

Rest Annual Report

1 July 2021 – 30 June 2022



30 November 2022



Didi,
Rest member

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For Acumen members, there are two parts to the Annual Report. This document is the first part and the applicable AQ Update is the second part. For all other members, this document is the complete Annual Report.

Rest Annual Report 2022: Issued by Retail Employees Superannuation Pty Ltd, ABN 39 001 987 739, AFSL 240003 ('Rest'), as the trustee of the Retail Employees Superannuation Trust, ABN 62 653 671 394 ('Fund'). Any information contained in this document is general advice and has been prepared without taking account of your objectives, financial situation or needs. Before acting on the information or deciding whether to acquire or hold a product, consider its appropriateness and the relevant Product Disclosure Statement (PDS) and the Target Market Determination (TMD), which are available at rest.com.au/pds, or by contacting us for a copy. The cost of providing financial services is included in the fees as disclosed in the relevant PDS. Rest and the Fund do not charge additional fees or obtain commissions for the advice provided. Rest employees are paid a salary and do not receive commissions. They may receive a performance-related bonus that takes into account the financial services provided. Super Investment Management Pty Limited, a wholly owned company of Rest, manages some of the Fund's investments. Rest has no other relationships or associations with any related body corporate or product issuer that might reasonably be expected to influence Rest in providing financial services. For more information, contact us at rest.com.au/contact-us



Michelle,
Rest member

Message from the CEO



Vicki Doyle
Chief Executive Officer

At Rest, we exist to help you achieve your best possible retirement outcome. This single-minded focus means we will always put you and your needs at the centre of what we do.

During the 2021/2022 financial year, the Rest team has pushed forward with improvements to the way we support you, our members.

We know many of you faced additional pandemic-related pressure and uncertainty this past year. This was acutely felt in the retail industry as employees and employers struggled with skills and staff shortages as a result of lockdowns and faced the effects of living in a post-pandemic world.

Making it easy for you, our members, to take action on your super is of the highest importance to us. We see this as one of the key ways we can help improve your wellbeing and financial wellness, even in challenging times.

Keeping fees low is crucial. We were able to reduce our asset-based administration fee on 25 June 2022 from 0.12 per cent per annum to 0.10 per cent per annum, continuing Rest's position as a fund with one of the lowest fees in the industry.¹

I'm pleased to share some highlights with you, including how we've supported you through our long-term investment approach, commitment to sustainability, market leading digital app, digital advice tools and through our unique insurance offering and claims decision times.

Our long-term investment focus

Helping you achieve your personal best retirement outcome is our purpose at Rest. We know it's a challenging time for global markets and it's never been more important to keep a long-term focus.

Our Core Strategy returned -2.37 per cent over the 12-month period to 30 June and for Pension members, the default Balanced Option returned -1.11 per cent during the same period.² Despite a negative return for this financial year our default options have weathered the storm relatively well compared to broader financial markets. Australian shares returned -6.78 per cent and US shares fell 10.62 per cent over the same period.³

In our 34-year history, this is only the fourth time the Core Strategy ended the financial year with a negative return. Our one-year performance was also stronger than a number of large competitor funds.⁴

We know members may be concerned during times of increased economic uncertainty and look for reassurance about their investments when financial markets start to decline. We saw this firsthand in the increase in calls received by our customer services team.

It is important to remember that markets move in cycles and, in the shorter term, there may be times when market returns are negative. However, for most, super is a long-term investment — typically around 50 years and even beyond for some — and negative patches have historically been offset by positive ones over many years.

¹ Fee reduction applicable to Rest Super, Rest Corporate and Rest Pension members only. SuperRatings, Superannuation Market Analysis and Research Tool (SMART), 27 June 2022. Rest's Core Strategy is compared against the default investment option of all publicly available superannuation products tracked by SuperRatings. Fees are subject to change. Taxes, other fees and costs may apply. SuperRatings does not issue, sell, guarantee or underwrite this product. Go to superratings.com.au for ratings criteria. Ratings are only one factor to consider when deciding how to invest your super. For more details go to rest.com.au

² Past performance is not an indicator of future performance.

³ Australian shares return is the S&P/ASX 300 index return, and US shares is the S&P500 index return for the 12-month period to 30 June 2022.

⁴ Based on SuperRatings Fund Crediting Rate Survey – SR 50 Balanced (60-76) Index June 2022.

With that in mind, we continue to focus on the end goal of maximising retirement savings for Rest members.

In the current environment, our investments in unlisted real assets such as infrastructure, commercial property and agriculture are all helpful in providing stability to our investment portfolio. The returns on these asset classes often track differently from listed markets, not only providing diversification benefits for the portfolio in times of increased market volatility, but also degrees of inflation protection.

Importantly, our Core Strategy remains on track to achieve its long-term goals, having delivered on average 8.06 per cent per year over the past 10 years,⁵ and staying well ahead of Australian inflation rates to help many members achieve their personal best retirement outcome.

I'm really proud that one of our latest real asset investments is our one-third stake in the Quay Quarter Tower (QQT) in Sydney's Circular Quay. This is a sustainable development, incorporating strong environmental credentials and high energy efficiency ratings and has around 95 per cent of its office space already leased.

QQT is a great example of our commitment to being a responsible investor and aligns with our 2030 goal of net zero operational carbon emissions for our directly-owned property assets.

This year, we were awarded the Responsible Investment Association Australasia (RIAA) Responsible Investment Leader 2022 and Leading Responsible Investment Super Fund 2021, both great recognition of Rest's commitment to responsible investing.⁶

Digital accessibility is part of our everyday

When you, our members, engage with your super, you're more likely to get a better outcome. One of the ways we make it easier for you to do this is through our commitment to digital tools.

On average 25,000 members logged into our industry leading Rest App each day of the last financial year with 177,000 new app registrations achieved across the year and a 4.6-star rating on the Apple App Store. Our app allows you to easily and digitally make additional contributions, change your investment options, view your insurance, and search for and combine your super.

This is supported by our digital advice approach, which makes advice affordable, accessible and uncomplicated for all our members.⁸ In the past financial year, we recorded more than 25,000 digital advice interactions, including issuing 19,000 statements of advice, representing a 77 per cent increase year-on-year from the previous year.

We are also making insurance more accessible for our members through our online insurance tools which allow our members to easily apply for cover as well as lodge and track claims online.

Affordable and flexible insurance

This financial year we helped 11,440 members and paid out more than \$430 million in insurance benefit claims to members like you. Through our insurance partner TAL Life Ltd, we also have one of the fastest decision times compared to super industry averages.⁹

Our insurance offering provides you with straightforward, quality, affordable insurance. Rest is one of the few super funds to offer income protection insurance to casual workers. Our default income protection insurance will generally pay members for up to a five-year period if they're sick or injured and are unable to work for an extended period of time.

A fairer future

We were very pleased to see the removal of the \$450 monthly income threshold for employers paying Superannuation Guarantee contributions from 1 July this year. We had long called for this because it disadvantaged those in lower-income, part-time and casual work, especially women. Now more Australians will earn super on every dollar they earn.

Last financial year, we implemented a streamlined process for Super Splitting that makes it easier for superannuation assets to be split as part of divorce proceedings, helping to ensure a fairer split of super assets and reducing inequitable retirement outcomes.

What's next

Our focus is on continuing to develop our digital services and tools and further streamline and simplify our processes to make super simpler for you. We want to continue to improve our members' experience and increase engagement, which we believe ultimately leads to better retirement outcomes for you.

We are also committed to continuing to advocate for our members' best financial interests and work with the industry and government to help ensure the super system continues to evolve with the changing demographic and economic environment. This includes the Superannuation Guarantee on parental leave and improving access to quality advice for all Australians.

⁵ Return for Rest Super, Rest Corporate and Acumen as at 30 June 2022. Returns are net of investment fees and costs, and tax. The earnings applied to members' accounts may differ. Investment returns are at the investment option level and are reflected in the unit prices for those options. Returns for the 10-year period are annualised returns. Past performance is not an indicator of future performance.

⁶ Ratings, awards or investment returns are only some of the factors that you should consider when deciding how to invest your super.

⁷ As at 30 June 2022. App Store is a trademark of Apple Inc.

⁸ Rest Digital Advice is provided by Link Advice Pty Limited ABN 36 105 811 836 AFSL 258145.

⁹ Please refer to page 28 of this Annual Report

Our members



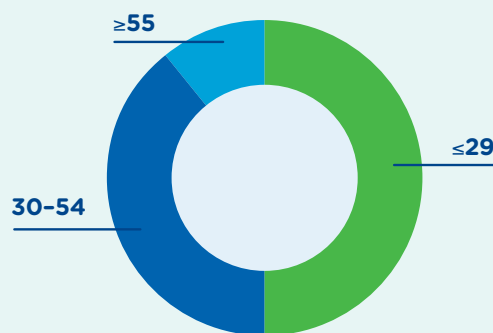
**\$65.6
billion**

worth of funds
under management



Total number of Rest
members is more than

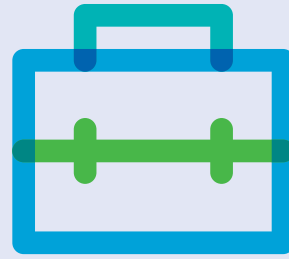
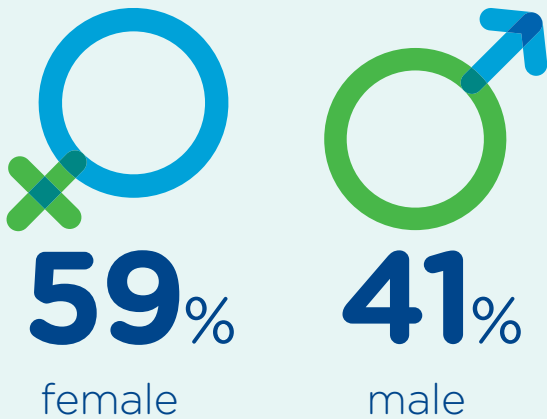
**1.87
million**



50%

of members are
younger than 30

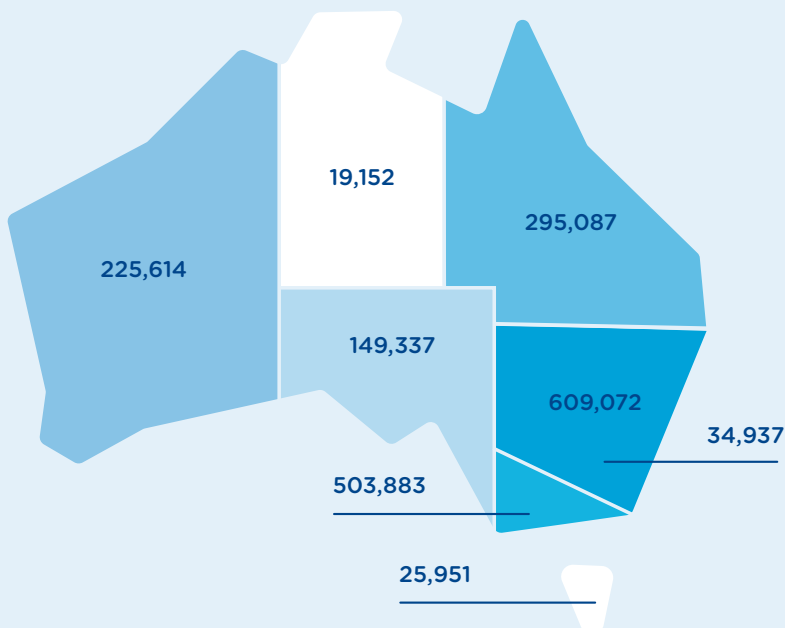
Member gender split



125,000

approx employers use Rest

Members by state



This doesn't include members who are located overseas.



37%

of members
are insured

Rest's strategy

Our ambition

To be recognised
as the most
trusted super
fund in Australia

Our mission

Help members achieve
their personal best
retirement outcome

Our proposition



Key priorities

Investments expertise

Continued expertise in investments to grow our members' retirement savings over the long run



Simple and easy member experience

Carry on investing in technology and data to keep building outstanding customer service for our members



Products, services and advice

Provide products, services and advice that are shaped around the needs of our members, no matter their stage of life



Affordable and flexible insurance

Continue providing affordable and flexible insurance to as many members as possible



Advocates for super

Advocate for a super system that works for our members and all Australians



UN Sustainable Development Goals

The United Nations has set a global agenda for sustainability. In 2015, the UN gathered governments from around the world who endorsed 17 Sustainable Development Goals (SDGs).

The SDGs are a universal call to action. They are focused on ending poverty and hunger, improving health and education, tackling gender inequality, making cities more sustainable, combating climate change, and protecting oceans and forests.

We have identified where Rest can make the most relevant contribution. We've therefore prioritised five SDGs to align with as part of our contribution to sustainability.





Gender equality

- ✓ We maintained or continued to make progress on gender diversity, and the following has been achieved:
 - Rest Board: 44 per cent female, 56 per cent male (target is for at least 33 per cent of each gender and female representation doubled since 2019)
 - Executive Leadership roles (ELT): 37 per cent female, 63 per cent male (target is for 50 per cent of each)¹
 - Senior Leadership roles (SLT): 49 per cent female, 51 per cent male (target is 50 per cent of each)
 - All employees: 48 per cent female, 52 per cent male (target is for 50 per cent of each)
- ✓ Our Diversity, Equity and Inclusion strategy includes new focus pillars for diversity data, hybrid working and inclusivity, gender equality and unconscious bias.
- ✓ We continued to advocate for Superannuation Guarantee payments to be included in the Commonwealth Parental Leave Pay, and Dad and Partner Pay schemes.
- ✓ We continue to provide an industry-leading Parental Leave policy that is inclusive for all employees.
- ✓ As members of the Australian Council of Superannuation Investors (ACSI), we supported engagement with companies on board diversity, including higher representation of women on Boards. As at 30 June 2022, eight companies in the ASX300 had zero-women boards, with the average representation of women directors at almost 34 per cent. Of 291 director appointments across ASX300 companies in the year, 126 (43 per cent) were women.



Affordable and clean energy

- ✓ Collgar Wind Farm is wholly owned by Rest and located in Western Australia. It generates between 630 GWh to 750 GWh per year, providing enough electricity to power approximately 150,000 average Western Australian households per year.
- ✓ Rest's investments included:
 - \$1.1 billion in physical renewable energy and low-carbon solution assets
 - \$1.3 billion in listed companies which contribute to the transition to a low carbon economy, as defined by MSCI, and
 - \$169 million in green bonds, which aim to contribute to positive environmental outcomes, for example, as outlined in the International Capital Market Association Green Bond Principles.



All information relates to the period 1 July 2021 to 30 June 2022, or is as at 30 June 2022.

¹ In the 2021 Rest Annual Report, the Executive and Senior Leadership roles were combined under 'Leadership roles'. They have been split out this year to improve transparency.



Decent work and economic growth

- ✓ Rest continues to engage with our top-50 suppliers to work through action planning as a result of a deep dive into their potential exposures to modern slavery risks.
- ✓ We updated our supplier contract templates with the requirement to comply with our Supplier Code of Conduct, including explicit anti-slavery clauses.
- ✓ As a member of Australian Institute of Superannuation Trustees (AIST) and Association of Superannuation Funds of Australia (ASFA) we advocated for increasing the Superannuation Guarantee to 12 per cent according to the legislated timeframe.
- ✓ We achieved a strong 78 per cent response rate to our organisational engagement survey, with a 68 per cent engagement score (78 per cent target), up from 64 per cent in 2020/21.
- ✓ We introduced wellbeing initiatives to reconnect employees within our Sydney and Melbourne offices, and support a hybrid workforce.
- ✓ We delivered organisational-wide Growth Mindset courses for leaders and staff.



Reduced inequalities

- ✓ Rest advocated for removing the \$450 monthly income threshold for payment of the Superannuation Guarantee.
- ✓ We implemented the Vulnerable Consumers Policy in line with our commitments under the Insurance in Superannuation Voluntary Code of Practice. Focus areas included:
 - Establishing a partnership to give members access to Translating Interpreting Services
 - Running Human-Centred Design (HCD) workshops to help us identify potential initiatives for supporting vulnerable members
 - Training our staff in strategies to best support vulnerable members, and
 - We continued training our teams in unconscious bias and ran additional initiatives around raising awareness of gender and diversity inclusion in the workplace.



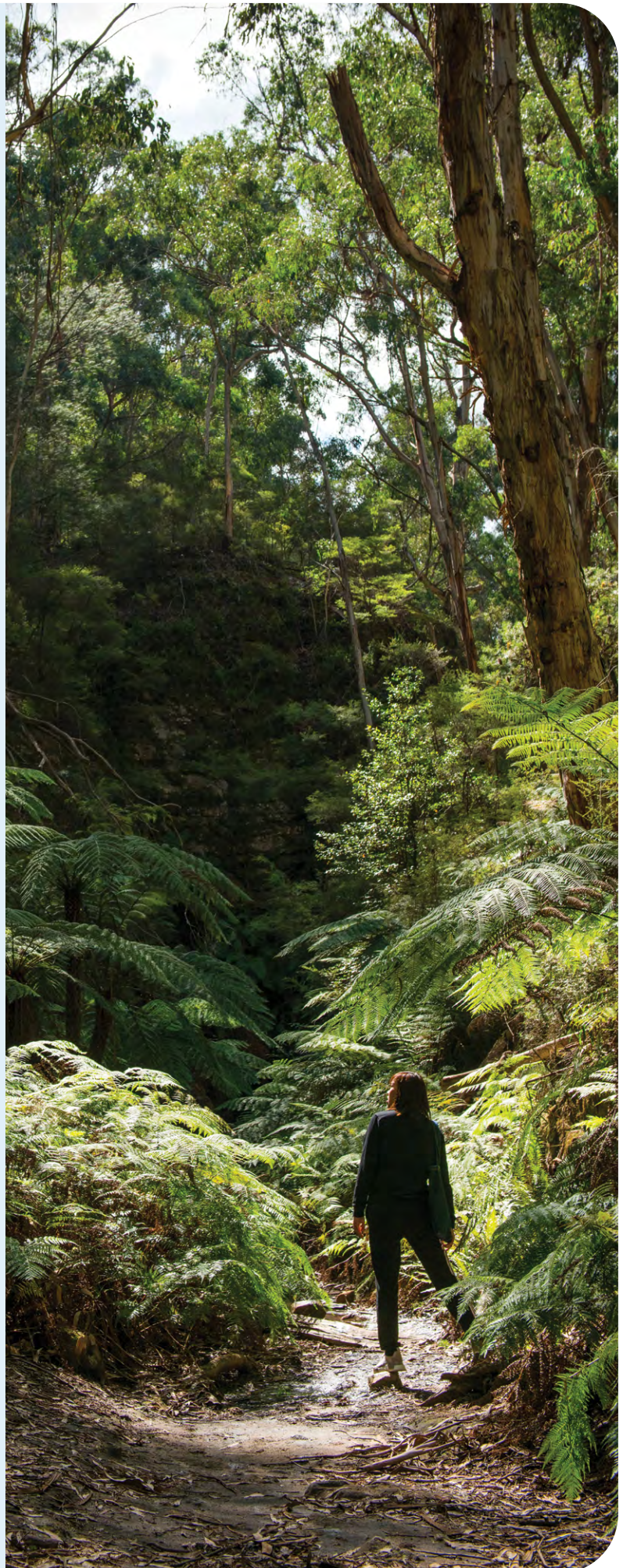
Climate action

- ✓ Rest continued to implement our road map to net zero emissions by 2050. We wound down exposure to listed companies that derive 10 per cent or more of total annual revenue from thermal coal mining unless the company has a credible net zero by 2050 target or is committed to setting targets for greenhouse gas (GHG) emission reduction grounded in climate science as assessed by the Science Based Targets initiative.
- ✓ We stress-tested our Core Strategy asset allocation against the impact of climate change in line with three International Energy Agency scenarios. The three scenarios include Current Path (long term global average temperature increases exceed 2.7 degrees Celsius by 2100 relative to pre-industrial levels), Sustained Action (aims to achieve net zero by 2070 and limit global average temperature increases to well below 2 degrees Celsius relative to pre-industrial levels) and Net Zero by 2050 (aims to limit the increase in global average temperature to 1.5 degrees Celsius by 2100 relative to pre-industrial levels).

All information relates to the period 1 July 2021 to 30 June 2022, or is as at 30 June 2022.



- ✓ We joined Climate Action 100+ (CA100+), the world's largest investor-led initiative on climate change. CA100+ aims to improve climate change governance, reduce emissions and strengthen climate-related financial disclosures.
- ✓ We joined FAIRR, a collaborative investor network with 300 members that raises awareness of the material ESG risks and opportunities of intensive animal agriculture. Through the initiative, we have access to data, thematic research and engagements focusing on material investment risks across the protein value chain, including GHGs, deforestation, waste, health, labour rights and animal welfare.
- ✓ We engaged alongside ACSI with a range of companies on climate change. This type of investor engagement has contributed to more companies setting net zero targets, with 95 companies in the ASX200 adopting net zero commitments.
- ✓ We continue to monitor our investment managers for their management of climate change financial risk.
- ✓ We signed up to CitySwitch, which helps office-based businesses reduce waste and become more energy efficient.



Adding value through responsible investment

At Rest, we believe that long-term investment returns for our members are supported by a responsible investment approach. By considering environmental, social and governance (ESG) factors within our investment process, we believe we can better manage risk and improve our member returns. Examples of typical ESG factors can be found in the Responsible investment section on page 42. Protecting the investment returns of tomorrow requires action today to nurture the health of essential environmental and social systems.

One of the key steps in our roadmap to achieving a net zero carbon footprint for the fund by 2050 is our aim to have our directly owned office building assets operating with net zero carbon footprints by 2030.

Our investment in regional farming via Warakirri Cropping and our real asset investment in the Quay Quarter Tower in Sydney's Circular Quay are also great examples of our commitment to responsible investment.

Warakirri Cropping

One of our direct assets is Warakirri Cropping (WC) which owns and operates farms and is one of Australia's largest grain growers. WC looks to drive investor returns through operating efficient farms that utilise industry best practice, conservation and sustainable farming techniques.

WC uses responsible farming practices and all farms are rainfed only. For example, they rotate crops and minimise chemical use, leading to better soil health and reduced environmental impacts.

WC also support associated business activities that provide further employment in rural areas, including grain animal-feed manufacturing and grain storage. In turn this stimulates regional employment through the transport, logistics and packaging industries. We see this as nation building in its true sense and one we are very enthusiastic to continue.

WC is 100 per cent owned by Rest and managed on its behalf by Warakirri Asset Management.

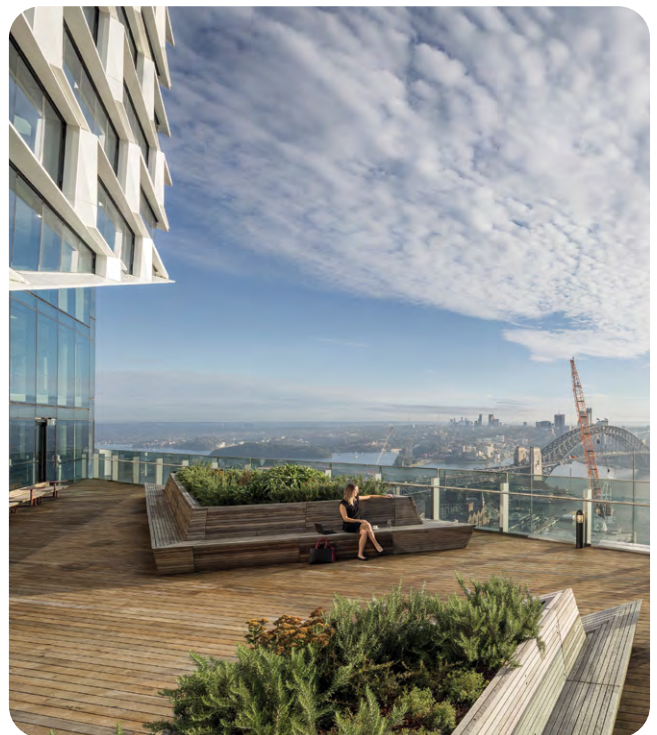
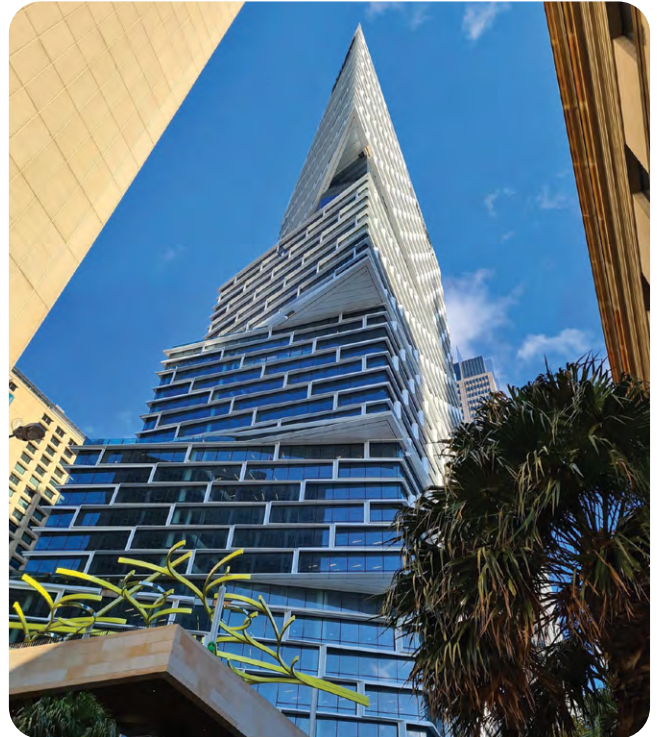


Quay Quarter Tower

Rest diversified its investment portfolio by finalising the acquisition of a one-third stake in Quay Quarter Tower (QQT) shortly after construction was completed in April 2022. Rather than demolish the old building at 50 Bridge Street, the building has been completely transformed into a contemporary and sustainable development. The redevelopment retained approximately two thirds of the old building's core structure, saving around 8,000 tonnes of embodied carbon - this amount is equivalent to 35,000 flights between Melbourne and Sydney.

The tower is also targeting strong environmental credentials, including a 5.5-star NABERS energy rating and a 6 Star Green Star rating from the Green Building Council Australia.

This premium and contemporary office space is expected to deliver a reliable income stream contributing to long-term investment returns.



01

Simple and
easy member
experience



Javier,
Rest member

Customer service



163,547

about **450** per day

online
Live Chat sessions



333,319

about **900** per day

phone calls



127,244

about **350** per day

in-App messages
from members

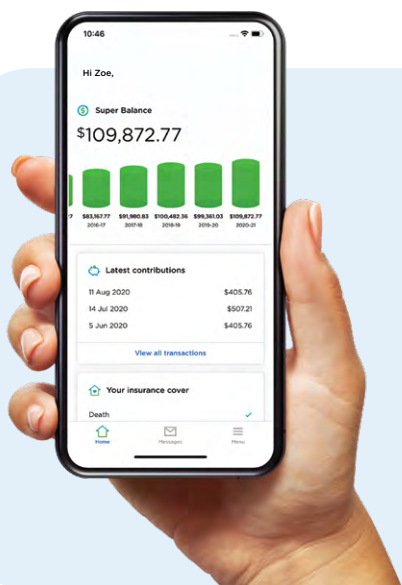


193,839

about **530** per day

questions answered
by our Virtual
Assistant, Roger

The Rest App



535,436

members logged into the Rest App more than
9 million times



177,000

new users
registered with
the Rest App



About

485

new users
registered per day



Around

25,000

members used the
Rest App each day

An average of **225,000** members logged
into the Rest App each month.



4.6 average user rating
on the App Store

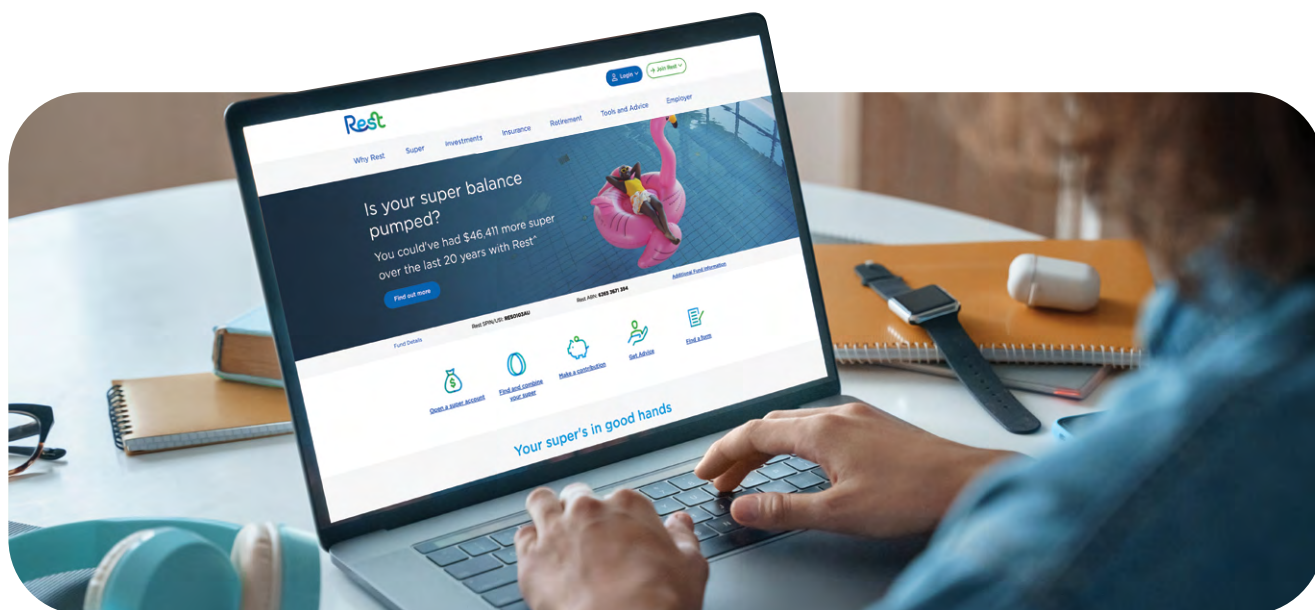


4.0 average user rating
on Google Play

All figures are for the period 1 July to 30 June 2022, or as at 30 June 2022.

App Store is a trademark of Apple Inc. Google Play and the Google Play logo are trademarks of Google LLC.

Rest's website



25,900,000

unique pageviews of the Rest website

71,000 unique pageviews per day



333,000

PDF documents and forms downloaded

27,750 PDF downloads per month

All figures are for the period 1 July 2021 to 30 June 2022.

02

Products,
services
and advice



Miwa,
Rest member

Rest reduces admin fees

We're committed to keeping our fees as low as possible to help our members achieve their best possible retirement outcome.

We always look for opportunities to use our scale and digital solutions to continue to deliver low fees for our members, many of whom work in part-time and casual jobs and accumulate smaller account balances.

As part of this commitment, we reduced the asset-based administration fee on 25 June 2022 from 0.12 per cent per annum to 0.10 per cent per annum for our Rest Super, Rest Corporate and Rest Pension products. (The \$1.50 per week fixed administration fee and the asset-based administration fee cap of \$300 per annum did not change.)

A member in the Core Strategy with a balance of \$50,000 would pay total fees and costs of just \$428 per annum.¹

For the average Rest member balance of around \$34,000, the combined administration and investment fees are now \$316.00 per year, which is less than one per cent of the average Rest member's account balance.^{1,2}

Rest's cost of product at a glance as at 30 June 2022¹

Account balance	Administration fees and costs			Core Strategy total estimated investment cost		Total cost \$ pa	Total cost as % of account balance
	Fixed Administration fee pa (\$1.50 per week)	Asset-based fee (0.10% pa)	Costs met from administration reserve (0.01% pa) ³	Investment fees and costs (0.48% pa)	Transaction costs (0.11% pa)		
\$25,000	\$78	\$25	\$2.50	\$120	\$27.50	\$253.00	1.01%
\$34,000²	\$78	\$34	\$3.40	\$163.20	\$37.40	\$316.00	0.93%
\$50,000	\$78	\$50	\$5	\$240	\$55	\$428.00	0.86%
\$100,000	\$78	\$100	\$10	\$480	\$110	\$778.00	0.78%

On 30 September 2022, we updated our disclosed fees and costs in line with new government regulations. The new regulations were introduced to help ensure that all super funds describe their fees and costs in the same way so members can more easily compare funds. We've

updated our Product Disclosure Statements (PDSs) and other material from 30 September 2022. Refer to the PDS at rest.com.au/pds for details of our updated fees and costs or speak to a Rest Adviser.⁴ For details on Rest's advice offering go to rest.com.au/advice.

¹ All fees are as disclosed in our PDS and other material on 30 September 2022. Administration fees apply to Rest Super, Rest Corporate and Rest Pension (including Transition to Retirement). The asset-based administration fee is capped at \$300 per annum. Investment fees and costs include an amount of 0.06% per annum for performance fees. Investment fees and costs and transaction costs are estimates based on the financial year ended 30 June 2022. Performance fees are estimates based on an average of the amounts accrued in the five financial years to 30 June 2022. The examples above assume the member is receiving contributions, has no insurance, is wholly invested in the Core Strategy and makes no further transactions during the year. Taxes and other fees and costs may apply, for example, buy-sell spreads. This is just an illustration and in practice the balance will vary. In addition, investment fees and costs are based on the value of the relevant investment option, which fluctuates. Past costs are not a reliable indicator of future costs. Fees are only one factor to consider when deciding how to invest your super. Fees are subject to change.

² Average Rest member balance was approximately \$34,000 as at 30 June 2022.

³ Costs met from administration reserves are not deducted from members' accounts. The amount of 0.01% per annum is an estimate based on the total costs met from the administration reserve divided by the total assets of the Fund for the financial year ended 30 June 2022. For more information, please refer to 'Additional information on fees and costs' at rest.com.au/pds

⁴ Rest Advice is provided by Rest staff (Rest Advisers) as authorised representatives of Link Advice Pty Limited ABN 36 105 811 836 AFSL 258145 (Link Advice). Rest Digital Advice is provided by Link Advice.

Advice and education



Rest members used
our Digital Advice tools

27,441 times



19,024

Statements of Advice were
provided by our digital tools



97%

customer satisfaction
score for advice over
the phone

Investment Choice Solution **12,091**
Insurance Needs Analyser **5,498**
Contributions Optimiser **1,435**

77% year-on-year growth



Rest provided

22,144

Statements of Advice
to members

62% year-on-year growth

3,120

Statements of Advice
were provided over
the phone



4,427

digital Retirement
Health Checks were
completed



3,990

digital Super Health
Checks were completed

All figures are for the period 1 July 2021 to 30 June 2022.

Rest Advice is provided by Rest staff (Rest Advisers) as authorised representatives of Link Advice Pty Limited ABN 36 105 811 836 AFSL 258145 (Link Advice).
Rest Digital Advice is provided by Link Advice.



Rest held
445

education seminars across Australia
and **197** digital education sessions

- **NSW:** Greater Sydney, Central Coast, Greater Newcastle, Forster, Port Macquarie, Tamworth, Armidale, Coffs Harbour, Ballina, Tweed Heads, Blue Mountains, Bathurst, Greater Wollongong, Wagga Wagga, Albury
- **ACT:** Greater Canberra.
- **Queensland:** Greater Brisbane, Gold Coast, Warwick, Toowoomba, Caloundra, Maroochydore, Hervey Bay, Rockhampton, Mackay, Townsville, Cairns
- **Victoria:** Greater Melbourne, Rosebud, Geelong, Ballarat, Warrnambool, Bendigo, Shepparton, Wangaratta, Wodonga, Swan Hill, Mildura
- **Tasmania:** Greater Hobart, Greater Launceston
- **SA:** Greater Adelaide, Mount Barker, Victor Harbor, Elizabeth, Evanston, Nuriootpa, Port Lincoln
- **NT:** Darwin, Alice Springs
- **WA:** Greater Perth, Port Kennedy, Mandurah, Bunbury, Busselton, Albany, Kalgoorlie, Geraldton



More than

9,000

people attended the seminars or logged into the digital sessions



83%

customer satisfaction score for the seminars

All figures are for the period 1 July 2021 to 30 June 2022.



Streamlined process for Super Splitting

Rest's Super Split process helps make it easier for superannuation assets to be split when a member becomes divorced. It includes a new simplified plain-English form and a streamlined process that has removed the requirement for certified court orders.

Making superannuation simpler and improving our members' experience remains a top priority for Rest. Divorce is typically a difficult and stressful time, so it was important to make this process more efficient and easier to understand for members.

The previous requirements made it difficult to get accurate information on an ex-spouse's super balance. It was often a time consuming process taking several months to complete and involved several complex steps. As a result, people would often overlook a member's super in the divorce process despite it often being the largest asset that someone has in their lifetime, outside of the family home.

This was contributing to inequitable retirement outcomes, particularly for women, who typically have a lower superannuation balance as they are more likely to take time away from work to care for their children and face a range of barriers to participating in the workforce.

Given this, it was critical to remove the existing difficulties and facilitate a fairer, more equitable split of superannuation assets. The Women's Legal Service Victoria and the Australian Institute of Superannuation Trustees successfully led a joint initiative to advocate for improvements designed to help people split their assets more fairly, including the introduction of universal divorce transparency laws.

Rest's Super Split initiative was developed and launched in March to complement these universal divorce transparency laws, which came into effect in April this year.

Under the new process, Rest accepts uncertified court orders via email instead of requiring certified orders to be provided by post. We expect this to significantly reduce the time it takes to process the super splitting request and, as a result, improve the experience for our members. This is also in line with our Sustainable Development Goals (SDGs) of Gender Equality and Reduced Inequality.



Rest's Retirement Income Strategy

In July this year, the government implemented the retirement income covenant, which requires all super funds to formulate, implement and regularly review a retirement income strategy to achieve and balance three objectives.

1. Maximise members' expected retirement incomes.
2. Manage longevity, investment and inflation risks that may affect the sustainability and stability of members' expected retirement incomes.
3. Provide members with flexible access to expected funds in their retirement.

Our retirement objectives:

- Assist members approaching or in retirement achieve their personal best retirement outcome.
- Empower members to take actions that will lead to better retirement outcomes.

Eight key beliefs

Our retirement income strategy is based around eight key beliefs. These guide the way we develop and implement our strategy from product design and providing a simple and easy member experience, to how we work with our service providers.

1. Every member's retirement journey is different.
2. Members have different attitudes to retirement income.
3. Earlier actions lead to better outcomes.
4. Financial literacy builds confidence.
5. All members can improve their retirement outcomes.
6. Financial advice adds value.
7. External factors significantly impact retirement outcomes.
8. Fees and other costs significantly impact retirement outcomes.



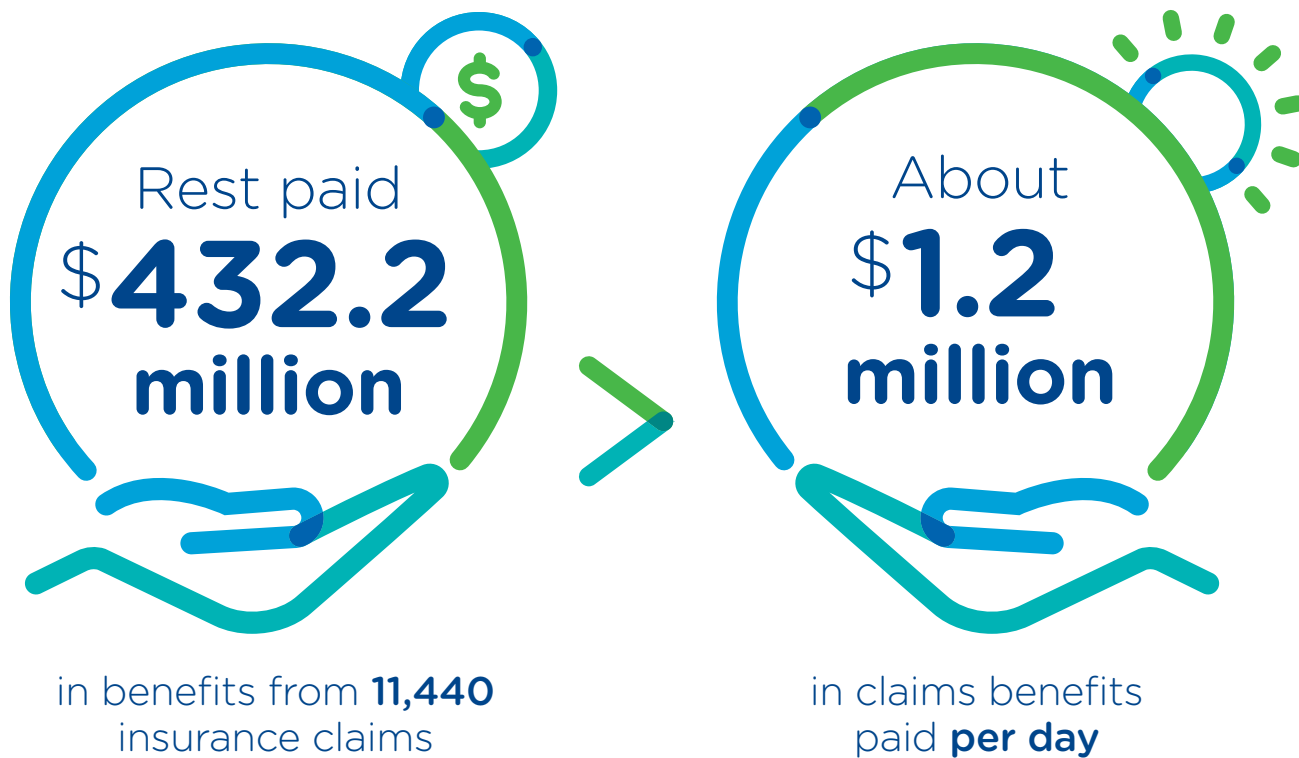
Rest offers a Transition to Retirement Pension and Pension product. We also offer a range of tools and support for our members. Go to rest.com.au/retirement for more information about our retirement strategy, and the support available to members.

03

Affordable
and flexible
insurance

Jennifer,
Rest member





These figures include benefits from both new Income Protection claims and ongoing Income Protection claims admitted from previous years.

Supporting members in their time of need

When our members and their families are most in need, Rest expects that our insurer, TAL Life Ltd, responds with exceptional support and timeliness with the speed of claim decisions. For the past year, the TAL Rest Claims team has achieved one of the fastest claim decision times compared to super industry averages, as benchmarked by APRA.¹

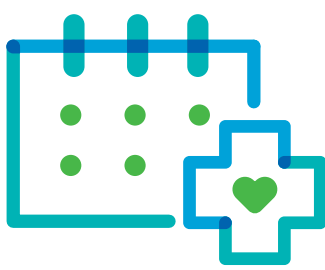
Average claim decision times



32
days

**Income
Protection**

Industry average: **73 days**



7
days

**Death and
Terminal Illness**

Industry average: **30 days**



97
days

**Total and Permanent
Disability**

Industry average: **158 days**

At Rest, our focus is not just on claims paid and time to decision, but also ensuring that our members' experience with TAL is as positive as it can be. In the past year, 1,784 members were surveyed, returning a rolling Net Promoter Score (NPS) of 82. Here's what some of our members had to say:

“

Consultants were empathetic and knew their product. Responses were great and made it easy to lodge the claim. Consultants are an asset to TAL.

“

Since submitting my claims the TAL team have been wonderful. I have been receiving phone calls and emails to check in to see how things are going and letting me know the process.

“

Information was easy to understand, staff gave plenty of time to answer my questions and were able to do so without the need to check with someone else, they did what they said they would.

Except otherwise stated, all Rest figures are for the period 1 July 2021 to 30 June 2022 and reported in calendar days.

¹ Industry averages are for the period 1 July 2021 to 30 June 2022, and taken from *Life insurance claims and disputes data June 2022*, Australian Prudential Regulation Authority (APRA), 18 October 2022. This APRA data expresses industry averages in months, which have been converted to calendar days based on a month equaling 30.417 days on average.

Accessible and affordable insurance

Rest's members are often part-time and casual workers which may result in them having a lower average income. Without insurance through super many members would not be able to afford to pay insurance premiums out of their take-home pay.

Given the nature of the work many of our members do, they typically have little accrued sick leave, annual leave or savings for when things don't go to plan. This makes having affordable insurance cover for those members even more important.

Rest is one of the few super funds to offer income protection to casual workers. In fact, our default income protection will generally pay members for up to a five-year period if they're sick or injured and are unable to work for an extended period.

Another way we are making insurance more accessible for our members is through our online insurance tools. We believe that digitisation makes insurance more accessible and simpler by creating a better, more engaging member experience.

Members do not qualify for automatic insurance cover until they reach age 25, accumulate a balance of \$6,000 and receive mandatory employer contributions. However, they can opt-in to insurance cover within 180 days of starting their current job. It's easy for them to opt-in to or apply for cover using MemberAccess, which includes the Rest Insurance Online (RIO) tool, instead of requiring them to complete an application form.

Our Claims Lodgement Platform allows members to lodge claims via the phone with one of our experienced consultants, then have access to the online platform to complete requirements, including providing their consent, and uploading relevant claim documentation. Once a claim has been submitted to TAL, Claims Assist allows members to track their claim status and receive in-app notifications about new requirements or claim status changes.



Rest Insurance Online (RIO)

- Opt-in to default insurance cover
- Apply for more cover
- Full application with underwriting
- Apply for 'life events' increase
- 'Transfer cover' from another insurer
- Take up 'special offer' to increase cover
- Track your insurance application
- Alter cover
- Cancel your cover



Claims Lodgement Platform (CLP)

Members contact Rest to lodge a new claim over the phone, our staff use our online platform to capture information to commence the claims process.

If members choose to complete the claim electronically, CLP utilises greenID, eSign and document upload facilities to reduce processing times.

The online claim form is a supported and guided process to capture relevant information relating to the member's claim.

It is intuitive, based on data already input, and will only ask questions based on the claimant's previous responses.



Claims Assist

A 24/7 digital interface (stand-alone web portal) for members to interact with TAL when claiming. It allows the member to:

Track status

- View claim status
- Personal checklist
- View claim details and history
- View past and upcoming payments

Stay up to date

In-app notifications/alerts when:

- New requirements raised
- New payments made
- Claim status change

Submit information

- Upload and submit documents
- Take and upload a picture
- View submitted documents

Always available

- Mobile-friendly website
- Available 24/7

04

Advocates
for super



Kim,
Rest member

A fairer super system

Rest is a committed advocate for Australia's superannuation system. We continue to work with the industry and government to help ensure the super system evolves with the changing demographic and economic environment and is always working well for our members and all Australians.

Removal of \$450 per month income threshold

Rest has long advocated for the removal of the \$450 monthly income threshold for Superannuation Guarantee contributions. The threshold disadvantaged hundreds of thousands of Australians working in lower-income jobs, especially those working multiple jobs, so we were very pleased to see the removal of this threshold from 1 July this year.

Previously, workers could earn more than \$450 each month in aggregate from multiple jobs, but not receive any superannuation contributions because each job pays less than \$450 per month.

The change will mean more Australians will earn superannuation on every dollar they earn with ASFA estimating that up to 350,000 people, 220,000 of whom are women, will benefit from the removal of this rule¹ and improve the retirement outcomes for many of our members, particularly women, and those in lower-income, part-time and casual jobs.

Continued advocacy for Superannuation Guarantee on parental leave

We were disappointed by the government's decision not to include superannuation contributions as part of the Commonwealth Parental Leave Pay and Dad and Partner Pay schemes which would help progress closing the gender gap in retirement savings.

The average female Rest member aged 60 to 64 has an account balance of around \$82,000, while the average balance for men in the same age band is \$110,000, this represents a gender super gap of 25.5 per cent.²

We will continue to advocate for measures to address the disadvantage created by periods of unpaid work, and we strongly encourage the Government to implement extending the Superannuation Guarantee to those who take parental leave at the earliest opportunity.

We are also encouraging employers to adopt gender-neutral paid parental leave arrangements and include superannuation contributions.

We increased our paid parental leave from 14 weeks to 16 weeks in 2021 and made it available to all eligible employees, removing references to gender and primary or secondary carer status. Superannuation Guarantee contributions have been paid to employees during both paid and unpaid parental leave since 2016.

¹ Pre-Budget Submission for 2018/19, Association of Superannuation Funds of Australia, February 2018.

² Rest member data as at 30 June 2022.



Improving access to quality advice

We strongly believe that all Australians can benefit from financial advice. The right advice, at the right time, provided in a way that is accessible and simple to understand, will provide Rest members opportunity to improve their financial position.

Rest has long advocated for affordable, accessible, clear and easy to understand advice, and has engaged with the Quality of Advice Review over the last year to make recommendations to improve access to quality advice by simplifying complex regulations while ensuring effective consumer protections.

We are proud of how we provide advice to our members, which includes a range of online tools, calculators, general advice and personal advice services, including effective superannuation-only advice options, and digital advice¹. We believe that our advocacy to improve our ability to deliver these services is an important part of working for our members' best retirement outcomes.

¹ Rest Advice is provided by Rest staff (Rest Advisers) as authorised representatives of Link Advice Pty Limited ABN 36 105 811 836 AFSL 258145 (Link Advice). Rest Digital Advice is provided by Link Advice.

Your Future, Your Super: Annual Performance Assessment

One of the key areas the 'Your Future, Your Super' legislation, which was passed on 17 June 2021, is designed to address is underperformance among super funds by way of an Annual Performance Assessment (APA), which all MySuper products must meet. This is planned to extend to other products in 2023.

If a fund fails the test they must tell their members by mail as well as electronically and refer members to the YourSuper comparison tool. Funds that fail the test two years in a row will be prevented from taking on new members until they pass the test.

Rest supports the intent behind the APA to ensure that only high-performing funds are permitted to manage superannuation for Australians. We welcome the principle that there are set expectations for fund performance, and consequences for funds that persistently do not meet them.

However, we are of the view that the assessment's methodology should be improved to ensure it achieves the government's objectives of ensuring superannuation funds perform better and avoiding negative outcomes for members, as well as ensuring that superannuation funds have the capacity to continue taking opportunities to invest in nation-building assets.

Rest is currently engaging with the Your Future, Your Super Review to advocate for the following changes to the APA:

- Increase the assessment time-period from eight years to at least 10 years, to better reflect the long-term nature of superannuation and bring it in line with other existing MySuper requirements.
- Calculate the administration fee on the historic year against the same year of investment performance, to better represent historical net performance.
- Further consultation with super funds on the benchmarking of unlisted investments, in particular infrastructure assets, to measure the performance of unlisted assets in a more appropriate way.

We strongly encourage the government to incorporate the above recommendations to improve the Annual Performance Assessment and help ensure it does not result in unintended but detrimental consequences to members' best financial interests.

Major regulatory changes for the year

During the past financial year, Rest implemented or prepared for the new requirements in these major legislative or regulatory changes:

- *Retirement Income Covenant, and our publication of our Retirement Income Strategy available on the Rest website*
- *Portfolio Holdings Disclosure*
- *Enhanced Internal Dispute Resolution processes under ASIC Regulatory Guide 271*
- *ASIC Regulatory Guide 274 Product Design and Distribution Obligations and the publication of our first Target Market Determination*



05

People and culture



Olivia,
Rest member

Helping our people grow

We have continued to strive to make Rest an even better place to work and support our people to do their best work, during and post lockdowns and in a new hybrid environment.

Employee listening strategy

With a continued focus on engagement and overall culture at Rest, we have developed a robust employee listening strategy that has helped us strengthen engagement and address areas of opportunity in a collaborative way with teams across the business.

Our employee listening strategy has seen us conduct regular surveys and has increased our leaders' ability to understand and report on engagement and culture within their teams — and, importantly, have access to real time data.

Supporting employee wellbeing

We have rolled out a number of initiatives to support employee wellbeing and ensure our people are able to bring their best and whole selves to work.

These initiatives included regular 1:1 wellbeing check-ins with leaders, 'Rest Up Day', which was an additional annual leave day offered in 2021 and 'Rest Stops', which are daily meeting free times to give people the opportunity to do something that supports their wellbeing or do focused work without interruption. Employees have also been encouraged to take leave, particularly as Covid restrictions have been eased.

We also held events for Mindful May, where we offered in-office flu vaccinations, express massages and health checks, as well as exercise, nutrition and lifestyle education sessions. During 'R U OK Day' we offered an 'Introduction to Mindfulness' and work-life transition tactics and information on building a 'we care' culture.

Part of supporting employees to do their best work, means raising awareness and supporting mental health. In May, Rest launched and implemented an executive-endorsed program where we certified six Mental Health First Aid Officers. These mental health first-aiders are on stand-by to offer support as needed. We have plans to expand this group of support people in 2023 given the importance of an ongoing mental health focus.

Through our work around mental health we also realise the importance of fostering a psychologically safe environment across the business. We have undertaken a number of initiatives to support this, including psychological safety training and education around growth mindset — which is based on the work of researcher Carol Dweck.

Diversity, Equity & Inclusion

Our Diversity, Equity & Inclusion (DEI) strategy has been developed in consultation with the Diversity Council Australia (DCA) and we are focused on continuing to mature in this area.

There is currently a focus on: obtaining and reporting diversity data, gender equality, hybrid working and inclusivity, and unconscious bias. Rest has adopted a Hybrid by Design model which focuses on making flexibility a core part of our value proposition, while ensuring we continue to do great work for our members. A key tenet of the model is that we trust our teams to choose the place and time that best serves the purpose of the work. Rest continues to iterate and evolve its Hybrid by Design model.

Rest has exceeded and maintained the minimum threshold for female representation on the Board as outlined in the Board Diversity Policy, with female board member representation currently sitting at 44 per cent. Rest has achieved 49 per cent representation of women in the Senior Leadership team, nearing the 50 per cent target.¹

Our Investments team-specific diversity strategy has specifically targeted female recruitment to close the gender gap in that team and they are now operating at 36 per cent female, an increase of five per cent compared to 12 months ago.¹

We have continued targets for gender equity at shortlist and interview stages for all external recruitment campaigns and ensured artefacts as part of the recruitment and onboarding experience are inclusive.

Growth starts from the inside

Rest's People & Culture team has undergone a transformation to better support our teams and employees. The new structure has redefined People & Culture at Rest into a function that is more strategic, forward thinking and insights led.

We have achieved this by introducing a range of new functions to uplift capabilities in the People & Culture space, including:

- People partnering
- Analytics, insights and reporting
- Reward, and
- People Solutions and Services.

¹ As at 30 June 2022.

Reward and recognition

We aim to help build a high-performance, achievement-based culture and provide our people with the tools for success. We're encouraging life-long learning, including cultivating curiosity, adaptability and resilience, as well as continuous improvement, such as trying new things, failing, learning from failure and trying again.

Rest's reward and recognition program (REX) is designed to drive a high-performance and risk-focused culture. This year we relaunched the program with better functionality and we provided leadership team education sessions on how to use the program to drive performance in their teams.

A large, bold, green graphic of the number '81' followed by a percentage symbol '%'. The graphic is centered within a light green rounded rectangular box.

**of our team are proud
to work for Rest**

Our latest annual engagement survey (June 2022) improved by four percentage points to 68 per cent since mid 2021. This score remained steady throughout the prior monthly pulse checks. One of the strongest benefits our people identified was the fact we “genuinely support flexibility” (**93 per cent**).

Our efforts in the wellbeing space have resulted in a Wellbeing score of **79 per cent**, where **86 per cent** of respondents indicated their leader demonstrates a genuine concern for wellbeing and **93 per cent** say their leader encourages and supports flexible ways of working.

Our people

		2021/22	2020/21	2019/20
Geographic location	Total Headcount ¹	430	371	306
	New South Wales	319	286	235
	Victoria	85	68	56
	Queensland	15	6	5
	South Australia	4	4	3
	Western Australia	1	1	1
	Tasmania	2	2	1
	Other ²	4	4	5
Gender Diversity	Female	206	178	141
	Male	224	193	165
Age Diversity	≤24 years	8	5	1
	25-34 years	79	56	40
	35-44 years	183	156	139
	45-54 years	116	107	83
	55-64 years	40	41	36
	≥65 years	4	6	7
New Entrants	Total Headcount ¹	158	112	98
	Female	80	57	53
	Male	78	55	45
Turnover by Gender	Total Headcount ¹	99	47	40
	Female	52	20	18
	Male	47	27	22

¹ Total headcount as at 30 June for each financial year, previous years updated to reflect payroll reconciliations.

² Other includes employees based in the United Kingdom and United States of America.

06

Investments expertise



Jeffrey,
Rest member

Investment update for 2021/22

After strong returns in the last financial year, just a few difficult months in investment markets has led to a weaker outcome for many super funds this financial year.

Our Core Strategy returned -2.37 per cent over the 12-month period to June 30 and for Pension members, the default Balanced Option returned -1.11 per cent. Despite a negative return for this financial year, our default options have weathered the storm relatively well compared to broader financial markets. Australian shares returned -6.78 per cent and US shares fell 10.62 per cent over the same period.¹

In our 34-year history, this is only the fourth time the Core Strategy ended the financial year with a negative return. It also follows the Core Strategy's return of 17.43 per cent in the previous financial year.

The year in review

Covid and buoyant share markets

The first half of the 2022 financial year featured strong returns across many financial markets, with some reaching record highs between July and December 2021. Markets responded well to income support schemes for workers and businesses, and interest rates remained at historically low levels. Global economic growth was generally strong. Despite this, there were a few warning signs that this trend may not last.

While many superannuation fund investments benefited from this market resilience, supply chains around the world started to come under pressure. Consumer demand for goods rose and supply could not keep up with this demand; rising oil, gas and commodity prices also dampened market optimism.

The foundation was laid for rising prices of goods and therefore inflation. By late November, US inflation had already reached 6.8 per cent. As inflation started rising, market confidence started to drop.

As the calendar year closed, Rest was increasingly cautious of this inflation risk and adjusted our investments accordingly. While inflation can cause a fall in share markets, shares linked to materials, commodities and energy typically offer greater inflation protection. Such shares have generally performed well in the Core Strategy, alongside strong returns from our property, infrastructure and agriculture assets.

Ukraine, Russia and soaring inflation

The new calendar year started nervously in the markets and the Russian invasion of Ukraine in late February became a further tipping point.

As Russia and Ukraine are some of the world's largest exporters of food and energy, the conflict amplified the impact of rising prices, as there were further constraints on supplies of energy, commodities and food. Petrol prices

moved past \$2 per litre in our Australian capital cities and have remained high ever since, an impact many of us continue to feel.

As prices and inflation rise, interest rates typically follow. Rising rates tend to weaken economic growth, and therefore share markets are often sensitive to rate rises. This is exactly the scenario that played out in final three months of the financial year which quickly eroded the strong performance of the first half. The downturn has resulted in generally lower super fund returns across the board over the full financial year.

Why diversification matters

It's in times like these we see the benefits of true diversification. Some of the more traditional investments such as listed equities and bonds were among the poorer performers for the last financial year.

By diversifying beyond these, to include other types of investments that perform differently over time, for example into agriculture and private equity, the total returns can be smoothed. Rest's investments in other real assets, such as property and infrastructure helped stabilise the portfolio, and importantly, added greater inflation protection.

Importance of long-term focus

We know that at times of increased economic uncertainty, it is natural to be concerned. It is important to remember that markets move in cycles and, in the shorter term, there may be times when market returns are negative. For many, super is generally a long-term investment, and negative patches have historically been offset by positive ones over many years. With that in mind, we continue to focus on delivering competitive long-term returns to help our members achieve their retirement.

We have confidence that many of our more inflation-resilient investments, like infrastructure and property will continue to serve our members well. Rest's investments in these asset classes can provide important stability to an investment portfolio, especially in challenging times where share markets are volatile and fixed income returns may be weaker. These types of assets typically generate steady income that tracks inflation, such as rent or toll payments.

Importantly, Rest's Core Strategy remains on track to achieve its goals over the longer term, having delivered on average 8.06 per cent per year over the past 10 years, staying well ahead of Australian inflation rates to help many members achieve their personal best retirement outcome.²

¹ Australian shares return is the S&P/ASX 300 index return, and US shares is the S&P500 index return for the 12-month period to 30 June 2022.

² Return for Rest Super, Rest Corporate and Acumen as at 30 June, 2022. Returns are net of investment fees and costs and tax. The earnings applied to members' accounts may differ. Investment returns are at the investment option level and are reflected in the unit prices for those options. Returns for the 10-year period are annualised returns. Past performance is not an indicator of future performance.

Spotlight on unlisted real assets

There are many benefits to investing in real assets, and a large super fund like Rest is well positioned to access these opportunities.

In the current environment, our investments in unlisted real assets such as infrastructure, commercial property and agriculture are all helpful in providing stability to our investment portfolio. The returns on these asset classes often track differently from listed markets, not only providing diversification benefits for the portfolio in times of increased market volatility, but also degrees of inflation protection.

At Rest we undertook initiatives to increase our exposure to unlisted real assets. This included the completed purchase in 2022 of a partial stake in the new Quay Quarter Tower in Sydney. The new tower features around 89,000 square metres of office space, 95 per cent of which was already leased prior to the completion of the building.

Rest Super Core Strategy performance

-2.37%

annual return for 2022

8.06%

10-year
return pa

Median-fund return:

7.99% pa¹

7.39%

20-year
return pa

Median-fund return:

6.92% pa¹

8.25%

pa return since inception on
1 July 1988

Rest Pension Balanced performance

-1.11%

annual return for 2022

7.40%

10-year
return pa

Median-fund return:

7.06% pa²

7.32%

pa return since inception on
13 September 2002

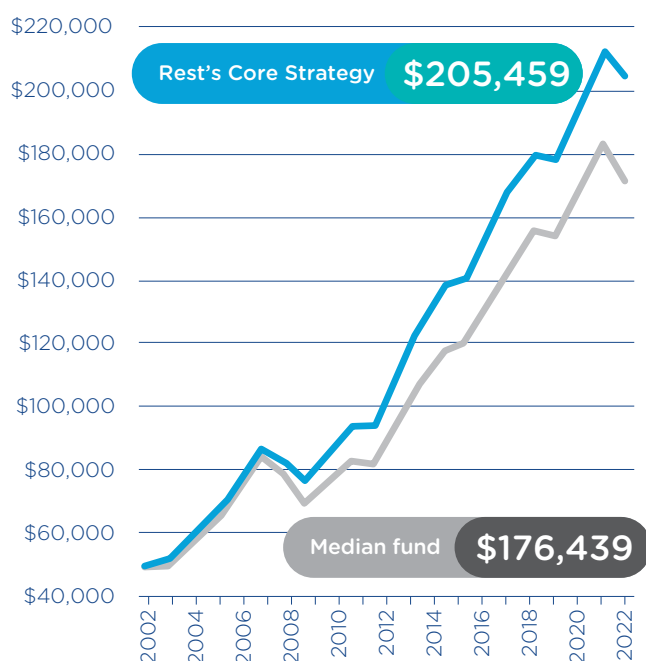
As at 30 June 2022.

¹ SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60-76) Index as at 30 June 2022.

² SuperRatings Pension Fund Crediting Rate Survey – SRP25 Conservative Balanced (41-59) Index as at 30 June 2022.

Returns are net of investment fees and costs and tax. The earnings applied to members' accounts may differ. Investment returns are at the investment option level and are reflected in the unit prices for those options. Returns for the relevant periods are annualised returns. Past performance is not an indicator of future performance. Rest Super returns also apply to Rest Corporate and Acumen. Returns for Transition to Retirement Pensions may differ due to historic tax treatment. Please refer to the Rest Pension PDS and your Annual Statement.

Long-term Core Strategy performance



This graph shows the difference that superior returns can have on your super balance. Importantly, it does not take into account the impact of fees or insurance. Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

The graph shows the impact of investment returns on an account balance of \$50,000 invested on 30 June 2002 up to 30 June 2022, assuming no contributions, redemptions or investment switches over the period.

Rest's Core Strategy is being compared to the median balanced super fund results in the SuperRatings Fund Crediting Survey SR50 Balanced (60-76) Index.

Returns have been calculated net of all applicable fees and taxes. Past performance is not an indicator of future performance.

SuperRatings Pty Limited does not issue, sell, guarantee or underwrite this product. Go to superratings.com.au for details of its ratings criteria. Ratings, awards or investment returns are only one factor that you should consider when deciding how to invest your super.

Core Strategy's performance versus its objective



This graph shows the actual rolling 10-year returns of Rest Super's Core Strategy option compared to its investment return objective. Core Strategy's investment objective is to return the Consumer Price Index (CPI) plus three per cent per year over rolling 10-year periods. Actual returns are net of tax and fees.

Rolling period returns are the annualised average as at 30 June of the nominated year. For example, a 10-year rolling return to 30 June 2022 will be an annualised average of the yearly return for the years ending 30 June 2013 to 30 June 2022.

Past performance is not an indicator of future performance.



Responsible investment

As a long-term global investor, we believe that responsible investment adds value. Responsible investment can help our members grow their super while contributing to a more sustainable future.

Responsible investment is the consideration of environmental, social and governance (ESG) factors in the investment process. It helps us manage risk, maximise investment opportunities and improve returns.

Part of this process involves identifying the ESG factors that are most likely to influence returns. This helps us take important steps towards protecting and enhancing the long-term value of our members' super.

Integrating ESG into our investment decisions

We take steps to ensure ESG factors are considered across all our investment decisions. This includes both the assets we invest in and the investment managers we work with.

When we research, select, appoint and monitor investment managers, we look at how well they have embedded ESG considerations into their processes.

We also consider how they manage existing and evolving ESG factors like climate change and workforce issues (for example, fair pay, gender equality, carbon footprint measurement, exposure to stranded assets, and modern slavery).

The following are examples of ESG factors we consider in our investment processes:

Environmental

- Climate change
- Greenhouse gas emissions/carbon emissions
- Energy efficiency
- Waste management
- Land, air and water pollution
- Water availability

Social

- Modern slavery
- Human rights
- Indigenous rights
- Workforce (for example, fair pay, and health, safety and wellbeing)
- Diversity and equal opportunities
- Animal welfare

Governance

- Corporate governance (for example, culture, conduct and accountability)
- Board diversity and composition
- Executive remuneration

Rest takes an active approach to voting its Australian shares, sourcing advice from proxy voting advisors. Rest's overseas shares are generally voted by investment managers. For more information on Rest's approach to voting and for a consolidated summary of voting decisions in listed shares, refer to Rest's Proxy voting behaviours report available at rest.com.au/why-rest/about-rest/corporate-governance

Advocating for positive change

Our industry collaborations help promote good ESG practices by increasing awareness and education on ESG issues. They also help us engage with companies and government to positively influence ESG performance and policy.



Australian Council of
Superannuation Investors



Climate Action 100+



FAIRR Initiative's
investor network



Global Real Estate
Sustainability Benchmark



Green Building
Council Australia



Investor Group on
Climate Change



Principles for Responsible
Investment



Responsible Investment
Association Australasia

Committing to net zero by 2050

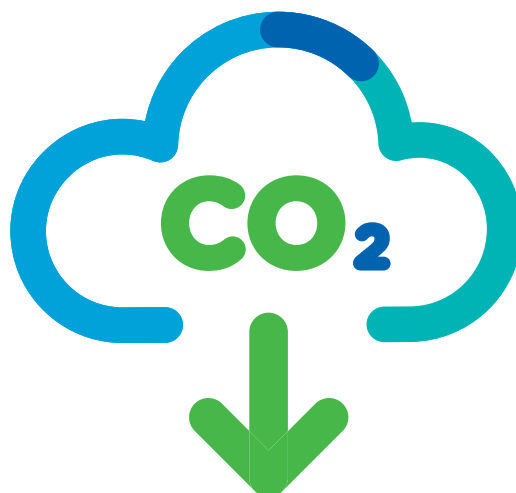
Rest has an existing long-term objective to achieve a net zero carbon footprint for the fund by 2050.

This objective is consistent with the United Nations' Paris Agreement and is our contribution to keeping the global temperature rise this century to well below two degrees Celsius above pre-industrial levels, while pursuing efforts to limit the temperature increase even further to 1.5 degrees Celsius.

This objective aligns with the UN's Sustainable Development Goal number seven 'Affordable and Clean Energy' and number 13 'Climate Action'.

Our analysis indicates that our Core Strategy members' super balances are expected to be better off in the long term if the global community acts to meet the goals of the Paris Agreement, and worse off if climate change continues as it is.¹

We expect this approach to provide investment opportunities as we transition to a lower-carbon economy. Because of the material financial risk climate change poses for your retirement savings, we believe it is vital that we contribute to achieving these goals to safeguard our members' long-term best financial interests.



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¹ There are considerable uncertainties that challenge any analysis of climate related financial impacts and this could significantly impact outcomes. This includes even the most sophisticated economic and climate models as well as uncertainties related to future policy, technology developments and physical impacts. As new information is released, we'll keep updating this analysis.

Delivering progress on our net zero actions

One

Action: By 31 December 2021, exclude listed companies with more than 10 per cent of revenues derived from thermal coal mining, unless the company has a credible net zero by 2050 target or is signed up to the science-based targets.

Progress: Rest delivered on its commitment to wind down exposure to listed companies that derive 10 per cent or more of total annual revenues from thermal coal mining, unless certain climate-related criteria can be met.² Ongoing exclusion is maintained through compliance reviews.

The Just Transition³ considerations within company decarbonisation plans are increasingly relevant for asset owners. The risk to companies to ensure a just and equitable transition for workers is accelerating with announced early closure dates for thermal coal-related assets across a number of companies. To help address this, we have joined the ACSI facilitated Just Transition member working group to support effective company engagement and continue the progress of working with industry and companies. ACSI has a number of upcoming engagements with companies and broader stakeholders to continue progress on this important thematic.

Two

Action: Advocate for economy-wide reduction of emissions of 45 per cent by 2030, on 2005 levels, aiming to reduce the Weighted Average Carbon Intensity of the equities portfolio year on year.

Progress: The WACI is an important metric for quantifying the carbon emissions in listed share portfolios. It measures a portfolio's exposure to carbon-intensive companies. It involves calculating how many tonnes of carbon emissions a company generates per million dollars in sales. It is a metric recommended by the TCFD.

The WACI for Rest's Shares portfolios has been declining over recent years. Relative to the financial year ended 30 June 2019, our base year, the WACI for our total shares portfolio has fallen by 24 per cent.

We are active members of the Investor Group on Climate Change (IGCC) which advocates on behalf of its members in relation to a range of climate related issues, including for the Australian government to increase its 2030 emission reduction targets to align more closely with the objectives of the Paris Agreement.

Three

Action: Rest has a target to increase investment in renewable energy and low-carbon solutions assets to \$2 billion at whole-of-portfolio level by 2025.

Progress: As at 30 June 2022, Rest had:

- \$1.1 billion invested in physical renewable energy and low-carbon solution assets
- \$1.3 billion invested in listed companies which contribute to the transition to a low carbon economy, as defined by MSCI, and
- \$169 million invested in green bonds, which aim to contribute to positive environmental outcomes, for example, issued in accordance with the International Capital Market Association Green Bond Principles.

² To meet the climate-related criteria, the company must have a credible net zero by 2050 target or be committed to setting targets for greenhouse gas emission reduction grounded in climate science as assessed by the Science Based Targets initiative.

³ Just Transition means a deliberate effort to plan for and invest in the transition to environmentally and socially sustainable jobs, sectors and economies, especially as related to jobs affected by the transition to the lower-carbon economy.

Four

Action: Rest has set a target to achieve net zero carbon emissions in operation by 2030 for the direct property portfolio.

Progress: In line with the World Green Building Council's Net Zero Carbon Buildings Commitment, we aim to have our directly owned property assets achieve net zero carbon emissions in operation by 2030.

During 2021/22, we completed the development of an action plan to: reduce the energy demand of our direct property portfolio, seek to transition to fully electrified assets powered by renewable energy, and offset residual emissions. Implementation has commenced.

In addition to this measure, as at 30 June 2022, 70 per cent of our total property portfolio, including our directly owned assets, had a net zero commitment.⁴

This figure has varied over the last few years, it was 76 per cent in 2021 and 24 per cent in 2020. This variation is due to the changes in the assets that sit within the property asset class (eg stages of development), and it is the medium to longer-term trend leading up to 2030 which is most important.



Five

Action: Rest has set a five-year target to introduce impact investment with a view to allocating one per cent of funds under management (aggregated across each of the asset classes).

Progress: Impact investments are investments into assets that generate strong financial returns while also providing a positive and measurable impact to society and the environment.

Investing with the intention to generate positive, measurable social and/or environmental impacts provides a second aim for our investment process. It is in addition to ensuring these investments are in members' best financial interests and our assessment of ESG-related investment risks.

Rest has developed an impact due diligence framework which sits alongside our standard ESG integration approach. The impact due diligence framework assesses an investment's impact strategy in terms of its potential to advance sustainability outcomes and actively contribute towards relevant environmental or social solutions and transformations. It also assesses the ability of the investment manager that manages the investment to implement and execute on the impact strategy. We have used this framework on a number of potential investments we are currently considering.

Rest continues to engage with entities that we have invested in and the broader community to raise industry standards with respect to impact investing and continue to search for suitable impact investment strategies. Rest supported the progress of impact investing through our participation in the Global Impact Investing Network (GIIN) Asset Owner Roundtable for Asia Pacific.

Six

Action: Scenario analysis and stress testing of the Rest strategic asset allocation, including using a net zero emissions by 2050 climate scenario.

Progress: Rest has stress tested the Core Strategy asset allocation against the impact of climate change in line with three International Energy Agency possible futures. The three scenarios include current path (long-term global average temperature rises exceed 2.7 degrees Celsius by 2100 relative to pre-industrial levels), sustained action (aims to achieve net zero by 2070 and limits global average temperature rises to well below 2 degrees Celsius relative to pre-industrial levels) and net zero by 2050 (aims to limit the increase in global average temperature increase by 1.5 degrees Celsius by 2100 relative to pre-industrial levels).

While this is modelling only, and of only three possible future pathways, it can help to build a resilient investment portfolio having regard to our members' future retirement outcomes in 2030 and 2040.

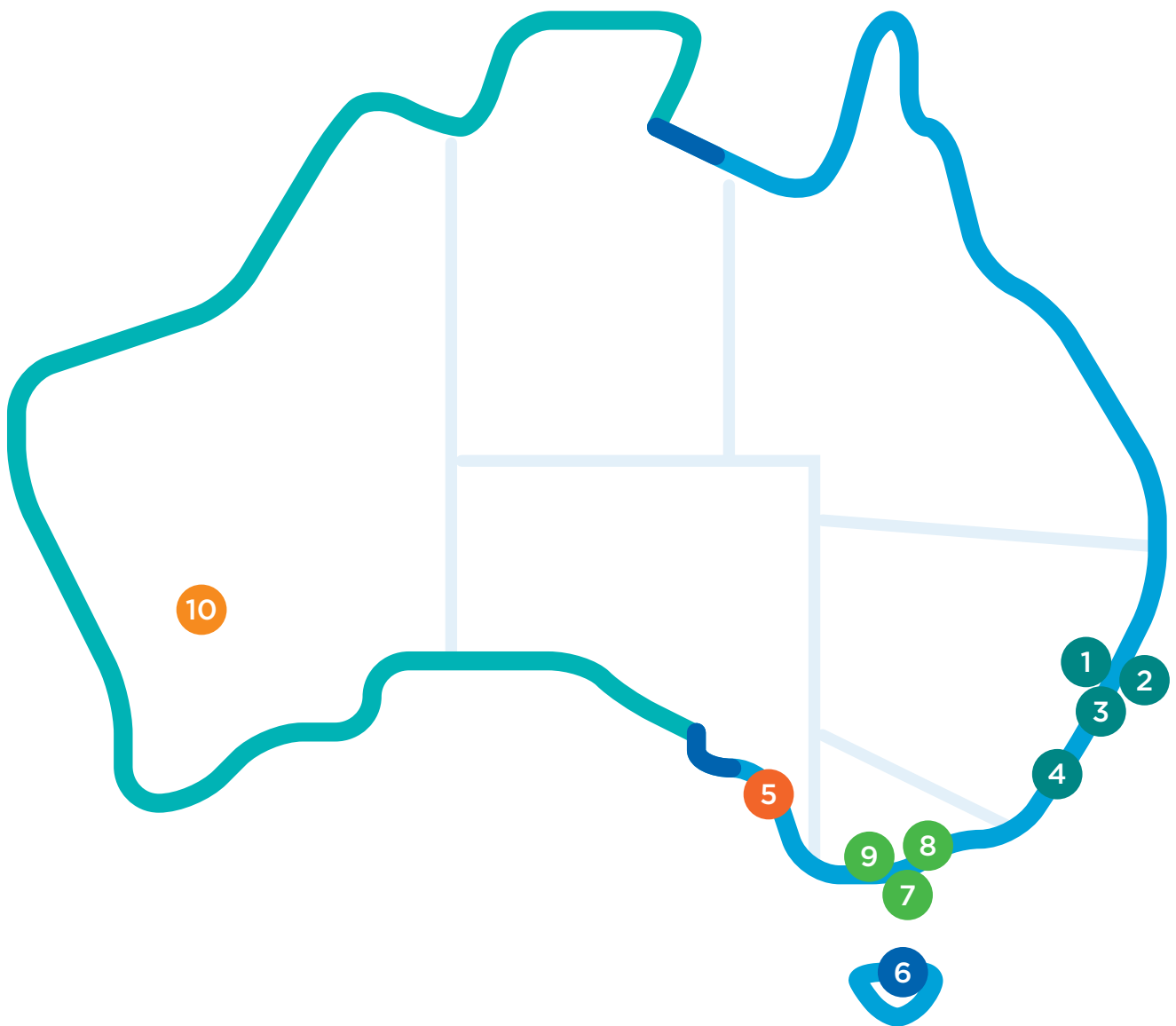
For more information ...

For more information about Rest's approach to responsible investing and climate change, and to read our alignment to the UN Sustainable Development Goals, please visit go.rest.com.au/responsible-investment

More information can also be found in our Sustainability, Responsible Investment and Climate Change Supplement for the 2021/22 financial year.

⁴ This includes office buildings directly owned by Rest and buildings owned through Rest's investment in other unlisted entities and funds.

Investing in Australia



\$7 billion

Invested in Australian infrastructure
and property assets

Approximate amount as at 30 June 2022.

Locations include



1

52 Martin Place Sydney, NSW

Rest is the sole owner of this iconic 36-level A-grade office and retail property built in Sydney's CBD in 1985. Rest purchased the building in 2014.



2

Quay Quarter Tower Sydney, NSW

Rest owns a one-third interest in this 48-level premium-grade office building recently completed in Sydney's Quay Quarter. The development was significantly pre-committed prior to completion in April 2022 with high quality tenants AMP, Deloitte, Corrs Chambers Westgarth and others.



3

Reliance Rail Sydney, NSW

Reliance Rail was established to deliver the Waratah train fleet, which operates on Sydney's suburban rail network. These trains cover almost half of Sydney's passenger journeys. Rest has been an investor in this asset since 2006.



4

Endeavour Energy, NSW

Endeavour Energy is an electricity distribution network that services around 2.4 million people in households and businesses across Sydney's Greater West, the Blue Mountains, Southern Highlands, Illawarra and South Coast regions of NSW. Rest has held an interest since 2017.



5

SEA Gas and Mortlake gas pipelines, SA

SEA Gas is a gas pipeline that runs from Port Campbell in Victoria to Adelaide in South Australia. Rest has been an investor in this asset since 2008. The Mortlake pipeline supplies gas to the Mortlake Power Project. Rest acquired the pipeline alongside the APA Group in 2016.



6

Launceston Airport Launceston, Tas

Since 1997, Rest has held an investment in the Australia Pacific Airports Corporation, which owns part of Launceston Airport.



7

Melbourne Airport Melbourne, Vic

Since 1997, Rest has held an investment in the Australia Pacific Airports Corporation, which owns Melbourne Airport.



8

140 William St Melbourne, Vic

Rest is the sole owner of this 45-level A-grade architecturally and historically significant office tower built near Melbourne's legal precinct in 1972. Rest purchased this building in 2002.



9

717 Bourke St Melbourne, Vic

Rest is the sole owner of this 18-level A-grade office building in Melbourne's Docklands precinct. Rest purchased the asset in 2010, the year construction was completed.



10

Collgar Wind Farm Merredin, WA

Collgar Wind Farm generates 630 GWh to 750 GWh of renewable electricity each year, which was 16 per cent of WA's wholesale renewable power in 2021/22. This displaces approximately 700,000 tonnes of carbon dioxide each year, equivalent to taking close to 160,000 cars off the road annually. This is enough energy to power approximately 150,000 average Western Australian households a year. Collgar Wind Farm has also been named Sector Leader for Renewable Power and Wind Power Generation in GRESB's 2022 sustainability benchmark assessment.

Other locations

Warakirri Asset Management

Rest has been a longstanding investor since 1996 in Warakirri Cropping, which owns and operates more than 150,000 hectares of rain-fed cropping farms across the grain-growing regions of Victoria, NSW, Queensland and WA. The business is one of the largest grain growers in Australia.

GPT Office Wholesale Fund

Rest has been an investor in this fund since 2006. The fund includes 17 office buildings across NSW, Victoria and Queensland, including Liberty Place and Darling Park in Sydney, and 8 Exhibition Street in Melbourne.

Charter Hall Prime Office Fund

Rest has been an investor in this fund since 2006. The fund includes 28 office buildings in NSW, Victoria, Queensland, SA and WA. They include Chifley Square in Sydney and 570 Bourke Street in Melbourne.

QIC Shopping Centre Fund

Rest has been an investor in this fund since 2004. The fund includes 13 retail centres across NSW, Victoria, Queensland, WA and the ACT. They include Canberra Centre, Castle Towers in Sydney and Robina Town Centre on the Gold Coast.

IFM Australian Infrastructure Fund

Rest has been an investor in this fund since 2021. This fund includes interests in 16 Australian infrastructure assets across airports, seaports, toll roads, electricity distribution and social infrastructure.

Campus Living Villages

Rest has been an investor in Campus Living Villages (CLV) since 2007. CLV is a leading student accommodation developer and manager, providing more than 7,000 beds to students at several of Australia's major universities, and a further 20,000 beds in the US and the UK.

As at 30 June 2022.



International

Rest has invested in these overseas infrastructure and property assets to diversify our portfolio.

Powerco

New Zealand's second-largest gas and electricity distribution company.

Gatwick Airport

The UK's second-busiest airport.

altafiber

Provider of residential and commercial fiber-optic communications services in Ohio, Kentucky, Indiana and Hawaii.

Long Beach Container Terminal

Part of the San Pedro Bay Port Complex in California, which is the largest gateway port in the US.

Capistrano Wind Partners

Owner of wind farms in Texas, Nebraska and Wyoming in the US.

Clarion Industrial Venture

Investing in the development of modern industrial/logistics facilities across the US with developments currently underway in Texas, Georgia, Nevada and Arizona.

Greystar Urban Growth Venture

A joint venture with Greystar Real Estate Partners to build and invest in rental apartment buildings (multi-family) across the US, with 11 assets across eight cities, totalling more than 3,000 units on completion.

Investment returns

Rest Super investment options					
Investment options	10-year (% pa)	7-year (% pa)	5-year (% pa)	3-year (% pa)	1-year (% pa)
Core Strategy	8.06%	5.75%	5.51%	4.30%	-2.37%
Capital Stable	5.08%	3.70%	3.43%	2.80%	-0.32%
Balanced	6.66%	4.86%	4.60%	3.83%	-0.91%
Balanced – Indexed	N/A	N/A	N/A	3.88%	-6.99%
Diversified	8.59%	6.22%	5.99%	5.01%	-1.58%
High Growth	9.84%	7.11%	6.91%	5.75%	-2.10%
Sustainable Growth	N/A	N/A	N/A	N/A	-6.62%
Basic Cash ¹	1.73%	1.15%	1.01%	0.68%	0.01%
Cash	1.84%	1.47%	1.27%	0.86%	0.50%
Bonds	2.23%	0.65%	-0.15%	-2.28%	-8.09%
Property	8.79%	9.63%	8.55%	7.51%	15.96%
Shares	11.36%	7.58%	7.68%	5.31%	-5.78%
Australian Shares	10.00%	7.52%	7.12%	4.18%	-3.54%
Australian Shares – Indexed	N/A	N/A	N/A	3.50%	-5.69%
Overseas Shares	11.40%	6.58%	6.80%	4.32%	-8.59%
Overseas Shares – Indexed	N/A	N/A	N/A	6.88%	-6.02%

This table also shows returns for members in Rest Corporate and Acumen. They apply to the Transition to Retirement Pension as well, however returns beyond five years may differ due to historic tax treatment. Please refer to the Rest Pension PDS and your Annual Statement. Past performance is not an indicator of future performance.

Rest's investment strategy

Rest's primary investment goal is to grow members' savings by delivering net after-tax returns above the rate of inflation (referred to as real net after-tax returns) over the long term. Rest believes that the active management of investments can add value by capturing opportunities and managing risks to meet the investment objectives of the investment options. This means the Trustee actively manages the asset allocation and selection of investment managers for each investment option. Environmental, social and governance factors are considered and integrated in our investment process, which we believe will improve investment outcomes.

Rest's investment approach is to retain a mix of investment managers employing different investment management styles to build diversified portfolios of investments. The asset allocation of the actively managed Structured Options is adjusted at least annually. The Core Strategy and Sustainable Growth's asset allocation is reviewed on an ongoing basis and adjusted to consider current and expected market conditions and other relevant considerations.

Rest's calculation of returns

Unless otherwise stated, returns are net of investment fees and costs, and tax, except in the case of Rest Pension options (other than Transition to Retirement Pensions), which are untaxed. The earnings applied to members' accounts may differ. Investment returns are at the investment option level and are reflected in the unit prices for those options. Returns for the three, five, seven and 10-year periods are annualised returns. 'N/A' applies to options running less than the indicated periods. The net investment returns are allocated to a member's account based on the number of units of the investment option they invested in.

Past performance is not an indicator of future performance.

For more information, visit rest.com.au/member/investments/performance

All returns are as at 30 June 2022, except for Basic Cash, which are as at 13 August 2021.

¹ Basic Cash was closed on 13 August 2021, and members in this option were moved into Cash.

Rest Pension investment options

Investment options	10-year (% pa)	7-year (% pa)	5-year (% pa)	3-year (% pa)	1-year (% pa)
Core Strategy	8.92%	6.43%	6.27%	5.08%	-2.75%
Capital Stable	5.68%	4.12%	3.82%	3.16%	-0.45%
Balanced	7.40%	5.38%	5.10%	4.35%	-1.11%
Balanced – Indexed	N/A	N/A	N/A	4.47%	-7.33%
Diversified	9.49%	6.84%	6.62%	5.76%	-1.89%
High Growth	10.85%	7.86%	7.71%	6.60%	-2.43%
Sustainable Growth	N/A	N/A	N/A	N/A	-7.11
Basic Cash¹	2.03%	1.33%	1.18%	0.38%	0.01%
Cash	2.19%	1.74%	1.50%	1.01%	0.57%
Bonds	2.63%	0.81%	-0.08%	-2.47%	-8.99%
Property	9.69%	10.50%	9.31%	8.15%	17.18%
Shares	12.38%	8.19%	8.51%	6.05%	-6.59%
Australian Shares	11.20%	8.44%	8.46%	5.59%	-3.82%
Australian Shares – Indexed	N/A	N/A	N/A	4.31%	-5.54%
Overseas Shares	12.58%	7.13%	7.36%	4.73%	-9.53%
Overseas Shares – Indexed	N/A	N/A	N/A	7.45%	-6.65%

This table shows returns for Rest Pension, other than Transition to Retirement Pensions. Past performance is not a indicator of future performance.

Investment options

The tables on the following pages provide information on Rest's investment options. As at 30 June 2022, Rest has no more than five per cent of funds under management invested in any one investment asset. The investment option returns on the following pages are quoted as at 30 June each year, unless otherwise stated.

Rest may use derivatives as an effective way to enhance investment returns, manage investment risk (including, for example, foreign currency exposure), along with efficiently rebalancing asset classes to their benchmark allocations. Rest investment managers may also use derivatives when investing in assets in accordance with the parameters set out in their investment management agreement.

All returns are as at 30 June 2022, except for Basic Cash, which are as at 13 August 2021.

¹ Basic Cash was closed on 13 August 2021, and members in this option were moved into Cash.

Investment options

	Core Strategy	Structured options																																																						
Aim¹	Achieve a balance of risk and return by investing in both growth assets and defensive assets.	Capital Stable Provide a stable pattern of returns, while maintaining a low probability of a negative return in any one year.																																																						
Investment return objective²	CPI + 3% pa over the long term (rolling 10-year periods).	CPI + 1% pa over the medium term (rolling 4-year periods).																																																						
Asset allocation³	A balance of growth and defensive assets, with a focus on growth assets (can range from 60% to 75% growth assets) consisting of Australian and overseas shares, Australian and overseas bonds, property, infrastructure, cash and other asset classes.	Primarily defensive assets (can range from 60% to 75% defensive assets) consisting of mainly Australian and overseas bonds, and cash, with a smaller proportion of Australian and overseas shares, property, infrastructure and other asset classes.																																																						
	<table> <tr> <th></th><th>1 July 2021</th><th>30 June 2022</th></tr> <tr> <td>Cash</td><td>4%</td><td>4.5%</td></tr> <tr> <td>Debt</td><td>16%</td><td>15.5%</td></tr> <tr> <td>Alternatives</td><td>4%</td><td>3%</td></tr> <tr> <td>Infrastructure</td><td>11%</td><td>11%</td></tr> <tr> <td>Property</td><td>9%</td><td>11%</td></tr> <tr> <td>Australian Shares</td><td>24%</td><td>22.5%</td></tr> <tr> <td>Overseas Shares</td><td>32%</td><td>32.5%</td></tr> </table>		1 July 2021	30 June 2022	Cash	4%	4.5%	Debt	16%	15.5%	Alternatives	4%	3%	Infrastructure	11%	11%	Property	9%	11%	Australian Shares	24%	22.5%	Overseas Shares	32%	32.5%	<table> <tr> <th></th><th>1 July 2021</th><th>30 June 2022</th></tr> <tr> <td>Cash</td><td>17%</td><td>22%</td></tr> <tr> <td>Debt</td><td>38%</td><td>27%</td></tr> <tr> <td>Alternatives</td><td>7%</td><td>6%</td></tr> <tr> <td>Infrastructure</td><td>7%</td><td>12%</td></tr> <tr> <td>Property</td><td>7%</td><td>12%</td></tr> <tr> <td>Australian Shares</td><td>11%</td><td>10%</td></tr> <tr> <td>Overseas Shares</td><td>13%</td><td>11%</td></tr> </table>		1 July 2021	30 June 2022	Cash	17%	22%	Debt	38%	27%	Alternatives	7%	6%	Infrastructure	7%	12%	Property	7%	12%	Australian Shares	11%	10%	Overseas Shares	13%	11%						
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Estimated number of negative annual returns over any 20-year period⁴	4 to less than 6	2 to less than 3																																																						
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What this option has returned⁶ (Past performance is not an indicator of future performance).	<table> <tr> <th>Year</th><th>Super/Acumen</th><th>Pension</th></tr> <tr> <td>2018</td><td>8.76%</td><td>9.30%</td></tr> <tr> <td>2019</td><td>5.96%</td><td>6.85%</td></tr> <tr> <td>2020</td><td>-1.05%</td><td>-0.26%</td></tr> <tr> <td>2021</td><td>17.43%</td><td>19.63%</td></tr> <tr> <td>2022</td><td>-2.37%</td><td>-2.75%</td></tr> <tr> <td colspan="3">Annualised return (pa)</td></tr> <tr> <td>5-year</td><td>5.51%</td><td>6.27%</td></tr> <tr> <td>10-year</td><td>8.06%</td><td>8.92%</td></tr> </table>	Year	Super/Acumen	Pension	2018	8.76%	9.30%	2019	5.96%	6.85%	2020	-1.05%	-0.26%	2021	17.43%	19.63%	2022	-2.37%	-2.75%	Annualised return (pa)			5-year	5.51%	6.27%	10-year	8.06%	8.92%	<table> <tr> <th>Year</th><th>Super/Acumen</th><th>Pension</th></tr> <tr> <td>2018</td><td>4.53%</td><td>4.83%</td></tr> <tr> <td>2019</td><td>4.24%</td><td>4.81%</td></tr> <tr> <td>2020</td><td>-0.15%</td><td>0.32%</td></tr> <tr> <td>2021</td><td>9.14%</td><td>9.92%</td></tr> <tr> <td>2022</td><td>-0.32%</td><td>-0.45%</td></tr> <tr> <td colspan="3">Annualised return (pa)</td></tr> <tr> <td>5-year</td><td>3.43%</td><td>3.82%</td></tr> <tr> <td>10-year</td><td>5.08%</td><td>5.68%</td></tr> </table>	Year	Super/Acumen	Pension	2018	4.53%	4.83%	2019	4.24%	4.81%	2020	-0.15%	0.32%	2021	9.14%	9.92%	2022	-0.32%	-0.45%	Annualised return (pa)			5-year	3.43%	3.82%	10-year	5.08%	5.68%
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More information about these options and footnotes are included on pages 56 and 57.

Balanced

Achieve a balance of risk and return by investing in approximately equal proportions of growth assets and defensive assets.

CPI + 2% pa over the medium term (rolling 6-year periods).

A balance of growth and defensive assets, with a focus on growth assets (can range from 45% to 60% growth assets) consisting of Australian and overseas shares, Australian and overseas bonds, property, infrastructure, cash and other asset classes.

	1 July 2021	30 June 2022
Cash	11%	14%
Debt	26%	21%
Alternatives	7%	6%
Infrastructure	8%	11%
Property	8%	11%
Australian Shares	17%	16%
Overseas Shares	23%	21%

6+ years

3 to less than 4

5, Medium to High

Year	Super/Acumen	Pension
2018	6.45%	6.76%
2019	5.07%	5.72%
2020	-0.82%	-0.24%
2021	13.91%	15.19%
2022	-0.91%	-1.11%

Annualised return (pa)

5-year	4.60%	5.10%
10-year	6.66%	7.40%

Balanced - Indexed

Achieve the investment objective through an index-based investment in a mixture of growth and defensive assets.

Perform in line with the benchmark return (before tax) over all time periods. The benchmark is calculated using the S&P/ASX 300 Accumulation Index, the MSCI World ex-Australia ex-Tobacco Net Dividends Reinvested Index, the Bloomberg AusBond Composite 0+ Years Index, the JP Morgan Government Bond Index - Global Hedged in AUD, and the Bloomberg AusBond Bank Bill Index.

A mix of growth and defensive assets, with a focus on growth assets (can range from 70% to 85% growth assets) consisting of Australian and overseas shares, Australian and overseas bonds, and cash.

	1 July 2021	30 June 2022
Cash	5%	5%
Debt	20%	20%
Australian Shares	30%	35%
Overseas Shares	45%	40%

12+ years

4 to less than 6

6, High

This option commenced on 6 December 2018

Year	Super/Acumen	Pension
2020	0.44%	0.44%
2021	19.98%	22.51%
2022	-6.99%	-7.33%

Annualised return (pa)

5-year	N/A	N/A
10-year	N/A	N/A

Diversified

Achieve strong returns over the longer term by investing in a diversified mix of assets weighted towards shares and other growth assets.

CPI + 3% pa over the long term (rolling 10-year periods).

A mix of growth and defensive assets, with a focus on growth assets (can range from 65% to 80% growth assets) consisting of Australian and overseas shares, property, infrastructure, other asset classes plus, smaller amounts of bonds (both Australian and overseas) and cash.

	1 July 2021	30 June 2022
Cash	3%	4%
Debt	15%	14%
Alternatives	3%	3%
Infrastructure	11%	12%
Property	9%	12%
Australian Shares	25%	24%
Overseas Shares	34%	31%

10+ years

4 to less than 6

6, High

Year	Super/Acumen	Pension
2018	8.71%	9.08%
2019	6.25%	7.02%
2020	-1.27%	-0.77%
2021	19.18%	21.21%
2022	-1.58%	-1.89%

Annualised return (pa)

5-year	5.99%	6.62%
10-year	8.59%	9.49%

More information about these options and footnotes are included on pages 56 and 57.

Investment options

Structured options				Member-tailored options					
	High Growth			Sustainable Growth			Basic Cash		
Aim ¹	Maximise returns over the long term by investing predominantly in growth assets.			Maximise returns over the long term by investing in a diversified portfolio, with enhanced environmental, social and governance investment characteristics that are weighted towards growth assets.			Achieve the investment objective by maintaining a defensive investment in short-term bank and Australian Government cash, debt securities and deposits. This option was closed on 13 August 2021.		
Investment return objective ²	CPI + 4% pa over the very long term (rolling 12-year periods).			CPI + 3.5% pa over the very long term (rolling 12-year periods).			Match the return of the Reserve Bank cash rate target before tax and before fees, over rolling 1-year periods.		
Asset allocation ³	Strongly focused on growth assets, with a minor allocation to defensive assets (can range from 80% to 90% growth assets) consisting of Australian and overseas shares, property, infrastructure and other asset classes.			A mix of growth and defensive assets, with a focus on growth assets (can range from 70% to 85% growth assets) consisting of cash, bonds, and sustainability-focused shares, property and infrastructure.			Predominantly defensive assets (generally 100% defensive assets) consisting of deposits with, or short-term discount securities (bank bills and negotiable certificates of deposit) issued by major Australian banks. It may also invest in short-dated debt issued and guaranteed by the Australian Commonwealth or state governments. All securities will have a maximum term to maturity of three months. This option is not a deposit by you in a bank account and your balance is not guaranteed under the Australian Government bank deposit guarantee scheme.		
		1 July 2021	30 June 2022		1 July 2021	30 June 2022		1 July 2021	13 August 2021
	Debt	6%	5%	Cash	4.5%	3%		Cash	100%
	Alternatives	3%	3%	Debt	18%	10%			
	Infrastructure	10%	10%	Infrastructure	2%	8%			
	Property	8%	10%	Property	3%	8%			
	Australian Shares	30%	32%	Australian Shares	32.5%	34%			
	Overseas Shares	43%	40%	Overseas Shares	40%	37%			
Minimum time frame	12+ years			12+ years			3 months or less		
Estimated number of negative annual returns over any 20-year period ⁴	4 to less than 6			4 to less than 5			Less than 0.5 of a year		
Risk band and level ⁵	6, High			6, High			1, Very Low		
What this option has returned ⁶	Year	Super/Acumen	Pension	This option commenced on 29 March 2021.			Year	Super/Acumen	Pension
(Past performance is not an indicator of future performance).	2018	10.45%	10.93%	Year	Super/Acumen	Pension	2018	1.51%	1.69%
	2019	6.95%	7.87%				2019	1.60%	1.89%
	2020	-1.93%	-1.37%	2022	-6.62%	-7.11%	2020	0.66%	0.79%
	2021	23.17%	25.88%				2021	0.02%	0.03%
	2022	-2.10%	-2.43%				2022	0.01%	0.01%
	Annualised return (pa)			Annualised return (pa)			Annualised return (pa)		
	5-year	6.91%	7.71%	5-year	N/A	N/A	5-year	1.01%	1.18%
	10-year	9.84%	10.85%	10-year	N/A	N/A	10-year	1.73%	2.03%

More information about these options and footnotes are included on pages 56 and 57.

Cash

Achieve the investment objective by maintaining a defensive investment in bank deposits.

Outperform the return of the Reserve Bank cash rate before tax and fees, over rolling 1-year periods.

Predominantly defensive assets (generally 100% defensive assets) consisting of deposits with major Australian banks. As at 30 June 2021, the portfolio invested exclusively in deposits with Australia and New Zealand Banking Group Ltd (ANZ). From 3 August 2021, the portfolio will invest exclusively in deposits with ANZ (60%) and National Australia Bank Ltd (40%). The portfolio may also (but does not currently) invest in other deposits with, or short-term discount securities (bank bills, negotiable certificates of deposit) issued by major Australian banks, and short-dated debt issued and guaranteed by the Australian or state governments. This option is not a deposit by you in a bank account and your balance is not guaranteed under the Australian Government bank deposit guarantee scheme.

	1 July 2021	30 June 2022
Cash	100%	100%

3 months or less

Less than 0.5 of a year

1, Very Low

Year	Super/ Acumen	Pension
2018	1.83%	2.16%
2019	1.97%	2.33%
2020	1.26%	1.51%
2021	0.81%	0.95%
2022	0.50%	0.57%

Annualised return (pa)

5-year	1.27%	1.50%
10-year	1.84%	2.19%

Bonds

Achieve the investment objective by holding a mixture of Australian and overseas government and corporate bonds.

Outperform the benchmark return (before tax and after fees) over rolling 2-year periods. The benchmark is calculated using the Bloomberg AusBond Composite Bond Index, Bloomberg Barclays Global Aggregate Credit 1-5 Years Total Return Index (hedged in AUD) and Bloomberg Barclays Global Aggregate Index (hedged in AUD).

Predominantly defensive assets (generally 100% defensive assets) consisting of a mixture of Australian and overseas debt securities issued by governments, semi-government authorities and companies.

	1 July 2021	30 June 2022
Debt	100%	100%

4+ years

2 to less than 3

4, Medium

Year	Super/ Acumen	Pension
2018	1.00%	1.15%
2019	5.31%	6.13%
2020	1.27%	1.55%
2021	0.26%	0.39%
2022	-8.09%	-8.99%

Annualised return (pa)

5-year	-0.15%	-0.08%
10-year	2.23%	2.63%

Property

Achieve the investment objective by investing in a mixture of Australian and overseas property assets.

Outperform the 10-year Commonwealth Government bond rate by 3% pa (before tax and after fees) over rolling 7-year periods.

Mid-risk assets (equivalent to a balance of growth and defensive assets, can range from 45% to 55% growth assets) consisting of property.

	1 July 2021	30 June 2022
Property	100%	100%

10+ years

3 to less than 4

5, Medium to High

Year	Super/ Acumen	Pension
2018	10.74%	11.84%
2019	9.52%	10.34%
2020	0.64%	0.74%
2021	6.47%	7.16%
2022	15.96%	17.18%

Annualised return (pa)

5-year	8.55%	9.31%
10-year	8.79%	9.69%

More information about these options and footnotes are included on pages 56 and 57.

Investment options

Member-tailored

	Shares	Australian Shares																																																						
Aim¹	Achieve the investment objective through an investment in the Australian Shares and Overseas Shares asset classes.	Achieve the investment objective through an actively managed investment in the Australian Shares asset class.																																																						
Investment return objective²	Outperform the benchmark return (before tax and after fees) over rolling 3-year periods. The benchmark is calculated using the S&P/ASX 300 Accumulation Index and the MSCI All Country World ex-Australia Index in AUD.	Super/Acumen Outperform the S&P/ASX 300 Accumulation Index (before tax and after fees) over rolling 3-year periods. Pension Outperform the S&P/ASX 300 Accumulation Index (after fees and including an estimate of imputation credits) over rolling 3-year periods.																																																						
Asset allocation³	Predominantly growth assets (can range from 90% to 100% growth assets) consisting of a mixture of Australian and overseas shares.	Predominantly growth assets (can range from 90% to 100% growth assets) consisting of Australian shares with a limited exposure of up to 10% in listed New Zealand shares.																																																						
	<table> <thead> <tr> <th></th><th>1 July 2021</th><th>30 June 2022</th></tr> </thead> <tbody> <tr> <td>Australian Shares</td><td>45%</td><td>45%</td></tr> <tr> <td>Overseas Shares</td><td>55%</td><td>55%</td></tr> </tbody> </table>		1 July 2021	30 June 2022	Australian Shares	45%	45%	Overseas Shares	55%	55%	<table> <thead> <tr> <th></th><th>1 July 2021</th><th>30 June 2022</th></tr> </thead> <tbody> <tr> <td>Australian Shares</td><td>100%</td><td>100%</td></tr> </tbody> </table>		1 July 2021	30 June 2022	Australian Shares	100%	100%																																							
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Minimum suggested timeframe	12+ years	12+ years																																																						
Estimated number of negative annual returns over any 20 year period⁴	4 to less than 6	6 years or greater																																																						
Risk band & level⁵	6, High	7, Very High																																																						
What this option has returned⁶ (Past performance is not an indicator of future performance).	<table> <thead> <tr> <th>Year</th><th>Super/Acumen</th><th>Pension</th></tr> </thead> <tbody> <tr><td>2018</td><td>14.11%</td><td>14.73%</td></tr> <tr><td>2019</td><td>8.64%</td><td>9.93%</td></tr> <tr><td>2020</td><td>-2.88%</td><td>-2.31%</td></tr> <tr><td>2021</td><td>27.62%</td><td>30.70%</td></tr> <tr><td>2022</td><td>-5.78%</td><td>-6.59%</td></tr> <tr> <td colspan="3">Annualised return (pa)</td></tr> <tr><td>5-year</td><td>7.68%</td><td>8.51%</td></tr> <tr><td>10-year</td><td>11.36%</td><td>12.38%</td></tr> </tbody> </table>	Year	Super/Acumen	Pension	2018	14.11%	14.73%	2019	8.64%	9.93%	2020	-2.88%	-2.31%	2021	27.62%	30.70%	2022	-5.78%	-6.59%	Annualised return (pa)			5-year	7.68%	8.51%	10-year	11.36%	12.38%	<table> <thead> <tr> <th>Year</th><th>Super/Acumen</th><th>Pension</th></tr> </thead> <tbody> <tr><td>2018</td><td>16.74%</td><td>16.76%</td></tr> <tr><td>2019</td><td>6.83%</td><td>9.22%</td></tr> <tr><td>2020</td><td>-6.95%</td><td>-3.78%</td></tr> <tr><td>2021</td><td>25.98%</td><td>27.19%</td></tr> <tr><td>2022</td><td>-3.54%</td><td>-3.82%</td></tr> <tr> <td colspan="3">Annualised return (pa)</td></tr> <tr><td>5-year</td><td>7.12%</td><td>8.46%</td></tr> <tr><td>10-year</td><td>10.00%</td><td>11.20%</td></tr> </tbody> </table>	Year	Super/Acumen	Pension	2018	16.74%	16.76%	2019	6.83%	9.22%	2020	-6.95%	-3.78%	2021	25.98%	27.19%	2022	-3.54%	-3.82%	Annualised return (pa)			5-year	7.12%	8.46%	10-year	10.00%	11.20%
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Returns included under 'Super/Acumen' are for Rest Super, Rest Corporate, and Acumen. They apply to Transition to Retirement Pensions as well, however returns beyond five years may differ due to historic tax treatment. Please refer to the Rest Pension PDS and your Annual Statement. Returns included under 'Pension' are for Rest Pension, other than Transition to Retirement Pensions.

Each investment option is designed for members with the investment objectives, risk tolerance and investment time horizon set out in the appropriate table.

Investment options with an exposure to the Australian Shares asset class may include companies listed in Australia but based overseas. In addition, up to 10% of this asset class may be invested in stocks listed on the New Zealand Stock Exchange.

¹ Aim - The goal for the investment option, to be assessed against the investment return objective.

² Investment return objective - The return objective we are aiming to achieve for this investment option. It is not a guaranteed rate of return.

Australian Shares – Indexed

Achieve the investment objective through an index-based investment in Australian Shares.

Perform in line with the benchmark S&P/ASX 300 Accumulation Index (before tax) over all time periods.

Predominantly growth assets (can range from 90% to 100% growth assets) consisting of Australian shares.

	1 July 2021	30 June 2022
Australian Shares – Indexed	100%	100%
12+ years		
6 years or greater		
7, Very High		
This option commenced on 6 December 2018		
Year*	Super/Acumen	Pension
2020	-6.72%	-7.40%
2021	26.05%	29.74%
2022	-5.69%	-5.54%
Annualised return (pa)		
5-year	N/A	N/A
10-year	N/A	N/A

Overseas Shares

Achieve the investment objective through an investment in Overseas Shares.

Outperform the MSCI All Country World ex-Australia Index in AUD (before tax and after fees) over rolling 3-year periods.

Predominantly growth assets (can range from 90% to 100% growth assets) consisting of overseas shares.

	1 July 2021	30 June 2022
Overseas Shares	100%	100%
12+ years		
4 to less than 6		
6, High		
Year	Super/Acumen	Pension
2018	11.95%	12.95%
2019	9.33%	9.94%
2020	-2.00%	-1.87%
2021	26.75%	29.40%
2022	-8.59%	-9.53%
Annualised return (pa)		
5-year	6.80%	7.36%
10-year	11.40%	12.58%

Overseas Shares – Indexed

Achieve the investment objective through an index-based investment in Overseas Shares.

Perform in line with the MSCI World ex-Australia ex-Tobacco Net Dividends Reinvested Index (unhedged in AUD) (before tax) over all time periods.

Predominantly growth assets (can range from 90% to 100% growth assets) consisting of overseas shares.

	1 July 2021	30 June 2022
Overseas Shares – Indexed	100%	100%
12+ years		
4 to less than 6		
6, High		
This option commenced on 6 December 2018		
Year	Super/Acumen	Pension
2020	3.82%	4.14%
2021	25.13%	27.60%
2022	-6.02%	-6.65%
Annualised return (pa)		
5-year	N/A	N/A
10-year	N/A	N/A

Returns included under 'Super/Acumen' are for Rest Super, Rest Corporate, and Acumen. They apply to Transition to Retirement Pensions as well, however returns beyond five years may differ due to historic tax treatment. Please refer to the Rest Pension PDS and your Annual Statement. Returns included under 'Pension' are for Rest Pension, other than Transition to Retirement Pensions.

³ Asset allocation – How an investment is spread across the different classes. The asset allocations for all options are listed as at 1 July 2021 and 30 June 2022, except for Basic Cash, where the closing asset allocation is as at the closure of the option on 13 August 2021. Please refer to the Investment Guide or the Pension PDS at rest.com.au/pds to review the benchmark and ranges for current asset allocations for all options.

⁴ This is a guide as to the likely number of negative annual returns expected over any 20-year period, known as the Standard Risk Measure. See 'What is the Standard Risk Measure?' at rest.com.au/srm

⁵ The Risk band and Risk level is based on the Standard Risk Measure. The Standard Risk Measure includes seven risk bands, from one (very low risk) to seven (very high risk).

⁶ What this option has returned – returns are net of investment fees and costs, and taxes, except Rest Pension options (other than Transition to Retirement Pensions), which are untaxed, as at 30 June. The returns are based on the valuation of the underlying assets as at 30 June. However, Basic Cash was closed on 13 August 2021, so the returns displayed for 2022, and the five and 10-year annualised returns for this option are as at 13 August 2021. Basic Cash returns displayed for 2018, 2019, 2020 and 2021 are as at 30 June. Past performance is not an indicator of future performance.

Investment managers

Rest's investment managers as at 30 June 2022

Asset class	Investment manager
Cash	Australia and New Zealand Banking Group Limited
	Macquarie Investment Management Australia Limited
	National Australia Bank Limited
	Rest Investments (internally managed assets)
Debt	AllianceBernstein Investment Management Australia Limited
	Apollo ST Fund Management LLC
	Bain Capital Credit, LP
	Barings LLC
	Bentham Asset Management Pty Limited
	Macquarie Investment Management Australia Limited
	Rest Investments (internally managed assets)
	UBS Global Asset Management (Australia) Limited
	Wellington Management Australia Pty Ltd
	Western Asset Management Company Pty Ltd
Alternatives	AllianceBernstein Investment Management Australia Limited
	Ardea Investment Management Pty Ltd
	Hayfin Capital Management LLP
	Payden & Rygel Global Limited
	Rest Investments (internally managed assets)
	Warakirri Asset Management Pty Limited
Infrastructure	AMP Capital Investors Limited
	Parametric Portfolio Associates LLC
	Rest Investments (internally managed assets)
Property	Clarion Partners, LLC
	Greystar Real Estate Partners, LLC
	Parametric Portfolio Associates LLC
	Rest Investments (internally managed assets)

Rest's investment managers as at 30 June 2022

Asset class	Investment manager
Australian Shares	Allan Gray Australia Pty Ltd
	Cooper Investors Pty Ltd
	Ethical Partners Funds Management Pty Ltd
	First Sentier Investors (Australia) IM Ltd
	Greencape Capital Pty Limited
	Macquarie Investment Management Australia Limited
	Macquarie Investment Management Global Limited
	Paradice Investment Management Pty Limited
	Parametric Portfolio Associates LLC
	Rest Investments (internally managed assets)
	Ubique Asset Management Pty Limited
Overseas shares	Artisan Partners Limited Partnership
	BlackRock Investment Management (Australia) Limited
	Cooper Investors Pty Ltd
	First State Investments (Hong Kong) Limited
	GQG Partners LLC
	Longview Partners LLP
	Macquarie Investment Management Australia Limited
	Northcape Capital Pty Limited
	Paradice Investment Management LLC
	Parametric Portfolio Associates LLC
	QIC Private Capital Pty Ltd
	Rest Investments (internally managed assets)
	Robeco Hong Kong Limited
	Wellington Management Australia Pty Ltd

07

Governance and leadership



Lachlan,
Rest member

Rest Board governance

The Rest Board is made up of individuals with a broad range of retail industry and commercial experience.

Their longstanding, in-depth knowledge of Rest, together with their understanding of the industry, adds value to the fund's operations and to members and employers.

The Board is made up of employer and employee representatives from the retail industry, as well as an independent director, who is also the Chair.

Four directors are nominated on behalf of employees by the Shop Distributive and Allied Employees Association (SDA). Four directors are nominated on behalf of employers and employer associations, including major employers participating in Rest, and retail associations. Employees and employers are equally represented. One director is nominated and appointed by the directors as Independent Chair.

Board members as at 30 June 2022

Employee representation	Board member since	Nominated by
Michael Tehan	1 October 2017	SDA
Julia Fox	1 January 2018	SDA
Adam Walk	1 January 2020	SDA
Helen Cooney	30 September 2020	SDA
Employer representation	Board member since	Nominated by
Steven Priestley	4 March 2014	Coles Group
Sally Evans	2 May 2018	Super Retail Group Ltd
Vaughn Richtor	26 June 2019	Woolworths Group Ltd
Joanne Lester	6 April 2022	Australian Retailers Association
Independent Chair	Board member since	Nominated by
Ken Marshman*	17 December 2013	The Board

* Appointed as Independent Chair on 31 July 2014

Departures from the Board

Director	Term ended on	Replaced by
Catriona Noble	31 March 2022	Joanne Lester

Directors



Kenneth Stuart Marshman
Chair of the Board and Independent Director

Qualifications

**Bachelor of Arts –
Mathematics and Economics (BA)
Master of Economics (MEc)**

Ken has specialised in financial markets and corporate strategy for over 30 years and has been intensively involved in investments for superannuation funds since 1986. He held the positions of Director of Finance and CEO within the State Electricity Commission of Victoria, before joining JANA Investment Advisers. From 1995 to 2008, Ken was JANA's Managing Director, and from 2003 to 7 May 2019, Chair of the JANA Board of Directors.

Current directorships/appointments

- Chair and Director of Retail Employees Superannuation Pty Ltd
- Chair and Director of Super Investment Management Pty Ltd
- Director of Queens College Trust Corporation
- Trustee of Endymion Superannuation Fund.

Rest committee membership

- Chair of the Board Investment Committee
- People, Culture and Remuneration Committee
- Member and Employer Services Committee.



Steven Priestley

Qualifications

Bachelor of Commerce (B Com)

Steve has 35 years' of experience in finance and general management and was the Financial Controller for Coles Retail, Coles Group Limited when he retired from Coles in 2014. He was initially appointed to the Rest Board in 2008 serving as a Director to 2012. Steve then served as an Alternate Director until being reappointed to the Board as a Director in 2014. Steve worked within the Coles Group in various roles over an eight-year period (2006 to 2014). Prior to this, his career was primarily with Shell Australia Ltd, holding various General Manager roles including Corporate Treasurer and Financial Controller. Steve is a former member of the Institute of Chartered Accountants.

Current directorships/appointments

- Director of Retail Employees Superannuation Pty Ltd
- Director of Super Investment Management Pty Ltd.

Rest committee membership

- Chair of the Audit and Finance Committee
- Risk Committee.



Michael Tehan

Qualifications

Bachelor of Arts (BA)

Bachelor of Laws (LLB)

Fellow of the Australian Institute of Company Directors (FAICD)

Fellow of the Institute of Public Administration, Australia (Vic)

Michael has over 40 years' experience in industrial relations and administrative law. In 2014, Michael retired as a partner of the legal firm Minter Ellison after more than 25 years at the firm and carrying out several roles in the firm. He now practises as a mediator in commercial disputes. Michael has previously served as a Director of a large aged care and disability service provider, a kindergarten Chair, and a School Council Member.

Current directorships/appointments

- Director of Retail Employees Superannuation Pty Ltd
- Director of Super Investment Management Pty Ltd
- Member, Advisory Board, Department of Management and Marketing, Faculty of Business and Economics, University of Melbourne
- Director of Tocindo Pty Ltd.

Rest committee membership

- Audit and Finance Committee
- Board Investment Committee.



Julia Fox

Qualifications

Bachelor of Arts (BA)

Masters of Law, Juris Doctor (JD)

Julia is the National Assistant Secretary of the SDA, the Union for workers in retail, fast food and warehousing. Julia has represented workers for over two decades, starting out as an Organiser for the Victorian Branch of the SDA in 1994 before joining the National Office as an Industrial Officer and the SDA's National OHS Officer in 2001. Having completed her Masters of Law (Juris Doctor) in 2010, Julia has advocated for better pay, conditions and protections for thousands of workers in retail and fast food companies. Julia is Vice President of the World Women's Committee of UNI Global Union; the global union federation which represents more than 20 million workers from over 900 trade unions in the fastest growing sectors in the world – skills and services. Julia is the Chair of the ACTU Women's Committee.

Current directorships/appointments

- Director of Retail Employees Superannuation Pty Ltd.

Rest committee membership

- Chair of the People, Culture and Remuneration Committee
- Member and Employer Services Committee.

Directors



Sally Evans

Qualifications

Bachelor of Applied Science (BHSc)

Fellow of the Australian Institute of Company Directors (FAICD)

Graduate of the Australian Institute of Superannuation Trustees (GAIST)

Sally is an experienced Board director with a commitment to delivering sustainable financial and social outcomes. Sally's early professional career as a public sector clinical dietitian, led to her undertaking executive roles in health services, investment management and wealth management working across both the public and private sector within Australia, New Zealand, United Kingdom and Hong Kong with broader responsibilities across the Asia Pacific region. She received the Telstra Australian Businesswoman of the Year award (private sector) in 2002 and was recognised as an AFR Westpac Woman of Influence in 2013. Her non-executive director experience spans internationally across private, social enterprise and government advisory boards as well as board committees in the areas of risk, audit and remuneration. Previously, Sally was a member of the Consumer and Industry Advisory Group on the development of a retirement income framework and covenant, and an inaugural member of the Australian Federal Government's Aged Care Financing Authority, Chair of LifeCircle and an inaugural member of the EveryAge Counts Advisory Group.

Current directorships/appointments

- Director of Retail Employees Superannuation Pty Ltd
- Non-executive Director of Oceania Healthcare Group
- Non-executive Director of Healius
- Non-executive Director of Allianz Australian Life Insurance Ltd
- Non-executive Director of Allianz Australia Life Insurance Holdings Ltd
- Director Ingenia Communities RE Limited
- Director Ingenia Communities Holdings Limited
- Member of the Aged Care Quality and Safety Commission Advisory Council.

Rest committee membership

- Board Investment Committee
- Risk Committee.



Vaughn Richtor

Qualifications

Bachelor of Arts, Business Studies (BA Hons)
Member of the Australian Institute of Company Directors (MAICD)

Vaughn is the former CEO of ING DIRECT Australia and CEO Challenger and Growth Countries – Asia, ING Group. Vaughn joined ING in London in 1991 and was Deputy General Manager UK and Ireland, establishing the ING Dublin branch. Vaughn was then assigned to start banking operations in Australia in 1995, which ultimately became ING DIRECT. He held this role until January 2006, helping to establish the brand and building a profitable business. Vaughn was then appointed CEO and MD of ING Vysya Bank in India where he spent more than three years on the successful turnaround of a loss-making bank. He then worked as CEO – Banking Asia, covering Retail Banking and Commercial activities in the region for three years, before returning to Australia in 2012. Vaughn retired from his roles as CEO of ING Retail Banking Asia and CEO ING Direct Australia in June 2016. He is an advisor to Rhizome Advisory, Spriggy (a Fintech company providing children's e-pocket money) and Wyvern Health. Vaughn was previously Chairman of Ratesetter Australia from 2017 to 2019; Non-executive Director of TMB Bank in Thailand from 2008 to 2019; Non-executive Director of ING Vysya Bank in India from 2009 until its merger with Kotak Mahindra Bank in 2015; and Non-executive Director of Kookmin Group in Korea from 2010 to 2012. Vaughn was named Australian Financial Services Executive of the Year in 2015. He has written and spoken extensively on Leadership, Corporate Culture, Customer Centricity and Digital banking.

Current directorships/appointments

- Director of Retail Employees Superannuation Pty Ltd
- Chair of MyState Limited and Subsidiaries
- Member of Advisory Council to Rhizome
- Advisor to Spriggy
- Member Advisory Council Wyvern Health
- Advisor to Strategy Implementation Institute.

Rest Committee Membership

- Chair of the Member and Employer Services Committee
- People, Culture and Remuneration Committee
- Audit and Finance Committee.

Directors



Dr Adam Walk

Qualifications

Bachelor of Arts, Politics (BA)

Bachelor of Business, Banking and Finance (BBus)

Master of Applied Finance and Investment (MApFin)

Doctor of Philosophy, Financial Economics (PhD)

Fellow of the Australian Institute of Company Directors (FAICD)

Fellow of the Governance Institute of Australia (FGIA)

Fellow of the Australian Institute of Superannuation Trustees (FAIST)

Accredited Investment Fiduciary Analyst (AIFA)

Certified Investment Management Analyst (CIMA) designee

Adam Walk is a financial economist with around 20 years' experience in investment, governance, and risk management appointments at organisations such as Myer Family Company, QIC, QSuper, and Bank of Queensland. Adam is a Director at Drew, Walk & Co, in which capacity he assists family office, foundation and fiduciary clients in the areas of investment consulting and counsel. His research has been published in journals such as the Journal of Portfolio Management and the Journal of Retirement, and he co-authored (with Dr Michael Drew) a monograph entitled "Investment Governance for Fiduciaries" which was published by the CFA Institute Research Foundation in 2019.

Current directorships/appointments

- Director of Retail Employees Superannuation Pty Ltd
- Director of Super Investment Management Pty Ltd
- Director of Drew, Walk & Co. Pty Ltd
- Chair of Campion College Australia
- Director of Walk Group of Companies
- Director of De Colmar Pty Ltd
- Director of The Investment Committee Pty Ltd
- Director of Power Group of Companies
- Chair of the Investment Committee, RSL Queensland
- Member of the Advisory Board, Hamilton12 Pty Ltd
- Advisor to the Group Strategic Capital Committee, The Royal Automobile Club of Queensland Limited
- Board Member, Archdiocesan Development Fund, Roman Catholic Archdiocese of Brisbane
- Member, Finance, Audit and Risk Committee, Mary Aikenhead Ministries
- Member, Governance and Risk Committee, Sprint Ventures.

Rest committee membership

- Board Investment Committee
- Chair of the Risk Committee
- Audit and Finance Committee.



Helen Cooney

Qualifications

Bachelor of Arts (BA (Hons))

Master of Government and Commercial Law (MGCL)

Graduate of the Australian Institute of Company Directors (GAICD)

Graduate of the Australian Institute of Superannuation Trustees (GAIST)

Associate Certified Coach (ACC), International Coaching Federation

Helen is the Principal Policy Officer (Superannuation and Industry Training) at the SDA, the Union for workers in retail, fast food and warehousing. Helen also has a private practice as a coach of professionals. For the 10 years to 2019, Helen was in leadership as President and then CEO of Caroline Chisholm Society, a charity that supports pregnant and new mothers raise their young children through poverty and other social issues. During the past 20 years, Helen provided policy and political advice on early childhood, school education and workplace relations. Helen has advised State Governments and children's services on regulation and has been a strategy adviser in the Vice-Chancellor's office at the University of Melbourne.

Current directorships/appointments

- Director of Retail Employees Superannuation Pty Ltd
- Alternate Director of Service Skills Victoria
- Director Australian Catholic University Limited.

Rest committee membership

- People, Culture and Remuneration Committee
- Member and Employer Services Committee
- Risk Committee.



Joanne Lester

Qualifications

Bachelor of Psychology (BPsych)

Graduate Diploma of Business (Professional Accounting (Grad Dip Bus Prof Acc))

Graduate of the Australian Institute of Company Directors (GAICD)

Graduate of the Australian Institute of Superannuation Trustees (GAIST)

Jo has over 30 years' experience in corporate superannuation within ASX listed environments, predominately with Wesfarmers Limited. This has included supporting superannuation structural changes following corporate acquisitions and divestments. Having operated within broader Human Resource environments in a range of remuneration capacities, Jo appreciates how superannuation relates to broader HR and remuneration strategies.

Current directorships/appointments

- Director of Retail Employees Superannuation Pty Ltd.

Rest committee membership

- People, Culture and Remuneration Committee
- Member and Employer Services Committee.

Alternate Directors

The Alternate Directors of the Board as at 30 June 2022

Employee representation	Board member since	Nominated by
Aliscia di Mauro	1 October 2017	SDA
Gerard Dwyer	4 March 2020	SDA
Michael Donovan	25 November 2020	SDA

Aliscia di Mauro

Qualifications

Bachelor of Laws (LLB(Hons))
Bachelor of Commerce (BCom)

Aliscia has been an industrial officer at the SDA NSW branch and a part-time official since 2010. Aliscia previously worked as a senior accountant at Ernst & Young, as an accountant at Hill Rogers and subsequently as a lawyer at Minter Ellison Lawyers.

Current directorships/ appointments

- Alternate Director to Michael Tehan of Retail Employees Superannuation Pty Ltd
- Alternate Director to Julia Fox of Retail Employees Superannuation Pty Ltd.

Rest committee membership

- Nil – however, in addition to acting as Alternate Director for Michael Tehan and Julia Fox at Board meetings, Aliscia may take Michael or Julia's place at committee meetings if either is unable to attend.

Gerard Dwyer

Qualifications

Bachelor of Education – History and English (BEd)

Master of Business – (Employment Relations) (MBus)

Graduate of the Australian Institute of Company Directors (GAICD)

Gerard Dwyer is the National Secretary-Treasurer of the Shop, Distributive & Allied Employees' Association. Gerard has been the Secretary-Treasurer of the SDA-NSW Branch (2005-2014), National President of the Union (2008-2014) and SDA National Secretary since 2014. The SDA is one of Australia's largest trade unions and represents employees working in retail, fast food and warehousing. Gerard grew up in regional NSW and moved to Sydney at the age of 18 to pursue tertiary studies. He has a Bachelor of Education (History and English (1989)), a Masters of Business in Employment Relations (UTS, 2002) and is also a Graduate of the Australian Institute of Company Directors. Gerard's working life has seen him employed as a shop assistant, classroom teacher, social worker and as a Trade Union Official for more than 20 years.

Current directorships/ appointments

- Alternate Director to Dr Adam Walk in Retail Employees Superannuation Pty Ltd
- National Secretary-Treasurer of the SDA
- Member of the ALP National Executive.

Rest committee membership

- Nil – however, in addition to acting as Alternate Director for Dr Adam Walk at Board meetings, Gerard may take Adam's place at committee meetings if Adam is unable to attend.

Michael Donovan

Qualifications

Bachelor of Science – Chemistry and Mathematics (BSc(MathSc))

Michael had experience as a Research Officer and subsequently as a Senior Research Officer for the SDA from 1977 to 1992 including research, advocacy, negotiation, member advice, delegate education and some government liaison. Michael was advocate for the SDA in the major case which established industry-wide superannuation for retail workers in 1987-1988. Michael became Assistant Secretary of the Victorian Branch of the SDA in 1992 and Secretary in 1996. Michael is responsible for the supervision of the employees of the Branch, for the financial management of the Branch and for the strategic direction of the Branch, in association with other elected Officers. Michael became the National Vice-President of the SDA in 2014, and the National President in 2018.

Current directorships/ appointments

- Alternate Director to Helen Cooney in Retail Employees Superannuation Pty Ltd
- Chair of FEDSDA Pty Ltd
- Chair of Industrial Printing and Publishing Pty Ltd
- Member of the Victorian Occupational Health and Safety Advisory Committee.

Rest committee membership

- Nil – however, in addition to acting as Alternate Director for Helen Cooney at Board meetings, Michael may take Helen's place at committee meetings if Helen is unable to attend.

Rest Board governance

Board composition

The Board believes that its membership should comprise directors with an appropriate mix and diversity of skills, professional experience, tenure and personal background that allow the Directors individually, and the Board collectively, to:

- discharge their responsibilities and duties under the law effectively and efficiently;
- understand the business of Rest and the environment in which Rest operates so as to be able to settle with Rest Management the objectives, goals and strategic direction which will maximise benefits to members of the Fund; and
- assess the performance of Rest Management in meeting those objectives and goals.

The Trustee's directors bring experience and knowledge gleaned from senior roles in the retail industry, or as experts in the legal, investment or other relevant sectors. Our directors are able to express a wide range of views in a robust decision-making process while acting in the best financial interests of members, not of their industry or employer representative bodies.

The Board has adopted a Board Diversity Policy, which sets down the framework for the Board's approach to diversity. Rest members come from a broad range of backgrounds, and the Board recognises that people from different backgrounds bring different skills, knowledge and experiences that assist in decision making in the best financial interests of Rest members. Accordingly, the Board is committed to promoting a culture that actively values those differences and believes that diversity on the Board is an important part of promoting that culture.

The Board Diversity Policy, along with other Rest policies and governance documentation, can be accessed at rest.com.au/about-rest/corporate-governance

Board assessment

The Trustee's directors must meet minimum education requirements of at least 20 hours per year, and many exceed this. The Board is also subject to a rigorous performance review process, including regular assessments conducted by independent external consultants to ascertain directors' capabilities and knowledge.

Fitness and propriety

An initial 'fit and proper' assessment must be completed before a person is appointed as a Responsible Person. The initial 'fit and proper' assessment includes a 'screening' of the various law enforcement and regulatory registers. Following this initial assessment, each Responsible Person is submitted to an annual 'fit and proper' assessment and a further 're-screening' every three years to ensure they remain fit and proper. Responsible Persons at Rest include directors, alternate directors, senior management, appointed actuaries and appointed auditors.

Annual certifications

The outcomes of all annual 'fit and proper' assessments are reported to the Audit and Finance Committee and then to the Board. This includes confirming the criteria for fitness and propriety established by Rest's Fit and Proper Policy has been met.

Periodic training reviews

The Board reviews each Director's training progress at each 'in cycle' Board meeting during the year.

Ethical conduct

The Rest Code of Conduct sets out the expected standards of conduct and behaviour for directors and employees.

It includes requirements to:

- act with honesty, equity, integrity and social responsibility;
- keep the information they have accessed as part of their roles confidential;
- not conduct Rest's business when affected by drugs or alcohol; and
- use Rest's resources only for appropriate purposes.

Rest has a no gifts policy. All offers of cash or cash equivalents (including credit cards, debit cards, vouchers or gift cards) of any value must be refused. Where it is impractical to return a gift, the gift must be donated to charity or shared among employees, and recorded in the Gifts and Benefits Register.

Additionally, there are rules around the acceptance of offers to events and entertainment. Any invitation to an event or entertainment with a value greater than \$100 must be recorded in the Gifts and Benefits Register.

Rest also has a Conflicts Management Policy that sets out the procedures for identifying and managing conflicts of interest and duties, and to help the Trustee, its directors and employees comply with their obligations in the management of conflicts.

Rest's governance structure

The Board is responsible for the governance of Rest.

The Board has established a number of Board Committees and delegated appropriate authority to those committees to help with its work. Board Committees monitor and review the areas of their responsibility.

The Board Committees are described below.

The **Board Investment Committee** (BIC) reviews and recommends to the Board the investment strategy and oversees the investment strategy's implementation; monitors the performance of investment managers, asset classes and investment options; and implements Rest's investment policies.

The **Member and Employer Services Committee** (MESC) promotes the voice of the member through the review of strategic initiatives relating to the products, benefits and services Rest provides to its members and employers, and makes recommendations to the Board.

The **People, Culture and Remuneration Committee** (PCRC) assists the Board in carrying out its responsibilities in relation to people management and corporate cultural issues, reviews the remuneration of Rest's Responsible Persons, and makes recommendations to the Board on certain salary and staffing matters.

The **Risk Committee** assists the Board in fulfilling its strategic risk management, risk framework and risk culture responsibilities. The Risk Committee sets the Fund's Risk Management Strategy and Risk Appetite Statement and oversees the internal control environment, systems and processes for compliance with all applicable laws, regulatory requirements and mandatory codes of practice.

The **Audit and Finance Committee** (AFC) assists the Board in fulfilling its oversight responsibilities in relation to financial management, investment operations and audit. It receives regular reports from the internal auditor and external auditor. The AFC reviews the Trustee's and Fund's financial statements each year before they are presented to the Board.

Executive Leadership Team

The Executive Leadership Team (ELT) oversees and facilitates the implementation of Rest's business plan and the execution of business operations, including monitoring and reporting to the Board.

The ELT comprises the Chief Executive Officer; Chief Investment Officer; Chief Financial Officer; Group Executive, Product & Operations; Group Executive, Risk & Governance; Group Executive, Member Engagement; Group Executive, Employer & Industry Engagement; and Group Executive, People & Transformation.

The ELT meets regularly and determines which matters need to be reported to the Board and other relevant Board Committees. Business line management and staff members report to the ELT on operational matters.

Rest uses a number of service providers, such as investment managers, an administration manager, a custodian, life insurers, actuaries and a financial planning service provider. These service providers play a vital role in Rest's governance structure.

Amendments to Rest's Trust Deed

There have been no amendments to Rest's Trust Deed during the 2021/22 financial year.

Executive Leadership Team



Vicki Doyle
Chief Executive Officer

Vicki joined Rest as Chief Executive Officer in May 2018, bringing more than 20 years' senior executive leadership experience in superannuation, life insurance, wealth management and banking. Vicki is passionate about simplifying and demystifying superannuation to help all Australians achieve their best retirement outcomes.

Vicki holds an Executive MBA from the Australian Graduate School of Management and a diploma from the Australian Institute of Company Directors.

Vicki has served as an Executive Director on Trustee Boards. She is also a Non-executive Director of the Australian Council of Superannuation Investors and a Director of The Association of Superannuation Funds of Australia.



Kulwant Singh-Pangly
Chief Financial Officer

Kulwant is an experienced financial services executive and joined Rest in June 2021. He is responsible for financial management and strategy, business planning and range of corporate services including performance monitoring and group reporting, valuations of investments assets, taxation strategy and insurance pricing.

Kulwant has more than 25 years' experience in the investment management, superannuation, insurance and banking industries, particularly in the financial management of a large-scale superannuation fund. Kulwant holds a Master of Taxation from the University of New South Wales, and a Bachelor of Business and Bachelor of Laws (Honours) from the Queensland University of Technology. He is a Fellow of the Australian Institute of Company Directors, CPA Australia, and is a Chartered Taxation Advisor with the Taxation Institute of Australia and is a formally qualified lawyer.

During his career, Kulwant has held a number of senior executive roles at leading global and Australian institutions. He sits on Rest's various investment company Boards and is the key executive responsible for Rest's Audit and Finance Committee.



Andrew Lill
Chief Investment Officer

Andrew Lill is the Chief Investment Officer having been appointed to that role in August 2020.

Prior to Andrew's appointment at Rest, Andrew was the Chief Investment Officer at Morningstar Investment Management for its Americas division and previous to that for Asia Pacific.

Andrew has enjoyed a professional career in Financial Services over 25 years holding various senior executive roles located in the UK, Australia, and the United States, managing mid-size teams of investment professionals and has success at commercialising both investment capabilities and advice solutions.

Andrew is driven by a passion for understanding superannuation member investment objectives and designing bespoke long-term investment strategies to suit these unique objectives.

Andrew has a strong academic background with master's qualifications from Cambridge University in Economics and he is a Fellow of the Institute of Actuaries.

**Deborah Potts**

Group Executive, Employer & Industry Engagement

Deborah is responsible for relationship management with Rest's employers, as well as industry associations. Her responsibilities also encompass Rest Advice, business development, service delivery and employer channel management.

Deborah joined Rest in 2015, as the National Manager, Advice and subsequently served as the Head of Advice and Education from March 2017. In May 2018, she was appointed as interim General Manager Brand, Marketing and Communications.

Deborah has extensive experience working with board, executive and professional teams on customer experience strategies in the financial services and superannuation industries. Prior to working at Rest, she worked at BT Financial Group and AMP Corporate Super.

Deborah holds a Bachelor of Economics and Accounting from Macquarie University.

**Jeremy Hubbard**

Group Executive,
People & Transformation

Jeremy is responsible for charting and executing Rest's business strategy and planning the fund's strategic technology innovation. His role encompasses strategy and planning, technology management, innovation, data governance, and people and culture.

Jeremy has more than two decades' experience in innovation and technology roles across corporate, SME and consulting organisations. He joined the digital UBank in 2008 and was part of the bank's executive team from 2015 to 2019. Before joining Rest he was UBank's General Manager, Digital & Innovation.

Jeremy was previously Head of IT for fintech start-up Once Australia, and worked in consultancy roles for Capgemini, Morse and Oracle Corporation.

Jeremy holds a Bachelor of Information Technology from the University of Queensland.

**Tyrone O'Neill**

Group Executive,
Member Engagement

Tyrone joined Rest in April 2019 and is responsible for helping members engage with super at all stages of their lives. His team's role includes brand and marketing, communications, managing digital experiences such as the Rest App and website, and data analytics. As part of his role with Rest, he also serves as a Director on the SuperFriend Board.

Tyrone has nearly two decades of experience in strategic marketing, digital, data, and customer insights roles, including senior leadership positions at Optus, Vodafone, and Westpac.

Tyrone holds a Master of Letters in Philosophy and a Bachelor of Arts (First Class Honours) in Philosophy and Computer Science from the University of Sydney.



Brendan Daly
Group Executive,
Product & Operations

Brendan joined Rest in April 2019 and is responsible for the development of member-focused products and best-practice operations that deliver outstanding service to members and employers. His responsibilities encompass the design and delivery of product, technical, insurance and administration services to members and employers.

Brendan has extensive experience in the financial services and wealth management industry. He previously served as Head of Product and Operations in NAB Wealth's Corporate and Institutional Wealth division, and has held superannuation operations roles at Colonial First State and other providers. He has also held consulting and advisory roles, including with technology consultancy firm Wipro. He was a trustee Director of the Commonwealth Bank of Australia's Officers' Superannuation Fund from November 2007 to April 2008, and is currently a Director on the board of the Australian Institute of Superannuation Trustees.

He is a fellow of the Association of Superannuation Funds Australia, and holds a Master of Business, Management and Operations from the University of Technology Sydney, a Master of Research Methodology and Quantitative Methods from the Macquarie Graduate School of Management, and a Bachelor of Economics and Finance from Western Sydney University.



Gemma Kyle
Group Executive,
Risk & Governance

Gemma was appointed as Group Executive in November 2018 and is responsible for the risk, compliance, legal, audit, security and company secretariat functions.

Before joining Rest, Gemma worked across the Federal Government, engineering and financial services sectors. Most recently, she worked on the separation of MLC Life insurance from NAB, and established MLC Life's first-line risk, compliance and financial crime capabilities.

Gemma holds a Master of Arts from the Australian National University and a Bachelor of Economics (First Class Honours) from the University of Sydney.

08

Financial statements 2021/22



Lisa,
Rest member

Financial statements

The abridged financial statements included below is an abbreviated version of extracts from the Rest financial report for the year ended 30 June 2022. If you would like a copy of the audited financial statements and the auditor's report, please visit our website at rest.com.au/annualreport or write to us at Rest, PO Box 350, Parramatta NSW 2124.

Income statement

	2022 (\$ million)	2021 (\$ million)
Superannuation activities		
Investment income	2,432	1,900
Changes in assets measured at fair value	(4,356)	8,633
Other investment income	58	5
Total superannuation activities income	(1,866)	10,538
Less		
Investment expenses	189	206
General administration expenses	236	206
Total expenses	425	412
Results from superannuation activities before income tax expense	(2,291)	10,126
Income tax (benefit)/expense	(586)	880
Results from superannuation activities after income tax expense	(1,705)	9,246
Less: Net benefits allocated to members' accounts	1,756	(9,155)
Operating result after income tax	51	91

Statement of changes in member benefits

	2022 (\$ million)	2021 (\$ million)
Opening balance of member benefits	64,543	54,485
Contributions		
Contributions by employers	5,758	5,026
Contributions by members	827	684
Rollovers	960	985
Income tax on contributions	(893)	(747)
Net after-tax contributions	6,652	5,948
Benefits to members and beneficiaries	(4,031)	(4,886)
Insurance premiums charged to members' accounts	(421)	(423)
Income Protection benefits to members	(165)	(153)
Income Protection benefits from insurer	165	153
Insurance benefits credited to members' accounts	248	264
Net benefits allocated to members' accounts	(1,756)	9,155
Closing balance of member benefits	65,235	64,543

Statement of financial position

	2022 (\$ million)	2021 (\$ million)
Securities		
Australian listed shares	14,270	16,006
Australian bonds	2,860	2,587
Discount securities	2,575	3,180
Overseas listed shares	19,589	18,291
Overseas bonds	1,158	1,251
Other		
Unlisted unit trusts	22,851	22,361
Derivatives	321	286
Cash/other	2,871	2,581
Total investments	66,495	66,543
Other receivable	537	397
Other assets	90	68
Total assets	67,122	67,008
Less		
Liability for taxation	299	1,488
Derivatives	1,070	531
Other liabilities	127	106
Total liabilities	1,496	2,125
Net assets available for member benefits	65,626	64,883
Less reserves	391	340
Closing balance of member benefits	65,235	64,543

Every member who is part of a Defined Benefit fund receives an AQ Update from Rest, which details Defined Benefit financial information annually. This is sent around November.

Reserves

Rest has a number of reserves, including an operational risk financial requirement reserve, administration reserve and group life insurance reserve. As at 30 June 2022, the total reserves were valued at \$391 million.

These reserves are maintained and used in accordance with Rest's reserving policy, for example, to meet any contingencies, provide for future capital requirements, or administration and insurance payments. Rest currently has adequate provisions in its reserves.

All reserves, except as described below, are invested in the Fund's Core Strategy Option. All earnings, either positive or negative, are reinvested in the reserves.

\$10 million of the group life insurance reserve is invested in the Cash Option. \$10 million of the administration reserve is invested in a subsidiary of the Fund (see the 'Trustee fees and Trustee capital reserve' section on page 78 for further details).

Movement in Rest's reserves

Year	Total movement in reserves (\$ million)
2020	(84)
2021	91
2022	51

The statement of changes in Rest's group life insurance reserve and further information on the use of this reserve are included on page 80.

Trustee fees and Trustee capital reserve

Rest maintains a capital reserve that is separate to the assets of the Fund. The reserve is maintained to meet liabilities of the Trustee that cannot be paid from the Fund. The Trustee created this reserve by charging a one-off Trustee fee of \$10 million in December 2021 which was paid from the administration reserve. The Trustee charges an ongoing Trustee fee of \$3 million per annum, plus an amount to cover Trustee costs including director fees, insurance and other expenses. These fees will be paid from the administration reserve and are not a separate fee and will not increase fees charged to members.

Rest also has the benefit of a guarantee arrangement, initially of up to \$10 million, to access further funds if required. Rest Holdings No 1 Pty Limited (RH) has been established as an asset of the Fund and capitalised from the administration reserve. RH has entered into an arms' length arrangement with the Trustee to provide a guarantee in favour of the Trustee. The Trustee pays a fee from its own resources to RH for the benefit of the guarantee.

Rest considers that is in the best interest of Fund members for it to have adequate resources in the form of the Trustee capital reserve and guarantee, to continue to act as Trustee of the Fund if it incurs a liability which cannot be paid from the reserves in the Fund.

Rest does not distribute profits or return capital to shareholders or pay dividends, distributions or returns of capital. This is consistent with the Fund's status as a profit-to-member fund.

Unit price adjustments

Rest reserves the right to adjust unit prices in accordance with its reserving policy without prior notice and includes transferring funds from investment option earnings to reserves which may impact the respective unit prices. No adjustment was required during the year.





Notice to Rest members

Fair and reasonable allocation of costs

Operational fees and costs

Rest undertakes an annual review of the fees and costs met by members and the way the costs of running the fund are allocated between members.

These costs are allocated to one of the four following areas:



Rest aims to recover costs incurred because of a transaction by an individual member from the transacting member through member fees. Costs incurred in relation to an investment option are generally deducted from the income or assets of the investment option and are reflected in the unit prices. Costs incurred in relation to particular groups of members (eg members in Rest Super, Rest Corporate or Rest Pension) are recovered from the members in those groups, usually from member fees of those groups.

Only members who have insurance pay for the costs associated with our insurance offering. Insurance premiums are based on past claims and expected future claims, premiums are charged to cover the cost of paying out claims. Insurance premiums are deducted from members' accounts.

The Trustee considers that the fees it charges to members and the way fees and costs are allocated between members and different groups of members are fair and reasonable.

Insurance offering

Each year, Rest reviews its insurance management framework and the insurance offered to members, to determine whether any changes should be made.

To do this, we consider the policy terms, the level of cover, and the cost to members. We also seek feedback from our members on the insurance offerings we make available.

The Trustee considers that the insurance strategy, and the existing cover and its terms and conditions, are appropriate and in the interests of members.

Our premium adjustment arrangements

Rest operates a Premium Adjustment Model (PAM) with its primary life insurer TAL Life Ltd (TAL). This model covers the current insurance arrangements with TAL and helps Rest and TAL set the insurance pricing. It enables us to stabilise the level of premiums our members pay for insurance, which are directly based on the insurance claims we pay out to our members.

The premiums our members pay for insurance, are based on our current and historical claims experience – the amount of claims we have paid out to our members in the past for sickness, injury or death. The premiums paid cover the cost of paying out these claims as well as the direct costs of managing our insurance administration.

Premiums are reviewed annually under the PAM arrangement, to ensure pricing is current and with the aim that members are less likely to see big changes in premium rates.

Rest's group life insurance reserve is maintained and used in accordance with Rest's reserving policy. This insurance reserve is used to cover the cost of managing our insurance administration and for the benefit of insured members of Rest, such as through potential reductions in future insurance premiums. Every year, Rest reviews its insurance reserving policy, to determine whether any changes should be made. This includes adequacy of reserve level, impact on future insurance premiums and whether any distribution of excess is possible.

Statement of changes in group life insurance reserve 2021/22

		\$
Opening balance as at 1 July 2021		59,944,976
Reserve earnings		(4,268,968)
Net transfers to reserve		510,356,119
Net transfers from reserve		(440,864,666)
Closing balance as at 30 June 2022		125,167,461

The transfers from the reserve primarily relate to group life insurance premiums paid to external insurers and expenses relating to the provision of insurance administration.

Trustee insurance

The Fund, the directors and the officers of the Trustee are covered by Fraud Insurance, Professional Liability Insurance, and Directors and Officers Liability Insurance, primarily through Lloyd's Underwriter Syndicate No. 1886 QBE.

Advisers and service providers

The following advisers and service providers assist the Trustee to provide members with professional service and management. They have been appointed based on quality and cost effectiveness.

Administration and accounting

Link Group

Credit manager

Industry Funds Credit Control Pty Ltd

Custodian

State Street Australia Limited

External auditor

Deloitte

Group life and income protection insurance

TAL Life Ltd

AIA Australia Ltd

Hannover Life

Internal auditor

KPMG

Investment consultant

JANA Investment Advisers Pty Ltd

Legal advisers

Allens

Arnold Bloch Leibler

Clayton Utz

Gadens

Gilbert and Tobin

Hall & Wilcox

Herbert Smith Freehills

Hogan Lovells

King & Wood Mallesons

Kirkland & Ellis

MinterEllison

Squire Patton Boggs

Turks Legal

Willkie Farr & Gallagher

Tax agent

PricewaterhouseCoopers

Employers in arrears

The Trustee has entered into agreements with certain employers under which they are required to make superannuation contributions to Rest on behalf of their employees. Sometimes employers¹ are late in making their superannuation contributions required under their agreement with the Trustee. This is often due to an administrative oversight, but we take breaches seriously and will seek to draw employers' attention to their obligations.

During 2021/22, Rest referred a number of employers¹ to Industry Fund Services Ltd (IFS). IFS collected \$2,013,117 in arrears from employers for payment to Rest members. As at 30 June 2022, some employers were still in arrears by at least 90 days. Legal action may be initiated where contributions remain unpaid after IFS contacts the employer.

Temporary residents

A temporary resident who is not a citizen of Australia or New Zealand may withdraw their superannuation benefits only under limited conditions. Six months after the temporary resident has departed Australia or their temporary visa has expired, the Australian Taxation Office (ATO) can require their superannuation fund to transfer their super to the ATO as unclaimed moneys. The temporary resident can then claim the money from the ATO.

If Rest is required to transfer a member's superannuation benefit to the ATO, relying on ASIC relief, Rest is not required to and will not notify the member of the transfer or provide them with an exit statement. For more information, view the [Departing Australia Superannuation Payment fact sheet on our website](#).

Unclaimed and lost member accounts

In some circumstances, your account balance will be treated by Rest as unclaimed money or as a lost member account.

Rest transfers any unclaimed and lost member account balances to the ATO every six months. Once a member's account balance is transferred to the ATO, the member will no longer be a member of Rest, and any insurance cover within Rest and other Rest benefits will cease.

There may be other reasons for the Trustee to transfer a member's account balance to the ATO. See ato.gov.au for more information.

If you need us to do better

We are committed to acting with honesty and integrity every time. If we do not meet your expectations, we want to know. Our complaints management process means your concerns will be treated seriously and addressed fairly and promptly.

Have concerns? We're here to help

Talk to us first if you have a concern. We will work with you to try to solve your problem straight away.

If you are not happy with how we handle things, or we cannot resolve your concern quickly, we will recognise your matter as a formal complaint. Our complaints team will review your matter.

How do I make a complaint?

You can also make a complaint by contacting us. We will acknowledge your complaint within one business day.

- Email contact@rest.com.au with the subject line 'Complaint'
- Call us on 1300 300 778 between 8am and 8pm AEST, Monday to Friday
- Talk to us via live chat at rest.com.au/contact-us
- Lodge your complaint by mail:

The Trustee Services Officer

Rest
PO Box 350
Parramatta NSW 2124

Our complaints process

We will aim to resolve your complaint within 45 days, or within 90 days if your complaint is about a death benefit distribution. Sometimes it might not be possible to completely resolve your complaint in that time. If it looks like we can't resolve it in this time, we will let you know, and tell you the reasons why it's taking a little longer.

No matter how long it takes us to make a decision about your complaint, we will always let you know the reasons for that decision.

If you are not satisfied with how we are handling your complaint, or you do not agree with our decision, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA).

¹ This applies to registered Rest employers who have agreed to the terms and conditions as part of the employer registration process.

Who is the Australian Financial Complaints Authority?

AFCA provides a free, independent dispute resolution service. It will try to resolve any differences or make a binding ruling if necessary. There may be time limits depending on the type of complaint, so it is important to contact AFCA promptly.

- Email info@afca.org.au
- Call **1800 931 678**
- Visit afca.org.au

You can find out more about our complaints management process and how to lodge a complaint at rest.com.au/complaint

How to contact Rest

To contact Rest, use the details on the back page, or write to us at:

The Trustee Services Officer
Rest
PO Box 350
Parramatta NSW 2124

Rest Super and Corporate

- ☎ **1300 300 778**
Monday to Friday,
8am-8pm AEST
- ✓ **Roger** (24-seven)
- 💬 **Live Chat**
Monday to Friday, 8am-10pm
Saturday, 9am-6pm
Sunday, 10am-6pm AEST

Acumen

- ☎ **1300 305 779**
Monday to Friday,
8am-6pm AEST
- ✓ **Roger** (24-seven)
- 💬 **Live Chat**
Monday to Friday, 8am-10pm
Saturday, 9am-6pm
Sunday, 10am-6pm AEST

Rest Pension

- ☎ **1300 305 778**
Monday to Friday,
8am-6pm AEST
- ✓ **Roger** (24-seven)
- 💬 **Live Chat**
Monday to Friday, 8am-10pm
Saturday, 9am-6pm
Sunday, 10am-6pm AEST

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