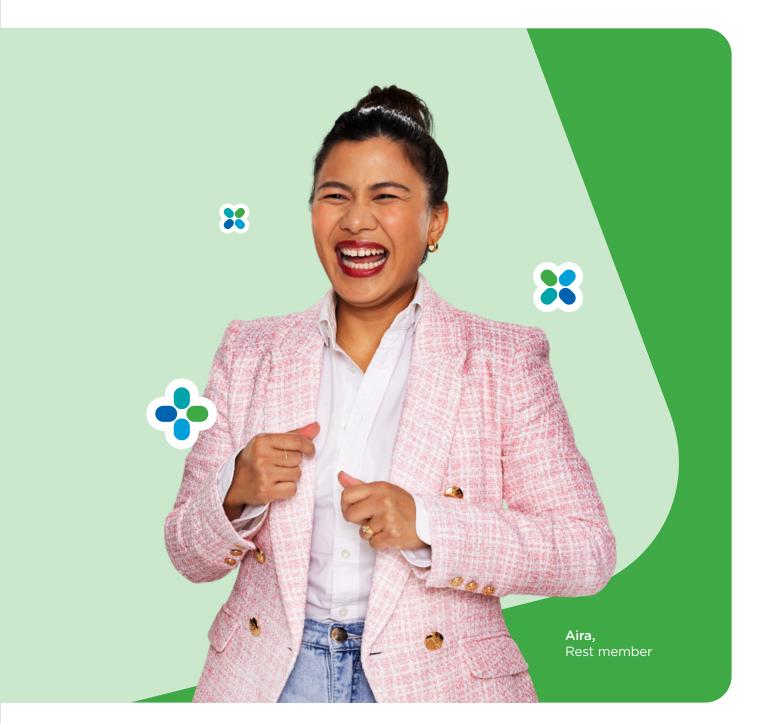
Rest Annual Report

1 July 2022 - 30 June 2023



21 November 2023



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We acknowledge the Traditional Owners of Country throughout Australia. We also pay our respects to Elders past and present.

We acknowledge the ongoing connection that Aboriginal and Torres Strait Islander peoples have to this land and recognise them as the original custodians of this land.

The Rest Annual Report is Rest's annual Fund Information Report for the 2022/23 financial year. For Acumen members, there are two parts to the Fund Information Report. This document is the first part and the AQ Update is the second part. For all other members, this document is the complete Fund Information Report.

Rest Annual Report 2023: 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



Lachlan, Rest member

Message from the CEO



Vicki Doyle Chief Executive Officer

The 2022/23 financial year was my fifth since joining Rest. It's remarkable that for most of that time the Australian – and global – community has been collectively experiencing a series of trials unlike anything we've encountered before.

It has been a privilege and great responsibility to manage your retirement savings as we navigate these challenges together. I'm proud of the progress Rest has made to help you to engage with your super and take positive actions to grow it.

This year saw a continuation of the uncertainty we have faced for more than three years, first through a global pandemic and now through the highest rates of inflation experienced in a generation.

Although many of you have this year been facing real financial difficulties on a day-to-day basis, we are pleased that your retirement savings likely made strong gains in 2022/23.

Core Strategy's return of 9.26 per cent for the 2022/23 financial year was above its average annualised return over both 10 and 20 years, and since it began in 1988.¹

We are also dedicated to keeping our fees low. Rest Core Strategy's fees and costs are at least 20 per cent lower than the super industry average.²

Strong returns in testing times

Price increases, inflation and rising interest rates have created challenging conditions for households across the country, as well as for investment markets. Despite this, Core Strategy and many of our other options delivered robust positive returns.

The performance of share markets in Australia and overseas, and our unique investment in agriculture all contributed double-digit returns to Core Strategy's results.

Our investments in unlisted infrastructure, such as water, electricity and transport, which can provide steady cash income, also helped stabilise performance and protect portfolios from inflation risk.

Responsible investing remains a fundamental part of our overall investment approach.

In order to enhance your financial interests, we take a 'three-lens' approach to evaluate how environmental, social and governance (ESG) investment decisions are assessed.

These are: member preferences and expectations; investment risks, returns and opportunities; and community expectations.

Each lens provides insight into the potential financial impact of certain ESG risks on member outcomes.

This financial year we made our first impact investments, investing in the Palisade Impact Fund and the specialist private equity firm, ARCHIMED. These investments aim to generate strong financial returns, alongside a positive and measurable impact to society or the environment.

These impact investments are supporting technology for smarter and more efficient energy services, as well as healthcare opportunities aiming to improve people's health and economic status. These were our first steps towards our target of a one per cent allocation to impact investments across the total portfolio by 2026.

Simple and seamless

We are committed to helping our members more easily understand and connect with their super. We believe by being a low-cost, digital-led super fund that aims to deliver seamless experiences, we make it simpler for you to engage with your super.

This makes it easier for you to make informed decisions and, ultimately, can help you achieve a better retirement outcome.

- Return for Rest Super and Rest Corporate as at 30 June 2023. 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. Past performance is not an indicator of future performance.
- Rest analysis using SuperRatings SMART as at 30 September 2023. Rest Core Strategy compared against the average of 256 available super funds' balanced-style options tracked by SuperRatings. Includes administration fees, investment fees and costs, transaction costs, and costs met from reserves. Other fees and costs may apply. Fees are only one factor to consider when investing super.

We represent around a million members aged 30 or younger. These members have grown up with technology and expect seamless digital customer service. We are already recognised as a market leader for our digital experience³, and most of you now choose our digital channels to speak to us.

Our customer service teams received around 2,000 inquiries per day, and more than 1,000 of them were through our digital channels. Around 10,000 of you logged onto the Rest App each day in the last financial year. Many of you sought simple advice at no extra cost by using our Digital Advice tools 35,000 times.4

However, we're constantly looking for new ways to improve your experience and make it simpler for you to connect with your super. This includes the new Learn feature on the App, which was visited by 185,000 members from its launch in February, and improvements to make our website more accessible for people with a range of disabilities.

Rising need for support

We know many of you found the past year extremely challenging and are continuing to struggle with the cost of living.

More than 8,700 members accessed their super early due to financial hardship during 2022/23, more than in each of the two years prior. Women - especially those aged 40 and older - and members in regional Australia were overrepresented among them.

Around \$60 million in financial hardship payments was accessed by eligible members during the year - more than \$1 million a week on average. These payments provided critical financial support.

While the rate of inflation has thankfully now receded a fair way from its peak midway through the financial year, the costof-living pressures do not look like abating in the short term.

For those of you who have no option but to draw on your super early, know that we are here to support you when the time comes to consider ways to replenish your retirement savings.

Positive momentum towards fairness

In 2022/23, we saw more than a quarter of a million examples of the power and value of legislative reform that makes the super system fairer and more equitable.

We estimate that around 260,000 Rest members received super contributions thanks to the removal of the \$450 monthly income threshold, which came into effect on 1 July 2022.

Rest had long advocated for removal of the inequitable income threshold, which meant that employers were previously not required to make Superannuation Guarantee contributions to eligible workers who earned less than \$450 per month.

Nearly two-thirds of the members who benefited were women. Women aged 40 to 59 were the most likely to have benefited from the change - highlighting how it has helped make super more equitable.

These results just show the benefit to Rest members. It's likely many more working Australians are now receiving super contributions thanks to this change.

This was not the only progress towards greater fairness and equity. The Australian Government also announced 'payday super', which will see super contributions aligned to payroll cycles from July 2026.

This change will allow many of our members to benefit from compounding returns on more frequent contributions. It will also make it easier to track contributions.

The Government also announced measures to increase the visibility of unpaid superannuation, and proposed changes to the concessional tax rate on earnings in superannuation accounts with more than \$3 million.

Together, these changes represent good momentum towards fairer retirement outcomes. But more is needed, such as superannuation contributions on paid parental leave.

Rest also launched our first Reflect Reconciliation Action Plan this financial year and committed to support constitutional recognition of First Nations Australians. We estimate that tens of thousands of our members identify as Aboriginal and/or Torres Strait Islander peoples.

Because Aboriginal and Torres Strait Islander peoples are more likely to experience poorer retirement outcomes⁵, we believe it's critical to promote reconciliation and advocate for improvements that enhance our members' financial interests.

Farewell to a true leader

Finally, I wanted to pay tribute to Ken Marshman, who departed as Chair and Independent Director of the Rest Board at the end of December.

Ken is a skilled leader who shepherded Rest through a period of great change and transformation since he joined the Board in 2013. Rest's funds under management doubled under his tenure, and the Rest team more than quadrupled.

I'm also personally grateful to Ken for the support and advice he generously shared with me and the executive leadership team. We sincerely wish him the best in retirement.

Our new Chair and Independent Director James Merlino joined in January. He has extensive experience in government and public administration which complement the diverse range of skills and expertise on our Board.

³ Refer to page 9 of this Annual Report for more information.

⁴ Rest Digital Advice is provided by Link Advice Pty Limited ABN 36 105 811 836 AFSL 258145.

Refer to page 20 of this Annual Report for more information.

Our members

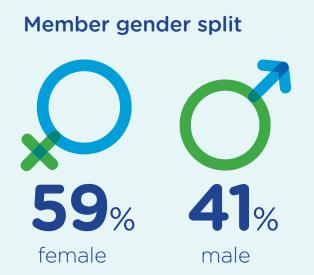


\$74.8 billion

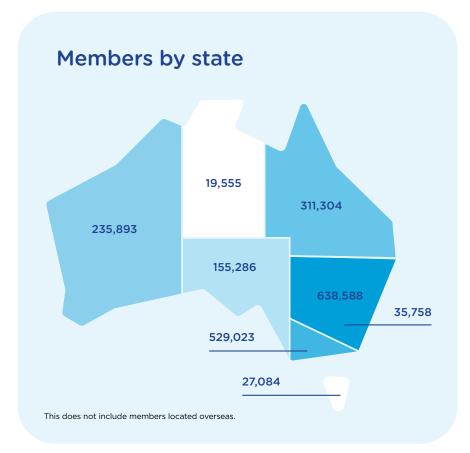
worth of funds under management













01

Effortless service and value Beau, Rest member

Simple member experience

Rest aims to be a leading low-cost, digital-led super fund, and we are constantly thinking about how we can provide a seamless experience to our members. We believe when members can more easily understand and engage with their super, they're more likely to reach a better retirement outcome.

Leading digital experience

Rest was recognised as a market leader for digital experience across all channels by the Global Reviews Superannuation Benchmark for 2023.1 This is the third year in a row that Rest has topped Global Reviews' overall service rankings for superannuation.

The Global Reviews benchmark examined nine superannuation funds, including some of the biggest and most well-known funds, and ranks their digital customer journeys, across a range of device types, from acquisition to retention.

We have led the way with adopting digital customer service, and the Global Reviews benchmark recognises the maturity of our strategy.

Customer service

We serve our members in the channels where they are active. This includes using digital services, as well as traditional phone calls. In total, we recorded more than 725,000 customer service interactions - or around 2,000 a day. More members now choose digital channels over a phone call.







148,443 in-App messages from members about 400 per day



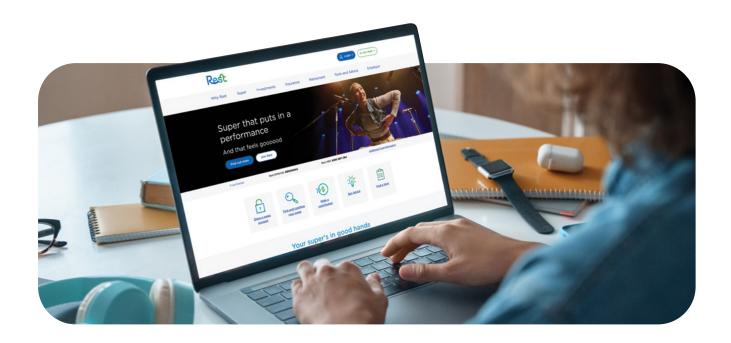
71,747 conversations with our Virtual Assistant, Roger about 200 per day





Apple Business Chats around **8** per dav

The Rest website





around 45,000 unique pageviews per day



We enhanced our website to make it more inclusive and accessible, catering to people living with a range of disabilities such as epilepsy, vision impairment, cognitive disability, ADHD, blindness, and motor impairment. The features were used in around 8,000 unique sessions.

The Rest App

Our Rest App is key to helping our members connect with their super more easily and empowering them to make informed decisions. App users are more likely to recommend Rest to their friends and colleagues compared to our broader membership.



More than

735,000

members logged into the Rest App more than **14 million** times

An average of 290,000 members logged into the Rest App each month.



Nearly

10,000

members used the Rest App each day



215,000

new users registered with the Rest App



Around

new users registered per day

4.6 \$\$\$\$\$\$

average user rating on the App Store

3.7 ☆☆☆☆

average user rating on Google Play

In February 2023, we launched the Learn feature on the Rest App. This feature is designed to help members enhance their experience and confidence by providing an easy and convenient way to learn about super.

More than

185,000

members have already visited the Learn feature.

Advice and education

Rest's advice and education services are fundamental to helping members achieve their best-possible retirement.

Digital advice allows us to reach more members in a way that is convenient and accessible – particularly younger members who have traditionally avoided advice. The vast majority of our advice interactions occur via our digital tools.

More than half of our total advice interactions in the 2022/23 financial year were with members under the age of 40, and nearly all of them used our digital tools. We expect we wouldn't have seen anywhere near this many younger members engaging with advice if it wasn't available online in a simple, convenient, and single-issue format.

Phone advice and face-to-face seminars are available for those members who prefer them, and these have recorded high member satisfaction.

Rest members used our Digital Advice tools

35,181 times



22,462

Statements of Advice were provided by our digital tools

Investment Choice Solution **14,880**Insurance Needs Analyser **4,892**Contributions Optimiser **2,690**

18% year-on-year growth



Rest provided a total of

25,876

Statements of Advice to members

17% year-on-year growth

3,414

Statements of Advice were provided over the phone



(i)

98%

customer satisfaction score for advice over the phone

3,556

members received general advice via the Member Connections team





6,880

digital Super Health Checks were completed

5,839

digital Retirement Health Checks were completed



All figures are for the period 1 July 2022 to 30 June 2023

Rest Advice is provided by Rest staff (Rest Advisers) as authorised representatives of Link Advice Pty Limited ABN 36 105 811 836 AFSL 258145. Rest Digital Advice is provided by Link Advice. For more information on Rest Advice, see the Financial Services Guide. You can obtain a full copy of the Financial Services Guide at rest.com.au/pds or by calling us on 1300 300 778.



Rest held

697

education seminars across Australia

and 81 digital education sessions

- **NSW:** Greater Sydney, Greater Wollongong, Greater Newcastle, Bowral, Coffs Harbour, Dubbo, Orange, Port Macquarie, Albury, Wagga Wagga
- **ACT:** Greater Canberra
- Queensland: Greater Brisbane, Gold Coast, Warwick, Toowoomba, Caloundra, Maroochydore, Hervey Bay, Rockhampton, Mackay, Townsville, Cairns
- Victoria: Greater Melbourne, Warragul, Geelong, Ballarat, Warrnambool, Bendigo, Shepparton, Wangaratta, Wodonga, Swan Hill, Mildura
- Tasmania: Greater Hobart, Greater Launceston
- SA: Greater Adelaide, Mount Barker, Victor Harbor, Elizabeth, Evanston, Whyalla, Port Pirie
- NT: Darwin, Palmerston and Alice Springs
- WA: Greater Perth, Fremantle, Port Kennedy, Mandurah, Bunbury, Busselton, Albany





11,935

people attended the seminars or logged into the digital sessions



customer satisfaction score for the seminars

Affordable and flexible insurance

Many of Rest's members are part-time and casual workers, which may result in them having a lower average income. They typically have little accrued sick leave, annual leave or savings for when things don't go to plan.

If it wasn't available through their super, many members would not be able to afford to pay insurance premiums out of their take-home pay. This makes affordable, flexible and accessible insurance cover a critical part of our offering to members.

Rest Super offers default insurance that includes death and total and permanent disability cover and is one of the few super funds to also offer default income protection. In Rest

Super, default income protection will generally pay eligible members for up to a five-year period if they're sick or injured and are unable to work for an extended period. In Rest Corporate, the default insurance design is selected by the employer and can be tailored to meet their employees' needs.

For more information, refer to the Rest Super and Rest Corporate Insurance Guides at rest.com.au/pds.



in benefits from 11,961 insurance claims



in claims benefits paid per day



claims

\$222 million in benefits



Death and Terminal

Illness claims \$140 million in benefits



Total and Permanent Disability claims

\$102 million in benefits

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

All figures are for the period 1 July 2022 to 30 June 2023, unless otherwise stated.

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, will respond with exceptional support and timely claim decisions. In the past year, the TAL Rest Claims team achieved faster claim decision times compared to super industry averages, as benchmarked by APRA.²



Income **Protection**

Industry average: 61 days





Death and Terminal Illness

Industry average: 33 days



Total and Permanent Disability

Industry average: 149 days

All figures are for the period 1 July 2022 to 30 June 2023.

¹ TAL Life Limited, ABN 70 050 109 450 AFSL 237848

² Industry averages are for the period 1 July 2022 to 30 June 2023, and taken from *Life insurance claims and disputes data June 2023*, Australian Prudential Regulation Authority (APRA), 17 October 2023. This APRA data expresses industry averages in months, which have been converted to calendar days based on a month equalling 30.417 days on average.



New agreement with Link Group

Rest entered into a new agreement with our key administration supplier, Link Group, in May 2023, extending a relationship that began in 1992.

Under the agreement, Link Group will continue to deliver core administration services to Rest and expand on their customer engagement services. A number of initiatives are also planned as part of the new agreement, including a joint digital innovation team to elevate the digital services and technology solutions available to Rest members and employers.

This agreement was an important milestone in Rest's aim to reduce complexity for members and deliver seamless experiences. It aims to support our objectives to make super as easy to understand as possible, while leveraging our scale to deliver the best possible value to our members.

Reduction in complaints

During 2022/23, Rest responded to 7,450 complaints, a reduction of eight per cent compared to the 2021/22 financial year.

We attribute this reduction to our commitment to using lessons learnt from previous complaints to strive towards a more seamless experience for our members.

The majority of complaints were resolved and answered promptly. Sixty-three per cent were resolved within five days. For the ones that needed more investigation, 99.4 per cent were answered within the maximum timeframe of 45 days, or 90 days for complaints about a death benefit distribution.

The reasons for complaints ranged from customer service issues that could be resolved on the spot, service delays that needed more investigation before being resolved, and complex issues that were escalated to the Australian Financial Complaints Authority (AFCA).

During 2022/23, 260 complaints were escalated to AFCA, which was in line with the 259 escalated in 2021/22. This year-on-year figure compared favourably to the super industry as a whole, which saw AFCA-escalated complaints increase by 32 per cent.² In the 2021/22 and 2022/23 financial years, Rest members were the least likely to escalate their complaints to AFCA compared to the members of other large super funds.

² Data snapshot 2023, Australian Financial Complaints Authority, 31 July 2023, <u>afca.org.au/news/statistics/data-snapshot-2023</u>



Cost of living pressures

As a fund that represents countless Australians working in part-time, casual and lower-income jobs, it's likely that many Rest members were significantly impacted by cost-of-living pressures during 2022/23.

During the financial year, we saw the number of members who accessed their super early for financial hardship reasons increase, particularly in the second half of the year.

In the financial year, we supported more than 8,700 members to access \$60.6 million (an average of around \$7,000 each). In March 2023 alone, we paid \$6.6 million to nearly 1,000 members. The number of members who accessed their super early due to financial hardship increased around 11 per cent compared to the 2021/22 financial year.

Our female members and our members living in regional Australia were overrepresented among these members.

The members who contacted us about financial hardship, for example, often told us they were struggling with debt, and their income was not keeping up with expenses.

It's worth remembering that members are only eligible to access their super early for hardship if they meet a number of criteria, including a requirement to have received Commonwealth income support payments for 26 continuous weeks.

Members should also consider that super is generally a long-term investment for retirement and withdrawing your super early may impact your retirement income.

Consider if it's right for you and seek professional advice if required. Members who would like more information about financial hardship can visit rest.com.au/tools-advice/learning-centre/super-tips/ financial-hardship

Alternatively, they can read about steps they may be able to take while dealing with cost of living challenges at rest.com.au/why-rest/about-rest/news/cost-of-living



All figures are for the period 1 July 2022 to 30 June 2023.

02

Advocates for super

Kamal,

Rest member



A year of progress towards fairer super

Rest is committed to advocating for a fairer and more equitable superannuation system. Many of our members work in part-time, casual and lower-income jobs, and we firmly believe that the system needs to continually evolve to ensure it is always working well for them.

The 2022/23 financial year saw some encouraging progress toward greater fairness and equity in superannuation.

On 1 July 2022, the removal of the \$450 monthly income threshold for Superannuation Guarantee contributions came into effect. Previously, employers were not required to make Superannuation Guarantee contributions to workers who earned less than \$450 per month.

As at 30 June 2023, Rest estimates that about a quarter of a million members have benefited from the removal of this rule.

Our analysis suggests that around 260,000 members received a Superannuation Guarantee contribution from their employer during the 2022/23 financial year, who were previously unlikely to receive one with the threshold in place.

This included around 180,000 existing Rest members and around 80,000 new members, some of whom may not have received any superannuation before the change.

Around 168,000 of the members estimated to have benefited were women, and 94,000 were men. This means women were overrepresented compared to our total membership and therefore more likely to benefit from this change. This was particularly the case for those aged between 40 and 59.

As a result, the change will help contribute to closing the gender gap in superannuation balances.

This analysis highlights what is possible when superannuation is made fairer and more equitable.

Further changes announced

There were other important announcements during the financial year that represented welcome progress.

The Australian Government announced it would alter the concessional tax rate on earnings in superannuation accounts with more than \$3 million. From 1 July 2025, the Government will reduce the tax concessions available to individuals whose total superannuation balances exceed \$3 million at the end of the financial year, by increasing the tax on certain earnings from 15 per cent to 30 per cent.

The Government also announced that Superannuation Guarantee payments would be aligned to employer payroll cycles - known as 'payday super' - from 1 July 2026.

A significant proportion of Rest members have their Superannuation Guarantee payments either paid monthly or less frequently, and this is often out of sync with their take home pay.

Many of our members will directly benefit from this change, including by unlocking the power of compounding interest returns on more frequent Superannuation Guarantee contributions.

The change will also make it easier for members to track the contributions received into their superannuation account and check that payments have come through as expected. This is especially important for casual workers, whose hours can vary significantly from week to week.

In the Federal Budget, the Government also announced plans to increase the visibility of unpaid superannuation through improved data matching capabilities for the ATO, as well as the establishment of recovery targets.

Rest also welcomed changes to the Fair Work Act 2009, which will commence in January 2024, to include superannuation entitlements in the National Employment Standards. These changes will give Australians a further option for pursuing unpaid superannuation contributions through their union or the Fair Work Ombudsman.

Continued advocacy for Superannuation Guarantee on parental leave

We will continue to advocate for the Australian Government to build on this momentum and introduce Superannuation Guarantee payments to the Commonwealth Paid Parental Leave scheme.

We believe this change would help address the disadvantage created by periods of unpaid work, and further contribute to closing the closing the gender super gap.

The average female Rest member aged 60 to 64 has an account balance of around \$86,400, while the average balance for men in the same age band is \$116,5001, this represents a gender super gap of 25.8 per cent.

We strongly encourage the Government to implement this at the earliest opportunity. We are also encouraging employers to adopt gender-neutral paid parental leave arrangements and include superannuation contributions.

¹ Rest member data as at 30 June 2023.



Rest launches Reflect Reconciliation Action Plan

Rest launched its first Reflect Reconciliation Action Plan (RAP) in the 2022/23 financial year.

As one of Australia's largest profit-to-member super funds, we recognise the role we can play in achieving reconciliation and addressing inequalities that exist for First Nations peoples. We estimate that tens of thousands of our members identify as Aboriginal and/or Torres Strait Islander peoples.

Our RAP outlines how Rest will work with Aboriginal and Torres Strait Islander peoples to promote reconciliation through our sphere of influence, and formalise our commitment to addressing the inequalities that exist for First Nations peoples.

It outlines how we're embedding the principles and purpose of reconciliation across our organisation and the actions we're taking to support First Nations members, businesses and communities.

Aboriginal and Torres Strait Islander peoples are three times more likely to experience financial stress in retirement than other Australians. Due to lower life expectancy, Aboriginal and Torres Strait Islander people are also less likely to reach preservation age to access their retirement savings. First Nations kinship structures are also not reflected in laws applying to superannuation death benefits.

Rest's RAP is in line with our advocacy for a fairer and more equitable superannuation system that enhances the financial interests of our members, and the fund's alignment to the UN Sustainable Development Goal 10: 'Reduced inequalities'.

During 2023, Rest stated its public support for constitutional recognition of First Nations peoples through a Voice to Parliament.

We remain committed to reconciliation and advocating for a fairer and more equitable super system for First Nations peoples and all Rest members.

We are focused on delivering our RAP and will continue to advocate for improvements that help achieve better retirement outcomes for our members.

For more information about our Reflect RAP, refer to page 11 of Rest's Sustainability, Responsible Investment and Climate Change Supplement for 2022/23 or visit rest.com.au/why-rest/about-rest/sustainability/reconciliation-action-plan

Dockery, AM, Aboriginal and Torres Strait Islander Australians and the Superannuation System, Bankwest Curtin Economics Centre and UniSuper, 2020

Treasurer's Investor Roundtable

Rest Chief Executive Officer Vicki Doyle participated in the Treasurer's Investor Roundtable during the 2022/23 financial year.

Australian Treasurer The Hon Dr Jim Chalmers MP established the Treasurer's Investor Roundtable in 2022 as a forum for government, institutional investors and other stakeholders.

The Roundtable members discussed ways to identify opportunities and address barriers for investment in national priority areas, like affordable housing, energy transition and infrastructure.

As a major investor with around \$75 billion in funds under management, Rest is well placed to provide a stable, longterm source of capital investments that generate returns for our members and support Australia's economic development.

We believe members have much to gain from well thought through investment strategies in national priority areas. Creating a sustainable future pipeline of investment opportunities is important for our members, many of whom are decades from retirement.

Affordable Housing and the Housing Accord

In addition to discussing affordable housing at the Treasurer's Investor Roundtable, Rest became a signatory to the Australian Government's Housing Accord in the 2022/23 financial year.

The Housing Accord is an agreement between the three tiers of government, institutional investors and the construction sector, with an aim of addressing the supply of affordable housing.

Rest has been an investor in institutional residential developments overseas since 2014. In our experience, these assets have been valuable in enhancing the financial interests of our members.

We are interested in exploring how the development of domestic residential investment opportunities at scale can provide similar value to our members.

Access to affordable housing also makes a significant difference to our members in retirement. More affordable housing should improve the financial wellbeing and security for many Rest members, and therefore provide them with greater opportunities to achieve a positive retirement outcome.

For this reason, Rest was also pleased to support the John Curtin Research Centre in their development of a report into affordable housing solutions, Super Solutions: Tackling Australia's Housing Affordability and Supply Crisis.

This report is a welcome examination of the issue and its impact. We believe that the analysis and recommendations are thoughtful and evidence-based contributions to the discussions currently underway between government, industry, and investment stakeholders.

To access the John Curtin Research Centre Report, visit www.curtinrc.org/publications





Improving access to quality advice

The Australian Government announced its response to the Quality of Advice Review in the 2022/23 financial year.

Rest had engaged with the Review and submitted recommendations aimed at improving access to quality advice by simplifying complex regulations while ensuring effective consumer protections.

We welcomed the Government's response, and believe the announced reforms will provide funds with more flexibility to reach members who historically haven't been able to engage with advice.

The proposals should make the superannuation system fairer and more equitable by allowing more lower and middle-income Australians to benefit from simple, convenient financial advice.

These reforms could allow superannuation funds to expand the scope of their digital advice, and provide more members with simple, convenient advice at scale. This is a huge opportunity to help countless Australians achieve their best-possible retirement.

Rest has long advocated for affordable, accessible, clear and easy to understand 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.



Your Future, Your Super Review

Rest engaged with the Your Future, Your Super Review, carried out during the 2022/23 financial year, and provided some recommendations to the Australian Government.

We support the intent behind the Annual Performance Test 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 believe the test's methodology needs further improvement, beyond what was changed for testing from the 2022/23 financial year as a result of the Review, to meet this

We provided the following recommendations to the Government:

- If the performance test is to be extended beyond MySuper products, it should extend to all investment options, not just 'trustee-directed products'. Consideration should be given to assessing those products against the disclosed investment design.
- We are pleased with the proposal to increase the test period to 10 years for MySuper products, but overall the test should reflect the period for which a product is designed.
- The treatment of the administration fee should be 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 is required, in particular, infrastructure assets, to measure the performance of unlisted assets in a more appropriate way.

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:

- Changes to fees and costs disclosure in annual statements and PDSs (ASIC RG 97)
- ASIC changes to how consumer financial calculators are provided (ASIC RG 276)
- Changes to APRA standards on executive and director remuneration (APRA Prudential Standard 511)
- Changes to investment governance requirements and operations (APRA Prudential Standard SPS530)



People and culture



Helping people love their work

At Rest, we believe that if our people find purpose and excitement in what they do each day, they will be able to deliver their best for our members.

We believe with this environment, productivity will increase, employee tenure will increase, and our people will be better equipped to overcome challenges and think innovatively.

As such we have embarked on a new People Strategy for 2023 to 2025. The strategy comprises four key elements.

1. Get the basics right

Our people expect and deserve the basics to be right, and our organisational 'people experience' shapes and impacts member outcomes. Rest will continue investing in systems, processes and frameworks to enhance the people experience. By streamlining systems and simplifying processes it will be easier for our people to do their best work for members.

This year we have focused on building our core learning and leadership capabilities, as well as improving key processes to ensure resourcing is appropriate.

2. Compete where it matters

We are a purpose-driven organisation. We want to elevate Rest as a place where great people can come and get a fair exchange for their time, deliver high performance, and make a significant contribution to our members' lives. We believe this is achievable through:

- a culture that embraces diversity and inclusion
- values and behaviours that inspire purposeful work and build a constructive culture
- flexibility that supports when and where our people will work, and
- a wellbeing focus to ensure our people are always at their best.

To deliver the People Strategy, we will strive to have an approach to wellbeing and flexibility that emphasises individual needs. Our members can benefit when our people are well and can enjoy flexibility in exchange for meeting agreed outcomes through high performance.

Rest launched new employee values in February 2023 to support its strategy. The genesis of these values was a result of organisation-wide feedback, including from the Rest Board. It was guided by extensive research on building the right culture to achieve the right outcomes for our members.

Our values reflect our belief that, to be innovative and deliver the best outcomes for our members, we need to be daring and bold. This means we need to keep it simple and take the right actions, because action improves outcomes and outcomes can change the lives of our members. But we know that making things simple is not easy and will take grit, but it will be worth it.

Rest's reward and recognition program (REX) has been reimagined to support rewarding our people for role modelling these values, as well as role modelling positive risk culture behaviours that support good risk management.

Be



We are bold and have the courage to reinvent super.

Keep it



If the gist can't be explained in under a minute, it's too complex.

Take



Action improves outcomes and outcomes change lives.

Have



Making super simple isn't easy but it's worth it.

Gender diversity at Rest

Rest Board:

(target is for at least 33 per cent of each gender. Female representation doubled since 2019)

FEMALE

44.5%

55.5%



MALE

Executive Leadership roles (ELT):

(target is for 50 per cent of each)



Other leadership roles:

(target is for 50 per cent of each)



All employees:

(target is for 50 per cent of each)



All figures are as at 30 June 2023.

of our team are proud to work for Rest

Our May 2023 annual engagement survey result was 73 per cent, an improvement of five percentage points compared to the 2022 survey and 10 points compared to 2021. One of the strongest benefits 97 per cent of our people identified was the fact we "genuinely support flexibility".

86 per cent of people also indicated they are "proud to work for Rest", with 83 per cent saying "We are encouraged to be innovative even though some of our initiatives may not succeed", and 81 per cent saying "Rest's commitment to social responsibility is genuine".

3. Fit for purpose capability

Having a clear view on the capabilities required to deliver for our members is critical. This will be supported by appropriate learning and development.

We will seek out and nurture the people and skill areas required to execute our strategy successfully in a number of ways

- · We will focus on learning and development and building career paths to help our people build skills and capability to support delivery of Rest's strategy.
- We will provide access to training to enable our people to continuously build their skills so that they can better support our members and be better off from a learning perspective having worked at Rest.
- · We will enact a new strategic workforce plan to ensure the right workforce skills and profile exist to deliver our organisational goals.
- We will take a refreshed approach to succession planning that enables us to develop our people and plan for future requirements.

4. Boost performance

We want our people to love what they do for our members noting this needs to be the right work delivering the right outcomes for members. Loving what we do is rewarding in itself, but it also amplifies performance.

Getting the learning and development foundations right is critical to future-proofing Rest's workforce for the kinds of capabilities required. We aim to increase the mobility of our people, so we have the ability to quickly focus the right talent in the right place at the right time.

Leaders play a critical role in empowering employees to achieve, creating an inclusive high-performing environment, and leading by example. We will support our leaders to help them bring out the best in our people. We have developed the capabilities that are the 'Rest Way of Leading', which ensure we remain focused on delivering our strategy for our members. This will form the foundation of future development programs and assessments.

Our People Strategy prioritises creating a positive employee experience and supportive culture that allows our people to flourish by pursuing meaningful, fulfilling work that they love.

Our people					
Geographic location		2022/23	2021/22	2020/21	
	Total Headcount ¹	491	430	371	
	New South Wales	356	319	286	
	Victoria	97	85	68	
	Queensland	22	15	6	
	South Australia	5	4	4	
	Western Australia	2	1	1	
	Tasmania	2	2	2	
	UK	2	4	4	
Gender Diversity	Female	232	206	178	
	Male	259	224	193	
Age Diversity	≤24 years	9	8	5	
	25-34 years	88	79	56	
	35-44 years	206	183	156	
	45-54 years	136	116	107	
	55-64 years	48	40	41	
	≥65 years	4	4	6	
New Entrants	Total Headcount ¹	139	158	112	
	Female	67	80	57	
	Male	72	78	55	
Turnover by Gender	Total Headcount ¹	78	99	47	
	Female	41	52	20	
	Male	37	47	27	

¹ Total headcount as at 30 June for each financial year. Headcount includes permanent and fixed-term employees only, and excludes directors and contractors.



Investment update for 2022/23

Returns for our Core Strategy and diversified portfolios¹ were strong in what could have been a challenging year for investing.

For Rest Super members, the default Core Strategy option returned 9.26 per cent for the 2022/23 financial year, while for Rest Pension members, the default Balanced option returned 7.67 per cent.²

Share markets were the standout performers. Overseas shares were led by strong US tech stocks and excitement about artificial intelligence, while Australian stocks rose primarily due to strong demand for resources and commodities. Our investment in agriculture was also a top performer.

However, inflation remained stubbornly high, with rising interest rates directly affecting sectors like property. Despite this, solid employment rates and spending fuelled growth, and helped the share markets rally.

Unlisted infrastructure also continued to deliver steady inflation-resilient returns as airports returned to life after COVID-19. Interest rate sensitive asset classes, like property, listed infrastructure and private equity, detracted from performance.

Core Strategy's annual return for the 2022/23 financial year is higher than its long-term annualised returns over both 10 and 20 years, delivering on our commitment to provide strong returns for our members' retirement. We are continuing to work hard to keep your super on track.

Share markets led returns upwards despite cost-of-living pressures

Employment remained high and pockets of ongoing spending from COVID-19 savings generally supported economic growth. In addition, positive company earnings continued to support share market gains.

Countering this was a backdrop of elevated inflation and interest rate hikes. Markets also had to navigate:

- the prolonged Russia-Ukraine war adding to inflationary pressures and gas shortages
- the UK Government's fiscal plans causing bond markets and non-US Dollar currencies to plummet, and
- the collapses of Silicon Valley Bank and Credit Suisse, with fears of a wider banking meltdown.

Following 12 cash rate rises in Australia between May 2022 and the end of the 2022/23 financial year, the effect of stubbornly high inflation on markets has been varied. Looking at the graph below, we can see that the positive performers are asset classes that have navigated higher interest rates and strong growth. Generally, the weaker performers are those that are more exposed to rising rates and higher inflation.



¹ 'Diversified portfolios' refers to Core Strategy and Rest's Structured Options: Balanced, Balanced - Indexed, Capital Stable, Diversified, High Growth and Sustainable Growth.

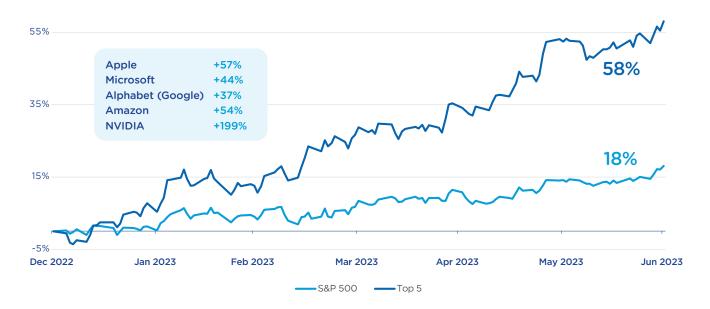
² Figures as at 30 June 2023. Returns are in AUD and net of investment fees and tax. Past performance is not an indicator of future performance. Investment returns are only one factor that you should consider when deciding to invest your super.

Even within the asset classes, we also saw a range of returns. US 'mega-tech' stocks drove performance on the US S&P500 market during the final six months, benefitting Rest's portfolios holding overseas shares, as excitement and optimism grew around the potential for artificial intelligence. Australian shares also performed well over the year, driven by demand for resources.

The strong performance of the US S&P500, has been extremely concentrated among a handful of star performers. As shown in the graph below, the top-five stocks (represented by the dark blue line) drove most of the returns. Apple became the first stock in history to reach a value of US\$3 trillion.

This concentration of returns to a small number of stocks is heightening risks. Are the mega-tech stock prices themselves now inflated and too expensive based on their actual earnings? The rest of the US market doesn't look quite as strong as companies deal with the impact of rising interest rates, costs and wages all putting pressure on their bottom lines. The difference between the top-five stocks and the rest of the market highlights the value of active management.

Average returns of the five-largest S&P 500 companies for the six months to 30 June 2023



Figures sourced from FactSet as at 30 June 2023. Returns are in AUD. Past performance is not an indicator of future performance. Investment returns are only one factor that you should consider when deciding to invest your super.

Looking forward

While Core Strategy has delivered strong returns, a few things are keeping us on our toes as we look forward.

We believe higher inflation is likely to persist for some time above the normal two-three per cent target range. The global political and economic backdrop remains challenging. It is unclear if share markets will continue their impressive run.

Inflation is showing early signs of responding to interest rate rises. But, with overall inflation still higher than Central Bank target levels globally and core inflation remaining stubbornly high, we believe that the interest rate pain is unfortunately unlikely to reverse swiftly.

It is important to remember that market volatility, risks and cycles can potentially create shifts and buying opportunities to set the portfolio up well for the long term.

We believe the risk of a serious downturn in Australia is starting to fall. However, as some investment opportunities may already have the downturn risk factored into their prices, they may therefore present a buying opportunity.

Put simply, certain cheaper assets (for example, some discretionary retail companies) are starting to look more attractive as we position our portfolios for the future.

We continue to maintain a well-diversified portfolio that we believe can weather all market conditions and we continue to believe our mix of assets across listed and private markets helps us continue to deliver strong long-term results year in and year out, showing resilience to market and economic swings, and unexpected turns. Our goal remains delivering strong long-term returns for our members and to help them achieve their best-possible retirement outcome.

Rest Super Core Strategy performance

Rest Pension Balanced performance

9.26%

annual return for 2022/23

7.67%

annual return for 2022/23

7.20% | **7.65**%

pa 10-year return

Median-fund return:

7.32% pa¹

pa 20-year return

Median-fund return:

7.61% pa¹

6.61%

pa 10-year return

Median-fund return:

6.61% pa²

8.28%

pa return since inception on 1 July 1988

7.33%

pa return since inception on 13 September 2002

As at 30 June 2023.

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 the now-closed Acumen product. Returns for Transition to Retirement Pensions may differ due to historic tax treatment. Please refer to the Rest Pension PDS and your Annual Statement.

SuperRatings Fund Crediting Rate Survey - SR50 Balanced (60-76) Index as at 30 June 2023.

² SuperRatings Pension Fund Crediting Rate Survey - SRP25 Conservative Balanced (41-59) Index as at 30 June 2023.

Long-term Core Strategy performance



Core Strategy's performance versus its objective



This graph shows the difference that superior returns can have on your super balance over a 20-year period.

The returns in the graph above are for Rest Super Core Strategy based on investment option level returns and are reflected in the unit prices for that option. Rest Super returns also apply to Rest Corporate and the now-closed Acumen product.

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

Importantly, it does not take into account the impact of administration fees and costs, 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 2003 up to 30 June 2023, 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.

SuperRatings Pty Limited does not issue, sell, guarantee or underwrite this product. Go to <u>superratings.com.au</u> 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.

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. The returns in the graph above are for Rest Super Core Strategy based on investment option level returns and are reflected in the unit prices for that option. Rest Super returns also apply to Rest Corporate and the now-closed Acumen product.

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

Importantly, it does not take into account the impact of administration fees and costs, or insurance.

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 2023 will be an annualised average of the yearly return for the years ending 30 June 2014 to 30 June 2023.

Past performance is not an indicator of future performance.

Responsible investment

As a long-term global investor, we believe that responsible investment adds value and helps safeguard our members' financial interests.

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

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

Supporting actions that contribute to a more sustainable future is a key part of our responsible investment approach, especially given the majority of our members will be retiring many decades from now.

Rest has a number of initiatives and policies to implement its approach to responsible investment, including our Responsible Investment Policy. Our alignment to five of the UN Sustainable Development Goals, and our roadmap to achieve our long-term objective to achieve net zero carbon emissions for the fund by 2050.

Impact investing

Rest's long-term net zero objective is consistent with the goals of the <u>United Nations Paris Agreement</u>.² Within this objective, one of the measures we have set is a one per cent allocation to impact investments (aggregated across all asset classes) by 2026.

Impact investments are investments into assets that aim to generate strong financial returns while also having a second aim of providing a positive and measurable impact to society and the environment.

In 2022/2023, we made our first impact investments.

Palisade Impact

Rest's first impact investment was an investment into the Palisade Impact Fund.

Australian-based Palisade Impact focuses on assets that target and contribute to practical solutions to social disadvantage and climate change by investing in next-generation infrastructure and businesses providing essential services.

The Palisade Impact Fund supports the development and expansion of assets across three key streams.

- Organic waste to energy conversion: biogas, biofuel, reducing waste and wastewater.
- Resource efficiency: technology for smarter and greener energy services.
- Digital connectivity and equity: low-cost internet and digital solutions for low socio-economic households.

We believe that Palisade Impact Fund's investments are likely to play an important role in Australia's economy in the future.

By investing in the fund, many Rest members³ have exposure to the next generation of infrastructure assets that have the potential to deliver strong returns over the medium to longer term.

ARCHIMED

Rest took its next step to achieving this target through an investment with specialist private equity firm ARCHIMED.

European-based ARCHIMED invests exclusively in healthcare industries to drive sustainable development and improve people's health and economic status.

ARCHIMED finds, supports and scales up companies that have a mission to improve health outcomes, specifically companies that create and deliver products and services that aim to improve human and animal health. They do not invest in the higher-risk areas of heathcare, like drug development. The companies that ARCHIMED invests in are highly scalable, international, and have a strong scientific component.

Examples of ARCHIMED's investments include:

- PlasmidFactory, a German company that manufactures DNA for vaccines and medical research, and
- Natus Medical, a global medical device provider that specialises in solutions for diagnosis and treatment of patients with disorders of the nervous system.

Like Rest, ARCHIMED are also aligned to some of the United Nations Sustainable Development Goals. In particular, we are both aligned to SDG 8: 'Decent Work and Economic Growth', and SDG 13: 'Climate Action'.

For more information ...

For more information about Rest's approach to responsible investing, the UN Sustainable Development Goals and climate change, as well as our progress towards our net zero by 2050 objective, please refer to our Sustainability, Responsible Investment and Climate Change Supplement for the 2022/23 financial year. This can be accessed at rest.com.au/annualreport

For more information on the ESG factors we consider in our investments, refer to the Investment Guide or the Rest Pension PDS at rest.com.au/pds

- rest.com.au/rest_web/media/documents/why-rest/about-rest/corporate-governance/responsible-investment-policy.pdf
- ² un.org/en/climatechange/paris-agreement
- ³ Rest's investment in Palisade Impact Fund is included in the Infrastructure asset class. See pages 40 to 43 to see the investment options that include the Infrastructure asset class.



At Rest, when investing for our members, our focus is to grow your super savings in a responsible way. We support actions for a more sustainable future. We consider climate change and other environmental, social and governance factors in our investment decisions.¹

We believe that long-term investment returns for our members are supported by a responsible investment approach, which can help us better manage risk, improve returns and maximise investment opportunities.

More from less

It is estimated that, by 2050, the world will need to produce up to 54 per cent more food, feed and biofuel feedstock than in 2012 to feed a projected global population of 9.7 billion people.²

Farming-as-usual won't meet that target, nor will it support the fair and sustainable distribution of resources across society.³ Future farming needs to produce more from less.

Many Rest members⁴ are reaping the financial benefits of Rest's ownership of a diverse and progressive primary production businesses in Australia - Warakirri Cropping - as it works to be part of the future solution.

Farming at scale

For more than 25 years, Rest has maintained active ownership of Warakirri Cropping, one of Australia's largest agricultural businesses.

Since 1996, Warakirri Cropping has helped grow the wealth of investors by owning a diversified portfolio of cropping properties and aiming to operate them in a safe and sustainable manner.

Warakirri Cropping owns and operates 11 large-scale and highly productive grain farms, comprising more than 150,000 hectares across Australia and producing more than 400,000 tonnes of grain annually.

This makes Warakirri Cropping one of Australia's largest grain growers.



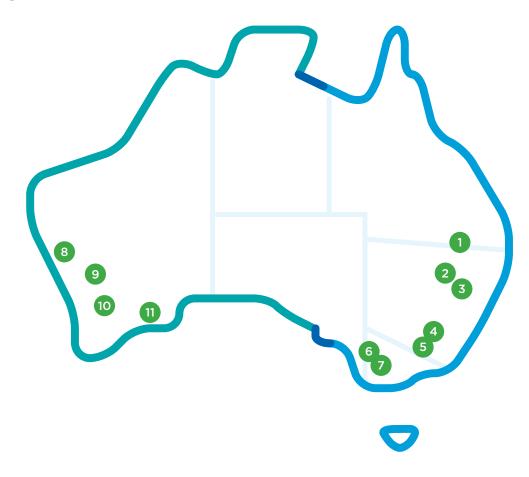
Warakirri is an Aboriginal word meaning 'grow' in the language of the Ngembi people.

- ¹ For more information on Rest's approach to responsible investment, please refer to page 3 of the Sustainability, Responsible Investment and Climate Change Supplement for the 2022/23 financial year at <u>rest.com.au/annualreport</u>. You can also refer to the Responsible Investment section of Rest's Investment Guide or Rest Pension PDS at <u>rest.com.au/pds</u>
- ² FAO. 2021. The State of Food and Agriculture 2021. Making agrifood systems more resilient to shocks and stresses. Rome, Food and Agriculture Organization of the United Nations (FAO). doi.org/10.4060/cb4476en
- ³ As above
- ⁴ Rest's investment in Warakirri Cropping is included in the Alternatives asset class. See pages 40 to 43 to see the investment options that include the Alternatives asset class.



Warakirri Cropping farms

- 1 'Myobie' Dalby, Queensland
- Willaroo' Goondiwindi, NSW
- **'Boolavilla'** Croppa Creek, NSW
- 'Cowabbie-Mukoora' Ardlethan, NSW
- 6 'Orange Park' Lockhart, NSW
- 6 'Bullarto Downs' Hopetoun, Victoria
- **Baingarra'**Donald, Victoria
- Yuna, WA
- 9 'Mawarra' Burracoppin, WA
- **'Carinup'** Pingrup, WA
- **(Lobethal)**Esperance, WA





Why agriculture?

As an asset class, we believe agriculture offers an unrivalled opportunity for long-term investment returns and can provide portfolio stability during periods of market volatility. This steadying balancing mechanism aligns with Rest's long-term investment objectives and goal to help our members achieve their best-possible retirement outcomes.

Investment in agricultural assets is part of Rest's 'alternatives' portfolio. Alternatives at Rest are a broad range of strategies and investments designed to have low correlation with the returns of more traditional asset classes, such as shares or bonds, in most market conditions and cycles.

This means that the performance of alternatives has the potential to deliver returns that are independent of the performance of more traditional markets, such as share markets. This diversification benefit can result in solid returns over time.

Agricultural assets are also not usually traded like shares on a stock exchange, making them less liquid than traditional asset classes. This can make their value more stable as they are isolated from volatile short-term market fluctuations. Of course, as with all investments agriculture assets also carry risks. As agriculture is less liquid than traditional asset classes – given the high barrier to entry for agriculture investments – it is more difficult to buy and sell them.

Embracing a long-term holistic approach to sustainability

We believe that business and investment performance are unlikely to thrive in a world of poverty, inequality, unrest and environmental stress.

At Rest, sustainability includes how we invest responsibly. As a long-term global investor, Rest considers and integrates environmental, social and governance strategies to reduce risks, improve returns and maximise opportunities for our members.⁵

By integrating these principles, we aim to play our part, including managing the risks of climate change. This may involve taking positions in the face of an uncertain future, strengthening governance practices and engaging with the companies we invest in.

Our active investment in Warakirri Cropping, an industry-leading farming business, illustrates this in practice.

Warakirri Cropping's approach aligns with Rest's view that it is important to embark on more sustainable ways of farming, and that this opportunity can help drive financial benefit for Rest's members.

Less

Warakirri Cropping seeks to contribute to feeding the world with less.



Less water and chemicals to grow more grain.



Fewer outputs of waste, greenhouse gas emissions.



Less soil damage.



Reduced fuel usage.

More

It also seeks to feed the world with more.



Greater benefits for our people and communities.



Better biodiversity.



Healthier ecosystems.



An improved return on investment.

⁵ For more information about Rest's approach to integrating ESG, please refer to our Investment Guide at <u>rest.com.au/pds</u>



Embedding sustainable practices

Through your super contributions to investment options with an alternatives allocation,⁶ Rest members are supporting Warakirri Cropping in conducting research into curbing a greenhouse gas more potent than carbon dioxide. Nitrogen escaping into the atmosphere from fertilisers and animal manure becomes nitrous oxide, which has 298 times the greenhouse impact of carbon dioxide.⁷

The Warakirri Cropping team at Lobethal, a 12,747-hectare grain farm 100km east of Esperance, WA, is seeking to limit nitrogen escape by customising fertiliser applications to the amount of nitrogen required for optimal crop growth.

The farm team is also preparing to trial 'green' urea fertiliser that releases less nitrous oxide, while ensuring more uptake of fertiliser by plants. Warakirri's research suggests it could cut nitrogen escape by up to 80 per cent.

Meanwhile, in southern NSW, Warakirri Cropping teams are reducing water loss and increasing grain yields by 10 per cent by leaving crop stubble (the remaining straw and chaff left on the soil surface after harvest) in the ground instead of burning it off at the end of each harvest, thereby increasing organic matter in the soil.

Additionally, across Warakirri's portfolio of 11 farming aggregations, precision application camera sprayers are used to accurately identify and spray weeds, reducing herbicide use by up to 90 per cent and significantly reducing operating costs, when compared to a conventional machine that sprays the entire field.

And by growing different crops in a rotation, including legumes that store nitrogen in their roots, Warakirri Cropping is reducing its reliance on synthetic fertilisers and chemicals while increasing organic matter and improving soil health.

Warakirri Cropping's sustainability performance is independently verified through a globally recognised assurance program.⁸

Participating in a globally recognised sustainability standard underscores Warakirri Cropping's commitment to meaningful, measurable farmland management practices. As an active participant in a 12-month Australian pilot commencing in 2022/23, Warakirri Cropping is now aligned to the US-based Leading Harvest sustainability assurance program, resulting in achieving certification to the Leading Harvest Australian Farmland Management Standard in August 2023. This Standard identifies sustainable farming practices based on 13 Principles, 13 objectives, 33 performance measures and 73 indicators. It addresses economic, environmental, social and governance factors and includes measures to efficiently use water, agricultural chemicals and energy to grow crops for useful agricultural products; minimise waste; and conserve soils, water resources and biodiversity. It also takes into consideration the well-being of lessees of farmland, employees, contract management company employees, contract farm labour and local communities.9

Moving forward, each Warakirri Cropping property will be subject to an audit once every three years to maintain certification.

Compliance with this assurance program further validates Warakirri Cropping's best-in-class farmland stewardship in Australia, demonstrating not only awareness, but appropriate use, of agricultural best-management practices to advance sustainable agriculture.

- ⁶ For more information on which investment options include an allocation to the Alternatives asset class, please refer to Rest's Investment Guide or the Rest Pension PDS at rest.com.au/pds
- ⁷ Grace, P and Barton, L, 'Meet N₂O, the greenhouse gas 300 times worse than CO₂', *The Conversation*, 9 December 2014, theconversation.com/meet-n2o-the-greenhouse-gas-300-times-worse-than-co2-35204
- ⁸ 'Leading the way in sustainable agriculture investing', Warakirri Cropping, <u>warakirricropping.com.au/sustainability</u>
- For more information on Leading Harvest and the Farmland Management Standard, please refer to <u>leadingharvest.org/standard</u>

Investment returns

Rest's investment strategy

Rest's primary investment goal is to grow members' savings by delivering net returns above the rate of inflation (referred to as real net returns) over the long term. Rest invests across different investment markets and asset classes, through different investment strategies, as well as the skill and expertise of Rest's investment staff and a mix of investment managers.

Rest sets an investment strategy (a long-term plan) and an objective for each investment option and regularly monitors the performance against the investment option's strategy and objective. A range of environmental, social and governance factors are considered and integrated within our investment process, which we believe will improve investment outcomes.

For more information, refer to the Investment Guide or the Rest Pension PDS at rest.com.au/pds.

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. They do not take into account the impact of administration fees and costs, or insurance. Returns for the three, five, seven and 10year 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. Rest Super returns also apply to Rest Corporate and the nowclosed Acumen product. Returns for Transition to Retirement Pensions 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.

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

Rest Super investment options					
Investment options	10-year (% pa)	7-year (% pa)	5-year (% pa)	3-year (% pa)	1-year (% pa)
Core Strategy	7.20	6.82	5.60	7.80	9.26
Capital Stable	4.54	4.14	3.50	4.50	4.88
Balanced	5.98	5.59	4.69	6.47	6.93
Balanced - Indexed	N/A	N/A	N/A	7.84	12.38
Diversified	7.71	7.30	6.14	8.69	9.46
High Growth	8.94	8.59	7.23	10.56	12.07
Sustainable Growth	N/A	N/A	N/A	N/A	11.68
Cash	1.82	1.60	1.48	1.40	2.90
Bonds	1.46	0.35	-0.44	-2.83	-0.44
Property	7.65	7.13	5.52	5.88	-3.85
Shares	10.44	10.19	8.33	12.24	17.60
Australian Shares	9.27	9.15	6.76	11.74	14.80
Australian Shares - Indexed	N/A	N/A	N/A	10.84	14.55
Overseas Shares	10.37	9.87	8.15	11.36	19.20
Overseas Shares - Indexed	N/A	N/A	N/A	12.33	20.54

Investment options	10-year (% pa)	7-year (% pa)	5-year (% pa)	3-year (% pa)	1-year (% pa)
Core Strategy	7.92	7.67	6.43	8.61	10.12
Capital Stable	5.05	4.63	3.93	4.87	5.40
Balanced	6.61	6.23	5.28	7.04	7.67
Balanced - Indexed	N/A	N/A	N/A	8.90	13.76
Diversified	8.46	8.07	6.86	9.48	10.34
High Growth	9.80	9.55	8.15	11.62	13.23
Sustainable Growth	N/A	N/A	N/A	N/A	13.04
Cash	2.16	1.89	1.75	1.64	3.42
Bonds	1.73	0.46	-0.44	-3.17	-0.63
Property	8.41	7.79	6.00	6.38	-4.11
Shares	11.36	11.30	9.42	13.46	19.63
Australian Shares	10.32	10.48	8.33	12.39	16.04
Australian Shares - Indexed	N/A	N/A	N/A	12.47	16.10
Overseas Shares	11.38	10.79	8.89	12.37	21.21
Overseas Shares - Indexed	N/A	N/A	N/A	13.48	22.69



Investment options

The following tables outline how our assets are structured according to the investment options. As at 30 June 2023, 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, and are current as at 30 June 2023, unless otherwise stated.

Rest allows some of its investment managers to use derivatives to:

- · protect a portfolio's value;
- change the interest rate sensitivity of cash and fixed-interest portfolios;
- · rapidly change market exposure; and
- modify exposure to foreign currency.

Aim¹

Investment return objective²

Asset allocation³

MySuper

Core Strategy

Achieve a balance of risk and return by investing in both growth assets and defensive assets.

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

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 debt, property, infrastructure, cash and other asset classes.

	30 June 2022	30 June 2023
Cash	4.5%	5%
Debt	15.5%	14%
Alternatives	3%	3%
Infrastructure	11%	11%
Property	11%	10%
Australian Shares	22.5%	24%
Overseas Shares	32.5%	33%

Minimum suggested time frame

Estimated number of negative annual returns over any 20-year period4

Risk band and level⁵

What this option has returned⁶

(Past performance is not an indicator of future performance).

10+	vears
10.	y Cui 3

4 to less than 6

6, High

Year	Super/Acumen	Pension
2019	5.96%	6.85%
2020	-1.05%	-0.26%
2021	17.43%	19.63%
2022	-2.37%	-2.75%
2023	9.26%	10.12%

Annualised return (pa)

5-year	5.60%	6.43%
10-year	7.20%	7.92%

Structured options

Aim¹

Capital Stable

Balanced

Provide a stable pattern of returns, while maintaining a low probability of a negative return in any one year. Achieve a balance of risk and return by investing in approximately equal proportions of growth assets and defensive assets.

Investment return objective²

CPI + 1% pa over the medium term (rolling 4-year periods).

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

Asset allocation³

Primarily defensive assets (can range from 60% to 75% defensive assets) consisting of mainly Australian and overseas debt, and cash, with a smaller proportion of Australian and overseas shares, property, infrastructure and other asset classes.

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 debt, property, infrastructure, cash and other asset classes.

	30 June 2022	30 June 2023
Cash	22%	22%
Debt	27%	27%
Alternatives	6%	6%
Infrastructure	12%	12%
Property	12%	12%
Australian Shares	10%	10%
Overseas Shares	11%	11%

	30 June 2022	30 June 2023
Cash	14%	14%
Debt	21%	21%
Alternatives	6%	6%
Infrastructure	11%	11%
Property	11%	11%
Australian Shares	16%	16%
Overseas Shares	21%	21%

Minimum suggested time frame

Estimated number of negative annual returns over any 20-year period4

Risk band and level⁵

What this option has returned⁶

(Past performance is not an indicator of future performance).

4+	vear
-	year.

2 to less than 3

6+ years

3 to less than 4

5, Medium to High

4, Medium

Year	Super/Acumen	Pension
2019	4.24%	4.81%
2020	-0.15%	0.32%
2021	9.14%	9.92%
2022	-0.32%	-0.45%
2023	4.88%	5.40%

Year	Super/Acumen	Pension
2019	5.07%	5.72%
2020	-0.82%	-0.24%
2021	13.91%	15.19%
2022	-0.91%	-1.11%
2023	6.93%	7.67%

Annualised	return	(pa)

5-year	3.50%	3.93%
10-year	4.54%	5.05%

	Annualised return	n (pa)
5-year	4.69%	5.28%
10-year	5.98%	6.61%

Investment options

Structured options

Aim¹

Investment return objective²

Asset allocation³

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 debt, and cash,

30 June 30 June 2022 2023 Cash 5% 5% Debt 20% 20% Australian Shares 35% 35% 40% 40% Overseas Shares

Minimum suggested time frame

Estimated number of negative annual returns over any 20-year period4

Risk band and level⁵

What this option has returned⁶

(Past performance is not an indicator of future performance).

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 O+ Years Index, the JP Morgan Government Bond Index - Global Hedged in AUD, and the Bloomberg AusBond Bank Bill Index.

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 debt (both Australian and overseas) and cash.

	30 June 2022	30 June 2023
Cash	4%	4%
Debt	14%	14%
Alternatives	3%	3%
Infrastructure	12%	12%
Property	12%	12%
Australian Shares	24%	24%
Overseas Shares	31%	31%

4 to less than 6

12+ years

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%
2023	12.38%	13.76%

Annualised return (pa)

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

10+ years

4 to less than 6

6, High

Year	Super/Acumen	Pension
2019	6.25%	7.02%
2020	-1.27%	-0.77%
2021	19.18%	21.21%
2022	-1.58%	-1.89%
2023	9.46%	10.34%

Annualised return (pa)

5-year	6.14%	6.86%
10-year	7.71%	8.46%

More information about these options and footnotes are included on pages 46 and 47.

Structured options

Aim¹

High Growth

Sustainable Growth

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 is weighted towards growth assets.

Investment return objective²

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).

Asset allocation³

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 Australian and overseas shares, property, infrastructure, other asset classes, plus smaller amounts of Australian and overseas debt and cash.

	30 June 2022	30 June 2023
Debt	5%	5%
Alternatives	3%	3%
Infrastructure	10%	10%
Property	10%	10%
Australian Shares	32%	32%
Overseas Shares	40%	40%

	30 June 2022	30 June 2023
Cash	3%	3%
Debt	10%	10%
Infrastructure	8%	8%
Property	8%	8%
Australian Shares	34%	34%
Overseas Shares	37%	37%

Alternatives were added as an asset class to Sustainable Growth after 30 June 2023.

Minimum suggested time frame

Estimated number of negative annual returns over any 20-year period4

6, High

12+ years 4 to less than 6 12+ years 4 to less than 6

Risk band and level⁵

What this option has returned⁶ (Past performance is not an indicator of future performance).

Year Super/ Pension Acumen 2019 7.87% 6.95% 2020 -1.93% -1.37% 2021 23.17% 25.88% 2022 -2.10% -2.43% 2023 12.07% 13.23%

This option commenced on 29 March 2021. Year 2022

6, High

2023

Pension -7.11% 13.04%

Annualised	return (pa)

5-year	7.23%	8.15%
10-year	8.94%	9.80%

Annualised return (pa) 5-year N/A N/A 10-year N/A N/A

Super/

Acumen

-6.62%

11.68%

Investment options

Member-tailored options **Bonds** Achieve the investment objective by Achieve the investment objective by Aim¹ maintaining a defensive investment in holding a mixture of Australian and overseas bank deposits. government and corporate bonds. This option was closed to new members on 30 September 2023. Outperform the return of the Reserve Bank Investment return objective² Outperform the benchmark return (before cash rate before tax and fees, over rolling tax and after fees) over rolling 2-year 1-year periods. 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 Predominantly defensive assets (generally Asset allocation³ (generally 100% defensive assets) consisting 100% defensive assets) consisting of a of deposits with major Australian banks. mixture of Australian and overseas debt The portfolio currently invests exclusively securities issued by governments, semiin deposits with ANZ (60%) and National government authorities and companies. 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 quarantee scheme. 30 June 2022 30 June 2023 30 June 2022 30 June 2023 Cash 100% 100% Debt 100% 100% Minimum suggested time frame 3 months or less 4+ years Estimated number of negative annual Less than 0.5 of a year returns over any 20-year period4 Risk band and level⁵ 1, Very Low 4 Medium Year Super/ Pension Year Super/ Pension What this option has returned⁶ Acumen Acumen (Past performance is not an indicator of 197% 2.33% 2019 5.31% 6.13% future performance). 2019 2020 2020 1.27% 1.55% 1.26% 1.51% 2021 0.81% 0.95% 2021 0.26% 0.39% 2022 0.50% 0.57% 2022 -8.09% -8.99% 2023 2023 -0.44% -0.63% 2.90% 3.42% Annualised return (pa) Annualised return (pa) 5-year 5-year 10-year 2.16% 10-year 1.46% 173%

Member-tailored options

Aim¹ Ar

Property

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

Achieve the investment objective through an investment in the Australian Shares and Overseas Shares asset classes.

Shares

This option was closed to new members on 30 September 2023.

Investment return objective²

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

Asset allocation³

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

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

	30 June 2022	30 June 2023
Property	100%	100%

	30 June 2022	30 June 2023
Australian Shares	45%	45%
Overseas Shares	55%	55%

Minimum suggested time frame

Estimated number of negative annual returns over any 20-year period⁴

Risk band and level⁵

What this option has returned $^{\rm 6}$

(Past performance is not an indicator of future performance).

10+	years	

3 to less than 4

5	Medium	to	High

Year	Super/Acumen	Pension
2019	9.52%	10.34%
2020	0.64%	0.74%
2021	6.47%	7.16%
2022	15.96%	17.18%
2023	-3.85%	-4.11%

Annualised return (pa)

5-year	5.52%	6.00%
10-year	7.65%	8.41%

12+ years

4 to less than 6

6, High

Year	Super/Acumen	Pension
2019	8.64%	9.93%
2020	-2.88%	-2.31%
2021	27.62%	30.70%
2022	-5.78%	-6.59%
2023	17.60%	19.63%

Annualised return (pa)

5-year	8.33%	9.42%
10-year	10.44%	11.36%

Investment options

	Australia	an Shares			Australian	Shares - Inde	xed	
Aim¹	an active	the investme ely managed an Shares asse	Achieve the investment objective through an index-based investment in Australian Shares.					
Investment return objective ²	Super/Acumen Outperform the S&P/ASX 300 Accumulation Index (before tax and after fees) over rolling 3-year periods.				Perform in line with the benchmark S&P/ASX 300 Accumulation Index (before tax over all time periods.			
	Index (at	orm the S&P/ fter fees and ation credits)	including ar	estimate				
Asset allocation ³	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.				from 90%	antly growth a to 100% grow of Australian s	:h asset	
			30 June 2022	30 June 2023			0 June 022	30 June 2023
	Australia	an Shares	100%	100%	Australian - Indexed	Shares 10	00%	100%
Minimum suggested timeframe	- 12+ year:	s			12+ years			
Estimated number of negative annual returns over any 20 year period ⁴	6 years o	or greater			6 years or	greater		
Risk band & level⁵	7, Very High				7, Very High			
What this option has returned ⁶ (Past performance is not an indicator	Year 2019	Super/Acu 6.83%		ension 9.22%	This optio	n commenced		cember 201
of future performance).	2020	-6.95%		3.78%	2020	-6.72%		-7.40%
	2020	25.989		27.19%	2021	26.05%		29.74%
	2022	-3.549		3.82%	2022	-5.69%		-5.54%
	2023	14.80%		6.04%	2023	14.55%		16.10%
			d return (pa			Annualised re	turn (pa	
							(pc	
	5-year	6.76%		8.33%	5-year	N/A		N/A

Returns included under 'Super/Acumen' are for Rest Super, Rest Corporate, and the now-closed Acumen product. 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.
- ³ Asset allocation How an investment is spread across the different classes. The asset allocations for all options are listed as at 30 June 2022 and 30 June 2023. 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.

	Overseas S	Shares			Overseas	Shares - II	ndexed	
Aim¹	Achieve the investment objective through an investment in Overseas Shares.				Achieve th an index-b Overseas S	ased inve	ent objective stment in	e through
Investment return objective ²	Outperform the MSCI All Country World ex-Australia Index in AUD (before tax and after fees) over rolling 3-year periods.				ex-Australi Reinvested	ia ex-Toba d Index (ur	the MSCI Wo cco Net Divi nhedged in A time periods	dends AUD)
Asset allocation ³	from 90% t	Predominantly growth assets (can range from 90% to 100% growth assets) consisting of overseas shares.				Predominantly growth assets (can range from 90% to 100% growth assets) consisting of overseas shares.		
			June 22	30 June 2023			30 June 2022	30 June 2023
	Overseas S	ihares 100	0%	100%	Overseas S	Shares	100%	100%
					- Indexed			
Minimum suggested timeframe	12+ years				12+ years			
Minimum suggested timeframe Estimated number of negative annual	12+ years 4 to less th	an 6				nan 6		
Estimated number of negative annual returns over any 20 year period ⁴	4 to less th	an 6			12+ years 4 to less th	nan 6		
Estimated number of negative annual returns over any 20 year period ⁴	4 to less th				12+ years	nan 6		
Estimated number of negative annual eturns over any 20 year period ⁴ Risk band & level ⁵ What this option has returned ⁶	4 to less th	Super/Acumer	n	Pension	12+ years 4 to less th 6, High This option	n commen	ced on 6 Dec	
Estimated number of negative annual eturns over any 20 year period ⁴ Risk band & level ⁵ What this option has returned ⁶ Past performance is not an indicator	4 to less th 6, High Year 2019	Super/Acumer 9.33%	n	9.94%	12+ years 4 to less th 6, High This option Year	n commen Super/Ac	umen	Pension
Estimated number of negative annual eturns over any 20 year period ⁴ Risk band & level ⁵ What this option has returned ⁶ Past performance is not an indicator	4 to less th 6, High Year 2019 2020	Super/Acumer 9.33% -2.00%		9.94%	12+ years 4 to less th 6, High This option Year 2020	n commen Super/Ac 3.82	eumen %	Pension 4.14%
Estimated number of negative annual returns over any 20 year period ⁴ Risk band & level ⁵ What this option has returned ⁶ Past performance is not an indicator	4 to less th 6, High Year 2019 2020 2021	Super/Acumer 9.33% -2.00% 26.75%		9.94% -1.87% 29.40%	12+ years 4 to less th 6, High This option Year 2020 2021	n commen Super/Ac 3.829 25.13	eumen % %	Pension 4.14% 27.60%
Estimated number of negative annual eturns over any 20 year period ⁴ Risk band & level ⁵ What this option has returned ⁶ Past performance is not an indicator	4 to less th 6, High Year 2019 2020	Super/Acumer 9.33% -2.00%		9.94%	12+ years 4 to less th 6, High This option Year 2020	n commen Super/Ac 3.82	wmen % % %	Pension 4.14%
Estimated number of negative annual returns over any 20 year period ⁴ Risk band & level ⁵ What this option has returned ⁶ Past performance is not an indicator	4 to less th 6, High Year 2019 2020 2021 2022 2023	Super/Acumer 9.33% -2.00% 26.75% -8.59%		9.94% -1.87% 29.40% -9.53% 21.21%	12+ years 4 to less the first option and the first option are considered as a first option are con	3.82° 25.13 -6.02	wmen % % %	Pension 4.14% 27.60% -6.65% 22.69%
Estimated number of negative annual	4 to less th 6, High Year 2019 2020 2021 2022 2023	Super/Acumer 9.33% -2.00% 26.75% -8.59% 19.20%		9.94% -1.87% 29.40% -9.53% 21.21%	12+ years 4 to less the first option and the first option are considered as a first option are con	3.82° 25.13 -6.02	wwen % % % % wed return (pa	Pension 4.14% 27.60% -6.65% 22.69%

Returns included under 'Super/Acumen' are for Rest Super, Rest Corporate, and the now-closed Acumen product. 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.

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. Past performance is not an indicator of future performance.

Investment managers

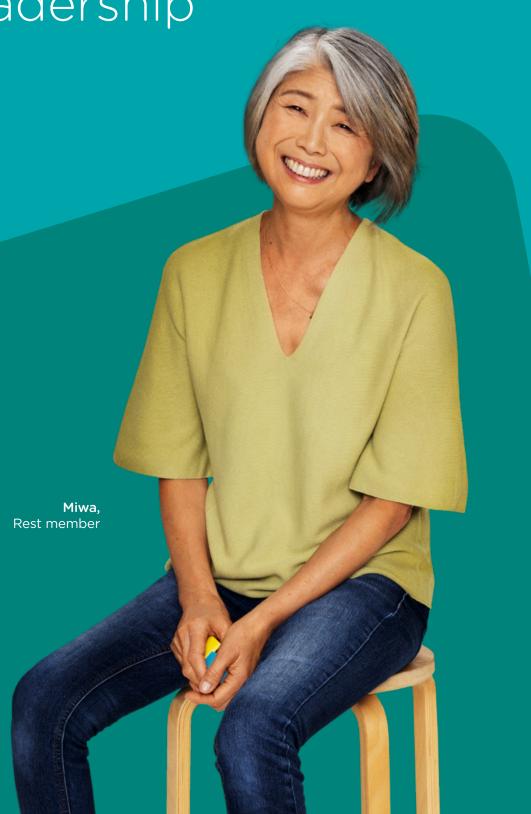
Asset class	Investment manager
Cash	Australia and New Zealand Banking Group Limited ABN: 11 005 357 522
	First Sentier Investors (Australia) IM Ltd ABN: 89 114 194 311
	Macquarie Investment Management Australia Limited ABN: 55 092 552 611
	National Australia Bank Limited ABN: 12 004 044 937
	Rest Investments (internally managed assets) ABN: 62 653 671 394
Debt	AllianceBernstein Investment Management Australia Limited ABN: 58 007 212 606
	Apollo ST Fund Management LLC ABN: NA
	Bain Capital Credit, LP ABN: NA
	Barings LLC ABN: NA
	Bentham Asset Management Pty Limited ABN: 92 140 833 674
	Macquarie Investment Management Australia Limited ABN: 55 092 552 611
	Rest Investments (internally managed assets) ABN: 62 653 671 394
	UBS Global Asset Management (Australia) Limited ABN: 31 003 146 290
	Wellington Management Australia Pty Ltd ABN: 19 167 091 090
	Western Asset Management Company Pty Ltd ABN 41117 767 923
Alternatives	AllianceBernstein Investment Management Australia Limited ABN: 58 007 212 606
	Ardea Investment Management Pty Ltd ABN: 50 132 902 722
	Hayfin Capital Management LLP ABN: NA
	Metrics Credit Partners Pty Ltd ABN: 27 150 646 996
	Warakirri Asset Management Pty Limited ABN: 33 057 529 370
Infrastructure	AMP Capital Investors Limited ABN: 59 001 777 591
	Rest Investments (internally managed assets) ABN: 62 653 671 394

In addition to the above investment managers appointed by Rest, the infrastructure, property and overseas shares asset classes hold investments in a number of collective investment vehicles (including private funds) which have separately appointed third-party fund managers. Further details of Rest's portfolio holdings can be found at rest.com.au/how-we-invest

Asset class	Investment manager
Property	Clarion Partners ABN: NA
	Greystar Real Estate Partners ABN: NA
	Parametric Portfolio Associates LLC ABN: NA
	Rest Investments (internally managed assets) ABN: 62 653 671 394
ustralian Shares	Acadian Asset Management (Australia) Limited ABN: 41 114 200 127
	Allan Gray Australia Pty Ltd ABN: 48 112 316 168
	Cooper Investors Pty Ltd ABN: 26 100 409 890
	First Sentier Investors (Australia) IM Ltd ABN: 89 114 194 311
	Greencape Capital Pty Limited ABN: 98 120 328 529
	Macquarie Investment Management Australia Limited ABN: 55 092 552 611
	Macquarie Investment Management Global Limited ABN: 90 086 159 060
	Paradice Investment Management Pty Limited ABN: 64 090 148 619
	Rest Investments (internally managed assets) ABN: 62 653 671 394
	Ubique Asset Management Pty Limited ABN: 36 150 100 557
verseas shares	Artisan Partners Limited Partnership ABN: NA
	BlackRock Investment Management (Australia) Limited ABN: 13 006 165 975
	Cooper Investors Pty Ltd ABN: 26 100 409 890
	First State Investments (Hong Kong) Limited ABN: NA
	GQG Partners LLC ABN: NA
	Longview Partners LLP ABN: NA
	Macquarie Investment Management Australia Limited ABN: 55 092 552 611
	Northcape Capital Pty Limited ABN: 53 106 390 247
	Parametric Portfolio Associates LLC ABN: NA
	QIC Private Capital Pty Ltd ABN: 83 076 279 528
	Robeco Hong Kong Limited ABN: NA

In addition to the above investment managers appointed by Rest, the infrastructure, property and overseas shares asset classes hold investments in a number of collective investment vehicles (including private funds) which have separately appointed third-party fund managers. Further details of Rest's portfolio holdings can be found at rest.com.au/how-we-invest

Governance and leadership



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.

	70 1 2007	
Board members as at	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
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
Michael Bargholz	1 October 2022	National Retail Association
		Newsinsted by
Independent Chair	Board member since	Nominated by

Departures from the Board					
Director	Retired on	Replaced by			
Steven Priestley	30 September 2022	Michael Bargholz			
Kenneth Marshman	31 December 2022	James Merlino			

Directors



James Merlino Chair of the Board and Independent Director

Qualifications

Bachelor of Arts (BA Hons)

James has more than 20 years' experience in government, politics and public administration at both the state and local level, including eight years as the Deputy Premier of Victoria in the Labor Government from 2014 to 2022. During his time in government, he oversaw multi-billion projects and was responsible for the biggest school building program in Victoria's history via the Victorian School Building Authority. He was also Acting Premier of Victoria for four months in 2021, managing the state's ongoing response to the Covid-19 Pandemic. James represented the electoral division of Monbulk in the Victorian Legislative Assembly from 2002 to 2022, and held a number of Ministerial portfolios, cabinet positions and parliamentary appointments during his tenure, including Minister for Education from 2014 to 2022 and Minister for Mental Health from 2020 to 2022, and Minister for Emergency Services from 2016 to 2018.

Current directorships

- Chair and Director of Retail Employees Superannuation Pty Limited (since 2023)
- Director of Hawthorn Football Club Limited (since 2022)
- · Chair of Suburban Rail Loop Authority (Victoria) (since 2023).

- People, Culture and Remuneration Committee
- Member and Employer Services Committee
- · Audit and Finance Committee
- Risk Committee
- · Board Investment Committee.



Julia Fox

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, warehousing and fast food. Julia has represented workers for nearly three decades, starting out as an Organiser for the Victorian Branch of the SDA before joining the National Office as an Industrial Officer & National WHS in 2001. Julia has advocated for better pay, conditions and protections for thousands of workers in some of Australia's largest retail and fast food companies. Throughout her years in the union movement Julia has upheld a strong commitment to addressing the issues women face at work including equal pay, superannuation, work and care, and sexual harassment. 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.

Current directorships

- Director of Retail Employees Superannuation Pty Ltd (since 2018)
- Director of Super Members Councils of Australia Limited and SMCA Operations Pty Ltd (since 2023).

Previous directorships

 Alternate Director of Retail Employees Superannuation Pty Ltd (2014 to 2017).

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



Michael Tehan

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 more than 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

- Director of Retail Employees Superannuation Pty Limited (since 2017)
- Director of Tocindo Pty Limited (since 1995).

Previous directorships

- Director of No 18 Huntingtower Pty Limited (2003 to 2021)
- Director of Super Investment Management Pty Limited (2020 to 2023)
- · Alternate Director of Retail Employees Superannuation Pty Limited (2017)
- Director of Villa Maria Catholic Homes Limited (2014 to 2020).

Current appointments

• Member, Advisory Board, Department of Management and Marketing, Faculty of Business and Economics, University of Melbourne.

- · Audit and Finance Committee
- · Board Investment Committee.



Sally Evans

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

- Non-executive of Director of Allianz Australia Life Insurance Holdings Limited (since 2020)
- Non-executive Director of Allianz Australia Life Policy Services Pty Limited (since 2023)
- Director of Ingenia Communities RE Limited (since 2020)
- Director of Ingenia Communities Holdings Limited (since 2020)
- Non-executive Director of Allianz Australia Life Insurance Limited (since 2020)
- Director of Retail Employees Superannuation Pty Limited (since 2018)
- Non-executive Director of Oceania Healthcare Limited (since 2018)
- Non-executive Director of Healius (since 2018).

Previous directorships

- Director of Gateway Lifestyle Operations Pty Limited (2018)
- Director of Aged Care Investment Services No. 1 Pty Limited (2014 to 2017)
- Director of Omega (Australia) Pty Limited (2011 to 2016)
- Director of Aged Care Investment Services No. 3 Pty Limited (2011 to 2012)
- Director of DAC Finance Pty Limited and Subsidiaries (2011 to 2017)
- Director of DPG Services Pty Ltd (2011 to 2012)
- Director of PHFT Finance Pty Limited (2011 to 2013)
- Director of Principal Healthcare Finance Pty Limited (2011 to 2017)
- Director of Principal Healthcare Finance No. 2 Pty Limited (2011 to 2013)
- Director of BCG Finance Pty Limited (2011 to 2016)
- Director of ACIT Finance Pty Limited (2011 to 2017)
- Director of Blue Cross Community Care Services Group Pty Ltd and Subsidiaries (2010 to 2014)
- Director of Cook Freeze Pty Ltd (2003 to 2004)
- Director of Berco Defence Clothing Pty Ltd (1998 to 1998).

Current appointments

 Member of the Aged Care Quality and Safety Commission Advisory Council.

- · Board Investment Committee
- · Risk Committee.

Directors



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 of 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

- Director of Retail Employees Superannuation Pty Ltd (since 2019)
- Director of TPT Wealth Ltd (since 2019)
- · Chair of MyState Limited and MyState Bank (since 2022).

Previous directorships

- Chair of TPT Wealth (2022 to 2023)
- Director of MyState Limited and Subsidiaries (2019 to 2022)
- Director of Velldan Pty Ltd (2017 to 2022)
- Director of IBAL Foundation Pty Limited (2012 to 2015)
- Director of Australia Banking Association Limited (2012 to 2016)
- Director of ING Vysya Bank, India (2006 to 2015)
- · Director of Merfound Pty Limited (2004 to 2007)
- Director of Pioneer Mortgages Pty Ltd (2001)
- Director of Firstfolio Mortgages Australia Pty
- Director of Hartley Phillips Securities Pty Limited (2001)
- Director of Exsynd 7 Pty Ltd (1999 to 2001)
- · Director of Montores Pty Limited (1999 to 2000)
- Director of BBL Australia Limited (1998 to 2001)
- Director of ING Bank (Australia) Limited (1995 to 2006 and 2010 to 2016).

Current appointments

- Member of Advisory Council to Rhizome
- Advisor to Spriggy
- Member Advisory Council Wyvern Health
- Advisor to Strategy Implementation Institute.

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



Dr Adam Walk

Bachelor of Arts, Politics (BA)
Bachelor of Business, Banking and Finance
(BBus)

Master of Applied Finance and Investment (MAppFin)

Doctor of Philosophy, Financial Economics (PhD)

Fellow of the Australian Institute of Company Directors (FAICD)

Fellow of the Governance Institute of Australia (FGIA)

Accredited Investment Fiduciary Analyst (AIFA)

Certified Investment Management Analyst (CIMA) designee

Adam Walk is a financial economist with around 25 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

- Director of St John Henry Newman College Limited (since 2022)
- Director of Retail Employees Superannuation Pty Ltd (since 2020)
- Director of Power Group of Companies (since 2020)
- Director of The Investment Committee Pty Limited (since 2019)
- Chairman of Campion College Australia (since 2017)
- Director of De Colmar Pty Limited (since 2016)
- Director of Drew, Walk & Co (since 2012)
- Director of Walk Group of Companies (since 2012).

Previous directorships

- Director, MGD Private Pty Ltd (2020 to 2021)
- Director, Super Investment Management Pty Limited (2020 to 2023)
- Director, St Vincent's Care Services Boondall Ltd (2018 to 2019)
- Director, St Vincent's Care Services Carseldine Ltd (2018 to 2019)
- Director, Holy Spirit Foundation Limited (2018 to 2019)
- Director, MGD Capital Advisors Pty Ltd (2017 to 2020)
- Director, St Vincent's Care Services Boondall Ltd (2010 to 2015)
- Director, St Vincent's Care Services Carseldine Ltd (2009 to 2015)
- Director, Holy Spirit Care Services (Cairns) Limited (2009 to 2017)
- Alternate Director, Oursun Pty Ltd (2009 to 2010).

Current appointments

- Member of the Advisory Board, Hamilton12 Pty Ltd
- Board Member, Archdiocesan Development Fund, Roman Catholic Archdiocese of Brisbane
- Member, Finance, Audit and Risk Committee, Mary Aikenhead Ministries
- Chair, Governance and Risk Committee, Sprint Ventures
- Chair of the Investment Committee, RSI Queensland

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

Directors



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 has been a policy, strategy and governance adviser in state and federal governments on the topics of early childhood, school education and workplace relations, and for a group-of-eight Australian university in the private office of the Vice-Chancellor and President. She put the theory into practice for a decade as a President and CEO in the community sector serving expectant and new mothers and now runs a private practice as a coach of strategy and governance professionals.

Current directorships

- Director of Retail Employees Superannuation Pty Ltd (since 2022)
- Director Australian Catholic University Limited (since 2022)
- Alternate Director of Service Skills Victoria (since 2019).

Previous directorships

- Alternate Director of Retail Employees Superannuation Pty Limited (2019 to 2020)
- The Australian Baby Box Project Inc (2018 to 2019)
- Responsible Officer at Catholic Social Services Victoria (2016 to 2020)
- Director of Caroline Chisholm Society (2010 to 2012).

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 more than 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

- Director of Retail Employees Superannuation Pty Ltd (since 2022)
- Director of JAATL Pt Ltd (since 2015)
- Director of TAAJL Pty Ltd (since 2002)
- · Director of Landkara Holdings Pty Ltd (since 1994).

Previous directorships

- Director of Coles Group Superannuation Fund Pty Ltd (2018)
- Alternate Director of Retail Employees Superannuation Pty Ltd (2016 to 2022).

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



Michael Bargholz

Bachelor of Economics (Honours) Chartered Financial Analyst, CFA Institute GAICD, Australian Institute of Company Directors

Michael has more than 35 years of experience across public sector, private and listed companies. His industry experience includes investment management, superannuation, and life insurance sectors. Prior to joining Rest, Michael was the Australian CEO for the global investment management business Pendal Group from 2016 to 2018 (formerly BT Investment Management Australia). He previously held a number of executive positions as Managing Director for Australia at Fidelity International, and as CEO and Managing Director for Australia and New Zealand at AllianceBernstein. His earliest leadership role was as Managing Director of Investment Management at AXA New Zealand. He became a Trustee of the Australian Church of Christ Evangelistic Trust in 2007 and was appointed Chairman in 2009. Since 2018 he has acted as a Group Chairman for the CEO Circle, a leading Australian membership organisation for executives and CEOs. Before being appointed Chair of the Rest Board Investment Committee, Michael served on the Committee as a non-voting member from 1 September 2020. Michael is an economist and a Chartered Financial Analyst (CFA) by training.

Current directorships

- Director of Retail Employees Superannuation Pty Ltd (since 2022)
- Director of Holt Oxley Pty Limited (since 2018)
- Chair of Australian Church of Christ Evangelistic Trust (since 2008)
- Chair of Acocet Nominees Pty Ltd (since 2008)
- Trustee Director of Australian Church of Christ Evangelistic Trust (since 2007)
- Director of Acocet Nominees Pty Ltd (since 2007).

Previous directorships

- Director of FIL Investment Management (Australia) Limited (2013 to 2016)
- Director of FIL Responsible Entity (Australia) Limited (2013 to 2016)
- Director of Financial Services Council Ltd (2005 to 2011)
- Director of Alliance Bernstein Australia Limited (2000 to 2011)
- Director of Alliance Bernstein Investment Management Australia Limited (2001 to 2011)
- Director of National Mutual Funds Management (Global) Limited (1999 to 2000)

Alternate Directors

The Alternate Directors of the Board as at 30 June 2023

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

- Alternate Director to Michael Tehan of Retail Employees Superannuation Pty Ltd (since 2018)
- Alternate Director to Julia Fox of Retail Employees Superannuation Pty Ltd (since 2017).

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 are 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-Treasurer since 2014. The SDA is one of Australia's largest trade unions and represents employees working in retail, warehousing and fast food. 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

- Director of SkillsEQuipped Ltd (since 2023)
- Director of ACTU Member Connect (since 2022)
- Alternate Director to Dr Adam Walk in Retail Employees Superannuation Pty Ltd (since 2020)
- Director of The Trade Union Education Foundation Limited (since 2015)

Previous directorships

- Alternate Director of Retail Employees Superannuation Pty Limited (2014 to 2019)
- Alternate Director of Super Investment Management Pty Limited (2014 to 2019)

Current appointments

- National Secretary-Treasurer of the SDA
- Senior Vice President of the ACTU
- · Member of the ALP National Executive
- World President UNI Global Union

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 an 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 director 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

- · Alternate Director to Helen Cooney in Retail Employees Superannuation Pty Ltd (since 2020)
- Chair of Industrial Printing and Publishing Pty Ltd (since 2003)
- Chair of Publicity Works Pty Ltd (since 2003)
- Chair of Sparkie Pty Ltd trustee of the IPP Property Trust (since 2003)
- Chair of FEDSDA Pty Ltd (since 1996)

Previous directorships

- · Alternate Director of Retail Employees Superannuation Pty Limited (1996 to 2008, 2008 to 2011, 2011 to 2020)
- Alternate Director of Super Investment Management Pty Limited (2007 to 2008)
- Director of FEDSDA Pty Limited (1988 to 1992)

Current appointments

 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.

Directors' attendance

Directors	2016/2017		2017/2018		2018/2019		2019/2020		2020/2021		2021/2022		2022/2023	
	Α	В	Α	В	Α	В	Α	В	Α	В	Α	В	Α	В
lan Blandthorn ¹⁴	13	12	13	13	13	13*	15	15	5	5	-	-	-	-
Joseph de Bruyn ¹²	13	13	13	13*	13	13	8	8	-	-	-		-	-
Sue-Anne Burnley ⁹	13	12	7	6*	-	-	-	-	-	-	-	-	-	-
John Edstein¹	13	13	13	13	13	12*	15	14	9	8	-	-	-	-
Sally Evans ²	-	-	2	2	13	13	15	15	18	17	14	14	14	12
Julia Fox³	-	-	6	5*	13	13*	15	15*	18	18	14	14	14	14*
Rohan Jeffs ¹⁰	13	13	13	13	9	9	-	-	-	-	-	-	-	-
Kenneth Marshman⁴	13	13	13	13	13	13	15	13	18	18	14	14	8	8
Steven Priestley ⁵	13	13	13	13*	13	13*	15	15	18	13	14	13	3	3
Duncan Shaw ⁶	13	13	7	6	-	-	-	-	-	-	-	-	-	-
Michael Tehan ⁷	-	-	9	9	13	13	15	15	18	18	14	13*	14	14
Geoffrey Williams ⁸	13	13*	4	4	=	=	-	-	=	=	-	=	-	-
Vaughn Richtor ¹¹	-	=	-	=	=	-	15	12	18	17	14	14	14	14
Adam Walk ¹³	-	-	-	-	-	-	7	7	18	15	14	14	14	14
Helen Cooney ¹⁵	-	-	-	-	-	-	-	-	13	13	14	13	14	14*^
Catriona Noble ¹⁶	-	-	-	-	-	-	-	-	9	9	9	7	-	-
Joanne Lester ¹⁷	-	-	-	-	-	-	-	-	-	-	5	5	14	13
Michael Bargholz ¹⁸	-	-	-	-	-	-	-	-	-	-	-	-	11	11
James Merlino ¹⁹	-	-	-	-	-	-	-	-	-	-	-	-	6	5
Alternate Directors	Directors 2016/2017 2017/2		2017/2018 2018/2019		2019/2020 2020/2021		2021/2022		2022/2023					
	Α	В	Α	В	Α	В	Α	В	Α	В	Α	В	Α	В
Aliscia Di Mauro ²⁰	13	1	9	2	13	1	15	0	18	0	14	1	14	2
Adam Walk ²¹	-	-	-	-	7	1	8	0	-	-	-	-	-	-
Gerard Dwyer ²²	13	2	13	1	13	0	14	0	18	0	14	0	14	0
Michael Donovan ²³	13	0	13	0	13	0	15	0	16	0	14	0	14	0
Michael Tehan ²⁴	-	-	4	0	-	-	-	-	-	-	-	-	-	-
Helen Cooney ²⁵	-	-	-	-	-	-	15	1	5	0	-	-	-	-
Joanne Lester ²⁶	12	0	13	1	13	2	15	0	18	0	9	0	_	

A Number of meetings the Director was eligible to attend

- **B** Number of meetings the Director attended
- * Includes Alternate Director attendance Director was absent on Rest business
- ¹ Mr Edstein's term ended on 31 December 2020
- ² Ms Evans was appointed as a Rest Director on 2 May 2018
- $^{\rm 3}$ Ms Fox was appointed as a Rest Director on 1 January 2018
- ⁴ Mr Marshman's term ended on 31 December 2022
- $^{\rm 5}$ Mr Priestley's term ended on 30 September 2022
- ⁶ Mr Shaw's term ended on 31 December 2017
- $^{\rm 7}$ Mr Tehan was appointed as a Rest Director on 1 October 2017
- 8 Mr Williams' term ended on 30 September 2017
- 9 Ms Burnley's term ended on 31 December 2017
- ¹⁰ Mr Jeffs' term ended on 31 March 2019
- ¹¹ Mr Richtor was appointed as a Rest Director on 26 June 2019
- 12 Mr de Bruvn's term ended on 31 December 2019
- $^{\rm 13}$ Mr Walk was appointed as a Rest Director on 1 January 2020

- ¹⁴ Mr Blandthorn's term ended on 29 September 2020
- $^{\rm 15}$ Ms Cooney was appointed as a Rest Director on 30 September 2020
- ¹⁶ Ms Noble was appointed as a Rest Director on 1 January 2021, and her term ended on 31 March 2022
- Ms Lester was appointed as a Rest Director on 6 April 2022
- 18 Mr Bargholz was appointed as a Rest Director on 1 October 2022
- ¹⁹ Mr Merlino was appointed as Rest Director and Independent
- Chair on 1 January 2023
- ²⁰ Ms Di Mauro was appointed as an Alternate to Mr Williams on 4 May 2016 and resigned on 30 September 2017. Ms Di Mauro was appointed as an Alternate to Mr Tehan on 1 October 2017 and Ms Fox on 1 January 2018.
- ²¹ Dr Walk was appointed as an Alternate to de Bruyn on 28 November 2018 and resigned on 31 December 2019.
- ²² Mr Dwyer was appointed as an Alternate to Mr de Bruyn on 22 April 2014 and his term ended on 31 December 2019. Mr Dwyer was appointed as an Alternate to Dr Walk on 4 March 2020.
- ²³ Mr Donovan was appointed as an Alternate to Mr Blandthorn on 31 March 2011 and his term ended on 29 September 2020. Mr Donovan was appointed as an Alternate to Ms Cooney on
- ²⁴ Mr Tehan was appointed as an Alternate to Mr de Bruyn on 29 June 2017 and resigned on 30 September 2017.
- ²⁵ Ms Cooney was appointed as an Alternate to Mr Blandthorn on 26 June 2019 and resigned on 29 September 2020.
- ²⁶ Ms Lester was appointed as an Alternate to Mr Priestley on 28 July 2016, to Mr Richtor and Ms Evans on 27 September 2021 and resigned on 6 April 2022. Ms Lester was appointed as Alternate to Mr Edstein on 26 June 2019 and resigned on 31 December 2020.

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 out 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 quarterly 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 Service Officer, Chief Technology and Data Officer, Chief Financial Officer, Chief Strategy, People and Corporate Affairs Officer, Chief Member Officer, and Chief Risk Officer. 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 2022/23 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 of senior executive leadership experience in superannuation, life insurance, wealth management and banking.

Vicki's experience includes executive leadership roles at some of Australia's largest financial services organisations. She has an extensive background in distribution, strategic marketing, digital, fund operations and contact centres, customer strategy and design and product management.

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 of Suncorp Portfolio Services Limited from 2009 to 2013, and an Executive Director of NMMT Limited from 2015 to 2017. She is also a Non-executive Director of the Australian Council of Superannuation Investors since 2018, a Director of The Association of Superannuation Funds of Australia since 2022, and was a Fund Representative Director on the Board of SuperFriend from 2018 to 2021.



Andrew LillChief Investment Officer

Andrew Lill joined Rest in 2020 and is responsible for managing the full suite of Rest's investment products and its outcomes to our members.

The Rest investment team is a fully integrated best practice multi-asset investment function. It blends portfolio construction, investment operations and external investment management capability sourced from around the world and a talented team of internal portfolio managers.

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

Andrew joined Rest from Morningstar Investment Management, where he was the Chief Investment Officer of their US\$25-billion Americas mutual fund and managed portfolios operations since 2018, based in Chicago. Prior to this, Andrew was the Chief Investment Officer of Morningstar's Asia Pacific business from 2014 to 2018. He was also the Head of Investment Specialists & Investment Solutions at AMP Capital from 2009 to 2013 and led Russell Investment's consulting business in Asia Pacific from 2005 to 2009. He was a Director on the Anglican Youthworks Board from 2009 to 2013, and has been a Trustee of a self-managed superannuation fund since 2017.

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. Prior to his business career, Andrew represented England in the 1994 Commonwealth Games in track athletics.



Brendan Daly Chief Service Officer

Brendan joined Rest in April 2019 and is responsible for the design and delivery of best-practice operations, including leading the optimisation of Rest's end-to-end service model. He leads the management of Rest's operations, dispute resolution, technical, insurance and administration services, including management of our service partnerships, to ensure the fund delivers an outstanding end to end experience 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 2007 to 2008, and was a Director on the board of the Australian Institute of Superannuation Trustees from 2020 to 2023.

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.



Jeremy Hubbard Chief Technology and Data Officer

Jeremy is responsible for charting and executing Rest's technology, delivery and data insights strategy. His remit includes leading Rest's functional areas of data, insights and analytics, digital architecture, software engineering, information security and strategic delivery.

Jeremy has more than two decades of 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. He has been the Director of two small consultancies between 2007 and 2018.

Jeremy holds a Bachelor of Information Technology from the University of Queensland and is currently undertaking a Masters in Organisational Leadership at Melbourne Business School.



Kulwant Singh-Pangly Chief Financial Officer

Kulwant is an experienced financial services executive who joined Rest in June 2021, and departed in September 2023. He has more than 25 years of experience in the investment management, superannuation, insurance and banking industries, particularly in the financial management of a largescale superannuation fund.

His remit included the leadership of Rest's financial management and strategy, business planning and finance capabilities including a range of corporate services spanning performance monitoring and group reporting, asset valuations, investment operations, taxation, insurance pricing and strategic portfolio governance including benefits realisation.

Kulwant sat on Rest's various investment company Boards from 2021 to 2023 and was the key executive responsible for Rest's Audit and Finance Committee. He has been a Director of a family trustee company for more than 20 years.

During his career, Kulwant has held a number of senior executive roles at leading global and Australian institutions including QSuper from 2011 to 2020 and was the Group Chief Financial Officer for five years from 2014. Prior to that, he was the QSuper's Head of Taxation Services. He has also held full-time roles with the AMP Group, Clayton Utz and Deloitte and has consulted widely to leading industry players in superannuation, investments, aged care and non-bank lending.

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.



Tyrone O'NeillChief Strategy, People, and Corporate Affairs Officer

Tyrone joined Rest in April 2019 and leads functions including strategy, people and culture, regulatory affairs, public policy, government relations, and communications.

Tyrone and his team work closely with the Board and Executives in setting Rest's strategy, developing and advocating for policy in the interests of Rest members, and fostering a constructive, safe, and inspiring culture which attracts and retains the best talent in Australia.

Tyrone has over two decades of experience in senior leadership positions including roles at Optus, Vodafone, and Westpac. He has been a Fund Representative Director on the Board of SuperFriend since 2021, and a Director of a family farming business since 2006.

Tyrone holds a Master of Letters in Philosophy and a Bachelor of Arts in Philosophy and Computer Science from the University of Sydney.



Deborah PottsChief Member Officer

Deborah is responsible for Rest's member experience across all touchpoints and channels. Including the fund's approach to employer connections, advice and education, member onboarding and retention.

This includes leadership of Rest's brand, marketing and member communications, employer servicing, business development, product, digital and disclosure functions.

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, and was a Director of her own consultancy business from 2012 to 2017.

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



Gemma Kyle Chief Risk Officer

Gemma was appointed as Chief Risk Officer in November 2018 and is responsible for leading a diversified team that includes strategic sourcing, company secretariat, legal, audit, security, risk and compliance.

She brings a wealth of experience to her role, having previously worked on the separation of MLC Life Insurance from NAB, where she established their first-line risk, compliance and financial crime capabilities.

Gemma has worked across multiple industries, including financial services, engineering, and government, and is known for her ability to drive organisational change and achieve business objectives in complex and dynamic environments. She has been a Director on the Board of Fund Executives Association Limited since 2023

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

Financial statements 2022/23



Financial statements

The abridged financial statements included below are an abbreviated version of extracts from the Rest's audited financial statements for the year ended 30 June 2023. 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		
	2023 (\$ million)	2022 (\$ million)
Superannuation activities		
Investment income	2,205	2,432
Net changes in fair value of financial instruments	4,531	(4,356)
Other income	80	58
Total superannuation activities income	6,816	(1,866)
Less		
Investment expenses	181	189
General administration expenses	261	236
Total expenses	442	425
Results from superannuation activities before income tax expense	6,374	(2,291)
Income tax expense/(benefit)	335	(586)
Results from superannuation activities after income tax expense	6,039	(1,705)
Less: Net benefits allocated to members' accounts	(5,973)	1,756
Operating result after income tax	66	51

Statement of changes in member benefits				
	2023 (\$ million)	2022 (\$ million)		
Opening balance of member benefits	65,235	64,543		
Contributions				
Contributions by employers	6,933	5,758		
Contributions by members	753	827		
Rollovers	1,013	960		
Income tax on contributions	(1,077)	(893)		
Net after-tax contributions	7,622	6,652		
Benefits to members and beneficiaries	(3,792)	(4,031)		
Insurance premiums charged to members' accounts	(437)	(421)		
Income Protection benefits to members	(193)	(165)		
Income Protection benefits from insurer	193	165		
Insurance benefits credited to members' accounts	240	248		
Net benefits allocated to members' accounts	5,973	(1,756)		
Closing balance of member benefits	74,841	65,235		

	2023 (\$ million)	2022 (\$ million)
Securities		
Australian listed shares	16,928	14,270
Australian bonds	3,958	2,860
Discount securities	3,908	2,575
Overseas listed shares	22,771	19,589
Overseas bonds	1,211	1,158
Other		
Unlisted unit trusts	24,519	22,85
Derivatives	289	32
Cash/other	3,044	2,87
Total investments	76,628	66,495
Other receivables	491	537
Other assets	99	90
Total assets	77,218	67,122
Less		
Deferred tax liabilities	815	299
Derivatives	740	827
Other liabilities	365	370
Total liabilities	1,920	1,496
Net assets available for member benefits	75,298	65,626
Less reserves	457	39
Closing balance of member benefits	74,841	65,235

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 2023, the total reserves were valued at \$457 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 71 for further details).

Movement in Rest's reserves			
Year	Total movement in reserves (\$ million)		
2020/2021	91		
2021/2022	51		
2022/2023	66		

The statement of changes in Rest's group life insurance reserve and further information on the use of this reserve are included on page 72.

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 2021/2022 which was paid from the administration reserve. During 2022/2023, the Trustee charged an ongoing Trustee fee of \$3 million, 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, of up to \$10 million, to access further funds if required. Rest Holdings No 1 Pty Limited (RHPL) was established in 2021/2022 as an asset of the Fund and capitalised from the administration reserve. RHPL 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 RHPL for the benefit of the guarantee.

Rest considers that it is in the best financial interest of Fund members for it to have adequate resources in the form of the Trustee capital reserve and guarantee, to enable it 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:







Insurance



Investment Administration

Financial advice

Rest aims to recover costs incurred to administer member accounts and transactions through member administration 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 cost for general financial product advice and personal intra-fund advice is covered by the administration fee charged to members' accounts. This advice is available to all members. Where personal advice is not intra-fund advice, the fees are paid by the individual member.

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. When considering changes, we also seek feedback from our members on the insurance offerings we make available

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

Our premium adjustment model

Rest operates a Premium Adjustment Model (PAM) with its primary life insurer TAL Life Ltd (TAL). This model helps Rest and TAL set the insurance pricing. Some of the objectives of the PAM include transparency and strong alignment between Rest and TAL to support the generation of insurance premiums that are stable, fair and reflective of actual experience.

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. Premiums are reviewed annually under the PAM arrangement, to ensure pricing is current.

Rest's group life insurance reserve is maintained and used in accordance with Rest's Reserving Policy. The purpose of the insurance reserve is to cover the cost of managing our insurance administration and minimise large fluctuations in members' insurance premiums in the short-to-medium term. Every year, Rest reviews its Reserving Policy, to ensure it remains appropriate.

Statement of changes in group life insurance reserve 2022/23

125,167,461
14,890,034
551,834,097
(493,221,553)
198,670,039

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

Australian Administration Services Pty Ltd (Link Group) ABN: 62 003 429 114

Credit manager

Industry Fund Services Limited ABN: 54 007 016 195

Custodian

State Street Australia Limited ABN: 21 002 965 200 AFSL: 241419

External auditor

Deloitte Touche Tohmatsu ABN: 74 490 121 060

Group life and income protection insurance

TAL Life Ltd

ABN: 70 050 109 450 ASFL: 237848

AIA Australia Ltd

ABN: 79 004 837 861 AFSL: 230043

Internal auditor

KPMG

ABN: 51 194 660 183

Investment consultant

JANA Investment Advisers Pty Ltd ABN: 97 006 717 568 AFSL: 230693

Willis Towers Watson (from 23 June 2023) ABN: 45 002 415 349

Legal advisers

Allens

ABN: 47 702 595 758

Arnold Bloch Leibler ABN 30 331 510 906

Clayton Utz

ABN: 35 740 217 343

Gadens

ABN 30 326 150 968

Gilbert and Tobin ABN: 88 775 098 848

Herbert Smith Freehills

ABN: 98 773 882 646

Hogan Lovells

ABN 58 859 417 667

King & Wood Mallesons ABN: 55 001 462 299

Kirkland & Ellis LLP

Company number: OC425451

MinterEllison

ABN: 91 556 716 819

Squire Patton Boggs

ABN 60 886 957 423

TurksLegal

ABN: 50 150 168 411

Willkie Farr & Gallagher (UK) LLP Company number: OE008020

Tax agent

PricewaterhouseCoopers ABN: 52 780 433 757

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 2022/23, Rest referred a number of employers¹ to Industry Fund Services Ltd (IFS). IFS collected \$1,744,512.20 in arrears from employers for payment to Rest members. As at 30 June 2023, 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 and 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.²

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 <u>ato.gov.au</u> for more information.

Compensating former members for unit pricing incidents

In determining whether compensation will be paid to former members of Rest, the Trustee will give consideration to applying a dollar limit to individual compensation payments to recognise that very small amounts of compensation are of no or minimal value to the former member and to take into account the administrative costs of processing the payment of compensation to former members. As a general guide, payments to a former member of less than \$20 will not normally be made. This threshold is generally consistent with regulatory practice guidelines and industry standards.

Please visit our website for more information about our <u>unit</u> price incident guidelines.³

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

² rest.com.au/rest_web/media/documents/tools-advice/resources/factsheets/departing-australia-dasp-factsheet.pdf

rest.com.au/investments/how-we-invest/unit-pricing-incident-guidelines

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 promptly.

Have concerns? We're here to help

If you feel something's gone wrong, please get in touch with us so we can try to sort things out. Then, if you want to make a complaint, our complaints team will review your matter. We'll acknowledge your complaint within one business day.

How do I make a complaint?

- 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

Our complaints process

Parramatta NSW 2124

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).

Who is the Australian Financial Complaints Authority?

AFCA provides a free, independent dispute resolution service. 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

We're here to help

- ス rest.com.au
- Q Live Chat at rest.com.au

 Monday to Friday 8am 8pm AEST/AEDT

 Saturday 9am 5pm AEST/AEDT
- 1300 300 778
 Monday to Friday 8am 8pm AEST/AEDT



Download the Rest App

Now by scanning the QR code with your smartphone camera.

