



# 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 [csf.com.au](https://csf.com.au). If you'd like to receive a printed copy of the annual report by mail, free of charge, please give our team a call on 1300 655 002 or email us at [info@csf.com.au](mailto:info@csf.com.au) to request one.

This annual report is issued by Togethr Trustees Pty Ltd ABN 64 006 964 049; AFSL 246383 ('Togethr'), the Trustee of Equisuper ABN 33 813 823 017 ('Equip Super', 'the Fund'). Catholic Super is a division of 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 the Fund, 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 [csf.com.au](https://csf.com.au)

Past performance is not 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 Catholic Super Financial Planning.

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## Who we are.

As an award-winning, profit-to-member industry super fund, we're here to help our members achieve financial peace of mind – today, tomorrow, always. Because we want to help them to look forward and plan ahead with confidence.

For more than 50 years, we've dedicated ourselves to our members. Wherever they are on their journey, we're right there with them – with solid, long-term returns, competitive fees, and access to personalised support, guidance and advice\*.

In 2019, Catholic Super – as well as our associated brands MyLife MySuper, MyLife MyPension, and Transport Industry Super – joined forces with Equip Super to become a major super fund trustee, representing more than 140,000 members Australia-wide.

Over the past year we've worked hard to further consolidate our Fund and our operations. On 1 July 2023 we retired the MyLife MySuper, MyLife MyPension and Transport Industry Super brands, and today this membership sits entirely within Catholic Super. For some of our members this means a new name for their super fund, but they continue to enjoy the same great products and services that all of our members have come to expect from us.

\*Personal financial advice is provided by Togethr Financial Planning Pty Ltd, a related entity of Togethr Trustees Pty Ltd, the Trustee of Equip Super which includes the Catholic Super brand.

## 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 can give our members; testament that they're with a value-for-money fund.

### Outstanding value for money

Independent ratings agency SuperRatings\* has awarded Catholic 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.

\*SuperRatings does not issue, sell, guarantee or underwrite this product. Go to [superratings.com.au](https://superratings.com.au) for details of its ratings criteria.

#### Catholic Super



#### Catholic Super – MySuper



#### Catholic Super – Personal Plan



### 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.<sup>^</sup>

<sup>^</sup>Source: Chant West (refer to page 41 for more information.)





## 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 Equip 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.

Catholic Super continues to have strong relationships with the education, healthcare, aged care and transportation industries. This year we also established the Catholic Super Advisory Board to support better outcomes for our Catholic community. But we're also very proud to be a fund for all employers and all Australians.

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.



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

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 our operations with those of Equip Super, simplifying our overall operations and consolidating our foundations. Looking ahead, I have every confidence that we're now 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. 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 remain committed to supporting you as you prepare for financial freedom in retirement.

**Danny Casey**  
Board Chair

## Message from our CEO.

Our Growth Plus investment option returned 13.01% for the year ended 30 June 2023, and an average of 8.92% a year for members for the last 10 years. Meanwhile, the Balanced Growth option delivered 9.64% for the year ended 30 June 2023, and an average return of 7.57% a year for the last 10 years. Indeed, all of our investment options delivered positive returns for our members.

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 across both Catholic Super and Equip Super, 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 from 1 July 2023.

We also simplified and consolidated the Catholic Super brands in order to provide a more consistent service experience for our members and help position our Fund for future growth. On 30 June 2023, MyLife MySuper, MyLife MyPension and Transport Industry Super were retired as brand names, with members from these funds becoming Catholic Super members on 1 July 2023.

Our Service Centre worked hard to support our members during this time. I sincerely thank members for their understanding and patience during the limited-service periods that were necessary to ensure the successful implementation of these changes.

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.



“Positioning the Fund for future growth”

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.

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 has served on the Trustee Board since 2017. 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.\*

\*Includes employer, after-tax and salary sacrifice contributions.

## Performance snapshot.

(for the year ended 30 June 2023)

We combine strong long-term 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, Catholic Super members can be confident their super is delivering strong results over the long term.

In the 15 years to 30 June 2023, and after fees, Catholic Super's default investment option (for members aged 50 and under)\* returned an average of \$675 more per year than the median super fund, and \$550 more per year than the median industry super fund (for a member with a starting balance of \$150,000).<sup>^+</sup>



Catholic Super  
Growth Plus  
investment  
option\* return

(for the year ended  
30 June 2023)

**13.01%**



Catholic Super default  
lifecycle 50 and below  
investment option

**\$10,136 p.a.**<sup>^+</sup>

Median industry super fund

**\$9,586 p.a.**<sup>^+</sup>

Median super fund

**\$9,461 p.a.**<sup>^+</sup>

\* For the year ended 30 June 2023, the default investment option for members under age 51 was Catholic Super's Growth Plus MySuper investment option. From age 51, those members were gradually moved to the Balanced Growth MySuper investment option. Please note that from 1 July 2023, the default investment option for all Catholic Super MySuper members became the MySuper investment option which has similar characteristics to the Balanced Growth investment option.

<sup>^</sup> Source: Chant West (chantwest.com.au) Past performance is not a reliable indicator of future performance. Net returns are compared for a member, age 35, with a balance of \$150,000 and calculated based on the annualised investment return (after tax and investment fees) over the 15 years to 30 June 2023, and the latest administration fees at June 2023. The Chant West Member Outcomes Dashboard compares Equip Super with most products in the market (excluding any employer plans). Important information about the data provided by Chant West can be found on page 41.

\* The figures used in this comparison do not reflect the actual experience of a Catholic Super member in the default option over the past 15 years. From November 2017 to June 2023 Catholic Super offered a lifecycle MySuper product. Under this arrangement, the default option for members under age 51 was Catholic Super's Growth Plus option. From age 51 those members were gradually moved to the Balanced Growth option. Please note that from 1 July 2023 all Catholic Super MySuper members are invested in the MySuper option.

### A powerful combination

Strong long-term 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. That's why we work hard to keep our running costs as low as possible, so we can keep our fees low for our members.

## Growing our Fund.

In 2019 Catholic Super merged with Equip Super to become a major super fund trustee. This year, we've worked hard to further consolidate our Fund and our alignment with Equip Super, while also maintaining our strong links with the Catholic community.

### Strengthening our Fund

Growing our Fund and nurturing our existing connections allows us to strengthen our foundations and also achieve greater economies of scale. 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.

We also strengthened our links with the Catholic education sector, undertaking new relationships with Catholic Schools Broken Bay, as well as Catholic Schools Office, Diocese of Maitland-Newcastle.

Indeed, we continue to partner closely with all of 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 – growing together

Over the course of this year, our flagship strategic program, *One Fund*, has been a significant focus. The objective of *One Fund* was to simplify and consolidate our operations and product offering across the Catholic Super and Equip 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 coming 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 Catholic Super 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 enhanced our digital capability to improve our member experiences – you can find out more from page 9. 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 12 to learn more.

### Strengthening the Catholic Super brand

This year, we set out to simplify and consolidate the Catholic Super brands, in order to provide a more consistent service experience for our members and help position our Fund for future growth.

As a result, on 30 June 2023, MyLife MySuper, MyLife MyPension and Transport Industry Super were retired as brand names, with members from these funds becoming Catholic Super members on 1 July 2023.

While it's an important change that will help us to streamline our operations and therefore keep our costs low for members, it's really a change in name only. Members will continue to receive the quality products and services they've come to expect from us.

## 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 Service Centre, 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.

### 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.

### 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 launched several 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](#) allows members to explore the types and level of 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 Catholic Super website, in readiness for launch on 1 July 2023. As well as updating the look and feel of the site, the project also involved consolidating the MyLife MySuper and MyLife MyPension websites into a comprehensive, all-in-one site for all Catholic Super members.

The new website features 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 Catholic Super website now runs from the same platform as the Equip Super website, which means it's more efficient and cost-effective to maintain and update the sites in future – and this helps us keep our costs lower for members.

Key improvements include all new 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.

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



# 148,641

Unique logins to  
Member Online



# 418,198

Total logins to  
Member Online



# 667,517

Total website  
page views



### Here to help

Our Service Centre continues to provide support for members over the phone. During the reporting period the Service Centre responded to nearly 50,000 calls in total.

We regularly check in with members to get their views on our service. This year the Service Centre received a Net Promoter Score (NPS)\* of +63 from members who had called in, however, it is likely that some of the service disruptions associated with the *One Fund* implementation have affected this score, but we'll continue to monitor this over the coming year.

We were particularly heartened, however, that 27% of those who called made the time to participate in the survey at the end of their conversation with us, as 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.

**“The customer service is prompt and they have great communication with members.”**

**Catholic Super member**  
Voice of the Customer Survey, 2023

## Member services snapshot.

(for the year ended  
30 June 2023)



**+63**

**Helpline Net Promoter Score\***



**48,395**

**Inbound calls to the Service Centre**



**96%**

**Queries answered on the spot or resolved same day**



**1,800**

**Web chats**



**2 business days**

**Average response time for emails and letters**

\*NPS is a market research tool aimed at rating the likelihood that a customer will recommend a company, product, or a service to a friend or colleague. NPS Scores range from -100 to +100. A score over +1 is considered positive.



**“I’m with Catholic Super and they have been great to work with. I trust them with my super and if a friend asked I’d definitely recommend them.”**

**Catholic Super member**  
Voice of the Customer Survey, 2023

### 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.

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

### Separate death cover and TPD cover for members

We also increased the flexibility of our death and TPD cover for members. From 1 July 2023 members can have TPD cover that is higher than death cover. This allows members to cancel their death cover and just maintain their TPD cover if they wish to, or increase their TPD cover to a higher amount without having to change their existing death cover.

#### An innovative virtual health care pilot

We offered a pilot program to Catholic Super employees and a selection 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 Catholic 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 [csf.com.au/360Health](https://csf.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' life 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, and we look forward to providing more insights into the impact of this work in next year's Annual Report.

### 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.

## Embedding *The Next Chapter* approach.



# 100,000+

Individual communications to members



# 146,000+

Views of our websites



# 8,000+

Proactive calls to members



# 300+

Call-back requests





## Partnering with employers.

We're a true partner to our employers, providing 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 – 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.

Catholic Super is a proactive and supportive benefits partner that adds to the wellbeing of members in the workplace. We support our employers with superannuation, insurance and financial advice information that in turn assists their employees (who are also Catholic Super members). This support contributes to workforce retention and productivity.

### 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. We engaged with our employers to ask how we can work together to improve the super knowledge of their employees, and as a result, more than 16,000 members received our on-demand presentations that were distributed by our employers.

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

Catholic Super's national team of relationship managers visited workplaces in all corners of the country, conducting 970 workplace visits this year. 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, providing tips on how to use super to save on tax, and offering referrals to personal advice from our Financial Planning team.

### 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 11.

### 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 - like the use of a new application, Calendly, which improved the efficiency and experience of members booking into events and one-on-one appointments with our Relationship Managers.

## Employer services snapshot.

(for the year ended 30 June 2023)



970

Employer meetings held



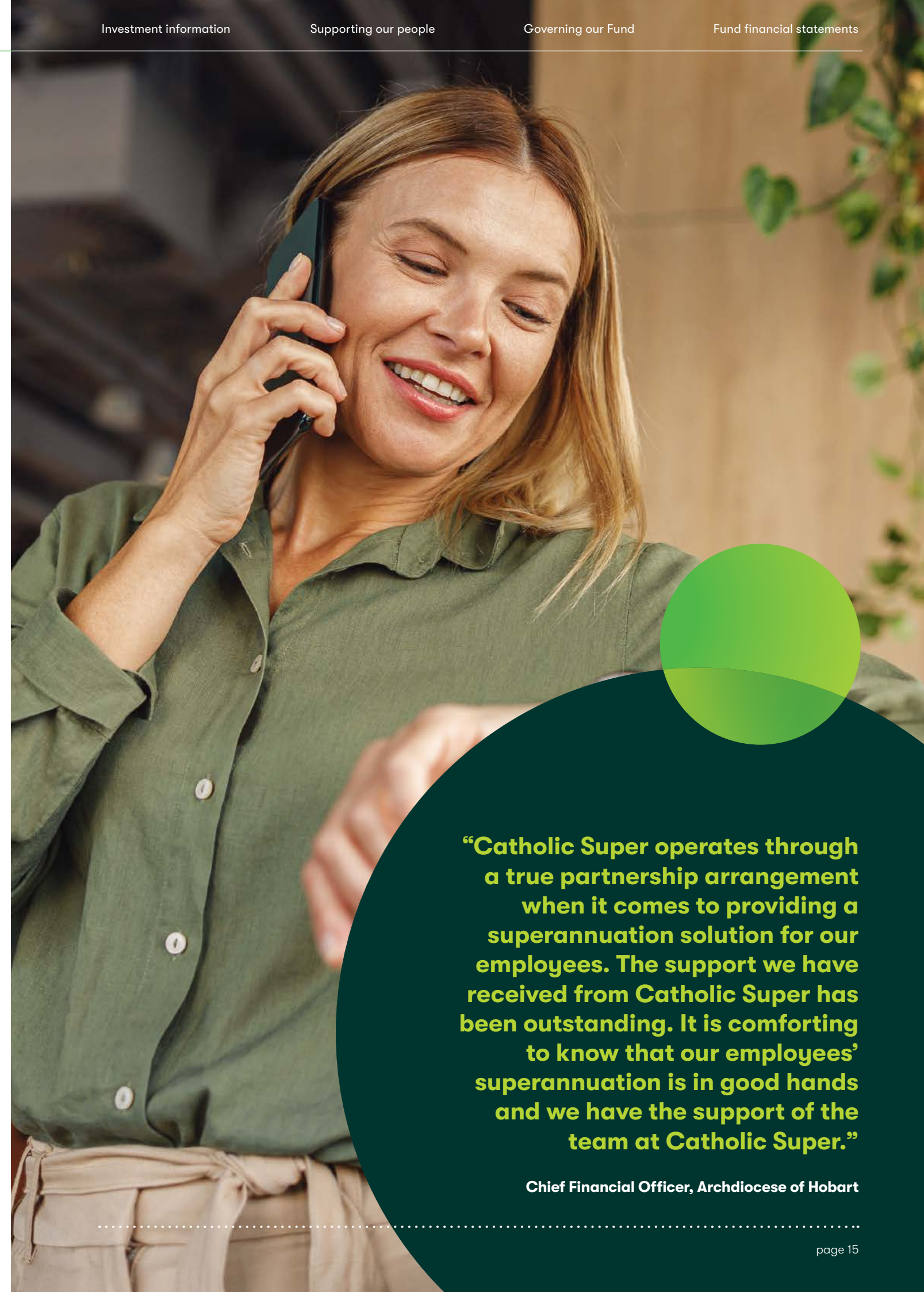
344

Workplace seminars delivered



10,139

Attendees at workplace seminars and 1:1 appointments



**“Catholic Super operates through a true partnership arrangement when it comes to providing a superannuation solution for our employees. The support we have received from Catholic Super has been outstanding. It is comforting to know that our employees' superannuation is in good hands and we have the support of the team at Catholic Super.”**

**Chief Financial Officer, Archdiocese of Hobart**



## 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. So, it's pleasing to see that the Fund's long-term, active investment strategy has navigated these conditions extremely well. Each of our investment options delivered positive returns for the year to 30 June 2023, which is a great outcome for our members.

The Catholic Super Growth Plus accumulation investment option returned 13.01% for the year ended 30 June 2023. Importantly, that's translating to solid, long-term results for members, with the Growth Plus accumulation investment option returning an average of 8.92% a year for members for the last 10 years. Meanwhile, the Balanced Growth accumulation option delivered 9.64% for the year ended 30 June 2023 and an average return of 7.57% a year for the last 10 years.

### We passed the performance test

We're pleased to announce that all Catholic 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.



# 13.01%

Investment return over the past year for our **Growth Plus** accumulation investment option.



# 9.64%

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

**“They have excellent customer service, an easy to navigate website, and positive long-term super growth.”**

**Catholic Super member**  
Voice of the Customer Survey, 2023

## Investment returns.

### Accumulation and Transition to Retirement 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	13.01	8.82	6.30	8.12	7.81	8.92	7.74	8.73
Growth	12.40	7.91	5.97	7.60	7.38	8.24	7.23	8.15
Balanced Growth	9.64	7.10	5.33	6.87	6.72	7.57	6.57	7.61
Balanced	7.96	4.89	4.06	5.10	5.16	5.72	5.47	6.29
Conservative*	4.63	3.04	2.73	3.74	3.94	4.51	4.63	5.37
PositiveIMPACT**	11.19	8.04	7.64	-	-	-	-	-
Australian Shares	14.18	12.01	6.02	9.06	8.93	9.75	8.20	10.22
Overseas Shares	17.64	8.20	7.53	9.43	8.54	10.10	8.37	7.85
Diversified Fixed Interest	0.20	-0.59	0.95	1.70	2.06	2.47	3.57	3.60
Cash	2.67	1.02	1.22	1.48	1.59	1.78	2.58	3.28

### Catholic 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	14.51	9.85	7.15	9.04	8.68	9.89	8.57	9.54
Growth	13.89	8.82	6.67	8.40	8.17	9.16	8.05	-
Balanced Growth	11.32	8.38	6.27	7.85	7.70	8.64	7.47	8.44
Balanced	8.98	5.56	4.57	5.74	5.81	6.46	6.21	7.05
Retire Plus^	6.79	5.21	4.53	5.41	5.49	6.32	-	-
Conservative*	5.29	3.52	3.17	4.30	4.54	5.18	5.31	6.15
Retire Stable^	4.90	3.90	3.69	4.45	4.55	-	-	-
PositiveIMPACT**	11.86	8.51	8.36	-	-	-	-	-
Australian Shares	16.08	13.14	6.59	9.47	9.32	10.18	8.64	10.60
Overseas Shares	19.47	9.05	8.34	10.53	9.51	11.39	9.60	8.78
Diversified Fixed Interest	0.37	-0.73	1.06	1.97	2.39	2.87	4.15	4.16
Cash	3.12	1.19	1.42	1.72	1.85	2.08	3.01	3.73

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

\*\* PositiveIMPACT investment option restructured and renamed Future Focus, effective 1 July 2023

^ Retire Plus and Retire Stable investment options closed, effective 1 July 2023

## How returns are allocated.



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



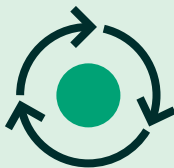
The unit price for each investment option is reached by dividing the market value of the Fund's assets by the number of units on issue



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



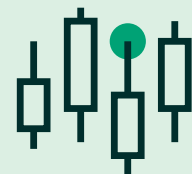
The current value of an account equals the number of units held in the member's investment options, multiplied by the going value per unit



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 returns (percentage) 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 prepared 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 20.)

### 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) aligned the Catholic Super investment options with the Equip Super investment options and brought to a close the investment consolidation that we started in October 2019.

The changes which took effect from 1 July 2023 included:

- replacing the MySuper default lifecycle strategy with a single diversified MySuper option
- adding a new low-cost, indexed option – Index Diversified
- changing the name and asset allocation of the Conservative option
- renaming and restructuring the PositiveIMPACT option, and
- changing the asset allocation for the Growth Plus and the Diversified Fixed Interest options.

### Replacing the MySuper default investment option

One of the key changes coming into effect from 1 July 2023 was the change to our existing MySuper default investment strategy. We moved away from the previous lifecycle approach, where members' balances were gradually de-risked in their early 50s, to a single diversified investment option.

From 1 July 2023 the Catholic Super default MySuper investment option will be the same as the Equip MySuper investment option. This is a broadly diversified investment option with 70% growth assets (such as shares, property, infrastructure, and some alternative investments), and 30% defensive assets (including traditional and alternative fixed interest, as well as cash).

You can find up-to-date information on our investments, including investment option information, performance data and unit pricing data, on our website: [csf.com.au/your-investments](https://csf.com.au/your-investments)



## 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 Risk Framework, and our responsible investment process gives us a structure for addressing sustainability issues within our investment portfolio.



#### 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.

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.

#### 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 investing are clear and include the integration of ESG factors.

#### A focus on tomorrow

A key focus for our team this year was to restructure and rename our PositivelMPACT investment option, ready for launch on 1 July 2023. Now the Future Focus investment option, it 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:

[csf.com.au/future-focus](https://csf.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 to invest in something).

Our approach to climate change focuses on three key areas:

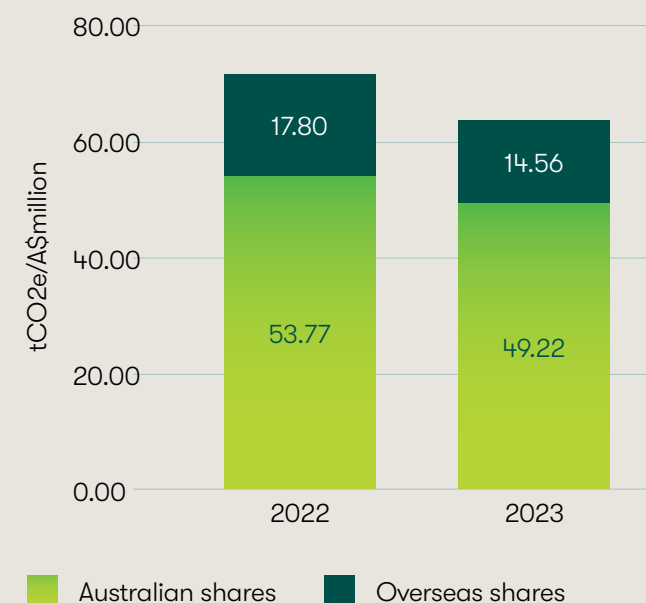
- 1. Understanding the risk** – through incorporating climate-related scenario analysis in our long-term strategic modelling.
- 2. Assessing our current portfolio** – by monitoring the carbon emissions of our equities portfolio over time.
- 3. Making conscious investment decisions** – investing in assets 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 ended 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.

#### Carbon emissions per A\$ million invested in Australian and overseas shares



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 [csf.com.au/climate-change](https://csf.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 [csf.com.au/pds](https://csf.com.au/pds)

## Diversified options.



Investment option	Growth Plus	Growth	Balanced Growth																																																						
<b>Investment objective</b>	Achieve a net return of at least 3.75% p.a. above CPI over rolling 10-year periods.	Achieve a net return of at least 3.5% p.a. above CPI over rolling 10-year periods.	Achieve a net return of at least 3% p.a. above CPI over rolling 10-year periods.																																																						
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<b>Growth/Defensive</b>	93/7	82/18	70/30																																																						

## Diversified options.

Investment option	MySuper	Balanced	Capital Stable*																																																						
<b>Investment objective</b>	Achieve a net return of at least 3% p.a. above CPI over rolling 10-year periods.	Achieve a net return of at least 2% p.a. above CPI over rolling 7-year periods.	Achieve a net return of at least 1.5% p.a. above CPI over rolling 5-year periods.																																																						
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<b>Growth/Defensive</b>	70/30	52/48	35/65																																																						


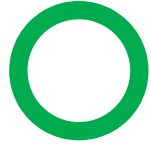


\* Formerly known as the Conservative investment option, which was renamed Capital Stable on 1 July 2023

## Diversified options.

Investment option	Index Diversified	Future Focus**																																				
<b>Investment objective</b>	Achieve a net return of at least 2.5% p.a. above CPI over rolling 10-year periods.	Achieve a net return of at least 3% p.a. above CPI over rolling 10-year periods.																																				
<b>Strategic asset allocation (SAA)</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>SAA%</th> </tr> </thead> <tbody> <tr><td>■ Australian shares</td><td>30</td></tr> <tr><td>■ Overseas shares</td><td>40</td></tr> <tr><td>■ Property</td><td>0</td></tr> <tr><td>■ Infrastructure</td><td>0</td></tr> <tr><td>■ Alternatives</td><td>0</td></tr> <tr><td>■ Alternative fixed interest</td><td>0</td></tr> <tr><td>■ Traditional fixed interest</td><td>25</td></tr> <tr><td>■ Cash</td><td>5</td></tr> </tbody> </table> 	Asset class	SAA%	■ Australian shares	30	■ Overseas shares	40	■ Property	0	■ Infrastructure	0	■ Alternatives	0	■ Alternative fixed interest	0	■ Traditional fixed interest	25	■ Cash	5	<table border="1"> <thead> <tr> <th>Asset class</th> <th>SAA%</th> </tr> </thead> <tbody> <tr><td>■ Australian shares</td><td>15</td></tr> <tr><td>■ Overseas shares</td><td>33</td></tr> <tr><td>■ Property</td><td>10</td></tr> <tr><td>■ Infrastructure</td><td>15</td></tr> <tr><td>■ Alternatives</td><td>6</td></tr> <tr><td>■ Alternative fixed interest</td><td>0</td></tr> <tr><td>■ Traditional fixed interest</td><td>15</td></tr> <tr><td>■ Cash</td><td>6</td></tr> </tbody> </table> 	Asset class	SAA%	■ Australian shares	15	■ Overseas shares	33	■ Property	10	■ Infrastructure	15	■ Alternatives	6	■ Alternative fixed interest	0	■ Traditional fixed interest	15	■ Cash	6
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<b>Growth/Defensive</b>	70/30	70/30																																				

\*\* Formerly known as the PositiveIMPACT Investment option, which was restructured and renamed Future Focus on 1 July 2023

## Sector specific options.

Investment option	Australian Shares	Overseas Shares	Diversified Fixed Interest																				
<b>Investment objective</b>	Outperform the S&P/ASX 300 Accumulation Index over rolling 5-year periods, adjusted for any applicable tax.	Outperform the MSCI All Country World Index ex Australia (70% unhedged / 30% hedged) over rolling 5-year periods, adjusted for any applicable tax.	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.																				
<b>Strategic asset allocation (SAA)</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>SAA%</th> </tr> </thead> <tbody> <tr><td>■ Australian shares</td><td>100</td></tr> <tr><td>■ Cash</td><td>0</td></tr> </tbody> </table> 	Asset class	SAA%	■ Australian shares	100	■ Cash	0	<table border="1"> <thead> <tr> <th>Asset class</th> <th>SAA%</th> </tr> </thead> <tbody> <tr><td>■ Overseas shares</td><td>100</td></tr> <tr><td>■ Cash</td><td>0</td></tr> </tbody> </table> 	Asset class	SAA%	■ Overseas shares	100	■ Cash	0	<table border="1"> <thead> <tr> <th>Asset class</th> <th>SAA%</th> </tr> </thead> <tbody> <tr><td>■ Alternative fixed interest</td><td>0</td></tr> <tr><td>■ Traditional fixed interest</td><td>100</td></tr> <tr><td>■ Cash</td><td>0</td></tr> </tbody> </table> 	Asset class	SAA%	■ Alternative fixed interest	0	■ Traditional fixed interest	100	■ Cash	0
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<b>Investment option</b>	<b>Cash</b>																						
<b>Investment objective</b>	Outperform the Bloomberg AusBond Bank Bill Index over a year, adjusted for any applicable tax.																						
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Cash	100																						



## 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	Managers
Alternative Fixed Interest	Ardea Investment Management Pty Ltd
Alternative Fixed Interest	Brandywine Global Investment Management LLC
Alternative Fixed Interest	Invesco Ltd
Alternative Fixed Interest	Monroe Capital Management
Alternative Fixed Interest	Qualitas Partners Pty Ltd
Alternative Fixed Interest	Revolution Asset Management (Channel Capital)
Alternative Fixed Interest	Shenkman Capital Management, Inc
Alternative Fixed Interest, Alternatives	Hayfin Capital Management LLP
Alternatives	Apollo Global Management, Inc.
Alternatives	BroadRiver Asset Management, L.P.
Alternatives	Campus Living Funds Management Pty Ltd
Alternatives	Edelweiss Alternative Asset Advisors Pte Ltd
Alternatives	European Investment Bank - Global Energy Efficiency and Renewable Energy Fund
Alternatives	Fulcrum Asset Management LLP
Alternatives	Harbourvest Partners Limited
Alternatives	LGT Fund Managers (Ireland) Ltd
Alternatives	Oaktree Capital Management, L.P.
Alternatives	Pantheon Ventures (UK) LLP
Alternatives	Partners Group AG
Alternatives	Resolution Life
Alternatives	Ruffer LLP
Alternatives	Siguler Guff & Company, LP
Alternatives	Tangency Capital (Artex)
Alternatives, Infrastructure, Traditional Fixed Interest	Macquarie Asset Management
Asset Allocation Overlay	QIC Ltd
Asset Transition	UBS Securities Australia Ltd
Australian Shares	Allan Gray Australia Pty Ltd
Australian Shares	AllianceBernstein Australia Ltd
Australian Shares	Cooper Investors Pty Ltd
Australian Shares	First Sentier Investors (Australia) IM Ltd
Australian Shares	Paradise Investment Management
Australian Shares	Plato Investment Management
Australian Shares	Renaissance Asset Management

Asset Class	Managers
Australian Shares, Infrastructure	IFM Investors Pty Ltd
Australian Shares, Overseas Shares	Firetrail Investments Pty Ltd
Cash	Antares Capital Partners Ltd
Currency Overlay	National Australia Bank Ltd
Infrastructure	AMP Capital Investors Limited
Infrastructure	Copenhagen Infrastructure Partners, LP
Infrastructure	Foresight Group Australia
Infrastructure	Igneo Infrastructure Partners
Infrastructure	Lighthouse Infrastructure Management Ltd
Infrastructure	Morrison & Co Utilities Management (Australia) Pty Ltd
Infrastructure	Quinbrook Infrastructure Partners
Overseas Shares	Acadian Asset Management (Australia) Ltd
Overseas Shares	Baillie Gifford & Co.
Overseas Shares	Intermede Investment Partners
Overseas Shares	Janus Henderson Investors (Australia) Ltd
Overseas Shares	Ninetyone Guernsey Limited
Overseas Shares	Northcape Capital Pty Ltd
Overseas Shares	Orbis Investment Management Ltd
Overseas Shares	Schroders Investment Management Australia Ltd
Overseas Shares	Stewart Investors
Overseas Shares	T Rowe Price International Ltd
Overseas Shares, Traditional Fixed Interest	BlackRock Investment Management (Australia) Ltd
Property	Barwon Investment Partners Pty Ltd
Property	Berkshire Residential Investments
Property	Charter Hall Investment Management Ltd
Property	Dexus Funds Management Ltd
Property	Goodman Funds Management Limited
Property	GPT Funds Management Ltd
Property	Lend Lease Real Estate Investment
Property	Resolution Capital
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: [csf.com.au/pds](https://csf.com.au/pds)

### Portfolio holdings

You'll find detailed records of our portfolio holdings on our website: [csf.com.au/your-investments/how-we-invest-your-money/portfolio-holdings-disclosure](https://csf.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 Catholic Super. They're the guiding principles and fundamental belief 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 interests 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.

## 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

### 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 our Super Stars program – a monthly award that recognises team members who bring the values and objectives of Catholic 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 Catholic 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.
- 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.

## 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: Catholic Super Employee Engagement Survey, February 2023

### Health and wellbeing

This year we launched our partnership with MetLife to bring Catholic 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.

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

**Catholic Super team member**  
Employee Engagement Survey,  
February 2023

**“The flexibility between home and work life is really great.”**

**Catholic Super team member**  
Employee Engagement Survey,  
February 2023



**“They care about their customers and want the best outcome for them.”**

**Catholic Super member**  
Voice of the Customer Survey, 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: [csf.com.au/about-us/governance](https://csf.com.au/about-us/governance)



# The Board of Directors.

as at 31 October 2023



## Chair of the Board/ Independent Director

### Danny Casey

BComm, MEcon, CPA  
Date appointed:  
21 October 2019  
Retired from the Board:  
31 October 2023



## Deputy Chair of the Board/ Independent Director

### Justine Hickey

BCom, F FIN, GAICD  
Date appointed:  
1 July 2017



## Independent Director

### Penny Davy-Whyte

BA (Mktg & Comm),  
GAIST  
Date appointed:  
1 July 2018



## Member Director

### David Doolan

BBus (Acc), MAICD,  
TFASFA  
Date appointed:  
11 October 2020



## Member Director

### Matthew Cassin

MBA, BCom  
Date appointed:  
1 August 2021



## Employer Director

### Mark Cerche

B. Juris LLB (Hons)  
Date appointed:  
1 July 2017



## Employer Director

### Sharife Rahmani

BCom, BEcon,  
GCertPA, GAICD  
Date appointed:  
1 June 2021



## Employer Director

### Simone Thompson

BA/LLB, FASFA, FGIA  
Date appointed:  
21 October 2019



## Member Director

### Julian Widdup

BEd, MBA, FAICD,  
FIA, FIAA  
Date appointed:  
1 July 2023



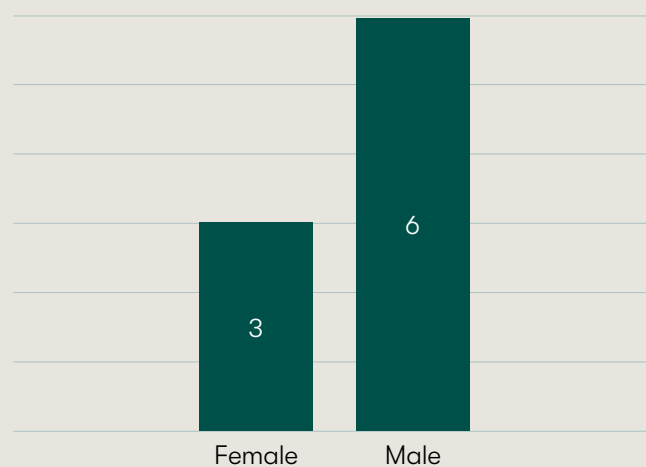
## Former Member Director

### Jan Dekker

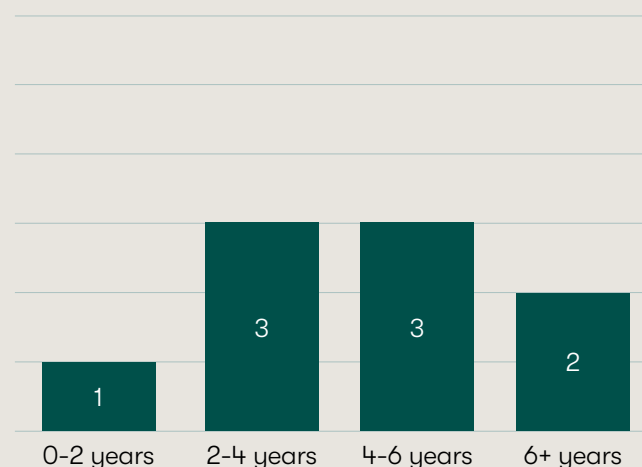
BSc, Masters of Law  
(Environmental), Grad  
Cert Applied Finance  
and Investment, GAICD  
Date appointed:  
1 July 2016  
Retired from the Board:  
1 July 2023

You'll find more information about our Directors on our website at  
[csf.com.au/about-us/our-leadership-team](https://csf.com.au/about-us/our-leadership-team)

### Board membership by gender



### Board membership by tenure



# Fund financial statements and other disclosures.

## Financial statements

The Fund's audited financial statements, along with the Independent Auditor's Report, can be found on our website: [csf.com.au/financial-statements-2023](https://csf.com.au/financial-statements-2023)

## Statement of financial position

As at 30 June 2023

	2023 \$'000	2022 \$'000
<b>Assets</b>		
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
<b>Total assets</b>	<b>32,872,731</b>	<b>30,441,444</b>
<b>Liabilities</b>		
Payables	(208,136)	(298,482)
Derivative liabilities	(121,316)	(256,266)
Deferred tax liabilities	(512,094)	(300,258)
<b>Total liabilities excluding member benefits</b>	<b>(841,546)</b>	<b>(855,006)</b>
<b>Net assets available for member benefits</b>	<b>32,031,185</b>	<b>29,586,438</b>
<b>Member liabilities</b>		
Defined contribution member liabilities	(29,834,724)	(27,425,104)
Defined benefit member liabilities	(1,439,590)	(1,659,719)
<b>Total member liabilities</b>	<b>(31,274,314)</b>	<b>(29,084,823)</b>
<b>Total net assets</b>	<b>756,871</b>	<b>501,615</b>
<b>Equity</b>		
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
<b>Total equity</b>	<b>756,871</b>	<b>501,615</b>

## Income statement

As at 30 June 2023

	2023 \$'000	2022 \$'000
<b>Superannuation activities</b>		
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
<b>Total superannuation activities income</b>	<b>3,212,537</b>	<b>(1,426,484)</b>
Investment expenses	(87,713)	(93,810)
Administration expenses	(79,666)	(84,666)
<b>Total expenses</b>	<b>(167,379)</b>	<b>(178,476)</b>
<b>Net result from superannuation activities</b>	<b>3,045,158</b>	<b>(1,604,960)</b>
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
<b>Net profit/(loss) before income tax</b>	<b>444,796</b>	<b>(426,705)</b>
Income tax (expense)/benefit	(189,246)	272,112
<b>Net profit/(loss) after income tax</b>	<b>255,550</b>	<b>(154,593)</b>

## Statement of changes in member benefits

For the year ended 30 June 2023

	Defined Contribution Members' Benefits* \$'000	Defined Benefit Members' Benefits* \$'000	Total \$'000
<b>Opening balance as at 1 July 2022</b>	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)
<b>Net after-tax contributions</b>	<b>1,631,520</b>	<b>39,074</b>	<b>1,670,594</b>
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)
<b>Closing balance as at 30 June 2023</b>	<b>29,834,724</b>	<b>1,439,590</b>	<b>31,274,314</b>

\* 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
<b>Opening balance as at 1 July 2021</b>	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)
<b>Net after tax contributions</b>	<b>2,296,319</b>	<b>85,662</b>	<b>2,381,981</b>
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
<b>Closing balance as at 30 June 2022</b>	<b>27,425,104</b>	<b>1,659,719</b>	<b>29,084,823</b>

\* 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

	Notes	2023 \$'000	2022 \$'000
<b>Cashflows from operating activities</b>			
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)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(90,936)</b>	<b>(383,438)</b>
<b>Cashflows from investing activities</b>			
Net (purchases)/sales of investments		511,599	(148,364)
Plant and equipment purchased		(303)	(333)
<b>Net cash inflow/(outflow) from investing activities</b>		<b>511,296</b>	<b>(148,697)</b>
<b>Cashflows from financing activities</b>			
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)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>(361,968)</b>	<b>516,288</b>
<b>Net increase/(decrease) in cash</b>		<b>58,392</b>	<b>(15,847)</b>
<b>Cash at the beginning of the financial period</b>		<b>84,694</b>	<b>96,344</b>
Transfer from Successor Fund Transfer		-	4,197
<b>Cash at the end of the financial period</b>		<b>143,086</b>	<b>84,694</b>

## 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
<b>Opening balance</b>	<b>76,041</b>	<b>94,091</b>	<b>6,901</b>	<b>50,063</b>	<b>274,519</b>	<b>501,615</b>
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
<b>Closing balance</b>	<b>83,217</b>	<b>102,510</b>	<b>7,245</b>	<b>93,549</b>	<b>470,350</b>	<b>756,871</b>

### 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
<b>Opening balance</b>	<b>78,300</b>	<b>86,988</b>	<b>7,926</b>	<b>71,599</b>	<b>411,442</b>	<b>656,255</b>
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)
<b>Closing balance</b>	<b>76,041</b>	<b>94,091</b>	<b>6,901</b>	<b>50,063</b>	<b>274,519</b>	<b>501,615</b>

### For the year ended 30 June 2021

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

## Fair value of Catholic 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.

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

## Other disclosures.

### 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.

### Togethr 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 Togethr 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.

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

[csf.com.au/financial-statements-2023](https://csf.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 on our fees and other costs in our PDS: [csf.com.au/pds](https://csf.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

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

### Political donations

Catholic 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:

[csf.com.au/financial-statements-2023](https://csf.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.

### Chant West disclaimer.

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## Get in touch with us

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Catholic Super

**1300 655 002**

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