



Annual Report 2022-2023

Positioned for growth



Important information

Under superannuation law, super funds are allowed to publish their fund information online. To reduce production and distribution costs to members, we publish our annual reports as a PDF for download from our website at equipsuper.com.au. If you'd like to receive a printed copy of the annual report by mail, free of charge, please call our Helpline on 1800 682 626 or contact us via the website at equipsuper.com.au/contact to request one.

This annual report is issued by Togethr Trustees Pty Ltd ABN 64 006 964 049, AFSL 246383 ('Togethr'), the Trustee of Equipsuper ABN 33 813 823 017 ('Equip Super', 'the Fund').

The information in this report is general advice and information only and doesn't take into account your personal financial situation or needs. You should consider whether the information is appropriate for you before acting on it and, if necessary, you should seek professional financial advice. Before making a decision to invest in Equip Super, you should read the appropriate Product Disclosure Statement (PDS) and Target Market Determination (TMD) for the product, which you'll find on our website at equipsuper.com.au

Past performance isn't a reliable indicator of future performance.

Financial advice services may be provided to members by Togethr's related entity, Togethr Financial Planning Pty Ltd (ABN 84 124 491 078, AFSL 455010), trading as Equip Financial Planning.

Contents

Introduction	1
Who we are	1
Recognition and awards	3-4
Message from our Chair	5-6
Message from our CEO	7-8
Fund highlights	8
Performance snapshot	9

Growing our Fund	11-12
-------------------------	--------------

Creating a great member experience	13-16
---	--------------

Partnering with employers	17
----------------------------------	-----------

Investing our members' money	19
Fund performance	19
Investment returns	20
How returns are allocated	21
Our investment strategy	22
Our approach to responsible investment	23-24
How we're addressing climate change	25
Summary of investment options	26-28
External investment managers	29
Other investment disclosures	30

Supporting our people	31-32
------------------------------	--------------

Governing our Fund	33-34
---------------------------	--------------

Fund financial statements and other disclosures	35
Statement of financial position	35
Income statement	36
Statement of changes in member benefits	37-38
Statement of cash flows	39
Statement of changes in reserves	40
Other disclosures	41-42

Who we are

Equip Super – it's more than just our name – it's what we do. As an award-winning, profit-to-member industry fund, we're here to equip our members today so they're ready for tomorrow.

Established in 1931, Equip Super has been helping Australians build their retirement savings for more than 90 years. Today, we offer super, financial advice* and retirement income accounts to more than 140,000 members Australia-wide, and work with more than 9,000 different employers to deliver super and retirement benefits to their employees.

With solid, long-term returns, competitive fees, a market-leading insurance offer, and access to the personalised guidance and advice that our members need, right when they need it – we're a proactive partner in our members' future.

Our purpose

Support our members to prepare for financial freedom in retirement.



Recognition and awards

We continue to be recognised and awarded by independent ratings agencies. While it's rewarding and encouraging to receive these acknowledgements, the real reward lies in the confidence and peace of mind these awards give our members; testament that they're with a value-for-money fund.



A top performing fund

We combine strong investment returns with low fees to provide our members with great results for their super. Turn to page 9 to see why we're a top performing fund and how we compare with our industry peers.

Leading the way with award-winning design

With human-centred design and the needs of our members guiding the design of *The Next Chapter* strategy, we were delighted to be named the Good Design Award Winner in the Design Strategy category in the Australian Good Design Awards, announced in September 2023.



Outstanding value for money

Independent ratings agency SuperRatings* has awarded Equip Super their highest platinum performance rating as a 'Best value for money' fund for more than 15 years in a row – for both our super and retirement income products.



5 Apples fund

Our super and retirement income products received a 5 Apples rating from Chant West for 2023 – the highest quality rating a fund can get.



We've also been recognised as a leader in our industry in the following Chant West awards for 2023:

Finalist: Chant West Awards 2023
Corporate Solutions Fund of the Year

Finalist: Chant West Awards 2023
Best Fund: Insurance

Best member education

We were delighted to win the Member Education award at SuperRatings' Annual Super Fund of the Year Awards 2023. (Learn more about our recent education initiatives from page 13).

We were also a finalist in the following SuperRatings categories:

Finalist: Service Quality
Finalist: Accountability and Transparency
Finalist: MyChoice Super of the Year



Award-winning insurance

We designed our default death and total and permanent disablement (TPD) insurance cover with affordability and flexibility in mind because we know it's important for our members to have access to the cover that best suits their situation. It's why Money Magazine awarded us 'Best value death and TPD insurance in super' 2023 for both women and men[^] for the second year in a row.



Message from our Chair



I've had the privilege of serving on the Trustee Board since October 2019 and, for two years prior to this, as Board Chair of Catholic Super. During this time we've seen the Fund almost double in size following the merger with Catholic Super; we've supported our members and our team through a pandemic, and more recently we've charted a course through unprecedented market uncertainty and economic conditions. Throughout this time, one thing has not wavered, and that's our commitment to members.

With my tenure on the Trustee Board now drawing to a close, it's this commitment that I will remember with pride, and the sheer dedication of our team when it comes to supporting our members and helping them to prepare for financial freedom in retirement.

Our relationships with our employers have also been a stand-out feature of the way we operate as a fund. Indeed, we firmly believe that working in close partnership with our employers is critical to helping our members achieve the best possible outcomes for their future.

Equip Super continues to have strong relationships with the utilities, mining and automotive industries in particular. But we're also proud to be a fund for all employers and all Australians. Each year we travel far and wide to ensure our employers have the support they need, so that together, we can better support our members.

The growth of our Fund has strengthened our team. Over the past year we've reviewed our people frameworks, policies and processes to ensure we



continue to attract and retain talented, industry-leading professionals to the Fund.

It's been a pleasure working with such an outstanding team. I extend my sincere thanks to my fellow directors on the Trustee Board for their support and tremendous insight. I'd especially like to acknowledge the valued contribution of outgoing Member Director, Jan Dekker. Jan served on the Board for more than six years before his departure on 30 June 2023.

On 1 July 2023 we had the pleasure of welcoming Julian Widdup to the Board as a new Member Director. Julian has more than 15 years' experience working in the superannuation industry, with significant board experience and expertise in investment governance, business, finance and risk management. As a qualified actuary and an economist, Julian has advised major super funds and served as a director for many Australian and international companies.

The past year has seen a whole-of-Fund focus on our key strategic initiative – *One Fund*. *One Fund* has been a multi-year, multi-team program of work. The objective was to fully integrate the operations of Catholic Super with Equip Super, simplifying our overall operations and consolidating our foundations. Looking ahead, I have every confidence that Equip Super is well placed for future growth. And importantly, the true beneficiaries of these changes will be our members – which is exactly as it should be.

Above all, I'd like to thank you, our members.

Above all, I'd like to thank you, our members. You are what drives this Fund and everyone who works here. Whether you're new to the Fund, or whether you've been a member for decades, we both respect and appreciate the trust you place in us, and we remain committed to supporting you as you prepare for financial freedom in retirement.

Danny Casey
Chair

Message from our CEO



With a return of 10.06% for the year ended 30 June 2023, our Balanced Growth investment option was one of the top performers in its class. Independent ratings agencies Chant West[^] and SuperRatings^{*} each placed us in their Top 10 performing balanced growth options for the year. Indeed, all of our investment options delivered positive returns for our members this year.

But the past year has certainly not been without its challenges, with ongoing conflict in Ukraine, cost-of-living pressures, market volatility, and a collective holding of our breath before every meeting of the Reserve Bank of Australia. We've been particularly pleased, therefore, to deliver these strong results for our members.

Having undergone significant growth in recent years, we turned our strategic focus to simplification and consolidation, thereby strengthening our foundations and positioning the Fund for future growth. I've been proud to see the level of cross-fund collaboration as we worked to deliver *One Fund* – our flagship strategic program.

One Fund enabled us to streamline the Fund's operations, and deliver a single MySuper product, a single investment choice menu, a single set of fees, and a single member database. The preparations for *One Fund* were successfully implemented over the course of the year, with all changes taking effect on 1 July 2023.

We also undertook a significant refresh and repositioning of the Equip Super brand in readiness for launch on 1 July 2023. We retired MyLife MySuper, MyLife MyPension and Transport Industry Super brands, retaining Catholic Super as the single brand for these members.

We enhanced our digital capability, rebuilding our website from the ground up with greater personalisation and information tailored to where our members are in life. We undertook extensive research into the retirement pathways and needs of our members – 55,000 of whom are set to retire in the coming decade – and developed our innovative *The Next Chapter* approach to retirement.

We continued to work closely with our employers, and strengthened relationships with key employers by participating in employer strategy days and launching employer-based financial planning programs.

All of these initiatives help us to improve our efficiency and strengthen our foundations as a fund. And the key beneficiaries of this are ultimately our members – as we deliver better and more consistent service experiences, strong long-term returns, and lower fees.

Positioning the Fund for future growth

Of course, none of this would be possible without the very thing that makes our Fund tick – our people. We know that employing, training and supporting a talented team is essential to providing great experiences for our members. This year we undertook an extensive review of our people frameworks, policies, systems and processes, and were pleased to see a significant uplift in employee engagement.

Every day our people work hard to provide the products and services that support our members on their journey to retirement. I thank them for their continued commitment and dedication, and for all that we've achieved over the past year.

On behalf of the Executive team, I'd also like to extend my warm and sincere thanks to Danny Casey, who will retire as Chair on 31 October 2023. Danny joined the Board at a pivotal time in Equip Super's evolution when we merged with Catholic Super. His vision and leadership significantly contributed to the merger of Catholic Super and Equip Super into one, sustainable Fund. Despite navigating some of the most challenging economic environments in recent history, including a pandemic and significant market volatility, he leaves us well positioned for future growth.

Last but by no means least, I thank all of our members for their support this year. Whether you're just starting out, or starting your next chapter, we're right here with you – equipping you with everything you need to make the most of your money, and plan ahead with confidence. This report provides a glimpse into all the activities and initiatives that help to make that happen.

Scott Cameron
Chief Executive Officer

Fund highlights

for the year ended 30 June 2023

\$32 billion

Funds under management

142,862

Total members

9,422

Contributing employers

\$126.9 million

Salary sacrifice contributions

\$1.5 billion

Total contributions*

Performance snapshot

for the year ended 30 June 2023

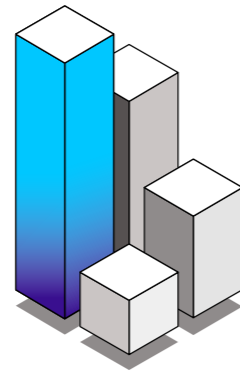
We combine strong investment returns with low fees to provide our members with great results for their super and retirement savings.

A top performing fund

With low fees and a history of consistent returns, Equip Super members can be confident their super is delivering strong results over the long term.

Our Balanced Growth investment option was in Chant West's **top 10 performing growth funds** for the year to 30 June 2023[^] with a return of 10.06% for the period.

Our Balanced Growth investment option was also among the SuperRatings **top 10 performing Balanced Growth investment options** across all super fund investment options for the year ended 30 June 2023.*



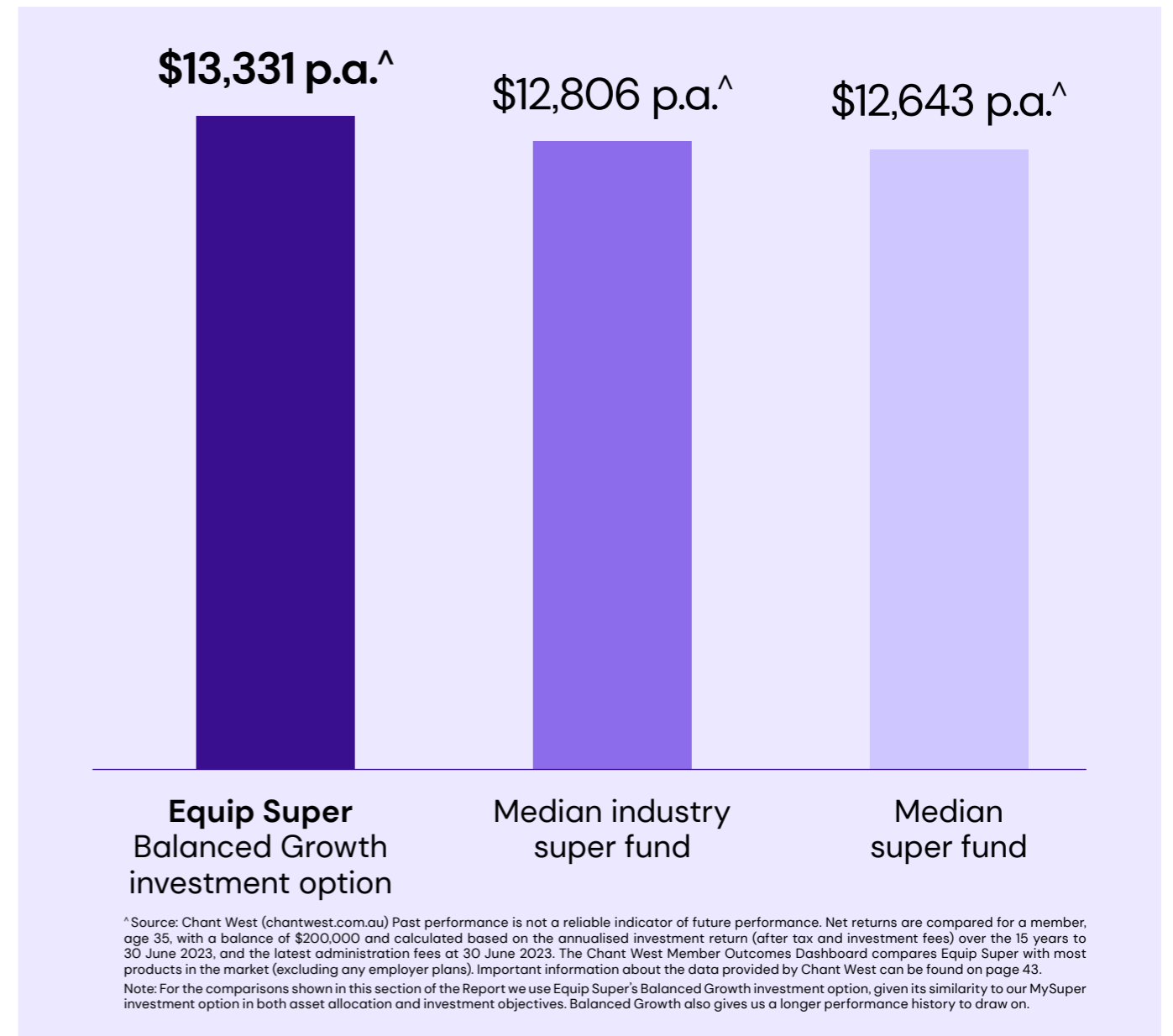
**Equip Super
Balanced Growth***

(return for the year ended 30 June 2023)

10.06%



Strong, long-term returns

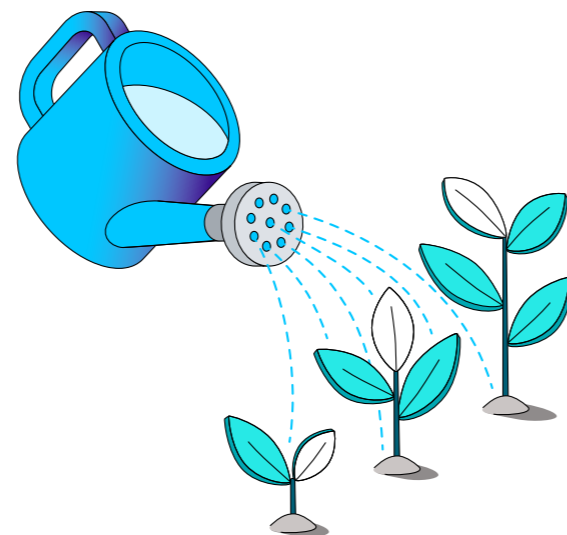


A powerful combination

Top performance is only one half of the equation – the other is low fees. That's because lower fees mean more money stays in our members' accounts – right where it should be. Equip Super's fees are significantly lower than the retail fund average, and lower than the overall super fund average.⁺

Growing our Fund

We're here to maximise retirement outcomes for our members. Growing our funds under management and our membership, and harnessing the benefits associated with greater scale, are key to achieving that goal.



Our strategy for growth

Growing our Fund allows us to achieve greater economies of scale, and this increases our capacity to deliver a range of associated benefits for members – such as greater value for money, broader investment expertise and opportunity, and better services.

We're working to achieve growth organically (by growing our member numbers), and inorganically (for example, as potential fund merger opportunities arise). We assess all growth opportunities in terms of their capacity to help us achieve greater scale and better support our members on their journey to retirement.

Corporate super and managing large corporate plans (including complex defined benefits) for employers has always been part of our DNA. Over the past year, we've continued to partner closely with our employers to enhance their overall employee proposition. This helps the employer to retain and attract employees, which in turn helps us attract more members.

One Fund – positioning the Fund for future growth

Over the past several years Equip Super has undergone significant growth, including finalising the successor fund transfer with Catholic Super in 2021, and transitioning corporate schemes such as Toyota Super and BOC Super to Equip Super. This year, we focused our efforts on consolidating this growth and strengthening our foundations as a fund through our flagship strategic program, *One Fund*.

The objective of *One Fund* was to simplify and consolidate our operations and product offering across the Equip Super and Catholic Super brands, in order to position the Fund for future growth. This required extensive collaboration across every area of our Fund, with a range of consolidation initiatives which came into effect from 1 July 2023, including:

- one MySuper product
- one investment choice menu
- one set of fees
- one central administrative database, and
- one way of doing things.

This complex program of work was accompanied by tailored communications to all employers and members to ensure everyone was aware of the upcoming changes and any likely impacts to their super and retirement accounts. Extensive information was provided to our employers to ensure they understood the changes and were well positioned to support their employees as we headed towards the implementation date.

Over time, we believe *One Fund* will deliver a range of benefits for members – including an overall reduction in fees, a more streamlined and consistent service experience, and an improved menu of investment options. We look forward to providing an update on our progress towards these goals in next year's Annual Report.

Projects that pave the way

In addition to the *One Fund* program of work, we also undertook a number of projects to further pave the way for future growth.

We invested extensive research, time and expertise in preparing for the launch of a refreshed brand for Equip Super on 1 July 2023. Equip Super is an award-winning, industry-leading fund, dedicated to equipping members today, for tomorrow. The refreshed brand look and feel accurately represents who we are, increases visibility in the market and better aligns with member and stakeholder expectations.

Alongside the Equip Super rebrand was the consolidation of the various sub-brands associated with Catholic Super. Over the course of the year,

we prepared for the retirement of the MyLife MySuper, MyLife MyPension and Transport Industry Super brands, with all members of the sub-brands moving to Catholic Super from 1 July 2023.

The consolidation and strengthening of our brands will help us to operate more efficiently as a fund, and that, in turn, helps us to keep our costs lower for our members.

We also enhanced our digital capability to improve our member experiences – you can find out more on page 13. And we developed our innovative retirement blueprint to help improve our members' preparedness for retirement, and provide tailored support for their journey to, and through, retirement. Turn to page 15 to learn more.

Getting the balance just right

As a mid-sized fund in Australia's superannuation landscape, we're big enough to matter, but still small enough to care.

Achieving our growth aspirations will ensure we can deliver our members the benefits that come with scale. But we'll still be nimble enough to be truly responsive to our members' needs and support them on their journey to retirement.

Creating a great member experience

We're here to help every one of our members achieve the best possible outcomes for their retirement – and it all starts with creating great member experiences. It's what makes us tick, and it's what we strive to achieve in everything we do.

A proactive partner

Over the past year we've invested considerable time and expertise in improving the individual experiences our members have with us and with their super and retirement savings, whether it's a visit to our website, a call to our Helpline, or an appointment with one of our financial planners.

We're here to help every one of our members achieve the best possible outcomes for their retirement. And we do it by providing the right tools and support at the right time for where they are in life.

"Years ago I had multiple accounts. After evaluating them all I chose Equip Super to roll them all into. I've never looked back. I feel safe knowing my super is being managed by them."

Equip MySuper member
Voice of the Customer Survey, 2023

Improving the digital experience

Throughout the year we undertook several projects with a view to improving the digital experience for our members. We focused on the principles of human-centred design to help us create experiences that are personalised, friendly and educational.

Tailor-made snapshots for members

We refined and improved our mid-year digital account snapshots for our accumulation members. Using the member's current account balance and age, the snapshot allows a member to track their projected super balance and compare it against the ASFA Retirement Standard. And it's supported by tips and tools to help members grow their super and improve their retirement balance.

Improving our online tools and resources

We launched a new online Knowledge Hub, with tools and resources to help members prepare for financial freedom in retirement. The hub contains 16 interactive education modules on super and retirement topics such as salary sacrifice, transition to retirement, income in retirement and insurance.

Interactive calculators

We developed new calculators to help members engage with their super and plan for their future. Our **Retirement Lifestyle calculator** helps members to understand how much money they'll need for retirement, and how long it will last. And the **Super Contribution Calculator** (launched on 1 July 2023) allows members to explore the types and level of

Member services snapshot (for the year ended 30 June 2023)

+63

Helpline Net Promoter Score*

42,022

Inbound calls to the Helpline

96%

Queries answered on the spot or resolved same day

2 business days

Average response time for emails and letters

contributions that will give their super the optimal boost, and possibly even save on tax. These are supported by our existing suite of superannuation calculators and associated tools.

Developing a new and improved website

Significant work was undertaken during the year to plan, design and build the new Equip Super website, in readiness for launch on 1 July 2023. As well as comprehensively updating the Equip Super website with new content and our new brand, the project also involved consolidating four separate websites into a single site for Catholic Super.

The new websites feature a more intuitive structure and personalised content. It's now easier for members to find what they're looking for and take action to prepare for a comfortable retirement. Importantly, the sites now run from the same platform, making it more efficient and cost-effective to maintain and update the sites in future, which helps us keep our costs lower for members.

Key improvements include all new content, including educational video content, new forms, expanded unit price and investment performance dashboards, more interactive calculators, and information tailored to different life stages, so members can access information specifically relevant to where they are in life.

Here to help

The Equip Super Helpline continues to provide support for members over the phone. During the reporting period the Helpline responded to more than 40,000 calls in total.

We regularly check in with members to get their views on our service. This year the Helpline received a Net Promoter Score of +63 from members who had called in, an increase on last year's +58.2. We were particularly pleased that 26% of those who called made the time to participate in the survey at the end of their conversation with us. Not only does this regular feedback help us measure the effectiveness of our service, it also means we can make improvements and adjustments in line with what our members need and expect from us.

"They offer the best customer service and they're willing to explain things in simple terms."

Equip MyFuture member
Voice of the Customer Survey, 2023

Digital services snapshot (for the year ended 30 June 2023)

8,703

Mobile app downloads

204,063

Unique logins to Member Online

1,216,671

Total website page views

Enhancing our insurance offer

We strongly believe in helping our members to protect their assets and their future lifestyle through insurance. And we know how important it is to ensure cover offers value for money. We designed all our default death and total and permanent disablement (TPD) insurance cover with affordability and flexibility in mind. This year, Money Magazine awarded us 'Best value death and TPD insurance in super' 2023 for women and for men* for the second year in a row.

Changes to TPD insurance

This year we further improved our TPD insurance cover. For example, we've simplified and broadened the eligibility for making a TPD claim if a member believes they're unlikely to ever be able to return to work because of illness or injury. Further, when assessing a claim, our insurer, MetLife, will take into account the member's capacity for future reasonable retraining and rehabilitation to assist with a return to suitable work.

We were pleased to be able to negotiate these outcomes with MetLife, which took effect from

1 July 2023. To accommodate these changes, there will be a slight increase in the overall cost of TPD cover for our members, however we believe the changes will be more beneficial for more members who find themselves in a situation where they may need to claim on their cover.

An innovative virtual health care service for members

We offered a pilot program to Equip Super employees and a select number of employers this year to trial the innovative 360Health Virtual Care program. Offered in partnership with MetLife, 360Health Virtual Care is a confidential, online service, providing specialist health care in a range of areas – and all at no additional cost (it's simply a part of Equip Super membership).

Following the success of the pilot, the program will be rolled out to members in the coming financial year, with members, their spouses and their children all eligible to access the services provided.

Learn more about 360Health Virtual Care on our website at equipsuper.com.au/360Health



Retiring with us

With around 55,000 of our members moving into the retirement phase of their lives over the next 10 years, it's more important than ever that we show our members we're with them on the journey, helping them achieve the best possible retirement outcomes.

In financial year 2021-22 we developed our Retirement Income Strategy (RIS), in line with the requirements of the Federal Government's Retirement Income Covenant. Our RIS is very much an articulation and an extension of the important work we do every day to help our members achieve their best possible retirement, in particular by:

- maximising members' retirement income
- ensuring that income is as sustainable and predictable as possible, and
- providing flexible access to funds so members can draw on their funds as they please.

Retirement as a strategic focus

Over the past year we've continued to focus on embedding the RIS across the Fund as a whole. Underpinning this work was an extensive qualitative retirement research program conducted by our Insights and Design team in August 2022. The aim was to better understand the needs of our members who are approaching retirement, and already in retirement, as well as their level of 'retirement literacy'.

We then put our learnings into action, refining and deepening our retirement strategy, and developing our Retirement Blueprint – a resource for our people and our partners to understand the needs of these members and how best to communicate with and support them at this pivotal time in their lives.

A blueprint for a better retirement

As more of our members move into retirement, we want them to know we're here with them on their unique

journey. We're here to help foster their retirement literacy as well as their retirement confidence by:

- helping them understand key stages in their unique retirement journey
- providing clear answers to the big retirement questions, and
- supporting them with the right products, tools, information and advice, at the right time, in order to maximise their super and achieve the best possible retirement outcomes.

Implementing our strategy

Some of the ways we're supporting our members as they move into and through retirement include:

- proactive outbound calls to members as they reach the 'point of retirement' stage so we can establish meaningful contact at a vital time in their lives
- tailored life-stage campaigns for members
- new resources for the website including 10 new retirement-specific education modules in our Knowledge Hub
- retirement-focused resources for employers and employees, such as workplace presentations
- face-to-face retirement seminars for members (our first since the pandemic), and
- a full suite advice offering.

We also launched our innovative *The Next Chapter* approach to retirement to help give our members the right support at the right time, and demonstrate our ability to be a proactive partner in their retirement years.

As part of this, The Next Chapter campaign was launched towards the end of the reporting period. We look forward to providing more insights into the impact of this work in next year's Annual Report.

Embedding *The Next Chapter* approach

100,000+

Individual communications to members

146,000+

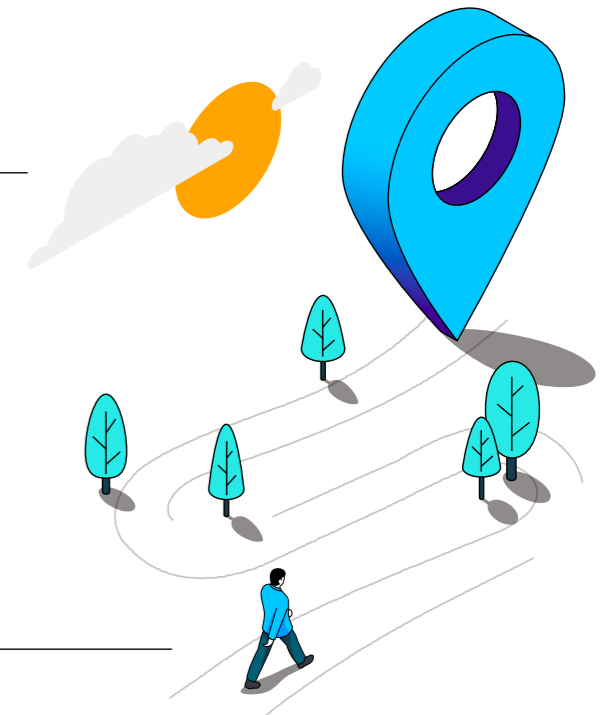
Views of our website retirement content

8,000+

Proactive calls to members

300+

Call-back requests



Partnering with employers

We're a true partner to our employers, equipping them with specialist skills and customised solutions to support and improve their employees' retirement outcomes.

A trusted super fund

More than 9,000 employers across Australia – many of them large household names such as Rio Tinto, Toyota, Origin Energy and Melbourne Water – entrust us with their employees' super and retirement savings. We continue to work hard to strengthen our relationships with our employers and add value to their business.

We support employers by being a proactive and supportive benefits partner that adds to the wellbeing of members in their workplace. We provide super, insurance and financial advice information that in turn assists their employees (who are also Equip Super members). This support contributes to workforce retention and productivity.

We have a long and proud history of supporting defined benefits, tailored corporate arrangements, generous employer-provided super entitlements and other benefits. This sets us apart from many of our peers in the profit-to-member super fund sector.

Supporting employees

During the year, we assisted a record number of members in real time online and in the workplace, delivering help with their super in the way that's most convenient for them.

Education via our new online Knowledge Hub was also promoted and means assistance can now be sought via workplace sessions, phone, and live or on-demand online.

Workplace visits

Equip Super's national team of relationship managers visited workplaces in all corners of the country. These visits help us to improve our members' retirement outcomes by providing tips for people to boost their super. For example, through super health checks, tips on how to use super to save on tax, and offering referrals to personal advice from Equip Financial Planning.

"Amazing to deal with. Always available to take a call, answer an email in a timely fashion, and happy to do things the 'Toyota' way."

Toyota Motor Corporation of Australia

Promoting employee wellbeing

In collaboration with the Fund's insurer, MetLife, we ran a pilot program with a selection of employers this year to introduce them and their employees to 360Health Virtual Care. More details on this initiative can be found on page 15.

Regular updates for employers

We continued to provide employers with regular, tailored communications throughout the year. These updates are designed to help our employers manage and meet their super obligations as simply as possible and provide practical information that can be passed on to staff.

This year we looked at a wide range of topics including legislative changes, benefit improvements, investment returns and market commentary, research insights, as well as videos and service improvements.

Workplace support

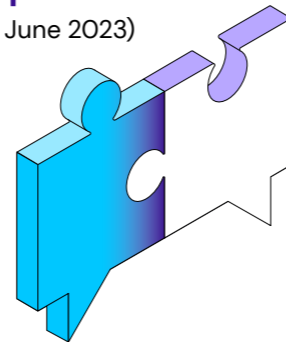
(for the year ended 30 June 2023)

163

Workplace seminars delivered

5,168

Attendees at workplace seminars and one-on-one appointments



Investing our members' money

We aim to provide strong returns over the long term, growing our members' wealth so they're prepared for financial freedom throughout their retirement years. We take an active approach to managing our members' money, applying both patience and discipline.

Fund performance

The year to 30 June 2023 was dominated by headlines focused on interest rates, historically high levels of inflation, the ongoing war in Ukraine and sharp rises in mortgage rates. It's pleasing to see that the Fund's long-term, active investment strategy navigated these conditions extremely well. Each of our investment options delivered positive returns for the year to 30 June 2023, which was a great outcome for our members.

The Equip Super Balanced Growth accumulation investment option was among the top 10 performing super investment options for the year ended 30 June 2023, according to leading ratings agency SuperRatings' SR50 Balanced (60-76) Index, returning 10.06% for the period. The Equip MySuper investment option returned 9.84%.

In addition, the Equip Super Balanced Growth accumulation investment options was in Chant West's top 10 performing growth funds for the financial year*. Importantly, that's translated to solid, long-term results for members. The Balanced Growth investment option has returned an average of 7.83% a year for members for the last 10 years.

We passed the performance test

We're pleased to announce that all Equip Super investment options assessed by the Australian Prudential Regulation Authority (APRA) passed APRA's Performance Test for 2023. This annual review benchmarks super funds' various investment products and publicly names underperformers. It assesses various investment products against an objective benchmark.

10.06%

Investment return over the past year for our Balanced Growth (accumulation) investment option.

11.20%

Investment return over the past year for our Balanced Growth (retirement income) investment option.

"I have spent many years with Equip Super. They are one of the best growth funds around and are smart and care for their members' money."

Equip Super member

Voice of the Customer Survey, 2023

Investment returns

Equip MyFuture and Equip Super Transition to Retirement Income account returns for periods ending 30 June 2023

	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	7 years (% p.a.)	8 years (% p.a.)	10 years (% p.a.)	15 years (% p.a.)	20 years (% p.a.)
Growth Plus	14.00	10.16	7.60	9.96	8.56	9.91	8.06	8.75
Growth	12.34	8.72	6.83	8.53	7.64	8.73	7.35	-
Balanced Growth	10.06	7.31	5.91	7.42	6.83	7.83	6.94	7.66
Balanced	7.97	5.32	4.61	5.56	5.30	6.11	5.90	-
Conservative*	4.63	3.00	3.08	3.63	3.62	4.34	4.80	5.28
Australian Shares	14.24	11.11	6.76	8.96	7.96	8.48	7.00	9.07
Overseas Shares	18.00	9.62	8.60	11.07	9.13	11.31	8.86	8.16
Fixed Interest**	0.21	-0.91	0.83	1.05	1.65	2.33	3.92	3.93
Sustainable Responsible Investment (SRI)^	16.28	13.21	8.05	9.82	8.14	8.89	6.50	9.52
Cash	2.67	0.96	1.13	1.26	1.34	1.52	2.30	3.03
Defined Benefit	7.56	5.56	4.95	6.43	6.02	7.08	6.42	7.39
MySuper	9.84	7.29	5.81	7.07	6.60	-	-	-

Equip Super Retirement Income account returns for periods ending 30 June 2023

	1 year (%)	3 years (% p.a.)	5 years (% p.a.)	7 years (% p.a.)	8 years (% p.a.)	10 years (% p.a.)	15 years (% p.a.)	20 years (% p.a.)
Growth Plus	15.59	11.13	8.20	10.88	9.29	10.74	8.72	9.57
Growth	13.67	9.61	7.45	9.38	8.30	9.43	8.06	-
Balanced Growth	11.20	8.11	6.28	7.99	7.20	8.30	7.46	8.30
Balanced	8.95	5.83	4.96	6.14	5.73	6.63	6.54	-
Conservative*	5.29	3.41	3.41	4.10	3.90	4.67	5.31	5.85
Australian Shares	15.89	12.59	7.40	9.88	8.62	9.15	7.52	9.77
Overseas Shares	19.63	10.46	9.36	12.11	10.07	12.41	9.78	9.06
Fixed Interest**	0.20	-1.08	0.93	1.31	1.67	2.56	4.47	4.48
Sustainable Responsible Investment (SRI)^	18.28	15.02	8.72	10.87	9.07	9.82	7.38	-
Cash	3.12	1.13	1.32	1.48	1.57	1.78	2.69	3.53

* Conservative investment option renamed Capital Stable, effective 1 July 2023

** Fixed Interest investment option renamed Diversified Fixed Interest, effective 1 July 2023

^ Sustainable Responsible Investment option closed and replaced by the Future Focus option, effective 1 July 2023

How returns are allocated

Equip Super uses a 'unitised' system for calculating returns



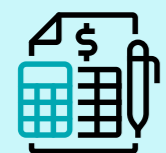
Each member receives 'units' matching the dollar value of their account



The unit price is updated daily



The unit price moves up or down with investment performance



The unit price for each investment option is reached by dividing the market value of the Fund's assets by the number of units on issue



The unit price allows for investment manager and custodian fees but not for administration fees and member specific fees



As contributions are added to a member's account, units are purchased at the going price



If a member leaves the Fund or withdraws money, units are redeemed (sold) at the going price



The current value of an account equals the number of units held in the member's investment options, multiplied by the going value per unit



At the end of each financial year, the Fund takes final unit prices and translates them into an annual return for each investment option



A member's statement shows the value of their investment options, and percentage returns over the financial year



A member's return is affected when they make contributions to the Fund or withdrawals, or switch between investment options

Our investment strategy

Our aim is to grow our members' wealth over time, so they're better equipped for financial freedom throughout retirement. We take an active approach to managing investments, which means we make proactive investment choices based on market conditions. At the same time, we're both patient and disciplined. And while financial markets present opportunities and risks that we manage over shorter timeframes, our main focus is on delivering strong returns over the longer term.

We're mindful of costs and strive to deliver the best service possible, while also keeping our fees as low as we can. We invest responsibly, not only because it's a fundamental part of our fiduciary obligation, but because we're committed to delivering the best financial outcomes possible for our members. (You'll find more on our approach to responsible investing on page 23.)

A strategy that stands the test of time

We fundamentally believe that, as long-term investors, we can afford to be patient when it comes to riding out the day-to-day ups and downs in investment markets. Our active investment strategy is designed to navigate all market conditions – protecting members' savings during downturns, and maximising returns when markets rise. In fact, periods of volatility can provide opportunities for long-term investors.

And that's why diversification is also at the forefront of our investment strategy – not just across asset classes, but also within them. We believe diversification is the most important tool we have to combat the impacts of shorter-term volatility in investment markets, as it allows us to take advantage of those investment opportunities in different asset classes as and when they arise.

Simplifying and consolidating our investment offer

One Fund, the Fund's key strategic initiative, was a significant focus for the Investments team this year as we undertook the extensive groundwork required to simplify and consolidate the Fund's investment offer. These changes (implemented on 1 July 2023) were designed to align the Catholic Super investment options with the Equip Super investment options

– thereby increasing our efficiency as a Fund, and helping to keep costs low for our members.

The changes which took effect from 1 July 2023 included:

- the addition of a new low-cost indexed option – the Index Diversified investment option
- replacement of our Socially Responsible Investment (SRI) investment option with a new Future Focus investment option (including transferring all existing SRI members across to the new Future Focus option from 1 July 2023)
- changes to the name and asset allocation of the Conservative and Fixed Interest investment options.

Members received a significant event notice prior to the end of the financial year with full details of these changes.

You'll find up-to-date information on our investment options in the PDS on our website: equipsuper.com.au/pds

Our approach to responsible investment

We recognise that issues like labour practices, workplace safety standards, carbon emissions and data security can each influence a company's performance – and this can impact the risk-adjusted returns we can deliver for our members over the long term. We're committed to responsible investment, and we believe that by considering environmental, social and governance (ESG) factors (like those listed above) in our investment process, we're better able to maximise the retirement savings of our members – which is what we're here to do.

Our responsible investment process

Addressing ESG issues and being a responsible investor is a fundamental element of our investment strategy. Our Responsible Investment Policy forms part of our overall Investment Governance Framework, and our responsible investment process gives us a structure for addressing sustainability issues within our investment portfolio.

If an ESG risk can't be appropriately addressed by other means, in certain circumstances, we may consider excluding identified companies or activities from our permitted investment universe.



ESG integration

Working with our investment managers to appropriately include ESG issues in day-to-day investment decision-making.



Active ownership

Using our influence as investors to vote at company meetings or meet with company directors on ESG issues.



Collaboration

Working with other investors and industry groups, to address systemic ESG issues for the benefit of our investment portfolios.



Reporting and transparency

Tracking and reporting on our activities and progress.



Taking action today

In undertaking responsible investment activities, we remain focused on the long-term best financial interests of our members. We aim for best practice stewardship which includes the investment governance of ESG issues and active ownership (through voting and engagement) of entities in which we invest.

For example, over the past 12 months we joined Investors Against Slavery and (human) Trafficking Asia Pacific (IAST APAC), a collaborative engagement initiative that includes investors across Australia and Asia. IAST APAC seeks to engage with companies where the risk of modern slavery in their operations and supply chain is the highest. This includes 15 companies listed on the Australian Securities Exchange, as well as a further nine companies across Asia.

We also completed a review of our investment management agreements in order to ensure our expectations regarding responsible investment are clear and include the integration of ESG factors.

A focus on tomorrow

A key focus for our team this year was to refresh our investment options, ready for launch on 1 July 2023. The Future Focus investment option aims to provide members with the opportunity to invest their money in an option designed to have higher exposure (compared to our default MySuper option) to investments that have been selected based on their alignment to certain ESG factors.

You can find out more about the Future Focus investment option on our website at: equisuper.com.au/future-focus

How we're addressing climate change

Climate change has the ability to impact beyond any individual company or asset and can affect the stability of the economy as a whole. It presents systemic risks and can't generally be addressed through active investment decisions alone (that is, by simply deciding whether or not to invest in something).

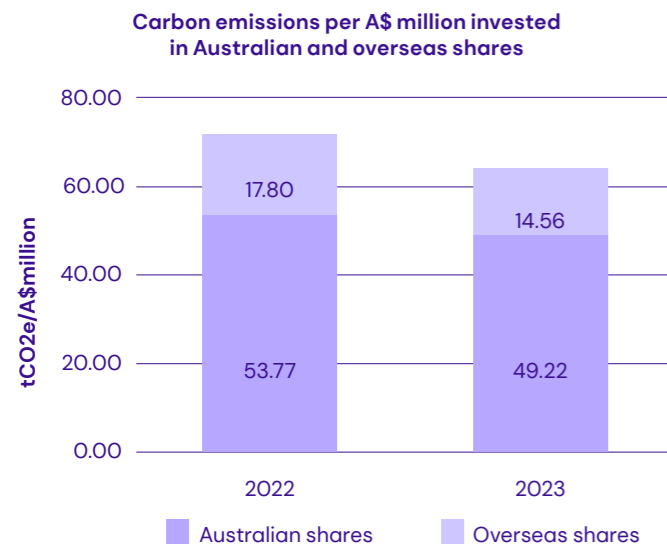
Our approach to climate change focuses on three key areas:

- 1. Understanding the risk** – through incorporating climate-related scenario analysis in our long-term strategic modelling.
- 2. Assessing our current portfolio** – by monitoring the carbon emissions of our equities portfolio over time.
- 3. Making conscious investment decisions** – investing in assets and technologies that will contribute to and benefit from the transition towards net zero carbon emissions by 2050.

Our approach is aimed at addressing climate risk and carbon emissions in our portfolio, as well as more broadly in the markets and industries we invest in.

Measuring our carbon footprint

We measure the carbon footprint of our equities portfolio, calculated as carbon emissions per million Australian dollars invested. For the year ending 30 June 2023, the carbon footprint of our combined Australian and overseas shares asset classes reduced compared to the same portfolio in the previous year.



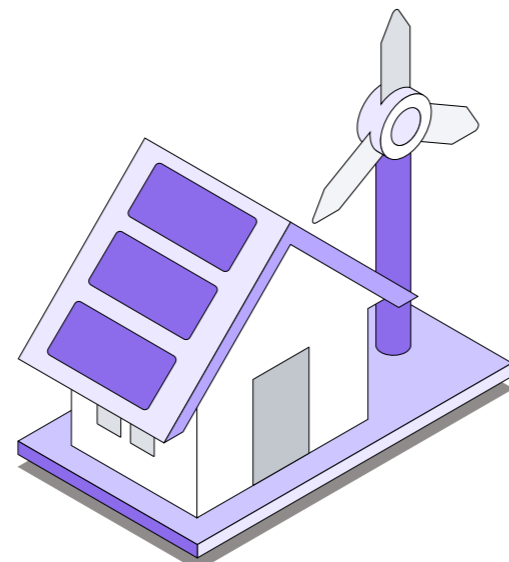
Whilst we use the carbon footprint data to inform our approach, it's indicative information only. We don't currently constrain our investment managers to achieve specific carbon reductions across our Australian and overseas shares asset classes.

Future resilience

We continue to maintain our focus on the impacts of climate change, working to better understand how both physical and transition risks may impact our portfolios, and looking for opportunities to invest in companies and assets that will either drive the transition or benefit as we move to a lower carbon economy.

Our aim is to position our portfolio to be resilient to future climate risks, and benefit from attractive investment opportunities as we transition to a net zero economy.

You can find out more about our approach to managing climate change on our website at equisuper.com.au/climate-change



Summary of investment options

All options current as at 1 July 2023.

Please see the 'Product Disclosure Statement' and 'How we invest your money' guide for more information about our investment options, including a detailed description of each option and who it is designed for. You can find these documents on our website at equisuper.com.au/pds

Diversified options

Growth Plus

Investment objective

Achieve a net return of at least 3.75% p.a. above CPI over rolling 10-year periods.

Strategic asset allocation (SAA) and permitted range (PR)



Asset class	SAA%	PR%
Australian shares	38	33-53
Overseas shares	44	38-58
Property	6	0-13
Infrastructure	6	0-13
Alternatives	4	0-15
Alternative fixed interest	0	0-10
Traditional fixed interest	0	0-10
Cash	2	0-10
Growth / Defensive	93/7	

Growth

Investment objective

Achieve a net return of at least 3.5% p.a. above CPI over rolling 10-year periods.

Strategic asset allocation (SAA) and permitted range (PR)



Asset class	SAA%	PR%
Australian shares	33	25-60
Overseas shares	38	25-60
Property	5	0-15
Infrastructure	6	0-20
Alternatives	5	0-20
Alternative fixed interest	6	0-15
Traditional fixed interest	4	0-15
Cash	3	0-15
Growth / Defensive	82/18	

Balanced Growth

Investment objective

Achieve a net return of at least 3% p.a. above CPI over rolling 10-year periods.

Strategic asset allocation (SAA) and permitted range (PR)



Asset class	SAA%	PR%
Australian shares	25	10-45
Overseas shares	30	5-45
Property	7	0-20
Infrastructure	9	0-20
Alternatives	5	0-20
Alternative fixed interest	7	0-20
Traditional fixed interest	12	0-30
Cash	5	0-15
Growth / Defensive	70/30	

MySuper

Investment objective

Achieve a net return of at least 3% p.a. above CPI over rolling 10-year periods.

Strategic asset allocation (SAA) and permitted range (PR)



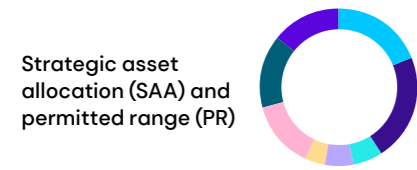
Asset class	SAA%	PR%
Australian shares	25	10-45
Overseas shares	30	5-45
Property	7	0-20
Infrastructure	9	0-20
Alternatives	5	0-20
Alternative fixed interest	7	0-20
Traditional fixed interest	12	0-30
Cash	5	0-15
Growth / Defensive	70/30	

Diversified options

Balanced

Investment objective

Achieve a net return of at least 2% p.a. above CPI over rolling 7-year periods.



Asset class	SAA%	PR%
Australian shares	19	10-45
Overseas shares	22	5-45
Property	6	0-20
Infrastructure	6	0-20
Alternatives	4	0-20
Alternative fixed interest	14	0-30
Traditional fixed interest	15	0-30
Cash	14	0-20
Growth / Defensive	52/48	

Index Diversified

Investment objective

Achieve a net return of at least 2.5% p.a. above CPI over rolling 10-year periods.

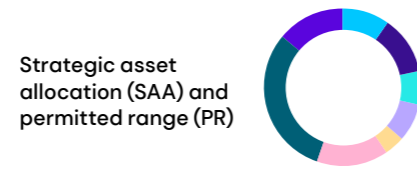


Asset class	SAA%	PR%
Australian shares	30	10-50
Overseas shares	40	10-50
Property	0	0
Infrastructure	0	0
Alternatives	0	0
Alternative fixed interest	0	0
Traditional fixed interest	25	0-40
Cash	5	0-30
Growth / Defensive	70/30	

Capital Stable*

Investment objective

Achieve a net return of at least 1.5% p.a. above CPI over rolling 5-year periods.

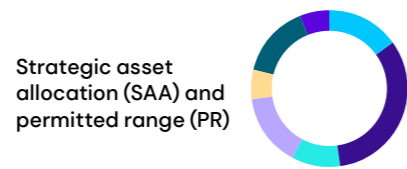


Asset class	SAA%	PR%
Australian shares	10	0-25
Overseas shares	12	0-20
Property	7	0-25
Infrastructure	8	0-15
Alternatives	4	0-20
Alternative fixed interest	14	5-40
Traditional fixed interest	31	10-45
Cash	14	5-35
Growth / Defensive	35/65	

Future Focus**

Investment objective

Achieve a net return of at least 3% p.a. above CPI over rolling 10-year periods.



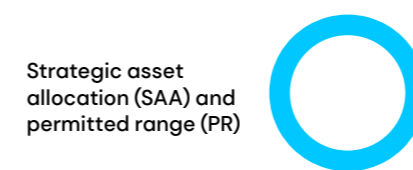
Asset class	SAA%	PR%
Australian shares	15	5-30
Overseas shares	33	15-50
Property	10	0-30
Infrastructure	15	0-30
Alternatives	6	0-20
Alternative fixed interest	0	0-20
Traditional fixed interest	15	0-30
Cash	6	0-30
Growth / Defensive	70/30	

Sector specific options

Australian Shares

Investment objective

Outperform the S&P/ASX 300 Accumulation Index over rolling 5-year periods, adjusted for any applicable tax.

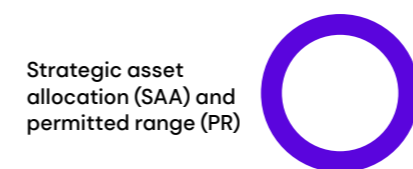


Asset class	SAA%	PR%
Australian shares	100	85-100
Cash	0	0-15

Cash

Investment objective

Outperform the Bloomberg AusBond Bank Bill Index over a year, adjusted for any applicable tax.



Asset class	SAA%	PR%
Cash	100	0-100

Overseas Shares

Investment objective

Outperform the MSCI All Country World Index ex Australia (70% unhedged / 30% hedged) over rolling 5-year periods, adjusted for any applicable tax.

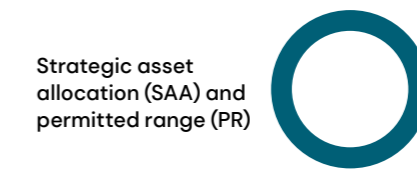


Asset class	SAA%	PR%
Overseas shares	100	85-100
Cash	0	0-15

Diversified Fixed Interest^

Investment objective

Outperform its benchmark, a mix of the Bloomberg AusBond All Maturities Composite Bond Index (50%) and the Bloomberg Barclays Global Aggregate Index (50%), hedged to Australian dollars, over rolling 5-year periods, adjusted for any applicable tax.



Asset class	SAA%	PR%
Alternative fixed interest	0	0-60
Traditional fixed interest	100	40-100
Cash	0	0-30

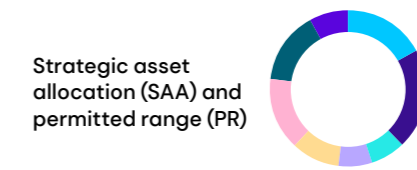
Defined Benefit option

Some of our members are invested in an Equip Super Defined Benefit plan via their employer. The assets of the Defined Benefit plan may be invested in the investment option shown below. Please note that this is not an investment option that's offered as part of our investment choice menu.

Defined Benefit

Investment objective

Achieve a net return of at least 2.5% p.a. above CPI over rolling 7-year periods.



Asset class	SAA%	PR%
Australian shares	17	0-31
Overseas shares	21	0-30
Property	7	0-25
Infrastructure	7	0-25
Alternatives	10	0-30
Alternative fixed interest	15	0-30
Traditional fixed interest	15	0-30
Cash	8	0-30
Growth / Defensive	54/46	

External investment managers

We oversee and recommend specialist investment managers to ensure they individually and collectively deliver long-term outperformance across major asset classes for our members.

The table below lists these investment managers, grouped by the asset class they manage, as at June 2023.

Asset class	Investment manager	Asset class	Investment manager
Alternative Fixed Interest	Ardea Investment Management Pty Ltd	Australian Shares	Renaissance Asset Management
Alternative Fixed Interest	Brandywine Global Investment Management LLC	Australian Shares, Infrastructure	IFM Investors Pty Ltd
Alternative Fixed Interest	Invesco Ltd	Australian Shares, International Shares	Firetrail Investments Pty Ltd
Alternative Fixed Interest	Monroe Capital Management	Cash	Antares Capital Partners Ltd
Alternative Fixed Interest	Qualitas Partners Pty Ltd	Currency Overlay	National Australia Bank Ltd
Alternative Fixed Interest	Revolution Asset Management (Channel Capital)	Infrastructure	AMP Capital Investors Limited
Alternative Fixed Interest	Shenkman Capital Management, Inc	Infrastructure	Copenhagen Infrastructure Partners, LP
Alternative Fixed Interest, Alternatives	Hayfin Capital Management LLP	Infrastructure	Foresight Group Australia
Alternatives	Apollo Global Management, Inc.	Infrastructure	Igneo Infrastructure Partners
Alternatives	BroadRiver Asset Management, L.P.	Infrastructure	Lighthouse Infrastructure Management Ltd
Alternatives	Campus Living Funds Management Pty Ltd	Infrastructure	Morrison & Co Utilities Management (Australia) Pty Ltd
Alternatives	Edelweiss Alternative Asset Advisors Pte Ltd	Infrastructure	Quinbrook Infrastructure Partners
Alternatives	European Investment Bank - Global Energy Efficiency and Renewable Energy Fund	International Shares	Acadian Asset Management (Australia) Ltd
Alternatives	Fulcrum Asset Management LLP	International Shares	Baillie Gifford & Co.
Alternatives	Harbourvest Partners Limited	International Shares	Intermede Investment Partners
Alternatives	LGT Fund Managers (Ireland) Ltd	International Shares	Janus Henderson Investors (Australia) Ltd
Alternatives	Oaktree Capital Management, L.P.	International Shares	Ninetyone Guernsey Limited
Alternatives	Pantheon Ventures (UK) LLP	International Shares	Northcape Capital Pty Ltd
Alternatives	Partners Group AG	International Shares	Orbis Investment Management Ltd
Alternatives	Resolution Life	International Shares	Schroders Investment Management Australia Ltd
Alternatives	Ruffer LLP	International Shares	Stewart Investors
Alternatives	Siguler Guff & Company, LP	International Shares	T Rowe Price International Ltd
Alternatives	Tangency Capital (Artex)	International Shares, Traditional Fixed Interest	BlackRock Investment Management (Australia) Ltd
Alternatives, Infrastructure, Traditional Fixed Interest	Macquarie Asset Management	Property	Barwon Investment Partners Pty Ltd
Asset Allocation Overlay	QIC Ltd	Property	Berkshire Residential Investments
Asset Transition	UBS Securities Australia Ltd	Property	Charter Hall Investment Management Ltd
Australian Shares	Allan Gray Australia Pty Ltd	Property	Dexus Funds Management Ltd
Australian Shares	AllianceBernstein Australia Ltd	Property	GPT Funds Management Ltd
Australian Shares	Cooper Investors Pty Ltd	Property	Lend Lease Real Estate Investment
Australian Shares	First Sentier Investors (Australia) IM Ltd	Property	Goodman Funds Management Limited
Australian Shares	Paradice Investment Management	Property	Resolution Capital
Australian Shares	Plato Investment Management	Traditional Fixed Interest	Catholic Development Fund

Other investment disclosures

Investment fees and costs

For details of our investment fees and costs, refer to the Product Disclosure Statement and Fees and Costs Guide available on our website: equipsuper.com.au/pds

Portfolio holdings

You'll find detailed records of our portfolio holdings on our website:

equipsuper.com.au/your-investments/how-we-invest-your-money/portfolio-holdings-disclosure

We confirm that over the course of the financial year, no individual asset had a value of more than 5% of the total assets of the Fund.



Supporting our people

We know that in order to provide great experiences for our members, and help them achieve the best possible retirement outcomes, we need to start by employing, training and supporting a talented team. It's also essential to our continued growth as a fund.

Over the past year we undertook an extensive review of our people frameworks, policies, systems and processes. We implemented a range of new programs and initiatives to support our people, drive employee engagement, and foster and enable a high-performance, risk-conscious culture. The result is a stronger foundation for our people and our Fund, which better positions us for the future.

Importantly, we know these initiatives and improvements are having a positive impact. This year, employee engagement increased by 18% since our last full engagement survey of all employees was conducted in 2021.

Living our values

Values underpin the employee experience and culture at Equip Super. They're the guiding principles and fundamental beliefs that help our people function together as a team as we work towards our vision and purpose.

This year, we reset and refreshed our values, running a series of workshops to educate our people on the new values, expectations for behaviour, and the role everyone plays in achieving our strategy and vision.

Members first
We act in the best financial interest of our members

Accountability
We do what we say we'll do

Respect
We care about each other and act with integrity and honesty

Collaboration
We work together to achieve results

"As a new employee the culture is fantastic, management are great and I feel truly supported."

Equip Super team member
Employee Engagement Survey, February 2023

Building strong frameworks

We finalised and implemented our key people frameworks this year, including Leadership, Talent, Performance, Remuneration and Learning. These frameworks provide the overarching structures that set out the purpose, principles and approach for our key people systems, as well as establishing links between performance and remuneration, our values, and our behaviour.

Reward and recognition

Recognition and reward is important in every business and helps build a culture where people strive to do their best. This year we introduced the Equip Super Stars program – a monthly award that recognises team members who bring the values and objectives of Equip Super to life and achieve great outcomes for our members and our Fund.

Leadership and learning

We continued to develop new learning and development opportunities across all levels to upskill and train our people:

- We introduced LinkedIn Learning for team members in all roles across Equip Super. So far more than 1,091 courses have been completed.
- People Leader Forums provided senior leaders and people leaders across the Fund with the training, tools and resources they need to be effective in their roles and ensure consistency of leadership for our people.

About our people

(for the year ended 30 June 2023)

206

Total workforce

42

New starters this year

>60%

Employees with 2+ years tenure

60% male
40% female

Executive team gender balance

- We introduced the Frontline Leader Development Program to develop our people leaders.
- We launched a Senior Leader Development Program aimed at embedding values-led leadership, resilience and leading through change.

Embedding flexibility

Working from home became the new normal during the pandemic. Flexibility and hybrid working continue to be very important to our teams, so we've now adopted a hybrid working model that combines working from home and in the office.

Our policy also includes several flexible working options – such as part-time opportunities, condensed weeks, a hybrid work environment, nine-day fortnights and flexible start and finish times – to ensure our people can create the work life balance that works best for them.

Health and wellbeing

This year we launched our partnership with MetLife to bring Equip Super employees 360Health Virtual Care – an online program providing access to confidential services from medical and health specialists.

The virtual service is available to all employees and their immediate families. It includes access to GPs and paediatricians, mental health support, nutrition advice

through accredited dietitians, and fitness and recovery assistance and personalised plans from exercise physiologists.

A gender equal experience

Each year we participate in and are compliant with Workplace Gender Equality Agency reporting. In addition, we've implemented several strategies and initiatives to promote gender equality within the Fund. For example, we conduct a yearly remuneration review to understand any pay gaps between men and women so we can better address these. We also have clear hiring principles that promote inclusion.

For the 2022-23 financial year, the number of women in our Technology and Transformation team grew from 23 per cent to 47 per cent, with the addition of several female managers and leaders.

Our flexible work options (as mentioned above) further support gender equality in the Fund and allow team members to design a work life that suits them best.

"The flexibility between home and work life is really great."

Equip Super team member
Employee Engagement Survey, February 2023

Employee engagement

95% agree:

"I feel comfortable and supported by my manager when working from home"

89% agree:

"My direct manager genuinely cares about my wellbeing"

89% agree:

"I know what I need to do to be successful in my role"

Source: Equip Super Employee Engagement Survey, February 2023

Governing our Fund

We're committed to excellence in governance. Not only is it fundamental to our intention to always act in the best financial interests of our members – it's essential to our success as a Fund.

Board composition and nomination

Our Trustee Board of Directors is responsible for the oversight and review of the management, operations and overall corporate governance of the Trustee and the Fund. They're committed to serving our members and helping them prepare for financial freedom in retirement.

Our Board is a skills-based board, comprising:

- three employer directors
- three member directors, and
- three independent directors.

The Board appoints one of the independent directors as chair. The directors must be qualified to hold office in accordance with relevant legislation.

This composition ensures that we have the appropriate diversity of necessary skills, knowledge, experience, education and perspectives to manage the Fund in accordance with its legal and prudential obligations and risk appetite, and in the best financial interests of the members.

Board Committees

The Board has five committees, which assist the Board in fulfilling its statutory, fiduciary, governance and regulatory responsibilities:

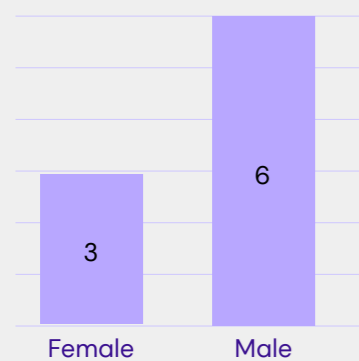
- Audit and Finance Committee
- Governance and Culture Committee
- Investment Committee
- Stakeholder Engagement and Innovation Committee, and
- Risk and Compliance Committee.

The composition of Board committees is reviewed at least annually. The Board may also resolve to establish specific sub-committees from time to time. And for the purpose of Board appointments, a Nominations Committee is established as needed to review applications and provide a recommendation as to the suitable candidate(s) to the Board.

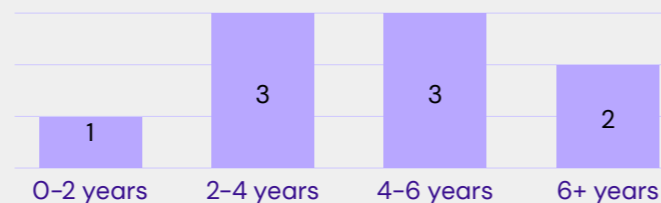
Remuneration expenditure

Detailed information about remuneration expenditure for directors and senior executives can be found on our website: equipsuper.com.au/about-us/governance

Board membership by gender



Membership by tenure



The Equip Super Board of Directors

as at 31 October 2023



**Chair of the Board/
Independent Director**
Danny Casey
BCom, MEcon, CPA
Date appointed:
21 October 2019
Retired from the Board:
31 October 2023



Member Director
David Doolan
BBus (Acc), MAICD, TFASFA
Date appointed:
11 October 2020



Employer Director
Mark Cerche
B. Juris LLB (Hons)
Date appointed:
1 July 2017



Employer Director
Simone Thompson
BA/LLB, FASFA, FGIA
Date appointed:
21 October 2019



**Deputy Chair of the
Board/Independent
Director**
Justine Hickey
BCom, F FIN, GAICD
Date appointed:
1 July 2017



Member Director
Matthew Cassin
MBA, BCom
Date appointed:
1 August 2021



Employer Director
Sharife Rahmani
BCom, BEcon, GCertPA,
GAICD
Date appointed:
1 June 2021



Member Director
Julian Widdup
BEc, MBA, FAICD, FIA, FIAA
Date appointed:
1 July 2023



Independent Director
Penny Davy-Whyte
BA (Mktg & Comm), GAIST
Date appointed:
1 July 2018



Former Member Director
Jan Dekker
BSc, Masters of Law
(Environmental), Grad
Cert Applied Finance and
Investment, GAICD
Date appointed:
1 July 2016
Retired from the Board:
30 June 2023

“Equip Super is a trustworthy super fund and my interests are a priority for them.”
Equip MyFuture member
Voice of the Customer Survey, 2023

You'll find more information about our Directors on our website at equipsuper.com.au/about-us/our-leadership-team

Fund financial statements and other disclosures

Statement of financial position

As at 30 June 2023

	2023	2022
	\$'000	\$'000
Assets		
Cash and cash equivalents	143,086	84,694
Receivables	694,923	892,914
Investments	31,937,219	29,328,808
Plant and equipment	826	2,940
Current tax assets	96,677	132,088
Total assets	32,872,731	30,441,444
Liabilities		
Payables	(208,136)	(298,482)
Derivative liabilities	(121,316)	(256,266)
Deferred tax liabilities	(512,094)	(300,258)
Total liabilities excluding member benefits	(841,546)	(855,006)
Net assets available for member benefits	32,031,185	29,586,438
Member liabilities		
Defined contribution member liabilities	(29,834,724)	(27,425,104)
Defined benefit member liabilities	(1,439,590)	(1,659,719)
Total member liabilities	(31,274,314)	(29,084,823)
Total net assets	756,871	501,615
Equity		
Operational risk financial reserve	83,217	76,041
Administration reserve	102,510	94,091
Insurance reserve	7,245	6,901
Investment reserve	93,549	50,063
Defined benefit plans over funded	470,350	274,519
Total equity	756,871	501,615

Financial statements

The Fund's audited financial statements, along with the Independent Auditor's Report, can be found on our website: equipsuper.com.au/financial-statements-2023

Income statement

For the year ended 30 June 2023

	2023	2022
	\$'000	\$'000
Superannuation activities		
Interest	113,339	37,368
Dividend and distribution revenue	1,071,776	925,248
Other investment income	12,436	10,501
Changes in assets measured at fair value	2,009,016	(2,401,476)
Other income	5,970	1,875
Total superannuation activities income	3,212,537	(1,426,484)
Investment expenses	(87,713)	(93,810)
Administration expenses	(79,666)	(84,666)
Total expenses	(167,379)	(178,476)
Net result from superannuation activities	3,045,158	(1,604,960)
Net change in defined benefit member liabilities	68,597	(80,123)
Net benefits allocated to defined contribution member accounts	(2,668,959)	1,258,378
Net profit/(loss) before income tax	444,796	(426,705)
Income tax (expense)/benefit	(189,246)	272,112
Net profit/(loss) after income tax	255,550	(154,593)

Statement of changes in member benefits

For the year ended 30 June 2023

	Defined Contribution Members' Benefits*	Defined Benefit Members' Benefits*	Total
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2022	27,425,104	1,659,719	29,084,823
Member contributions	355,495	1,485	356,980
Spouse contributions	1,882	-	1,882
Employer contributions	1,096,048	42,767	1,138,815
Transfers from other superannuation plans	340,165	33	340,198
Income tax on contributions	(162,070)	(5,211)	(167,281)
Net after-tax contributions	1,631,520	39,074	1,670,594
Benefits paid to members/beneficiaries	(1,119,264)	(36,655)	(1,155,919)
Transfers to other superannuation plans	(903,261)	-	(903,261)
Insurance premiums charged to members	(52,994)	(5,426)	(58,420)
Death and disability benefits credited to members	35,760	375	36,135
Transfer of funds from defined benefit members	-	(148,900)	(148,900)
Transfer of funds to defined contribution members	148,900	-	148,900
Net benefits allocated comprising:			
Net investment income allocated	2,737,509	-	2,737,509
Administration fees**	(68,550)	-	(68,550)
Net change in defined benefit member benefits	-	(68,597)	(68,597)
Closing balance as at 30 June 2023	29,834,724	1,439,590	31,274,314

* Note that Defined Contribution balances that belong to Defined Benefit members are included in the Defined Contribution Members' Benefits column.

** Defined Benefit Administration fees are deducted from the Employer Benefit Account (EBA) and not from members' accounts.

Statement of changes in member benefits

For the year ended 30 June 2022

	Defined Contribution Members' Benefits*	Defined Benefit Members' Benefits*	Total
	\$'000	\$'000	\$'000
Opening balance as at 1 July 2021	28,076,646	1,742,935	29,819,581
Member contributions	340,006	1,666	341,672
Spouse contributions	2,473	-	2,473
Employer contributions	1,004,262	36,244	1,040,506
Transfers from other superannuation plans	395,626	1,341	396,967
Transfer - Successor Fund Transfer	704,471	50,975	755,446
Income tax on contributions	(150,519)	(4,564)	(155,083)
Net after tax contributions	2,296,319	85,662	2,381,981
Benefits paid to members/beneficiaries	(978,567)	(56,419)	(1,034,986)
Transfers to other superannuation plans	(880,837)	-	(880,837)
Insurance premiums charged to members	(55,315)	(5,165)	(60,480)
Death and disability benefits credited to members	37,598	221	37,819
Transfer of funds from defined benefit members	-	(187,638)	(187,638)
Transfer of funds to defined contribution members	187,638	-	187,638
Net benefits allocated comprising:			
Net investment income allocated	(1,185,966)	-	(1,185,966)
Administration fees**	(72,412)	-	(72,412)
Net change in Defined Benefit member benefits	-	80,123	80,123
Closing balance as at 30 June 2022	27,425,104	1,659,719	29,084,823

* Note that Defined Contribution balances that belong to Defined Benefit members are included in the Defined Contribution Members' Benefits column.

** Defined Benefit Administration fees are deducted from the Employer Benefit Account (EBA) and not from members' accounts.

Statement of cash flows

For the year ended 30 June 2023

	2023	2022
	\$'000	\$'000
Cashflows from operating activities		
Interest received	5,095	122
Insurance premiums paid	(59,376)	(60,300)
Other income	1,056	1,785
Administration expenses	(83,280)	(72,223)
Investment expenses	(63,465)	(67,080)
Other expenses	(258)	(1,362)
Death and disability benefits received	36,134	37,819
Income tax (paid)/refund	73,158	(222,199)
Net cash inflow/(outflow) from operating activities	(90,936)	(383,438)
Cashflows from investing activities		
Net (purchases)/sales of investments	511,599	(148,364)
Plant and equipment purchased	(303)	(333)
Net cash inflow/(outflow) from investing activities	511,296	(148,697)
Cashflows from financing activities		
Employer contributions	1,138,815	1,040,506
Member contributions	358,607	342,262
Spouse contributions	1,882	2,473
Benefit payments made to members	(1,156,811)	(1,035,485)
Income tax paid on contributions	(141,237)	(102,775)
Transfers from other superannuation plans	340,037	1,150,144
Transfers to other superannuation plans	(903,261)	(880,837)
Net cash inflow/(outflow) from financing activities	(361,968)	516,288
Net increase/(decrease) in cash	58,392	(15,847)
Cash at the beginning of the financial period	84,694	96,344
Transfer from Successor Fund Transfer	-	4,197
Cash at the end of the financial period	143,086	84,694

Statement of changes in reserves

For the year ended 30 June 2023

	Operational Risk Financial Reserve	Admin Reserve	Insurance Reserve	Investment Reserve	Defined Benefit plans over/(under) funded	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	76,041	94,091	6,901	50,063	274,519	501,615
Transfer between reserves	-	5,418	-	(5,418)	-	-
Transfer to/(from) reserves	(294)	-	-	-	-	(294)
Operating result	7,470	3,001	344	48,904	195,831	255,550
Closing balance	83,217	102,510	7,245	93,549	470,350	756,871

For the year ended 30 June 2022

	Operational Risk Financial Reserve	Admin Reserve	Insurance Reserve	Investment Reserve	Defined Benefit plans over/(under) funded	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	78,300	86,988	7,926	71,599	411,442	656,255
Transfer between reserves	-	11,541	(181)	(11,360)	-	-
Transfer to/(from) reserves	(1,117)	-	(819)	-	-	(1,936)
Successor Fund Transfer in	1,889	-	-	-	-	1,889
Operating result	(3,031)	(4,438)	(25)	(10,176)	(136,923)	(154,593)
Closing balance	76,041	94,091	6,901	50,063	274,519	501,615

For the year ended 30 June 2021

	Operational Risk Financial Reserve	Admin Reserve	Insurance Reserve	Investment Reserve	Defined Benefit plans over funded	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	41,490	34,337	6,162	(23,039)	260,118	319,068
Transfer between reserves	(1,100)	1,100	-	-	-	-
Transfer from MLMM Super	28,592	37,195	999	59,697	-	126,483
Successor Fund Transfer in	2,210	-	-	1,947	2,181	6,338
Operating result	7,108	14,356	765	32,994	149,143	204,366
Closing balance	78,300	86,988	7,926	71,599	411,442	656,255

Other disclosures

Fair value of Equip Super investments

The change in the fair (or 'market') value of our funds under management over the past year is set out in the table below by asset class.

Investments at fair value

	2023 \$'000	2022 \$'000
Financial assets		
Cash and deposits	2,017,568	1,056,641
Derivatives	102,240	22,593
Listed equities	13,723,147	12,894,093
Listed unit trusts	754,163	788,899
Other interest-bearing securities	6,056,262	4,365,532
Unlisted equities	801,484	856,289
Unlisted unit trusts	6,941,039	7,778,968
Unlisted partnerships	1,539,862	1,564,165
Annuity	1,454	1,628
	31,937,219	29,328,808
Financial liabilities		
Derivatives	121,316	256,266

Operational Risk Financial Reserve

Established to meet the requirements of Superannuation Prudential Standard 114 'Operational Risk Financial Requirement', this reserve is intended to provide financial resources to address losses that may arise from operational risks. The target funding level for this reserve is 25 basis points (or 0.25%) of total member entitlements. The reserve is monitored on an ongoing basis and replenished with additional funds in the event the balance falls below the tolerance limit.

Administration Reserve

Established to facilitate the finance of current and future operational requirements of the Fund, this reserve is available to meet both day-to-day operational costs as well as one-off approved expenditures considered to be in the best financial interests of members.

Investment Reserve

The Investment Reserve reflects the net investment earnings accumulated which have not yet been allocated to members. The daily value will represent the difference between the cumulative amount of net investment income (after fees and taxes) earned by the Fund and the cumulative returns provided to members via the unit price. The key component will represent the differences between the estimated tax rates utilised in the daily unit pricing and the actual investment tax experience of the Fund. This difference is trued up to the unit price on a regular basis.

Insurance Reserve

The Insurance Reserve is used to fund the future service component of the death and disability benefits of certain defined benefit members (historical self-insurance policies).

Derivatives

Derivatives are securities that derive their value from another security. Derivatives may be used in managing the Fund's investments. The Fund's derivative charge ratio has not exceeded 5% during the 2022-23 financial year.

Together Trustees Pty Ltd – Trustee Indemnity Reserve

From 1 January 2022, as a result of changes to section 56 and 57 of the *Superannuation Industry (Supervision) Act 1992 (SIS Act)*, superannuation trustees and trustee directors are not permitted to use trust assets to pay criminal, civil or administrative penalties incurred in relation to breaches of Commonwealth law.

On 7 November 2022 the Supreme Court of South Australia changed the Trust Deed of Equipsuper, at the request of the Trustee company Together Trustees Pty Ltd (the "Trustee"). These changes allow the Trustee to:

- charge a Trustee Fee ("Trustee Indemnity Reserve Fee") to the Fund, and
- establish a Trustee Reserve ("Trustee Indemnity Reserve") from which to pay fines and penalties should the need arise.

The fee is calculated in accordance with the Trust Deed.

In order to mitigate any funding risks, the Trustee company established a Trustee Indemnity Reserve during the year. The Trustee company received from the Fund a total Trustee Indemnity Reserve fee of \$10,220,000 during the year. The balance of the reserve after payment of income tax as at 30 June 2023 was \$7,242,213. This reserve will be maintained to ensure sufficient liquidity is available should a penalty be incurred.

Together Trustees Pty Ltd's audited financial statements, along with the Independent Auditor's Report, can be found on our website:

equipsuper.com.au/financial-statements-2023

Trustee expenses and liabilities

The Trustee is entitled to be reimbursed from the Fund for the costs and expenses incurred in operating the Fund. This includes reimbursement for fees paid to directors. As a profit-to-member fund, any profits the Fund makes flow back to members. We keep running costs as low as possible to maintain downward pressure on fees.

You'll find more information about our fees and other costs in our PDS: equipsuper.com.au/pds

Superannuation surcharge

The superannuation contribution surcharge for high income earners was abolished from 1 July 2005. Occasionally, we may receive a surcharge assessment from the Australian Taxation Office (ATO) for surcharge liabilities accrued before then. To pay the ATO, we deduct the value of the surcharge assessment from the member's account.

Indemnity insurance

Together Holdings Pty Ltd maintains professional indemnity insurance cover. Entities in the Together group, including Together Trustees Pty Ltd, are covered under Together Holdings' indemnity insurance.

Political donations

Equip Super does not make political donations.

Related parties

Related party disclosures are contained in the Fund's audited financial statements, along with the Report by the RSE Auditor located here: equipsuper.com.au/financial-statements-2023

Complaints

We take all complaints from our members very seriously, and we work hard to resolve the issues our members raise with us as quickly as we can. Our member services team manages any complaints or concerns raised by members during the course of the year.

This year we received 2,841 general complaints on a range of issues, including problems with online access and insurance claim related issues.

As at 30 June 2023 we had seven active cases with the Australian Financial Complaints Authority.

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8:00am to 8:00pm AET

equisuper.com.au