investment managers by asset class, and show the percentage of funds held by each.

CareSuper's investment managers during 2012/13	Investments held by managers	
	% of asset class	% of Fund
Absolute Return		
Aurora Offshore Fund Limited II ²	0.00%	0.00%
Fauchier Partners Absolute Return Trust	65.58%	0.83%
Schroder Real Return Fund ¹	34.42%	0.43%
Total	100.00%	1.26%
Australian Shares		
IFM Enhanced Index Equity Fund	28.73%	6.72%
Integrity Australian Equity ¹	7.12%	1.66%
Paradise Investment Management	19.64%	4.59%
Perennial Value	17.70%	4.14%
Renaissance Smaller Companies	3.25%	0.76%
Schroder Australian Equity Fund	23.56%	5.51%
Solaris Core Australian Equity Fund ²	0.00%	0.00%
Total	100.00%	23.39%
Capital Guaranteed		
AMP Capital Guaranteed Fund	100.00%	0.81%
Total	100.00%	0.81%
Cash		
AMP Managed Treasury Fund ²	0.00%	0.00%
CFS Wholesale Premium Cash ¹	53.54%	5.33%
Term Deposits	46.46%	4.62%
Total	100.00%	9.95%
Credit*		
Apollo Credit Fund*	29.90%	1.60%
Gresham Property Fund No. 4 ¹	3.29%	0.18%
IFM Infrastructure Debt	21.43%	1.15%
Putnam Structured Credit	45.39%	2.43%
State Street Global Advisors, Australia ²	0.00%	0.00%
Tactical Global Management ¹	0.00%	0.00%
Total	100.00%	5.36%
Direct Property		
Australian Prime Property Fund Industrial ¹	1.45%	0.16%
Australian Prime Property Fund Retail ¹	3.41%	0.37%

CareSuper's investment managers during 2012/13	Investments held by managers	
	% of asset class	% of Fund
Charter Hall Core Plus Office Fund	16.89%	1.83%
DEXUS Wholesale Property Fund	41.02%	4.45%
Eureka Development Fund 2 ¹	0.04%	0.00%
ISPT Core Fund	29.93%	3.25%
ISPT Development And Opportunities Fund ²	3.33%	0.36%
ISPT Grosvenor International Property Trust**	0.11%	0.01%
ISPT Retail Australia Property Trust ¹	3.83%	0.42%
Total	100.00%	10.85%
Fixed Interest		
Franklin Templeton Global Aggregate Bond Fund ¹	10.39%	1.06%
IFM Alternative Fixed Income Fund	13.34%	1.36%
Legg Mason Brandywine Global Fixed Income Trust	26.37%	2.68%
ME Bank Super Loans Trust	1.83%	0.19%
Perennial Australian Fixed Interest	24.40%	2.48%
Schroder Fixed Income Fund ¹	23.66%	2.40%
Vanguard Australian Fixed Interest Index Fund ²	0.00%	0.00%
Total	100.00%	10.17%
Infrastructure		
AMP Capital Infrastructure Equity Fund	12.92%	0.72%
AMP Capital Strategic Infrastructure Trust Of Europe (\$A)	10.12%	0.57%
Antin Infrastructure Fund ¹	5.43%	0.30%
Hastings Utilities Trust Of Australia	16.87%	0.94%
IFM Australian Infrastructure Fund	44.36%	2.48%
IFM Renewable Energy (Convertible Notes)	4.60%	0.26%
Macquarie Global Infrastructure Fund II	5.72%	0.32%
RARE Infrastructure Value Fund ²	0.00%	0.00%
State Street Global Advisors, Australia ²	0.00%	0.00%
Tactical Global Management ¹	0.00%	0.00%
Total	100.00%	5.60%

CareSuper's investment managers during 2012/13	Investments held by managers	
	% of asset class	% of Fund
Overseas Shares		
Baillie Gifford Long Term Global Growth	7.58%	1.88%
Capital International World Equity ²	0.00%	0.00%
CFS Global Emerging Markets	7.58%	1.88%
MFS Global Equity Trust	25.67%	6.38%
Neuberger Berman Emerging Markets ¹	3.31%	0.82%
Orbis Global Equity Fund	10.89%	2.70%
Pzena Global Value Fund	6.81%	1.69%
Schroder Global Dynamic Blend ¹	20.42%	5.07%
State Street Global Advisors, Australia ²	0.00%	0.00%
Tactical Global Management ¹	0.00%	0.00%
Wellington Global Contrarian Equity	9.63%	2.39%
Zurich Global Thematic Share Fund ¹	8.12%	2.02%
Total	100.00%	24.84%
Private Equity		
Advent Private Capital V ¹	1.82%	0.08%
AMP Business Development Fund**	0.00%	0.00%
Apax Europe VII ¹	2.90%	0.13%
Archer Capital Fund 4 ¹	1.24%	0.06%
Bain Capital Fund IX ¹	3.04%	0.14%
Bain Capital Fund X ¹	2.78%	0.13%
Champ Ventures 6 ¹	1.95%	0.09%
Coller International Partners V ¹	1.52%	0.07%
Highland Credit Opportunities Fund ¹	1.71%	0.08%
IFM Australian Private Equity Fund III	1.44%	0.07%
IFM Australian Private Equity Fund IV	3.73%	0.17%
IFM International Private Equity Fund I	0.54%	0.03%
IFM International Private Equity Fund III	7.32%	0.34%
IFM International Private Equity II	2.42%	0.11%
Industry Super Holding Pty Ltd	2.58%	0.12%
LGT Crown Europe Middle Market ²	7.49%	0.35%
LGT Crown Global Secondaries II ¹	10.30%	0.48%
Members Equity Bank Pty Ltd	5.09%	0.24%
OCM Opportunities Fund VII/VIIb ¹	0.80%	0.04%
Partners Group Secondary 2008	7.97%	0.37%
Partners Group Secondary 2011	7.94%	0.37%
Siguler Guff Distressed Opportunities IV	14.80%	0.69%

CareSuper's investment managers during 2012/13	Investments held by managers	
	% of asset class	% of Fund
State Street Global Advisors, Australia ²	0.00%	0.00%
Stafford International Timberland VI ¹	3.70%	0.17%
Tactical Global Management ¹	0.00%	0.00%
Wilshire Private Markets	6.36%	0.29%
Wilshire Private Markets Asia No. 2	0.55%	0.03%
Total	100.00%	4.64%
Share Strategies		
Holowesko Global Fund	99.49%	1.95%
State Street Global Advisors, Australia ²	0.00%	0.00%
Tactical Global Management ¹	0.00%	0.00%
Warakirri International Hedge Equity Fund**	0.51%	0.01%
Total	100.00%	1.96%
Sustainable Australian Shares		
AMP Capital Sustainable Share Fund	100.00%	0.23%
Total	100.00%	0.23%
Sustainable Overseas Shares		
Dexia Sustainable Global Equity Fund	100.00%	0.26%
State Street Global Advisors, Australia ²	0.00%	0.00%
Tactical Global Management ¹	0.00%	0.00%
Total	100.00%	0.26%
Asset Allocation Overlay		
State Street Global Advisors, Australia ²	0.00%	0.00%
TGM – Balanced option ¹	96.95%	0.66%
TGM – Capital Stable option ¹	0.38%	0.00%
TGM – Growth option ¹	1.91%	0.01%
TGM – Pension Balanced option ¹	0.38%	0.00%
TGM – Pension Capital Stable option ¹	0.19%	0.00%
TGM – Sustainable Balanced option ¹	0.19%	0.00%
Total	100.00%	0.68%
		100.00%

¹ Appointed during the year

² Terminated during the year

Previously called Growth Opportunities

* Name change during year

** Investment being wound down. Small residual balance remaining.

Excludes investment managers inherited from the Asset Super merger exited prior to 30 June 2013.

Percentages may not sum to totals shown due to rounding.

Investment holdings

The top holdings of the Australian shares, Overseas shares, Direct Property, Cash, Infrastructure and Fixed Interest asset classes are listed below.

Australian Shares

Top 20 Holdings as at 30 June 2013

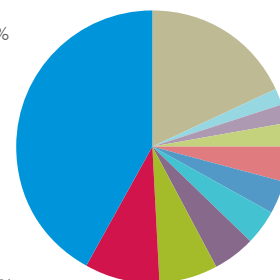
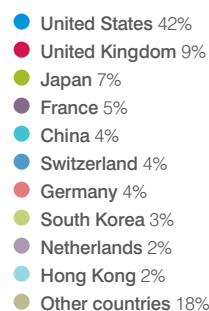
Security	% of asset class
BHP Billiton Ltd	9.45%
Commonwealth Bank Of Australia	7.94%
National Australia Bank Ltd	6.83%
Westpac Banking Corporation	6.65%
ANZ Banking Group Ltd	6.16%
Telstra Corporation Ltd	5.07%
Rio Tinto Ltd	3.36%
Woolworths Ltd	3.32%
Brambles Ltd	2.71%
Woodside Petroleum Ltd	2.32%
Wesfarmers Ltd	2.28%
Macquarie Group Ltd	2.26%
CSL Ltd	1.82%
QBE Insurance Group Ltd	1.75%
Amcor Ltd	1.48%
Origin Energy Ltd	1.42%
ASX Ltd	1.07%
News Corporation	0.99%
Transurban Group	0.93%
Westfield Group	0.92%
Percentage of asset class	68.71%

Overseas Shares

Top 20 holdings as at 30 June 2013

Security	% of asset class
American International Group	0.87%
Amazon.com Inc	0.83%
Linde AG	0.79%
Oracle Corp	0.77%
Google	0.75%
Reckitt Benckiser Group PLC	0.73%
Walt Disney Co	0.72%
Visa Inc	0.69%
Nestle SA	0.66%
Honeywell International Inc	0.65%
Apple Inc	0.62%
State Street Corp	0.59%
Accenture PLC	0.58%
Diageo PLC	0.54%
Microsoft Corp	0.53%
Baidu – ADR	0.53%
Heineken NV	0.53%
3M Co	0.52%
Thermo Fisher Scientific Inc	0.51%
Walgreen Co	0.51%
Percentage of asset class	12.95%

Overseas Shares country allocation



These holdings are based on the aggregate positions of CareSuper's investment managers and exclude cash and futures. Percentages may not sum to totals shown due to rounding. The figures are subject to change or revision at any time and CareSuper accepts no responsibility for omissions or errors. For more information on CareSuper's investment managers, go to caresuper.com.au/investmentmanagers.

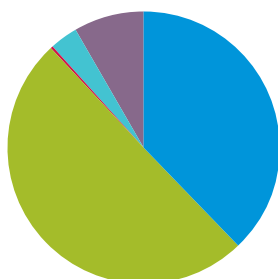
Direct Property

Top 20 Holdings as at 30 June 2013

Property	Sector	State	% of asset class
Gateway, 1 Macquarie Place, Sydney	Office	NSW	7.05%
Westfield Miranda, Sydney	Retail	NSW	6.60%
Westfield Hurstville, Sydney	Retail	NSW	2.63%
Willows and adjacent properties, Townsville	Retail	QLD	2.43%
1 Bligh Street, Sydney	Office	NSW	2.42%
Westfield North Lakes, Brisbane	Retail	QLD	2.20%
452 Flinders Street, Melbourne	Office	VIC	2.12%
Westfield Mt Druitt, Sydney	Retail	NSW	2.12%
Westfield West Lakes, Adelaide	Retail	SA	2.12%
360 Collins Street, Melbourne	Office	VIC	2.09%
225 St Georges Terrace, Perth	Office	WA	1.89%
275 George Street, Brisbane	Office	QLD	1.77%
11 Exhibition Street, Melbourne	Office	VIC	1.73%
570 Bourke Street, Melbourne	Office	VIC	1.68%
9 Castlereagh Street, Sydney	Office	NSW	1.67%
Westfield Doncaster Shopping Centre, Melbourne	Retail	VIC	1.66%
Brisbane Myer Centre, 91 Queen Street, Brisbane	Retail	QLD	1.60%
Northbank Plaza, Brisbane	Office	QLD	1.56%
Westfield Plenty Valley, Melbourne	Retail	VIC	1.49%
100 St Georges Terrace, Perth	Office	WA	1.49%
Percentage of asset class			48.33%

Direct Property sector allocation

- Office 50.29%
- Retail 37.79%
- Industrial 8.08%
- Development 3.34%
- Other 0.50%



These holdings are based on the aggregate positions of CareSuper's investment managers and exclude cash and futures. Percentages may not sum to totals shown due to rounding. The figures are subject to change or revision at any time and CareSuper accepts no responsibility for omissions or errors. For more information on CareSuper's investment managers, go to caresuper.com.au/investmentmanagers.

Investment holdings

continued

Cash

Holdings as at 30 June 2013

CareSuper's Cash asset class invests in two sub-asset classes: Cash and Term Deposits. Cash is managed by Colonial First State and invests in a range of securities deemed as cash, including term deposits and discount securities. Term Deposits are managed internally by CareSuper. Benchmark exposures to sub-asset classes within the Cash asset class can be found below.

Cash instrument	Cash (sub-asset class)	Term Deposits (sub-asset class)
Term Deposits	20.13%	100.00%
Cash	10.69%	
Promissory Notes	3.75%	
Bank Bills	0.20%	
Negotiable Certificates of Deposits	65.23%	
Total	100.00%	100.00%

Maturity profile	Cash	Term Deposits
0 - 30 days	34.27%	0.00%
31 - 90 days	39.45%	20.71%
91 - 180 days	26.28%	44.05%
181 - 365 days	0.00%	35.24%
Total	100.00%	100.00%

Option	Cash Sub-Asset Class benchmark %	Term Deposit Sub-Asset Class benchmark %	Total Cash Asset Class benchmark %
Capital Stable	15%	25%	40%
Conservative Balanced	10%	20%	30%
Balanced	5%	2%	7%
Sustainable Balanced	5%	2%	7%
Capital Secure	50%	50%	100%
Fixed Interest	1%	34%	35%

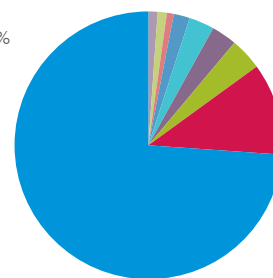
Infrastructure

Top 20 Holdings as at 30 June 2013

Infrastructure asset	% of asset class
Melbourne Airport	15.65%
Pacific Hydro	11.24%
NSW Ports	7.30%
Perth Airport	6.91%
Port of Brisbane	4.69%
Renewable Energy Convertible Note	4.61%
Brisbane Airport	4.26%
Interlink Roads (M5)	4.08%
Newcastle Airport	3.33%
Aged Care Investment Trusts	2.90%
DCT Gdansk	2.75%
Thames Water	2.67%
NT Airports	2.40%
CLH	2.26%
South East Water	2.08%
Southern Cross	1.82%
Angel Trains	1.51%
Sydney Desalination Plant	1.44%
Eastern Distributor (M1)	1.39%
Ecogen Energy	1.21%
Percentage of asset class	84.47%

Infrastructure country allocation

- Australia 74%
- United Kingdom 11%
- Spain 4%
- United States 3%
- Poland 3%
- Europe 2%
- France 1%
- New Zealand 1%
- Italy 1%



These holdings are based on the aggregate positions of CareSuper's investment managers and exclude cash and futures. Percentages may not sum to totals shown due to rounding. The figures are subject to change or revision at any time and CareSuper accepts no responsibility for omissions or errors. For more information on CareSuper's investment managers, go to caresuper.com.au/investmentmanagers.

Fixed Interest asset class holdings as at 30 June 2013

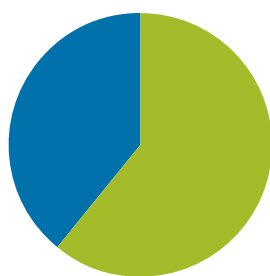
Country	Exposure
Australia	60.91%
United States	14.65%
Germany	3.74%
Mexico	3.57%
United Kingdom	3.19%
Italy	2.67%
Poland	1.68%
South Korea	1.31%
Malaysia	1.16%
Luxembourg	1.14%
Supranational	1.09%
Holdings under 1%	4.89%
Total	100.00%

Sector	Allocation
Government	26.15%
Semi-Government	18.61%
Sovereign/Supranational	7.83%
Corporate bonds	32.19%
Asset/Mortgage Backed Securities	7.70%
Cash and derivatives*	7.52%
Total	100.00%

* Global fixed interest investments are fully hedged.

Total CareSuper Fixed Interest portfolio

- Global 39.09%
- Australia 60.91%



Top Fund holdings

Holding	Asset Class	% of Fund
BHP Billiton Ltd	Australian Equities	2.19%
Commonwealth Bank Of Australia	Australian Equities	1.84%
National Australia Bank Ltd	Australian Equities	1.58%
Westpac Banking Corporation	Australian Equities	1.54%
ANZ Banking Group Ltd	Australian Equities	1.43%
Telstra Corporation Ltd	Australian Equities	1.17%
Melbourne Airport	Infrastructure	0.88%
Rio Tinto Ltd	Australian Equities	0.78%
Woolworths Ltd	Australian Equities	0.77%
Pacific Hydro	Infrastructure	0.63%
Percentage of Fund holdings		24.15%

Fund holdings by security exclude cash and derivatives.

These holdings are based on the aggregate positions of CareSuper's investment managers and exclude cash and futures. Percentages may not sum to totals shown due to rounding. The figures are subject to change or revision at any time and CareSuper accepts no responsibility for omissions or errors. For more information on CareSuper's investment managers, go to caresuper.com.au/investmentmanagers.

Your range of investment options as at 30 June 2013

Managed options

Capital Guaranteed [#]			Capital Stable																																							
Investment objectives	<ul style="list-style-type: none">To achieve returns after tax and fees that exceed the inflation rate (as measured by the Consumer Price Index [CPI]) by at least 1% per year over rolling 5-year periods.Over shorter periods, ensure as far as possible that the investment return members receive each year is competitive with comparable options in other super funds. To achieve positive returns after tax and fees in all financial years.			<ul style="list-style-type: none">To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 2% per year over rolling 5-year periods.Over shorter periods, ensure as far as possible that the investment return members receive each year is competitive with comparable options in other super funds.																																						
Asset Classes	<div><table><thead><tr><th></th><th>Benchmark at 30/06/2013 %</th><th>Range %</th></tr></thead><tbody><tr><td>Australian shares</td><td>32</td><td>35–45</td></tr><tr><td>Overseas shares</td><td>8</td><td></td></tr><tr><td>Property</td><td>20</td><td>15–25</td></tr><tr><td>Fixed interest and cash</td><td>40</td><td>30–60</td></tr></tbody></table></div>				Benchmark at 30/06/2013 %	Range %	Australian shares	32	35–45	Overseas shares	8		Property	20	15–25	Fixed interest and cash	40	30–60	<div><table><thead><tr><th></th><th>Benchmark at 30/06/2013 %</th><th>Range %</th></tr></thead><tbody><tr><td>Australian shares</td><td>10</td><td>0–25</td></tr><tr><td>Overseas shares</td><td>12</td><td>0–25</td></tr><tr><td>Property</td><td>6</td><td>0–15</td></tr><tr><td>Alternatives</td><td>12</td><td>0–35</td></tr><tr><td>Fixed interest</td><td>20</td><td>0–50</td></tr><tr><td>Cash</td><td>40</td><td>10–70</td></tr></tbody></table></div>				Benchmark at 30/06/2013 %	Range %	Australian shares	10	0–25	Overseas shares	12	0–25	Property	6	0–15	Alternatives	12	0–35	Fixed interest	20	0–50	Cash	40	10–70
	Benchmark at 30/06/2013 %	Range %																																								
Australian shares	32	35–45																																								
Overseas shares	8																																									
Property	20	15–25																																								
Fixed interest and cash	40	30–60																																								
	Benchmark at 30/06/2013 %	Range %																																								
Australian shares	10	0–25																																								
Overseas shares	12	0–25																																								
Property	6	0–15																																								
Alternatives	12	0–35																																								
Fixed interest	20	0–50																																								
Cash	40	10–70																																								
Risk level	Very low			Low to medium																																						
Returns history	3-year 2.2% p.a. 5-year 2.7% p.a. These returns are calculated after investment fees and taxes.			3-year 8.8% p.a. 5-year 6.8% p.a. These returns are calculated after investment fees and taxes.																																						
Compound average returns p.a. for period to 30 June 2013.																																										

Note: past performance is not a guarantee of future performance. Returns have been rounded to one decimal place.

[#] Under the Capital Guaranteed fee structure, the manager providing the guarantee, AMP, charged 1.43% for the year ending 30 June 2013. It is the Trustee's intention that this option will be invested in the AMP Capital Guaranteed Superannuation Fund within the AMP Statutory Fund No. 1 managed by AMP Life Limited (AMP). For liquidity purposes, the Trustee holds 1% of the allocation in cash.

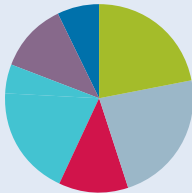
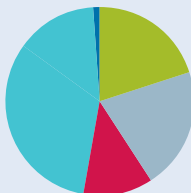


Conservative Balanced			Balanced (default)		
<ul style="list-style-type: none">To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 2.5% per year over rolling 5-year periods.Over shorter periods, ensure as far as possible that the investment return members receive each year is competitive with comparable options in other super funds.			<ul style="list-style-type: none">To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 3% per year over rolling 5-year periods.Over shorter periods, ensure as far as possible that the investment return members receive each year is competitive with comparable options in other super funds.		
	Benchmark at 30/06/2013 %	Range %		Benchmark at 30/06/2013 %	Range %
Australian shares	16	5–30	Australian shares	22	10–40
Overseas shares	18	5–30	Overseas shares	23	10–40
Property	7	0–15	Property	12	0–25
Alternatives	14	0–40	Alternatives	24	0–70
Fixed interest	15	0–50	Fixed interest	12	5–35
Cash	30	10–60	Cash	7	0–30
Medium			Medium to high		
3-year	9.7% p.a.		3-year	10.6% p.a.	
5-year	6.9% p.a.		5-year	6.8% p.a.	
These returns are calculated after investment fees and taxes.			These returns are calculated after investment fees and taxes.		

Note: past performance is not a guarantee of future performance. Returns have been rounded to one decimal place.

Your range of investment options as at 30 June 2013 continued

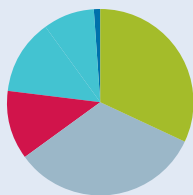
Managed options (continued)

	Sustainable Balanced	Alternative Growth																																							
Investment objectives	<ul style="list-style-type: none"> To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 3% per year over rolling 5-year periods. Within the Australian and overseas shares asset classes, to favour industries and companies that are expected to achieve sound investment returns, maintain good social and/or environmental records and have a sustainable future. 	<ul style="list-style-type: none"> To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 4% per year over rolling 5-year periods. Over the long term, to produce a less volatile return profile than the Growth option by investing a significant component of the portfolio in alternative investments. 																																							
Asset Classes	 <table> <thead> <tr> <th></th><th>Benchmark at 30/06/2013 %</th><th>Range %</th></tr> </thead> <tbody> <tr> <td>Australian shares</td><td>22</td><td>10–40</td></tr> <tr> <td>Overseas shares</td><td>23</td><td>10–40</td></tr> <tr> <td>Property</td><td>12</td><td>0–25</td></tr> <tr> <td>Alternatives</td><td>24</td><td>0–70</td></tr> <tr> <td>Fixed interest</td><td>12</td><td>5–35</td></tr> <tr> <td>Cash</td><td>7</td><td>0–15</td></tr> </tbody> </table>		Benchmark at 30/06/2013 %	Range %	Australian shares	22	10–40	Overseas shares	23	10–40	Property	12	0–25	Alternatives	24	0–70	Fixed interest	12	5–35	Cash	7	0–15	 <table> <thead> <tr> <th></th><th>Benchmark at 30/06/2013 %</th><th>Range %</th></tr> </thead> <tbody> <tr> <td>Australian shares</td><td>20</td><td>10–40</td></tr> <tr> <td>Overseas shares</td><td>21</td><td>10–40</td></tr> <tr> <td>Property</td><td>12</td><td>0–25</td></tr> <tr> <td>Alternatives</td><td>46</td><td>0–95</td></tr> <tr> <td>Cash</td><td>1</td><td>0–20</td></tr> </tbody> </table>		Benchmark at 30/06/2013 %	Range %	Australian shares	20	10–40	Overseas shares	21	10–40	Property	12	0–25	Alternatives	46	0–95	Cash	1	0–20
	Benchmark at 30/06/2013 %	Range %																																							
Australian shares	22	10–40																																							
Overseas shares	23	10–40																																							
Property	12	0–25																																							
Alternatives	24	0–70																																							
Fixed interest	12	5–35																																							
Cash	7	0–15																																							
	Benchmark at 30/06/2013 %	Range %																																							
Australian shares	20	10–40																																							
Overseas shares	21	10–40																																							
Property	12	0–25																																							
Alternatives	46	0–95																																							
Cash	1	0–20																																							
Risk level	Medium to high	Medium to high																																							
Returns history Compound average returns p.a. for period to 30 June 2013.	3-year 10.7% p.a. 5-year 5.9% p.a. These returns are calculated after investment fees and taxes.	3-year 11.2% p.a. 5-year 6.9% p.a. These returns are calculated after investment fees and taxes.																																							

Note: past performance is not a guarantee of future performance. Returns have been rounded to one decimal place.

Growth

- To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 4% per year over rolling 5-year periods.
- Over shorter periods, ensure as far as possible that the investment return members receive each year is competitive with comparable options in other super funds.



Benchmark at
30/06/2013 %

Range %

Australian shares	32	15–50
Overseas shares	33	15–50
Property	12	0–25
Alternatives	22	0–80
Cash	1	0–20

High

3-year	11.1% p.a.
5-year	6.3% p.a.
These returns are calculated after investment fees and taxes.	

i

Did you know?

You can access financial advice about selecting an investment strategy that suits your objectives, at no extra cost, by calling 1300 664 781.

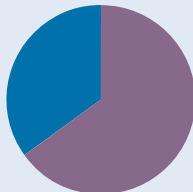
You can choose one or any combination of CareSuper's Managed and Asset Class investment options. The seven Managed options, detailed here, have a mix of investments predetermined by CareSuper.

Note: past performance is not a guarantee of future performance. Returns have been rounded to one decimal place.

Your range of investment options as at 30 June 2013 continued

You can choose any one or a combination of the Asset Class options below or integrate with Managed options.

Asset class options

	Capital Secure	Fixed Interest	Direct Property*												
Investment objectives	<ul style="list-style-type: none">To achieve returns after tax and fees at least in line with the inflation rate (as measured by the CPI) over rolling 5-year periods.Over shorter periods, to outperform the return of the Australian cash market (as measured by the UBS Bank Bill Index).	<ul style="list-style-type: none">To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 2% per year over rolling 5-year periods.Over shorter periods, to outperform the return of a mix of the Australian and overseas bond markets (as measured by a benchmark consisting of the UBS Composite Bond Index and the Barclays Capital Global Aggregate Index [hedged]).	<ul style="list-style-type: none">To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 4% per year over rolling 5-year periods.Over shorter periods, to outperform the return of the Australian direct property market (as measured by the Mercer Australian Unlisted Property Index [pre-tax]).												
Asset Classes	100% Cash or short-term money market instruments	<div><p>Benchmark at 30/06/2013 % Range %</p><table><tr><td>● Fixed Interest</td><td>65</td><td>50–100</td></tr><tr><td>● Cash</td><td>35</td><td>0–50</td></tr></table></div>	● Fixed Interest	65	50–100	● Cash	35	0–50	100% Direct Property						
● Fixed Interest	65	50–100													
● Cash	35	0–50													
Risk level	Very low	Low	Medium to high												
Returns history	<table><tr><td>3-year</td><td>5.0% p.a.</td></tr><tr><td>5-year</td><td>4.7% p.a.</td></tr></table> <p>These returns are calculated after investment fees and taxes.</p>	3-year	5.0% p.a.	5-year	4.7% p.a.	<table><tr><td>3-year</td><td>9.2% p.a.</td></tr><tr><td>5-year</td><td>9.1% p.a.</td></tr></table> <p>These returns are calculated after investment fees and taxes.</p>	3-year	9.2% p.a.	5-year	9.1% p.a.	<table><tr><td>3-year</td><td>8.4% p.a.</td></tr><tr><td>5-year</td><td>3.0% p.a.</td></tr></table> <p>These returns are calculated after investment fees and taxes.</p>	3-year	8.4% p.a.	5-year	3.0% p.a.
3-year	5.0% p.a.														
5-year	4.7% p.a.														
3-year	9.2% p.a.														
5-year	9.1% p.a.														
3-year	8.4% p.a.														
5-year	3.0% p.a.														

Note: past performance is not a guarantee of future performance. Returns have been rounded to one decimal place.

* For liquidity purposes, these options may hold up to 10% in cash.

Australian Shares*		Overseas Shares*	
<ul style="list-style-type: none"> To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 5% per year over rolling 5-year periods. Over shorter periods, to outperform the return of the Australian share market as measured by the S&P/ASX 300 Accumulation Index). 		<ul style="list-style-type: none"> To achieve returns after tax and fees that exceed the inflation rate (as measured by the CPI) by at least 5% per year over rolling 5-year periods. Over shorter periods, to outperform the return of the overseas share market (as measured by the MSCI World ex-Australia Index in \$A). 	
100% Australian Shares		100% Overseas Shares	
Very high		High**	
3-year	9.9% p.a.	3-year	13.3% p.a.
5-year	4.8% p.a.	5-year	7.8% p.a.
These returns are calculated after investment fees and taxes.		These returns are calculated after investment fees and taxes.	

Direct Investment option

CareSuper's Direct Investment option allows members to invest a proportion of their super in their choice of:

- The securities that form part of the S&P/ASX 300 Index
- A range of exchange-traded funds
- A range of term deposits.

With a wide variety of available investments, sophisticated online access and up to date market information, the Direct Investment option gives you the flexibility to become more actively involved in managing your pension.

The Direct Investment option is suitable for members who are comfortable taking an active role managing their pension investment.

For more information visit caresuper.com.au/PensionDloption.



Refer to the CareSuper Pension Guide for more information on all of our investment options.

Note: past performance is not a guarantee of future performance. Returns have been rounded to one decimal place.

* For liquidity purposes, these options may hold up to 10% in cash.

** As at 30 June 2013.

For a breakdown of investments, as at 30 June 2012, see page 42 of this Annual Report.

Managing your investment

CareSuper's investment policy

It is the responsibility of the Board to develop the investment policy, and ensure the Trustee adheres to its principles, philosophy and guidelines.

CareSuper's assets are managed according to the investment strategy for each investment option that has stated asset allocation benchmarks or, in the case of the Managed options an asset allocation range. The Trustee has developed an investment strategy after taking into consideration the Fund's overall circumstances, reviewing membership demographics, current market conditions and all applicable legislation. An appropriately licensed asset consultant has been appointed to provide these services to the Trustee.

The Trustee has given consideration to the following investment objectives in establishing an investment strategy:

- Produce real capital growth and income over time
- Manage investments with a defensive strategy
- Produce relatively less volatile returns
- Provide competitive returns
- Provide commensurate return for risk
- Manage liquidity
- Integrates the consideration of Environmental, Social and Corporate Governance issues when making investment decisions
- Tax-effectiveness, and
- Costs

The Trustee's philosophy is to actively manage investments for the long term with an aim of producing competitive returns while minimising risk when markets are volatile.

The Trustee selects and appoints professional investment managers to invest members' assets consistent with the investment options (refer to pages 32 to 37 of this Annual Report).

Within most asset classes, the Trustee has diversified the management of investments between several investment managers (and varying investment styles) with the aim of moderating the volatility in the overall return of the asset class. The Trustee does not manage any investments internally, with the exception of term deposits and the cash flow required for day-to-day operations. Professional investment consultants advise on the selection of investment managers whose investment objectives must be consistent with those of the Fund. Constraints applied to the managers are consistent with the objectives and philosophy of the Trustee.

Managing benchmark risk

The investment strategy for each Managed option includes benchmark allocations to different asset classes. These allocations represent those which, based on historical analysis, are most likely to achieve the investment objectives of that particular option. As the value of assets in each option will vary depending on changes in the market, each portfolio may require adjustment to ensure the asset allocation remains consistent with its benchmark.

Managing currency risk

As a matter of policy, the Trustee eliminates currency exposure in international investments, except overseas shares, where exposure to currency movements is held within a pre-set range. The Trustee reserves the right to alter the Fund's currency exposure if this is considered in the interests of CareSuper members.

Rebalancing

The Trustee monitors the asset allocation of each of the Managed options and reserves the right to alter the actual asset allocation if it believes it is appropriate for reasons of risk management or performance enhancement. If the Trustee alters the asset allocation it will remain within specified ranges.



Use of derivatives

Investment managers may use futures, options and other derivative instruments to enhance returns or manage risk. However, these instruments may not be used to leverage the portfolio or to cause the overall exposure to any asset class or combination of classes to breach the long-term strategic ranges.

Each year, the Trustee seeks a statement from each investment manager on the use of derivatives within its portfolio.

Voting

Voting is a tool that shareholders, as owners of a company, can use to exert influence or send a signal to the board of a company. CareSuper considers voting best practice and exercises its voting rights on behalf of members throughout the year.

Investments exceeding 5% of assets

At 30 June 2013, the following investment houses managed more than 5% of the Fund's assets: Colonial First State 7.2%; Industry Funds Management 12.7%; MFS Investment Management 6.4%; Perennial Investment Management 6.6%; Schroder Investment Management Australia 13.4%.

Unit pricing

CareSuper uses unit prices to calculate and report members' superannuation balances and apply investment returns. Every CareSuper member's account balance information includes the number of units they own, as well as the latest sell price. Each investment option has two prices: a buy price and a sell price. A buy price is the price applied when you invest in an investment option. For example, when your employer makes a contribution to your account you will be allocated units at the buy price. A sell price is the price applied when money is withdrawn from an investment option, including withdrawals from your account for investment switches and payments, direct fees, insurance premiums and tax deducted directly from your account. The sell price is used to calculate your account balance. To find out additional details about buy-sell spreads and how unit prices are calculated, please see the **Pension Guide** available at caresuper.com.au/PensionGuide.

Managing your investment

continued

Managing unit pricing errors

In the event of a unit pricing error deemed material in nature, CareSuper aims to correct the financial position of current and former members by an amount that would bring their account balance to a position as if no error had occurred.

In estimating an amount of compensation CareSuper will, where practical, use actual values; however, if these are not available estimates will be used.

Investment strategy – reserves

CareSuper maintains a series of reserves designed to provide for known and potential commitments and contingencies. The fund maintains three reserve accounts as follows:

- General reserve
- Group life reserve, and
- Operational risk reserve

The reserves are considered to be the Fund's 'capital' and each account is invested in a strategy appropriate to the time frame and risk profile of that account reviewed annually by the Board. Each strategy is invested in existing asset classes held by the Fund and are maintained by the Fund's custodian.

CareSuper's reserves over the last 3 years		% of Fund net assets
2012/13	\$67,508,001	0.87%
2011/12	\$47,238,248	0.97%
2010/11	\$35,083,425	0.76%

Keeping your super safe

CareSuper works hard to keep your super safe from illegal access. We have anti-fraud measures in place and work with the Australian Taxation Office (ATO) to help identify attempted unlawful activity.

At CareSuper we protect your super by:

- Never seeking your personal details by email or SMS
- Removing your date of birth and TFN from documentation
- Using envelopes without logos or advertising to mail annual statements
- Correctly identifying you before giving information
- Sharing information, within the Privacy protocols, about suspicious activity with the ATO, ASIC and Police
- Sticking to proven security protocols
- Modifying our anti-fraud process, as new threats emerge.

You can help ensure your super is secure by:

- Shredding mail before it is thrown out
- Not disclosing your personal details, such as date of birth or home address, on social networking sites
- Keeping computer security software up-to-date
- Never opening email attachments from unknown sources.



Fees

CareSuper is a profit-for-members fund. We share your vision of maximising your retirement savings, and do not pay dividends to shareholders.

Recent legislative changes and increased reporting requirements have led to an increase in costs across the industry, meaning some fees for members have also increased. CareSuper is committed to charging fees only to cover costs, so members can be sure that their money isn't going to profit shareholders.

Understanding fees and costs

Investment fees cover the cost of investing the Fund's assets and include base and performance fees paid to investment managers, asset consultant fees, bank fees and custody costs. Performance fees may be paid to an investment manager whose fee is partly linked to performance and are paid when the manager's portfolio performs above an agreed benchmark. CareSuper has a number of managers whose fee is aligned to their performance, predominantly in the Australian shares, overseas shares and alternative asset classes. Where a performance fee is paid, a lower base fee usually applies.

These fees, known as the indirect cost ratio (ICR), are deducted from investment earnings over the year and are reflected in the calculation of unit prices. These investment expenses change from time to time because of changes in managers, performance and/or other fees. Revisions to the ICR for an investment option will be available at caresuper.com.au/PensionFees.



Estimated annual investment fee or Indirect Cost Ratio (ICR)

The ICR varies according to the chosen investment option. These fees are not deducted directly from your account. Base ICRs are deducted proportionately over the year from investment earnings and reflected in the calculation of unit prices. Performance ICRs are deducted from investment earnings and reflected in the calculation of unit prices once relevant performance objectives have been met.

	Base ICR	Performance ICR	Total ICR
Capital Guaranteed	1.45%	0.00%	1.45%
Capital Stable	0.41%	0.13%	0.54%
Conservative Balanced	0.48%	0.20%	0.68%
Sustainable Balanced	0.92%	0.22%	1.14%
Balanced (default)	0.71%	0.33%	1.04%
Alternative Growth	0.86%	0.46%	1.32%
Growth	0.76%	0.28%	1.04%
Capital Secure	0.07%	0.00%	0.07%
Fixed Interest	0.29%	0.00%	0.29%
Direct Property	0.66%	0.00%	0.66%
Australian Shares	0.34%	0.05%	0.39%
Overseas Shares	0.68%	0.40%	1.08%



Find out more

For information on the fees and costs associated with your CareSuper account, see the Pension Guide available at caresuper.com.au/PensionGuide.

Financial statements

CareSuper has an obligation to members to disclose the financial position of the Fund.

In order to maintain a healthy Fund, CareSuper's Trustees keep a close watch on the Fund's investment performance and spending. The result is a financially fit Fund.

This financial summary is based on unaudited accounts and shows CareSuper's main financial transactions for the year ended 30 June 2013 and corresponding final audited figures to 30 June 2012.

Statement of financial position as at 30 June 2013

	2013 \$	2012 \$
Assets		
Cash and Cash Equivalents		
Cash at Bank	73,415,451	49,134,648
Cash & Floating Rate Instruments	848,688,409	377,348,027
Trade and Other Receivables		
Contributions Receivable	20,447,044	27,202,718
Investments		
Financial Assets		
Australian Equities	1,856,706,255	1,185,063,489
International Equities	1,882,684,705	1,020,443,761
Other Investments	1,486,551,368	1,068,816,021
Fixed Interest Securities	788,421,430	532,027,769
Property Trusts	855,160,172	635,421,438
Other Assets		
Fixed Assets	1,763,079	434,499
Capitalised Expenses	2,872,744	1,254,117
Sundry Debtors	918,966	(13,732)
Tax Assets		
Deferred Tax Assets	14,309,555	29,651,811
Total Assets	7,831,939,178	4,926,784,566
Liabilities		
Trade and Other Payables		
Group Life Insurance Premium Payable	4,667,342	4,051,043
Provision for Employee Benefits	1,030,401	740,070
Benefits Payable	26,528,658	10,354,299
Accounts Payable	1,501,694	1,206,964
APRA Payable	2,145,892	1,521,211
Sundry Creditors	14,081	127,473
GST Payable	98,485	85,725
Tax Liabilities		
Superannuation Contribution Surcharge	0	40,765
Current Tax Liabilities	19,833,991	7,181,047
Deferred Tax Liabilities	31,810,885	10,898,440
Total Liabilities	87,631,429	36,207,037
Net assets available to pay benefits	7,744,307,749	4,890,577,529
Represented by:		
Liability for Accrued Benefits		
Allocated to members' accounts	7,673,979,748	4,843,239,281
Administration, Group Life and Operational Reserve	70,228,001	47,238,248
Regulatory Reserve	100,000	100,000
	7,744,307,749	4,890,577,529



Audited accounts

A copy of the audited accounts is available (from October 2013) at caresuper.com.au or by calling the CareSuper PensionLine on **1300 664 781**. Refer to back cover for our contact details.

Operating statement for the year ended 30 June 2013

	2013 \$	2012 \$
Investment Revenue		
Interest	33,475,550	19,333,544
Distributions	240,999,915	178,512,883
Other Investment Income	7,519,791	6,542,388
Changes in Net Market Value	758,030,069	(98,116,793)
	1,040,025,325	106,272,022
Contributions Revenue		
Employer Contributions	485,398,893	401,433,435
Member Contributions	78,240,797	52,036,251
Transfers In	2,054,566,603	242,220,231
	2,618,206,293	695,689,917
Other Revenue		
Proceeds from Group Life Policies	50,798,119	29,587,230
Other Income	239,083	208,452
Total Revenue	3,709,268,820	831,757,621
Investment Expenses		
Direct Investment Expenses	12,088,635	9,018,691
Group Life Insurance Expenses	54,237,929	40,974,463
General Administration Expenses		
Administrator Expenses	10,810,062	8,944,123
Auditor's Remuneration	152,379	188,985
Operating Expenses	34,010,124	15,675,549
APRA Levy	2,135,784	1,520,190
Anti-Detriment Payments	767,404	531,760
Superannuation Contribution Surcharge	(26,650)	13,296
Total Expenses	114,175,667	76,867,057
Benefits Accrued Before Income Tax	3,595,093,153	754,890,564
Income Tax Expense/(Benefit)	115,487,904	44,189,336
Benefits Accrued After Income Tax	3,479,605,249	710,701,228

Getting help

Enquiries and complaints

The Trustee has established procedures to deal fairly with enquiries and complaints from members, employers and beneficiaries.

Complaints can be received in a variety of ways – by telephone, email or letter. If you make an enquiry or complaint by telephone we will endeavour to answer it immediately. In some cases we may ask you to submit your complaint in writing so it can be investigated further, and we will provide you with a written response.

The procedures to follow, time limits and other details are included in **Making enquiries and complaints** available at caresuper.com.au/PDS.

All complaints will be handled in a courteous and confidential manner.

Make sure we can find you

If you have changed your address or if you are about to, don't forget to let CareSuper know. This way, you'll be sure to receive your important superannuation statements and other valuable information.

Call the CareSuper PensionLine or log on to PensionOnline at caresuper.com.au/login to advise your new details.

printed annual reports

If you require a printed copy of this Annual Report, you can order one by calling the CareSuper PensionLine on **1300 664 781**.



Contact us

Members, employers and beneficiaries with enquiries or complaints should contact us in one of the following ways:

- ➔ Call the CareSuper PensionLine on **1300 664 781** between 8am and 6pm Monday to Friday AEST.
- ➔ Email: pension@caresuper.com.au
- ➔ Write to this address:
The Enquiries and Complaints Manager
CareSuper Pension
Locked Bag 5042
Parramatta NSW 2124





“ getting in touch with our friendly
customer-service team is easy ”

Contact us

For more information about your super,
you can reach us in the following ways:

call CareSuper PensionLine 1300 664 781
Monday to Friday 8am to 6pm AEST

visit caresuper.com.au

email pension@caresuper.com.au

write CareSuper Pension
Locked Bag 5042
Parramatta NSW 2124

Keep your details up to date

If you have changed any of your personal details, such as your name, address or any of your contact numbers, or you are about to, then don't forget to let us know through PensionOnline or by phone or email. Remember if we can't contact you, you may lose track of your super savings. Contact us in any way to let us know.



CARE Super Pty Ltd (Trustee) ABN 91 006 670 060 AFSL 235226 RSE L0000956 CARE Super (Fund) ABN 98 172 275 725

Disclaimer: This Annual Report is issued by the Trustee of CARE Super, CARE Super Pty Ltd ABN 91 006 670 060, the holder of Australian Financial Services Licence 235226. The information contained in this Annual Report is about CARE Super and is not intended as financial advice. It does not take into account specific needs, so members should look at their own personal position, objectives and requirements before taking any action. Past performance is not a guarantee of future performance. This Annual Report to Members is a regulated document that summarises the fund's performance over the past year. The Trust Deed is the legal document governing your superannuation benefit. Other information about CARE Super: a copy of the Trust Deed, Investment Policy Statement, the Fund's audited accounts are available upon request. You should also obtain and read the Product Disclosure Statement before making any investment decision. If you would like to see these documents, please call the CareSuper PensionLine on 1300 664 781.