



Annual
financial report
30 June 2023

AustralianSuper Pty Ltd
ABN 94 006 457 987

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Directors' report

The Directors present their report on AustralianSuper Pty Ltd (the "Company") as at 30 June 2023 and on the results for the year then ended.

Directors

The following persons were Directors of the Company during the financial year and up to the date of this report, unless stated otherwise:

Member nominated	Employer nominated	Independent
J. Angrisano	G. Coyne	P. Kelly
M. O'Neil	J. Dixon	D. Russell
J. Schofield (appointed 9 Sep 22)	C. Keating	
G. Thompson	J. van Reyk	
D. Walton	I. Willox	
B. Daley (ceased 9 Sep 22)		

The following persons were Alternate Directors of the Company during the financial year, up to the date specified:

Member nominated	Employer nominated
J. Schofield (ceased 9 Sep 22)	H. Ridout (ceased 26 Sep 22)
	G. Stamas (ceased 1 Jan 23)

Principal activities

The Company is the Trustee of AustralianSuper (the "Fund"). During the year ended 30 June 2023, the principal activity of the Company was to act as Trustee of the Fund.

Review of operations

During the year, the Company recorded income of \$30,157,000 (2022: \$233,050,000) and expenses of \$5,718,000 (2022: \$200,692,000), reflecting administration arrangements with the Fund introduced in 2022. Expenses related to Directors' fees and related costs, for which the Company is entitled to be paid fees by the Fund under the AustralianSuper Trust Deed.

The Company's income included a Trustee risk reserve (TRR) fee of \$22,149,000 (2022: \$31,740,000). The fee enables the Company to build a risk reserve to manage any financial risks of the Trustee, or its Directors, that are incurred in connection with the payment of fines or penalties levied by an Australian regulator. The balance of the TRR at 30 June 2023 was \$39,278,000 (2022: \$22,201,000).

During the year, the Company invested \$27,000,000 in an unlisted externally managed fund. At 30 June 2023, the carrying value of the investment was \$28,647,000. The Company recognised unrealised gains on the investment of \$984,000.

Significant changes in the state of affairs

There have been no significant changes to the state of affairs.

Matters subsequent to the end of the financial year

No significant events have occurred since the end of the reporting period which would impact on the balances of the Company as disclosed in the statement of financial position as at 30 June 2023 or on the results of operations of the Company for the year ended on that date.

Likely developments

Information on likely developments in the operations of the Company have not been included in this report because the Directors believe it would likely result in unreasonable prejudice to the Company.

Environmental regulation

The Company is not subject to significant environmental regulation in respect of its activities.

Rounding off

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar (as indicated).

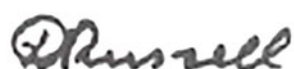
Insurance of officers

During the financial year, the Company paid insurance premiums of \$1,828,211 (2022: \$2,051,284) for cover including professional indemnity insurance for the Directors and Officers of the Company and its subsidiaries.

Auditor's independence declaration

The auditor's independence declaration is set out on page 6.

This report is made in accordance with a resolution of Directors.



Dr D. Russell
Director



C. Keating
Director

Melbourne
1 September 2023

Independence declaration



Auditor's Independence Declaration

As lead auditor for the audit of AustralianSuper Pty Ltd for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'CJ Cummins', is written over a faint horizontal line.

CJ Cummins
Partner
PricewaterhouseCoopers

Melbourne
1 September 2023

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Financial statements

Statement of comprehensive income

	Notes	2023 \$'000	2022 \$'000
Income from continuing operations			
Trustee risk reserve fee	16(a)	22,149	31,740
Trustee services	16(a)	5,762	200,572
Net changes in fair value of financial instruments		984	-
Distributions		663	-
Other income		599	738
Total income from continuing operations		30,157	233,050
Expenses			
Directors' fees and related costs		5,718	7,751
Staff costs		-	80,005
Administration costs		-	48,746
Facilities costs		-	28,191
Professional services		-	15,004
Communications and development		-	10,103
Depreciation and amortisation		-	9,340
Finance costs		-	1,444
Other costs		-	108
Total expenses		5,718	200,692
Profit/(loss) before income tax		24,439	32,358
Income tax expense	8(b)	7,362	9,675
Profit/(loss) for the year		17,077	22,683
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		17,077	22,683

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Financial statements (cont.)

Statement of financial position

	Notes	2023 \$'000	2022 \$'000
Assets			
Current assets			
Cash and cash equivalents	4	17,522	31,906
Trade and other receivables	6	2,139	2,444
Total current assets		19,661	34,350
Non-current assets			
Investment in unlisted managed fund	3	28,647	-
Total non-current assets		28,647	-
Total assets		48,308	34,350
Liabilities			
Current liabilities			
Trade and other payables	7	2,071	2,501
Income tax payable	8(a)	6,659	9,648
Total current liabilities		8,730	12,149
Non-current liabilities			
Deferred tax liabilities	8(d)	300	-
Total non-current liabilities		300	-
Total liabilities		9,030	12,149
Net assets/(liabilities)		39,278	22,201
Equity			
Contributed equity	9	-	-
Trustee risk reserve	10	39,278	22,201
Retained earnings/(losses)		-	-
Total equity		39,278	22,201

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

Attributable to owners of AustralianSuper Pty Ltd					
	Notes	Contributed equity \$'000	Trustee risk reserve \$'000	Retained earnings/ (losses) \$'000	Total equity \$'000
Balance at 30 June 2021	9, 10	-	-	(434)	(434)
Total comprehensive income for the year		-	-	22,683	22,683
Net transfers between reserves		-	22,249	(22,249)	-
Payments made from reserves		-	(48)	-	(48)
Balance at 30 June 2022	9, 10	-	22,201	-	22,201
Total comprehensive income for the year		-	-	17,077	17,077
Net transfers between reserves		-	17,077	(17,077)	-
Payments made from reserves		-	-	-	-
Balance at 30 June 2023	9, 10	-	39,278	-	39,278

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

	Notes	2023 \$'000	2022 \$'000
Cash flows from operating activities			
Trustee risk reserve fee received		24,360	31,692
Trustee services fee received		5,761	254,966
Income tax refund/(paid)		(10,051)	37
Payments to suppliers and employees		(8,098)	(232,603)
Payment for transfer of net liabilities to the Fund		-	(24,567)
Other income		644	738
Net cash inflow/(outflow) from operating activities	19	12,616	30,263
Purchase of investment in unlisted managed fund		(27,000)	-
Net cash inflow/(outflow) from investing activities		(27,000)	-
Cash flows from financing activities			
Principal elements of lease payments		-	627
Net cash inflow/(outflow) from financing activities		-	627
Net increase/(decrease) in cash and cash equivalents		(14,384)	30,890
Cash and cash equivalents at the beginning of the financial year		31,906	1,016
Cash and cash equivalents at end of year		17,522	31,906

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

1 Corporate information

The financial report contains the financial statements of AustralianSuper Pty Ltd (the “Company”) and are presented in Australian currency.

The Company is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is Level 30, 130 Lonsdale Street, Melbourne, Victoria.

The Company is the Trustee of AustralianSuper (the “Fund”). During the year, the principal activities of the Company consisted of providing trustee services to the Fund. It is also the holder of the Australian Financial Services licence and the Registrable Superannuation Entity licence.

The financial statements were authorised for issue by the Directors on 1 September 2023. The Directors have the power to amend and reissue the financial statements.

(a) Change to administration arrangements in the comparative financial year

Effective 31 October 2021, the Fund assumed responsibility from the Company for incurring and recognising administration and related operating and capital expenditure (other than Trustee director fees and related costs), and the assets and liabilities detailed below were transferred from the Company to the Fund at their fair value.

The consideration paid to the Fund by the Company for the net assets transferred was \$24,567,000.

Assets	\$'000
Trade and other receivables	125,060
Property, plant and equipment	2,845
Intangible assets	20,468
Right of use assets	119,641
Total assets	268,014
Liabilities	\$'000
Trade and other payables	75,901
Provisions	47,610
Lease liabilities	169,070
Total liabilities	292,581
Net assets/(liabilities)	(24,567)

Directors' fees and related costs continue to be recorded by the Company, and the Fund continues to reimburse the Company for these costs.

2 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. Unless otherwise stated, these policies are consistent with those applied in the previous year. Accounting policies specific to assets, liabilities, revenue and expenses that are no longer recognised by the Company due to the change in administration arrangements detailed in note 1(a) continue to be disclosed where relevant as the administration changes took place part way through the comparative financial year.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. AustralianSuper Pty Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial statements of AustralianSuper Pty Ltd also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

These financial statements have been prepared under the historical cost convention. Where applicable, comparatives have been reclassified to reflect current year disclosures.

The Company's financial statements have been prepared on a going concern basis.

(b) Investments

The Company's investment in an unlisted managed fund is measured at fair value, with gains and losses recognised in comprehensive income.

(c) Cash and cash equivalents

Cash and cash equivalents include deposits held at call with financial institutions.

(d) Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured.

(e) Trade and other receivables

Reimbursements of expenses from the Fund are recognised as receivables when the expenses they relate to are incurred by the Company.

(f) Trade and other payables

Trade and other payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company at year end. Trade payables are normally settled on 30-day terms.

(g) Income tax

Tax expense in the statement of comprehensive income for the year comprises current and deferred tax. The Company's deferred tax position is offset in full between deferred tax assets and deferred tax liabilities.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for tax purposes. Any amount of deferred tax provided would be based on the expected manner of realisation of assets or settlement of the liability.

(h) Goods and Services Tax (GST)

Income, expenses and assets, with the exception of receivables and payables, are recognised net of the amount of GST to the extent that the GST is recoverable from the taxation authority. Where GST is not recoverable, it is recognised as part of the cost of acquisition of the asset or as a part of the expense item as applicable. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from the taxation authority is included as part of receivables in the statement of financial position.

(i) Property, plant and equipment

Property, plant and equipment was stated at historical cost less depreciation. The depreciation methodology used for Property, plant and equipment was straight-line in order to reflect the economic benefit of the assets.

The useful lives were as follows:

- | | |
|---------------------------------|------------|
| • Leasehold improvements | Lease term |
| • Computer equipment | 3 years |
| • Office equipment | 2–5 years |
| • Office furniture and fittings | 10 years |
| • Motor vehicles | 8 years |

(j) Intangibles

Costs incurred in developing products and systems and acquiring software and licences that will contribute to future period financial benefits through income generation and/or cost reduction were capitalised. Software development costs included only those costs directly attributable to the development phase and were only recognised following completion of technical feasibility and where the Company had an intention and ability to use the asset. Amortisation was calculated on a straight-line basis over a period of 3 years.

(k) Leases

Pursuant to AASB 16 Leases, a right-of-use asset and a corresponding liability were recognised at the date at which the leased asset was available for use by the Company.

(l) New accounting standards and interpretations

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the 30 June 2023 financial year that have a material impact on the amounts recognised in the prior or current periods or that will affect future periods.

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2023 financial year and have not been early adopted by the Company. These standards and interpretations are not expected to have a material impact on the Company.

(m) Rounding

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar (as indicated).

(n) Comparatives

Where applicable, prior year comparatives have been restated to reflect current year classifications.

How the numbers are calculated

3 Investments

	2023 \$'000	2022 \$'000
Units in unlisted managed fund	28,647	-
	28,647	-

The fair value of the Company's investment in the unlisted managed fund is based on the unadjusted redemption price quoted by the underlying fund manager. The market values of the underlying assets are based on observable inputs and the investment is therefore classified as level 2 in the fair value measurement hierarchy. This is the first year the Company has invested in the unlisted managed fund and there have been no transfers between hierarchy levels during the year.

The managed fund aims to replicate a portfolio of published indices that provide exposure to a range of domestic and global asset classes. The benchmark allocation of the unlisted managed fund is:

Asset class	2023 %	2022 %
International shares	32.0	-
Australian shares	24.0	-
Emerging market equities	8.0	-
Australian inflation linked	6.0	-
US inflation linked	6.0	-
Gold	5.0	-
Australian fixed income	4.0	-
Australian investment grade corporate	4.0	-
International property	4.0	-
Global high yield corporate	4.0	-
Cash	3.0	-
	100.0	-

4 Cash and cash equivalents

	2023 \$'000	2022 \$'000
Cash at bank	17,522	1,906
Short-dated term deposits	-	30,000
	17,522	31,906

5 Financial risk management

The Company is exposed to market risk (primarily price risk) and liquidity risk.

Price risk

Price risk is the risk that the fair value of the Company's investment in the unlisted managed fund will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual managed fund or factors affecting all similar managed funds traded in the market.

The Company has managed price risk through diversification. The unlisted managed fund in which the Company has invested is a multi-index fund with investments spread across a range of different asset classes (refer benchmark allocation table in note 3).

Price risk is further managed by undertaking a thorough due diligence process and careful selection of the fund manager.

Sensitivity analysis

The analysis in the following table shows the impact of changes in the redemption price of the unlisted managed fund on profit and net assets of the Company. A decrease in the redemption price will lead to a decrease in net profit and net assets, whilst an increase in the redemption price will have the opposite effect. The percentages used below reflect the percentage movements the Trustee considers are reasonably possible at year-end.

Price risk	2023 \$'000	2023 \$'000	2022 \$'000	2022 \$'000
	-10%	+10%	-10%	+10%
	(2,865)	2,865	-	-

Liquidity risk

Liquidity risk is the risk the Company may not be able to generate sufficient cash resources to settle its obligations in full as and when they fall due or can only do so on terms that are materially disadvantageous. The Company's liquidity position is monitored and managed in accordance with The Trustee risk reserve policy.

How the numbers are calculated (cont.)

6 Trade and other receivables

	2023 \$'000	2022 \$'000
Current		
Trade receivables	861	1,088
Other receivables	10	26
Prepayments	1,268	1,330
	2,139	2,444

7 Trade and other payables

	2023 \$'000	2022 \$'000
Current		
Trade payables	100	193
Other payables	503	478
Expenses prepaid by the Fund	1,468	1,830
	2,071	2,501

8 Income tax

(a) Income tax payable

	2023 \$'000	2022 \$'000
Gross tax payable	7,019	9,669
Tax instalments paid	(360)	(21)
	6,659	9,648

(b) Income tax expense

	2023 \$'000	2022 \$'000
Current income tax		
Current year tax expense	7,019	9,669
Under provision from prior year	43	6
Total current tax expense	7,062	9,675
Deferred income tax		
Increase in deferred tax liabilities	300	-
Total deferred tax expense	300	-
Income tax expense	7,362	9,675

(c) Numerical reconciliation between tax expense and profit before income tax

	2023 \$'000	2022 \$'000
Profit before income tax	24,439	32,358
Tax at the Australian Tax rate of 30%	7,332	9,707
Adjusted for tax effect of the following items:		
Non-deductible entertainment expense	-	4
Movement in accrued expenses not yet deductible	-	(8,019)
Provision for annual leave and long service leave	-	1,149
Prior year under provision	43	7
Movement in accrued income not yet assessable	(13)	6,827
Income tax expense on profit	7,362	9,675

(d) Deferred tax liabilities

	Beginning of year \$'000	Recognised in comprehensive income \$'000	End of year \$'000
Balance at 30 June 2023			
Unrealised gains on investments	-	300	300
Net deferred tax liabilities	-	300	300

How the numbers are calculated (cont.)

9 Contributed equity

Issued and paid up capital	2023 \$	2022 \$
Issued capital – 6 ‘A’ class shares of \$1 each, fully paid	6	6
Issued capital – 6 ‘B’ class shares of \$1 each, fully paid	6	6
Total issued and paid up capital	12	12

Under the terms of the Company’s constitution, the owners of the Company are not entitled to receive dividends from the Company.

10 Trustee risk reserve

	2023 \$’000	2022 \$’000
Trustee risk reserve	39,278	22,201
	39,278	22,201

In December 2021, AustralianSuper’s Trust Deed was amended to include a right for the Trustee to be paid a Trustee Risk Reserve fee. The fee enables the Trustee to build a risk reserve to manage any financial risks of the Trustee, or its Directors, that are incurred in connection with the payment of fines or penalties levied by an Australian regulator.

11 Intangible assets

	Software development costs \$’000
At 30 June 2023	
Cost	-
Accumulated amortisation	-
Net book amount	-
At 30 June 2022	
Cost	-
Accumulated amortisation	-
Net book amount	-
Year ended 30 June 2022	
Opening net book amount	23,712
Additions	845
Transfer to the Fund (refer note 1(a))	(20,468)
Impairment	-
Amortisation	(4,089)
Closing net book amount	-

Amortisation of \$nil (2022: \$4,089,000) was included in depreciation and amortisation expense in the statement of comprehensive income.

12 Leases

This note provides information for leases where the Company is a lessee. Prior to the administration changes detailed in note 1(a), the following applied:

(a) Amounts recognised in the statement of financial position

There were no right of use assets or lease liabilities recognised in the statement of financial position at 30 June 2023 or 30 June 2022.

Additions to the right-of-use assets during the 2023 financial year were \$nil (2022: \$3,791,820).

(b) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income includes the following amounts relating to leases:

	2023 \$'000	2022 \$'000
Depreciation charge of right-of-use assets		
Buildings	-	4,225
Equipment	-	350
	-	4,575
Interest expense (included in Finance costs)	-	1,444
Expense relating to short-term leases (included in in Facilities costs)	-	276
Expense relating to variable lease payments not included in lease liabilities (included in Facilities costs)	-	999
Impairment expense	-	-

(c) Impact of the change to administration arrangements

As a part of the change to administration arrangements detailed in note 1(a), right of use assets of \$119,641,000 and lease liabilities of \$169,070,000 were transferred to the Fund in the prior financial year.

How the numbers are calculated (cont.)

13 Property, plant and equipment

	Leasehold improvements \$'000	Computer equipment \$'000	Office furniture, fittings and equipment \$'000	Motor vehicles \$'000	Total \$'000
At 30 June 2023					
Cost	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-
Net book amount	-	-	-	-	-
At 30 June 2022					
Cost	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-
Net book amount	-	-	-	-	-
Year ended 30 June 2022					
Opening net book amount	823	1,432	275	456	2,986
Additions	194	355	-	-	549
Disposals/Trade-ins/Impairments	-	(8)	(2)	(6)	(16)
Transfers to the Fund (note 1(a))	(895)	(1,269)	(262)	(419)	(2,845)
Depreciation charge	(122)	(510)	(11)	(31)	(674)
Closing net book amount	-	-	-	-	-

14 Provisions

(a) Movements in provision

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	2023 \$'000	2022 \$'000
Current lease provisions		
Carrying amount at start of year	-	402
Provisions recognised/(used) during year	-	-
Transfer to the Fund (refer note 1(a))	-	(402)
Carrying amount at end of year	-	-
Non-current lease provisions		
Carrying amount at start of year	-	11,872
Provisions recognised during year	-	(152)
Transfer to the Fund (refer note 1(a))	-	(11,720)
Carrying amount at end of year	-	-

Other information

15 Key management personnel

Key management personnel include persons who were Directors of the Company at any time during the financial year, and up to the date of this report, as follows:

Member nominated	Employer nominated	Independent
J. Angrisano	G. Coyne	P. Kelly
M. O'Neil	J. Dixon	D. Russell
J. Schofield (appointed 9 Sep 22)	C. Keating	
G. Thompson	J. van Reyk	
D. Walton	I. Willox	
B. Daley (ceased 9 Sep 22)		

The following persons were Alternate Directors of the Company during the financial year, up to the date specified:

Member nominated	Employer nominated
J. Schofield (ceased 9 Sep 22)	H. Ridout (ceased 26 Sep 22)
	G. Stamas (ceased 1 Jan 23)

Members of the Committees of the Board who are not Directors or Alternate Directors of the Company are considered key management personnel.

Committee members

P. Downes
R. Maddox
R. Price (appointed 15 Feb 23)

Other key management personnel during the financial year were:

Name	Role
P. Schroder	Chief Executive
M. Delaney	Deputy Chief Executive and Chief Investment Officer
S. Adams	Chief Strategy & Corporate Affairs Officer (appointed 1 Dec 22, ceased 20 Jan 23) Group Executive Strategy, Reputation and Corporate Affairs (ceased 30 Nov 22)
S. Blackmore	Chief Officer Retirement (appointed 1 Dec 22) Group Executive Member Experience (ceased 30 Nov 22)
P. Curtis	Chief Operating Officer
M. Glover	Chief Colleague Officer (appointed 1 Dec 22) Group Executive, People and Culture (ceased 30 Nov 22)
R. Kerlin	Chief Member Officer (appointed 1 Dec 22) Group Executive Membership and Brand (ceased 30 Nov 22)
A. Mantello	Chief Risk Officer

Other information (cont.)

15 Key management personnel (cont.)

Remuneration of key management personnel

Following the change in administration arrangements referred to in note 1(a), executives are paid by the Fund. Directors and other Board Committee members continue to be paid by the Company.

	2023 \$	2022 \$
Short-term benefits	9,568,900	10,620,397
Post-employment benefits (superannuation)	430,476	435,783
Long-term benefits	588,197	1,039,996
	10,587,573	12,096,176

Short-term benefits include cash salary, annual leave, lump sum payments, and other non-monetary benefits. Post-employment benefits relate to superannuation benefits. Other long-term benefits relate to long service leave entitlements and deferred Investment Performance Payment Plan payments.

Separate to the disclosures above, the Fund reimbursed the Chief Executive \$22,797 in 2022 for salary sacrifice amounts incorrectly deducted from his salary in a previous financial year.

Transactions with key management personnel

The following key management personnel were members of the Fund during the reporting period and up to the date of the financial report:

S. Adams	P. Downes	J. Schofield
J. Angrisano	R. Kerlin	P. Schroder
S. Blackmore	M. Glover	G. Stamas
G. Coyne	A. Mantello	G. Thompson
B. Daley	M. O'Neil	D. Walton
M. Delaney	J. van Reyk	I. Willox
J. Dixon	H. Ridout	

The membership terms and conditions of all key management personnel were the same as those applied to other members of the Fund.

During the year ended 30 June 2021, the Company changed from paying its employees fortnightly in advance to fortnightly in arrears. As part of this change the Company offered all eligible employees, including key management personnel, a once-off taxable 'bridging payment' that will be recovered upon termination of the employees' employment. Following the change in administration arrangements detailed in note 1(a), the amount outstanding is now due to the Fund.

The 2023 key management personnel who received the bridging payment were:

S. Adams	M. Glover	A. Mantello
S. Blackmore	R. Kerlin	
M. Delaney	P. Schroder	

The amount outstanding from S. Adams was recovered during the current financial year on the cessation of their employment. The aggregate bridging payment outstanding from key management personnel to the Fund at 30 June 2023 was \$83,000 (2022: \$95,000).

16 Related parties

(a) Transactions with Company

The Company's shareholders are the Australian Industry Group ("Ai Group") and ACTU Super Shareholding Pty Ltd. ACTU Super Shareholding Pty Ltd holds the shares on behalf of the Australian Council of Trade Unions ("ACTU") and participating unions. Under the terms of the Company's constitution, the owners of the Company are not entitled to receive dividends from the Company.

Prior to the change in administration arrangements detailed in note 1(a), the Company paid the Ai Group and the ACTU for advertising related opportunities and general marketing for AustralianSuper. After the change in administration arrangements, these payments were made by the Fund. The amounts paid were \$226,000¹ to the Ai Group (2022: \$220,000) and \$226,000 to the ACTU (2022: \$220,000). The Fund also paid the ACTU \$60,000 for investment research activities.

The Company paid the Ai Group \$209,563 (2022: \$182,435) for AustralianSuper Directors, Alternate Directors and Committee members and the ACTU \$161,981 (2022: \$ 49,820) for AustralianSuper Directors and Alternate Directors who were employed by the Ai Group and the ACTU.

Under the terms of the Trust Deed, the Company is entitled to receive trustee services fees, calculated by reference to the costs incurred by the Company in running the Fund. Following the changes to the administration arrangements of the Fund detailed in note 1(a), these costs are limited to Directors' fees and related costs.

The Company is also entitled to receive a Trustee risk reserve fee, to be calculated in accordance with the Trust Deed.

Fees received and receivable	2023 \$	2022 \$
Trustee risk reserve fee paid and payable by the Fund to the Company	22,149,091	31,740,273
Trustee services fees paid and payable by the Fund to the Company	5,761,786	200,572,531
Amount payable by the Fund to the Company at the end of the reporting period	860,603	997,435
Expenses prepaid by the Fund	1,467,821	1,830,268

(b) Transactions with other entities

The Company and the Fund paid the following amounts to the organisations that employ either a Director, an Alternate Director or a Committee member of the Company. Directors' and Committee members' remuneration is set with reference to rates paid by comparable businesses in the financial services industry. The amounts disclosed include superannuation contributions paid directly to the Director or Committee member. Other payments include advertising, marketing, and education services for AustralianSuper and are made on normal commercial terms.

¹ Amounts reported in note 16 exclude GST, unless otherwise stated.

Other information (cont.)

16 Related parties (cont.)

2023	Directors' and committee members' payments \$	Other payments \$	Total payments \$
Australian Manufacturing Workers' Union	204,775	174,342	379,117
Australian Workers' Union	225,397	199,363	424,760
Finance Sector Union	107,738	29,500	137,238
United Workers Union	102,461	223,000	325,461
Total	640,371	626,205	1,266,576

2022	Directors' and committee members' payments \$	Other payments \$	Total payments \$
Australian Manufacturing Workers' Union	169,522	95,000	264,522
Australian Workers' Union	172,610	194,500	367,110
Finance Sector Union	93,555	29,500	123,055
United Workers Union	29,040	-	29,040
Total	464,727	319,000	783,727

(c) Related party investments and transactions

Details of the Company's related party investments and transactions are listed below.

(i) Industry Super Holdings Pty Ltd ("ISH")

AustralianSuper held a 19.95% (2022: 19.95%) shareholding in ISH valued at \$324,398,514 (2022: \$292,951,422). ISH has a number of subsidiary companies, one of which is IFM Investors Pty Ltd ("IFM"). IFM manages a selection of infrastructure, Australian listed equities, private equity, fixed interest, and cash portfolios on behalf of the Fund.

IFM managed portfolios totalling \$46,953,662,309 (2022: \$55,264,707,211) on behalf of the Fund and received \$67,028,000 (2022: \$69,056,000) in fees for the management of these portfolios. These fees included fees paid to underlying investment managers for various portfolios and management fees paid directly to IFM of \$53,072,000 (2022: \$43,980,679). The income earned on the portfolios managed by IFM, inclusive of fair value movements, was \$3,047,575,694 (2022: \$660,587,148).

ISH has various other subsidiaries with which the Fund transacts. These non-investment transactions are summarised in the following table.

Company	Nature of transaction	2023 \$	2022 \$
Industry Fund Services Limited	Financial planning, arrears collection and other member services	1,720,000	1,786,550
Industry Super Australia Pty Ltd	Marketing services	6,100,000	5,171,723
IFS Insurance Solutions Pty Ltd	Insurance services	634,000	338,000

The New Daily Pty Ltd ("The New Daily") is a wholly owned subsidiary of ISH. During the 2022 financial year, The New Daily reimbursed the Company \$184,000, being the amounts paid, plus an interest adjustment, by the Company to its nominee Directors on the Board of The New Daily since 2013.

(ii) ISPT Pty Ltd (“ISPT”)

AustralianSuper held a 20.0% (2022: 20.0%) shareholding in ISPT valued at \$nil (2022: \$nil). ISPT manages a range of unlisted property funds on behalf of the Fund and other institutional clients. ISPT in its capacity as trustee managed portfolios totalling \$5,160,979,000 (2022: \$5,371,337,000) on behalf of the Fund and received \$27,943,000 (2022: \$19,919,000) in fees for the management of these portfolios. These fees included fees paid to underlying investment managers for various portfolios and management fees paid directly to ISPT of \$19,351,000 (2022: \$14,931,000). The portfolio recorded negative earnings in 2023 of \$248,905,000 (2022 income: \$366,327,000).

The Fund also paid ISPT \$1,711,000 (2022 \$1,465,000) in rent and outgoings in relation to ISPT office space leased by AustralianSuper.

AustralianSuper held a 29.3% (2022: 28.8%) interest in ISPT Operations Trust valued at \$3,178,000 (2022: \$2,959,000). ISPT Operations Pty Ltd, which is wholly owned by ISPT Operations Trust, provides management services to ISPT.

B Daley was a director of ISPT Pty Ltd and ISPT Operations Pty Ltd during the period he was a Director of the Trustee.

(iii) Frontier Advisors Pty Ltd (“Frontier”)

AustralianSuper held a 31.0% (2022: 31.0%) shareholding of ordinary shares valued at \$2,092,500 (2022: \$2,054,000) in Frontier. Frontier provides investment consulting services to the Fund and other institutional clients. Frontier received fees from AustralianSuper for investment consulting services. These fees were \$1,658,357 (2022: \$1,705,410). J. Dixon was a director of Frontier Advisors Pty Ltd during the year ended 30 June 2023.

(iv) AustralianSuper (UK) Limited

AustralianSuper (UK) Limited, a wholly owned subsidiary of the Fund domiciled in the UK, provides investment management services to the Fund. AustralianSuper (UK) Limited is entitled to receive service fees, calculated by reference to the costs it incurs. Fees paid and payable by the Fund to AustralianSuper (UK) Limited during the year totalled \$41,546,574 (2022 paid and payable by the Company and the Fund: \$32,432,593). The Fund has a net amount payable of \$2,983,859 (2022: \$3,978,000) to AustralianSuper (UK) Limited at year end.

(v) AustralianSuper (US) LLC

AustralianSuper (US) LLC, a wholly owned subsidiary of the Fund domiciled in the USA, provides investment management services to the Fund. AustralianSuper (US) LLC is entitled to receive service fees, calculated by reference to the costs it incurs. Fees paid and payable by the Fund to or on behalf of AustralianSuper (US) LLC during the year totalled \$28,801,837 (2022 paid and payable by the Company and the Fund: \$10,918,496). The Fund has a net amount payable of \$4,728,375 to AustralianSuper (US) LLC at year end (2022: \$1,203,000).

(vi) AustralianSuper Research Pty Ltd

AustralianSuper Research Pty Ltd, a wholly owned subsidiary of the Fund domiciled in Australia, provides investment management services to the Fund, specifically to support the Fund's investment operations in China. During the reporting period AustralianSuper Research Pty Ltd incurred expenses of \$1,055,487 which were paid for by the Fund (2022 paid by the Company and the Fund: \$807,573). The Fund has a net amount receivable of \$96,634 (2022: \$69,365) from AustralianSuper Research Pty Ltd at year end.

All transactions with the related parties listed above were made on normal commercial terms, under normal conditions and at market rates.

Other information (cont.)

17 Auditor's remuneration

	2023 \$	2022 \$
Amounts paid and payable to PwC and related network firms:		
Audit-related services	1,479,763	1,297,665
Audit of compliance and other regulatory returns	316,000	287,600
Other non-audit services	817,791	717,540
Total	2,613,554	2,302,805

Auditor's remuneration includes fees in relation to all entities in the AustralianSuper group.

18 Commitments

The Company has no commitments at 30 June 2023 (2022: \$nil).

19 Reconciliation of profit after income tax to net cash

(a) Reconciliation of profit after income tax to net cash inflow/(outflow) from operating activities

	2023 \$'000	2022 \$'000
Profit/(loss) after tax	17,077	22,683
Net changes in fair value of financial instruments	(984)	-
Distributions reinvested	(663)	-
Other lease right of use asset movements	-	(53,775)
Other intangible asset movements	-	19,623
Depreciation and amortisation	-	9,340
Other fixed asset movements	-	2,312
Finance costs	-	1,444
Asset impairments	-	2
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	305	189,758
Increase/(decrease) in income tax payable	(2,989)	9,712
Increase/(decrease) in trade and other payables	(430)	(126,502)
Increase/(decrease) in non-current liabilities	300	(44,334)
Net cash inflow/(outflow) from operating activities	12,616	30,263

(b) Non-cash investing and financing activities

The Company had no non-cash financing activities during the current or prior financial year.

20 Trustee liabilities and right of indemnity

The Company acts as the Trustee of AustralianSuper. Assets are held in trust on behalf of members and other beneficiaries and liabilities have been incurred on behalf of AustralianSuper in the Company's capacity as Trustee.

The Company has a right of indemnity for liabilities incurred in performing its fiduciary duties as a Trustee. The assets of AustralianSuper, which support the right of indemnity, are not directly available to meet any liabilities of the Company acting in its own right.

21 Contingent liabilities

During the financial year, the Trustee identified errors in relation to the administration of multiple accounts held by members of the Fund since 2013. The Trustee has taken appropriate remediation actions to return impacted members to the financial position they would have been in (or as closely as possible to that position) if this hadn't occurred. The cost of remediation has been recognised in the Fund's financial statements.

The Trustee self-reported the issue to the Australian Securities and Investments Commission and the Australian Prudential Regulation Authority and those reports resulted in investigations into the issue by both regulators. As at the date of this financial report, neither regulator has commenced enforcement proceedings against the Trustee and no fines or penalties have otherwise been imposed on the Trustee.

As the amount of any civil penalties that may be imposed in potential regulatory enforcement proceedings cannot yet be reliably determined, no provision has been raised for that amount at this stage.

22 Events occurring after the reporting period

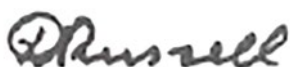
No events have occurred since the end of the reporting period which would impact on the balances of the Company as disclosed in the statement of financial position as at 30 June 2023 or on the results of operations of the Company for the year ended on that date.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 7 to 25 are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
 - ii. complying with Accounting Standards and other mandatory professional reporting requirements, and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the Board of Directors of AustralianSuper Pty Ltd.



Dr D. Russell
Director



C. Keating
Director

Melbourne
1 September 2023

Independent auditor's report



Independent auditor's report

To the members of AustralianSuper Pty Ltd

Our opinion

In our opinion:

The accompanying financial report of AustralianSuper Pty Ltd (the Company) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2023
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

Independence

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999

Liability limited by a scheme approved under Professional Standards Legislation.

Independent auditor's report (cont.)



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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of AustralianSuper Pty Ltd for the year ended 30 June 2023 included on AustralianSuper Pty Ltd's web site. The directors of the Company are responsible for the integrity of AustralianSuper Pty Ltd's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', is written over a light grey background.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'CJ Cummins', is written over a light grey background.

CJ Cummins
Partner

Melbourne
1 September 2023

AustralianSuper

It's Australian.
It's super.
And it's yours.