

It's the **little** things...



...that make a

BIG

difference to our
members



Meaningful
person-to-person
interactions



Strong
relationships
with employers
and members



Above average
investment
returns*

Fund overview MySuper

9.27%
2023 return

7.15%
3-year return

7.04%
7-year return

7.69%
10-year return

Our members

143,216
Total members

1,936
Pension members

\$6.7b
Funds under
management

\$389m
Paid to members &
beneficiaries

\$34m
Benefits paid to
pension members

\$91m
Member
contributions

\$18m
Insurance
claims paid

\$83m
Transfers to
Prime Super

\$446m
Employer
contributions

We're an agile super fund.
We're not too big so we can
act quickly to capture a
wider range of investment
opportunities for our members
as we actively manage the
investment portfolio.

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This Annual Report 2023 contains general information only and does not take account of your personal circumstances. You should obtain personal advice where appropriate. This annual report is current as at October 2023 and subject to change. Prime Super Pty Ltd (ABN 81 067 241 016, AFSL no. 219723, RSE L0000277) as Trustee of Prime Super (ABN 60 562 335 823 R N 1000276). A product disclosure statement is available from the issuer by calling 1800 675 839.



A trusted profit-to-members fund

Our MySuper returns are higher than the median at one, seven and 10 years*.



Independent & member focused

We don't answer to shareholders and grow our members' super over time to ensure the people putting their trust in us can enjoy the best possible retirement.



Active investment management

When investment markets change, we can act. We don't have the constraints of a mega-fund and can actively seize opportunities as they present.



Higher than average returns

Our MySuper option has delivered investment returns above the industry average this year and over the long term at 7 years and 10 years*.

Our values



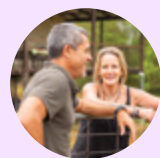
Honesty

We act honestly and we're open and transparent in all of our dealings.



Accountability

We set and work towards clear objectives and we hold ourselves accountable.



Respect

We treat everyone we deal with in a courteous and professional manner.



Leadership

We lead by example and we encourage best practice.

*SuperRatings fund crediting rate survey June 2023. Past performance is not a reliable indicator of future performance.

The year in review, looking ahead

This year has delivered strong investment returns, as ongoing challenges continue to be managed.



Pictured (left to right): Nigel Alexander, Chair of Prime Super and Lachlan Baird, CEO Prime Super.

This year, most of our investment options have delivered strong returns, with many ranked in the top quartile.

Australia and overseas

While the United States and Europe have endured the collapse of significant banking institutions, Australia has again benefited from its high levels of regulation and resultant financial sector stability. We do however continue to face a great deal of rapid and ongoing change with significant risks to be managed. Increasing living costs

have placed mounting pressure on households; energy costs began rising in 2022 as food and fuel prices increased dramatically and mortgage payments swelled in response to continually rising interest rates.

Inflation is high in Australia and the rest of the world, and is proving difficult to reduce. Like many of the world's central banks, the Reserve Bank of Australia has attempted to reduce inflation by announcing consecutive rate increases nearly every month over the past financial year. The record levels of inflation are multifaceted, with some of the

drivers being a reaction to many years of 'cheap' money, the effects of the Russia-Ukraine conflict now in its second year, the aftereffects of the government's pandemic policies, and strong consumer demand following the lockdowns of 2020 and 2021.

At the same time, Australia joins many other countries in committing to net-zero emissions by 2050. This places pressure on our industrial sector and others, to fundamentally and structurally change to support the government's emission-reduction targets in a short timeframe.



“This year, most of our investment options have delivered very strong returns with many ranked in the top quartile.”

Nigel Alexander
Chair of the Board

“We recognise the value of person-to-person services and the importance of enabling our members to engage with us.”

Lachlan Baird
Chief Executive Officer

Structural industry changes

When it comes to your retirement savings you may have noticed the superannuation industry is rapidly changing.

While regular legislative change is relatively normal in Australia, there is now significant structural change underway. A push for the consolidation of super funds across the industry is resulting in an increasing number of mergers, a concentration of mega-funds and fewer medium and smaller sized super funds.

The industry currently has less than 80 registered superannuation entities compared to around 400 funds of various sizes and styles in 2010¹. It's clear that consolidation is occurring at pace. However, the benefits of diversity are well-known, and not just in terms of broader choice in super funds and services. Diversity encourages competition; competitive environments encourage innovation; and, most importantly, stability in the broader Australian economy. Competition and diversity remain key pillars of a healthy economic system.

In that regard, the choices each of us make today can help ensure your journey to retirement includes a broad range of investment options and choices, a healthy and stable economy, and the important benefits that come with having different types of funds.

The fund for quality and service²

This year, Prime Super received six AAA Quality Rating awards from Rainmaker. This outstanding result validates the work we do for our members and highlights our transparency and value for money when it comes to fees. You may be interested to read more about our fees and we've provided further information for you on page 7.

Turning to the outlook for the future, we expect economic challenges to continue for some time. Living expenses are rising and are now at an all-time high for the past decade. In our view, the economic outlook remains challenging with the twin perils of stubborn inflation and increased recession risk being areas of focus.

One thing you can be certain of is that as a profit-to-members

super fund we will continue to return profits to you, our members while we work to deliver the best possible outcomes.

Thank you

As Prime Super continues to go from strength to strength and welcome new members into the Fund, we remain focused on delivering outcomes that meet the needs of our members. We recognise the value of person-to-person services and the importance of enabling our members to engage with us so they can discuss their superannuation and retirement needs whenever they choose.

We thank our members for the trust they place in us to manage their retirement savings. Above all, Prime Super remains a fund that is focused on you, our members.

Nigel Alexander
Chair of the Board

Lachlan Baird
Chief Executive Officer

¹ Geoff Warren, conexusinstitute.org.au, March 2023.

² Rainmaker Information awarded Prime Super six AAA Quality Rating awards in 2023 based on a range of factors and featured as outlined on page 6. WeMoney chose Prime Super as the best superannuation fund for Customer Service and Customer Experience in 2023.

Quality ratings

The Rainmaker AAA Quality Rating has been a symbol of quality, trust, expertise and excellence among superannuation funds for more than two decades.



This year Rainmaker Information awarded Prime Super six AAA Quality Ratings

As part of Rainmaker Information's annual assessment, the quality ratings body reviewed nearly four hundred products. Fifty-six super fund products qualified for a AAA Quality Rating. Prime Super received six AAA Quality Rating awards in recognition of its quality and excellence.

To qualify for six AAA Quality Ratings we met or exceeded assessment benchmarks in five categories:

Fees

The administration fees, investment fees and indirect costs charged to members were assessed and compared across the superannuation industry.

1

Investments

The investment menu, investment processes and investment performance including risk-adjusted performance over at least five years were evaluated.

2

Insurance

The types of insurance options; associated costs; default insurance cover; and variations by age, occupation, gender and industry were assessed.

3

Company and operations

The operational structure, including the trustee board, senior management and the Fund's compliance were considered along with the size of the Fund, any complaints and resolutions history, administration and investment flexibility, and our communications with members, as some examples.

4

Extra services

Value-adding services such as member advice, online tools and services, and other valuable offerings available to members were reviewed.

5



Understanding our fees & expenditure

A key value of the Fund is openness and transparency, especially when it comes to our members, and fees and expenditure. The transparency of our expenditure was tabled in Parliament as an exemplar.

When all is considered, our fees are relatively low. While we keep our business operating costs as low as possible, our priority is to provide members with a quality superannuation product and the personalised service they value. We know that by sharing our expertise and regularly speaking with members over the phone and in person, they will be better prepared for retirement.

Transparency

We believe it is fair that members know what they're paying for and that all costs are openly reported to them. At times our fees have been misrepresented in the media, however, the awards received from industry ratings agencies such as

Rainmaker show that when the intricacies of fees from all super funds are accurately compared on an even playing field, Prime Super is a transparent, high-quality value for money fund.

One of the core considerations in the way a fund's total fee structure is reported is the inclusion or exclusion of all administration and operating costs. Members can be misguided if their fund fails to include all costs because this can result in fees appearing lower than they are. Prime Super includes all administration and operating costs, which is not standard practice across the industry.

Noted in Parliament

On 27 October, 2022 in the House

of Representatives, Prime Super's transparency was highlighted as an example of how all funds should report their expenditure to members. Prime Super was compared to the fund owned by the Commonwealth which "broke down their expenditure line by line... so everyone can see exactly what they're spending their... money on. Prime Super did exactly the same thing".

A contrasting example was made of one of Australia's mega-funds with the speaker noting that its "members don't have any idea where their money goes".



Find out more: primesuper.com.au/fees



"...when the intricacies of fees from all super funds are accurately compared on an even playing field, Prime Super is a transparent, high-quality value for money fund."

¹ 'Hansard and the Records of the House', Treasury Laws Amendment Bill 2022 (Measures No. 3), House of Representatives, Thursday, 27 October 2022, page 30.

We're small enough to care

Our members are at the heart of all we do. We don't answer to shareholders. We work for our members and return all profits back to them. In all things, from our governance frameworks and investment philosophy to our everyday practices right around Australia, we look after our members.



Our members come first

At Prime Super, we all work together with a common purpose: the best interests of our members. It's not just something we say.

Our members are at the heart of all we do each day.



The little things

We share our mobile numbers so we're **accessible to members.**

If a member needs us **we can visit them at home.**

People aren't left on hold. **We answer calls quickly.**



Seeing the big picture

We **share our knowledge** so our members can be better off.

We help members **look ahead** and plan for a comfortable retirement.

We're **transparent** about fees and expenditure.





We are an efficiently run fund. We have the right number of people for our growing member numbers so we can give personalised service and deliver outcomes that are coordinated across the fund, sustainable, effective, and always in our members' best interests.



Delivering results

Providing strong, above-average **investment returns**.

Outperforming industry benchmarks.

Providing investment **flexibility and choice**.



Being there for members

Supporting members in each life stage and throughout retirement.

Providing peace of mind by being open and transparent.

Protecting our members and their super.

Best for Customer Experience

For the second year running WeMoney has selected Prime Super as the best super fund for Customer Experience. We care about our members and our face-to-face personalised services, and the relationships we build with them help members create their best possible retirement.



5-Stars, six years in a row

Canstar has recognised the outstanding value of our account-based pension for six years in a row. The 5-Star rating is great news for our pension members because after retirement, they can continue to enjoy strong long-term returns*, low fees and the flexibility to make changes to their super-derived income stream as their needs change.



* SuperRatings fund crediting rate survey (balanced) 2023. Past performance is not a reliable indicator of future performance.

How we approach investing

We construct a diversified portfolio of assets that we actively manage to take advantage of opportunities as they present. In this way, we seek to grow the real value of member contributions and provide our members with an income in retirement.

One of the benefits of being a smaller fund is that we're agile. As a responsible investment manager, we act with high levels of efficiency, actively managing assets in the portfolio. This approach can provide an increased potential for certain

investment opportunities for our members. Notably, as the superannuation landscape becomes increasingly populated with mega-funds, investment agility and the resultant opportunities available to

Australians will, in the main, become less common.

The Prime Super *Investment strategy* provides information about how each investment option is managed. If you would like a copy please call us on 1800 675 839.

Our investment goal

Our investment goal is to deliver consistent, above-average annual investment performance over a rolling ten-year basis.

Our long-term returns continue to outperform industry benchmarks, reflecting our:

- Sound investment strategy
- Active investment management
- Focus on sustainable long-term returns, and
- Ability to respond to market fluctuations.



Investment strategy

We aim to balance risk and return and achieve strong results for our members over a long-term investment timeframe.

As a responsible investment manager we review investment markets on an ongoing basis, and conduct formal annual reviews.

Our investment options comprise a balance of growth investments (such as shares) and defensive investments (eg cash and fixed interest).

Determining an appropriate investment mix for each of the investment options available to members requires that we consider our investment objectives, the sustainability of the investment strategy, liquidity, business risk and the likely medium-term investment environment.

We have updated our investment strategy effective 1 July 2023 with adjustments made to the time horizons and investment return objectives for each option.



You'll find detailed information about investment returns and investment options, including interactive investment tables at primesuper.com.au/investments.

Explanation of returns

Returns are net of investment-related costs such as fees charged by investment managers, investment expenses incurred by the Fund, and any applicable tax.

If you are over age 60, income payments from an income stream

account are not taxable. The three, five and 10-year returns are the compound average effective rate of net earnings of the investment option to 30 June 2023. Past performance should not be taken as an indication of future performance.

The returns stated for each investment option in the super

fund and income stream tables are those achieved by the particular option over the year, and are not necessarily the return a member will receive. A member's rate of return will depend on the timing of any transactions, deductions or switches made during the period, and the mix of investment options in the member's account.

Our investment returns to 30 June 2023

Super fund performance (%)

Investment option	2023	3 years	5 years	7 years	10 years
MySuper	9.27	7.15	5.61	7.04	7.69
Managed Growth	12.47	9.08	6.81	8.44	9.11
Conservative	3.49	3.58	3.41	4.19	5.04
Income Focused	7.82	6.36	5.08	n/a	n/a
Alternatives	6.46	7.06	6.57	7.83	9.87
Australian Shares	12.39	11.34	7.21	9.54	9.36
International Shares	17.06	10.38	7.56	9.49	9.97
Property	-4.78	3.64	4.12	8.22	10.72
Fixed Interest	0.31	-2.10	0.15	0.82	2.19
Cash	2.72	1.03	1.21	1.50	1.78
SRI	7.52	6.57	n/a	n/a	n/a

Transition to retirement income stream performance (%)

Investment option	2023	3 yrs	5 yrs	7 yrs	10 yrs
Balanced	9.27	7.15	5.61	7.35	8.34
Managed Growth	12.47	9.08	6.81	8.80	9.87
Conservative	3.49	3.58	3.41	4.35	5.50
Income Focused	7.82	6.36	5.08	n/a	n/a
Alternatives	6.46	7.06	6.57	8.16	10.82
Australian Shares	12.39	11.34	7.21	10.03	10.12
International Shares	17.06	10.38	7.56	9.77	10.60
Property	-4.78	3.64	4.12	8.77	11.83
Fixed Interest	0.31	-2.10	0.15	0.88	2.51
Cash	2.72	1.03	1.21	1.56	1.94
SRI	7.52	6.57	n/a	n/a	n/a

Retirement income stream performance (%)

Investment option	2023	3 yrs	5 yrs	7 yrs	10 yrs
Balanced	10.52	8.06	6.31	8.09	8.87
Managed Growth	14.11	10.40	7.74	9.76	10.55
Conservative	4.07	4.18	3.97	4.88	5.88
Income Focused	8.89	7.31	5.82	n/a	n/a
Alternatives	7.26	8.04	7.45	9.01	11.43
Australian Shares	14.09	13.02	8.08	11.18	10.92
International Shares	19.19	11.92	8.56	10.67	11.24
Property	-5.27	4.08	4.64	9.49	12.35
Fixed Interest	0.40	-2.39	0.20	0.98	2.58
Cash	3.21	1.22	1.44	1.78	2.09
SRI	8.72	7.60	n/a	n/a	n/a

Our commitment to a better future

We consider the environmental, social and governance (ESG) implications of our activities and take a responsible investment approach.

Since January 2019, we have offered the Sustainable Responsible Investment (balanced) option for members who choose to incorporate more specific social and environmental values into their super investments.

ESG factors and investing

We believe that the financial implications of ESG factors, including climate change, and labour standards are important issues to consider, when relevant, in decisions about investments. This is because the value and performance of individual assets may be affected by ESG factors.

Our ESG Policy and our Climate Change Policy provide further information about our approach to ESG related matters.

The actions we take

We acknowledge several international conventions: the recommendations and framework of the Taskforce on Climate-related Financial Disclosures, the Paris Agreement, and the United Nations Intergovernmental Panel on Climate Change.

We engage with climate-data specialists as we assess our investment portfolio's position against ESG parameters.

Together with Patrizia Pty Ltd, our investment consultant, we identify opportunities to acquire

climate-positive assets, and other potential carbon solutions opportunities. We consider the carbon-related risk exposures we currently have or may have in the future, and any need for increased climate risk management in view of impacts on the long-term returns for our members.

The low carbon Intensity of our equities portfolio has resulted in a low carbon risk rating from climate data specialist Sustainalytics, as at December 2022.

Some assets and sectors are excluded entirely from our investment strategy, such as manufacturers of tobacco products.

Our infrastructure investments

As a superannuation fund, we are working to assist in the transition to long-term energy security and a lower carbon future, while continuing to deliver strong long-term investment returns. Our investment portfolio is well placed to contribute to the building of a more sustainable future, specifically our infrastructure investments.

The Prime Super investment portfolio currently includes 100% ownership of five wind farms located in various regions of Victoria: Mortons Lane Wind Farm, Ferguson Wind Farm, Diapur Wind Farm, Chepstowe Wind Farm and

Maroona Wind Farm. According to our investment consultant, the Prime Super energy portfolio has the capacity to generate enough wind energy to power 40,300 homes.

We have invested in additional highly complementary alternative energy assets such as Savant Energy and most recently, Active Utilities. These assets have climate-positive potential that we plan to deploy from 2025 as we distribute the wind energy produced by our five wind farms throughout Australia.

You can read more about Savant Energy on page 18 and all of our other energy infrastructure assets in the Resources section at primesuper.com.au.

We aim to take practical steps and where we can, actively participate in the creation of a cleaner, greener, carbon neutral future.

"The low carbon intensity of our equities portfolio has resulted in a low carbon risk rating from climate data specialist Sustainalytics."




"The Prime Super energy portfolio has the capacity to generate enough wind energy to power 40,300 homes."




Chepstowe Wind Farm



Maroona Wind Farm



Ferguson Wind Farm (feature picture) has the capacity to generate enough energy to power approximately 9,500 households each year.

Diapur Wind Farm has the capacity to generate enough energy to power approximately 8,000 households each year.



Mortons Lane Wind Farm has the capacity to generate enough energy to power approximately 13,000 households each year.



A balance between guided support and self service

Our members like being able to choose how we support them. As life changes, members often engage more for guidance and advice.

The level of involvement we have in a member's super journey can vary. Some members will speak with us as they build their balance or to understand the type of insurance most relevant to them at different stages in their lives. When members near retirement age they often need practical

advice. A 15-minute conversation with a super specialist can make a big difference; not just for the member but also their family. Many of our members develop a close personal relationship with a super specialist and seek advice from them over the years. Other members may call on us when

something changes. For example, they're getting married, having children or starting to think about winding down from work. Some members prefer to download the app, explore our website, and use the online tools and calculators to clarify their own needs and goals.

Some of our online services include:

MemberOnline and PensionOnline

have been updated so our members can easily access and manage their super and pension accounts anytime.



Online calculators

can help our members plan to meet their needs in retirement and consider how an unexpected event may affect them or their loved ones.



The resources hub

features articles and updates on topics ranging from regulatory changes to budgeting tips and ways to build retirement savings.



Monthly market updates

provide an overview of local and international investment markets and events.



The new, improved MemberOnline

The new MemberOnline platform was launched in March. We retained some of the system's functionality while adding features that make it easier for members to manage their super online.

The new design and simplified layout makes it easy for members to find information and manage their super account.

Members can keep an eye on their employer contributions, switch their super investments, update their details, nominate a preferred beneficiary or print a non-lapsing binding beneficiary nomination form.

Members with pension accounts can now transact online. It's now easier for our pension members to manage their super investments in retirement, make changes to their income stream withdrawals

and even download a Centrelink schedule if required.

Increased security

All of our new and upgraded online platforms now also offer the option of one or two layers of extra security, via multi-factor authentication, that we've included to keep member accounts secure.

Prime Super app upgrade

The Prime Super app has also been upgraded and has new back-end capabilities that make it easier for members to manage their super from their smartphone.

Making super easier for our employers

EmployerOnline simplifies the management of employer super obligations for business owners and administrators.

The secure online platform streamlines the process of onboarding employees and managing ongoing obligations. Employers can manage employee details and pay superannuation and salary sacrifice contributions quickly and easily with EmployerOnline.

Employers who use the Prime Super clearing house* platform often say they're surprised at how simple it is to submit payments for all employees in one simple transaction, including payments to other super funds.

[EmployerOnline](#) helps employers:

- Onboard new employees
- Submit employee superannuation guarantee contributions quickly and easily, including to funds other than Prime Super, and
- Manage employee information.



Our Member Solutions team

The people in our Member Solutions team form valued relationships with our members. Each team member is highly experienced, knowledgeable and qualified to help members make the most of their super as they plan for retirement.

You can find out more about our Member Solutions team members Carol Keller, Brian Coombe and Alisha Wilde on pages 20 and 21.

Members can book time directly in the team's diaries online and speak with them whenever they need answers about any aspect of superannuation, insurance or retirement.

Pictured (left to right): Carol Keller, Noel Hazeldine, Alisha Wilde, Lily Tsang, Brian Coombe, Maria Ganakas.

The book-a-chat feature is one example of the extra services we provide to members at no additional cost.

"Members like the online booking service, said Maria Ganakas, National Manager Member Solutions. "They can lock in a date and time that's convenient to them and chat with a real person, a super expert, who can help them make more informed decisions to improve their super, retirement and insurance outcomes."

*A disclaimer relating to the Prime Super clearing house is on page 62.

Our employers and members

Our employers have chosen Prime Super as their employee default fund, adding value to their employee offering through the support of our national network of regional managers.

Regional managers

Our regional managers work with our employers on the ground all around Australia. They're always on hand to help employers understand and manage their super obligations.

Regional managers also hold regular workplace education seminars and provide super updates to help staff understand their super and make the most of their time in the workforce.

We partner with organisations that support our members and employers, and our regional managers facilitate these relationships.

Our work in rural Australia

Prime Super maintains a strong connection with people in regional Australia where many of our members live and work.

We have built relationships with farming and shearing communities, and have a valued relationship with Agribusiness Australia.

Agribusiness Australia

Agribusiness Australia serves the diverse range of businesses within Australia's agribusiness sector and proudly supports its corporate and individual members, community partners and networks, and the Australian community.

Agribusiness Australia and Prime Super have developed a strong relationship over the past four years, sharing long-standing ties with rural and regional Australia.

Leonie Welsh, the Executive Officer of Agribusiness Australia, and her team value Prime Super's regional managers who are always on hand and ready to help in rural and agricultural communities, providing personalised services and advice to members.

"Prime Super's annual sponsorship of the Agribusiness Australia Scholarship is an exemplary example of how Prime Super is supporting agribusiness and the regions across Australia. It's a significant point of alignment between Prime Super and Agribusiness Australia," Leonie says.

Pictured (left to right): Emma Papps; Leonie Welsh, Agribusiness Australia.





Speaking with Prime Super’s National Sales Manager Chris Pole, Leonie says there is a natural synergy between Agribusiness Australia and Prime Super.

Agribusiness Australia is committed to a growing and thriving agricultural sector where individuals, organisations and industries can reach their full potential and realise the goal of a \$300 billion Australian agribusiness sector by 2030.

Leonie says Prime Super is always there for her and her team:

“Prime Super is a go-to corporate member and we know that wherever possible, our businesses will collaborate for the benefit of our clients and members.”

“Prime Super’s annual sponsorship of the Agribusiness Australia Scholarship is an exemplary example of how Prime Super is supporting agribusiness and the regions across Australia.”

Supporting our members’ communities



Agribusiness Australia scholarship

As a long-time supporter of our super members in rural areas, we sponsor the Agribusiness Australia Scholarship to encourage young Australians who wish to undertake tertiary education in agriculture, and to help ensure agribusiness continues to be a major contributor to the Australian economy.

As the winner of the Agribusiness Australia Scholarship in 2022, Clara Tolman received \$2,000 to support her in her agricultural studies at university, which she began in 2023.

Clara says her goal is to “Contribute to the agriculture sector through working towards becoming a regenerative

agriculture consultant... I hope to be able to provide farming systems across Australia with alternative ways of farming that not only reduce land degradation but focus on the improvement of the land. I also aspire to be a part of the larger picture, tackling some of our global challenges such as food security and climate change, in order to continue supporting our national and international growing population.”

Pictured: Clara Tolman, Agribusiness Australia Scholarship winner, 2022.



Pictured (left to right): Mark Yates, Managing Director YES Group and Tania De Palma, Regional Manager Prime Super at the YES Group office in South Australia.

Working with our employers for clean energy

We have established a valued employer relationship with YES Group. The relationship began in 2022 when both companies became co-investors during the acquisition of Savant Energy, an embedded electricity network developer and manager.

YES Group was established by Riverland local Mark Yates, and the company has been instrumental in the development of numerous renewable projects throughout Australia, including high voltage substation construction and the development of wind and solar farms. YES Group specialises in residential and commercial energy provision and has provided more than 1,700 homes and businesses throughout South Australia with renewable energy and energy storage solutions. YES Energy (the group's retail energy division)

has also assisted Prime Super with managing its wind portfolio in Victoria, having helped secure power-purchase agreements for some of its assets. YES Group and Prime Super (through Savant Energy) aim to increase their community energy offering by providing electric vehicle charging and electric hot water solutions to Australians.

Prime Super invests in clean energy as part of its commitment to deliver the highest possible investment returns to members while assisting in the transition to a greener future.

Both companies place a strong emphasis on people. Mark said YES Group, backed by Prime Super can be an employer of choice to help address skills shortages.

"We care about our employees' total wellbeing, and we identified Prime Super as a fund that can play an important role in financially assisting our employees to achieve the best retirement

outcomes from their working lives," Mark said.

Mark also recognised that YES Group and Prime Super share the similar values of acting openly and honestly in all dealings and ensuring people are treated in a professional and courteous manner.

Shortly after getting to know the people at Prime Super, particularly our National Sales Manager Chris Pole and Regional Manager Tania De Palma, Mark and his wife and co-director Sarah personally became members of Prime Super.

Prime Super has also been established as the preferred fund for YES Group employees, and Mark has actively encouraged his team to take advantage of their association with Prime Super and consider their superannuation needs and the opportunities available to them through Prime Super.

Employee workplace seminars

The benefits of supporting the financial wellbeing of employees can make a big difference in employee retention and satisfaction.

Our regional managers work closely with our employers to support them in providing value added services for their staff.

DRD Group has built a strong reputation in the recruitment industry over 28 years as a provider of exceptional personalised services for its clients and candidates.

The people at DRD Group have commented on the high level of personalised service provided by our regional managers Alisha Wilde and Radek Kotlarczyk over the past six years.

Robin Gray, DRD Group’s Feel-Good Coordinator said there are complementary approaches between the two businesses:

“At DRD Group, we make it our business to find the perfect fit for everyone involved... and, like DRD Group, Prime Super focuses on people, and shares our goals of driving results and valuing members. When Radek and Alisha attend our offices and provide our team members with information on how to manage their super, they engage and... DRD Group’s

success relies on our team members. So having Prime Super invest in our people contributes to the success of our business.”

Whether one person needs help or a group of 200, our regional managers are there to help employers and staff understand and manage their super. Our regional managers provide opportunities for employees to ask questions about aspects of their super, such as how they can make the most of their money by boosting their balance and saving tax at the same time.

“Some things are important for people to understand, especially those with young families and a mortgage... like how cost-effective it is for members to have their personal insurance cover through their super,” Alisha explained.

“Prime Super focuses on people, and shares our goals of driving results and valuing members.”



Pictured: DRD Group staff members who say they get a lot out of the workplace seminars provided by Alisha Wilde and Radek Kotlarczyk.

Our employers and members (continued)



Pictured: Brian Coombe and Carol Keller.

Helping and advising members as life changes

Carol Keller is a highly qualified and experienced financial adviser who also has a background in psychology. As part of the Member Services team Carol says: "The main differences with Prime Super is that we have the genuine desire to help people and we have the capacity to go over and above.

"At other super funds I've worked at there was some license to do this, but there was always an underlying push to keep costs down and focus elsewhere so it wasn't a real helping environment.

"At Prime Super there's the flexibility for me to go out and visit a member if they need me. There are numerous examples where we do that... there was a member who I'd emailed and called and never heard back, and it turned out he had passed away. When I visited his wife, there were tears shed on both sides... members become like family at Prime Super," says Carol.

Carol emphasises that it is important that members understand and keep in touch with their super, no matter what their age. "Younger people tend to be a bit disconnected from their super. This is perfectly natural, but it means that they can miss out on the benefits of getting advice,"

Carol adds. "Getting the right advice at the right time makes all the difference."

Carol has a natural affinity with people and enjoys making the most of her extensive superannuation experience by providing limited financial advice at no additional cost to Prime Super members. "Once I understand the member's needs, I can explain to them what their options are to meet those needs, show them the tools we have... we can do projections if we need to and really get involved with them, so that not just financially, but emotionally, members can be better prepared for retirement," Carol says.

Guiding members to a comfortable retirement

Brian Coombe is a key part of Prime Super's Member Solutions team. Many of our members seek Brian out for super guidance, coaching and budgeting tips as they navigate their way to retirement.

"We work with members so they're in control and they make the decisions," Brian says. "My role is to show people that by perhaps doing some things a bit differently they can be better off. Sometimes it's a few little things that can make a big difference to how much a person retires with, and that's where we can be very useful to our members".

Brian draws on many years of experience and technical knowledge to help members achieve better outcomes. "People need to know how to make the most of their super money after they've done all the hard work over decades in the workforce."

In his role, Brian forms strong relationships with members. "Most people call me directly on my mobile," he says. "What people really want to know is that they'll be alright in retirement,

that they'll have enough money to be comfortable. They may not be the richest person but we can do everything to make sure they'll have enough, that they'll be comfortable," he says.

"Sometimes, it's clear that a member is not going to be OK and that's where we can help guide them in making changes. We show them the outcomes of each option and help them understand how to get the results they want," Brian explains.

"A lot of people don't realise they can draw an income from their super while their balance remains invested. So even if people think it's too late to get advice, it's generally never too late," he adds.

Our members in the shearing community

Our regional manager Alisha Wilde regularly visits members in rural Western Australia. Recently she met with members in the shearing community. In the photo below, Alisha is talking about super with shearing trainers, trainees and employees in Badgingarra. Alisha spent the day chatting with many of the younger workers and instructing them about their super accounts. Alisha said, "One young worker was very excited to download the app, join MemberOnline and see her employer contributions and growing super balance of more than \$2,000".



Pictured: Alisha Wilde explaining the ins and outs of super to the shearing community in Badgingarra.

Our employers and members

(continued)

Joining employers in their new endeavours

Five years ago, Sonia McMahon formed a partnership with one of Prime Super's regional managers in New South Wales, Mark Redman. Mark helped Sonia establish Prime Super as her organisation's employee default fund.

Sonia and Mark have built a strong working relationship and Sonia has become a strong advocate for the benefits provided by Prime Super. She appreciates the responsiveness, flexibility and high level of personalised service she receives. So much so that when Sonia joined a new business, Mason Stevens, she immediately called Mark and asked him to help her establish Prime Super as the employee default fund.

"Having now worked with Prime Super as the preferred online super clearing house* provider within various industries and organisations for close to five years, I can genuinely state that the experience has always been flawless, professional, seamless with the perfect blend of self-service and guided support," Sonia said.

"Transferring super fund providers can appear arduous and administratively onerous. The online services and customer service teams are polite, attentive and quick to respond, which is paramount when seeking

assistance whilst in the midst of processing the disbursement of superannuation contributions as part of your month, or quarter-end process. Mason Stevens is proud to be partnered with Prime Super and very appreciative of the easy transition from an alternative fund provider and the ease and efficiency of processing contributions each month.

"Thank you for allowing our finance team to actually look forward to monthly superannuation processing!" Sonia said.

A shared focus on the future

As a super fund, we are focused on helping to build the retirement savings of our members and guide them towards their best possible future. Similarly, people who work in

the education sector are focused on helping develop positive futures for their students.

We work with many schools as a provider of superannuation services to principals, teachers and school staff, and have developed a valued connection with the education sector. Our support of the Australian Education Awards is a natural partnership and this year we sponsored two awards as a principal partner. We honour the outstanding contributions of the Prime Super Regional School of the Year, Haileybury Rendall School, and the Prime Super Principal of the Year, Philip Heath AM.

Pictured below: Philip Heath AM, Prime Super Principal of the Year with Billie Atanasova, Prime Super National Sales Manager at the Australian Education Awards 2023.



*A disclaimer relating to the Prime Super clearing house is on page 62.



Pictured (left to right): John Towey, Head of Growth RCSA; Gil Sebbag, National Sales Manager Prime Super; Maria Ganakas, National Manager Member Solutions Prime Super; Billie Atanasova, National Sales Manager Prime Super; Charles Cameron, CEO RCSA.

The value of relationships

RCSA is the peak body for the recruitment industry in Australia and has a long history of empowering recruitment and staffing firms to enhance lives and the economy through leadership in the world of work. The core purpose of RCSA members is caring for the candidates they place in roles across all industry sectors throughout Australia. Superannuation is a key component of the employment experience.

Charles Cameron, CEO of RCSA says, “Six years ago, RCSA was looking for a partner for its 850 member firms that

could provide an outstanding superannuation experience for their 250,000 employees. Given the importance of candidate and employee care to RCSA and its members, it was essential to identify a trusted super partner that could also work with the best interests of employees at heart—while genuinely believing in the value that labour market intermediaries add in delivering high quality work and work experiences”.

Charles says, “Throughout the partnership, the people at Prime Super have enhanced RCSA’s capacity to deliver positive outcomes for the employees of RCSA member firms.

“Prime Super’s commitment to building deep relationships within RCSA’s community has seen it become the fund of choice for almost 300 recruitment firms. Like us, Prime Super puts each individual’s onboarding experience at the heart of what they do. They are down to earth and caring, and absolutely the preferred choice. Whilst they deliver strong long-term returns which is important, it is the Prime Super commitment to relationships that is most compelling to RCSA and our member firms. Recruitment and staffing professionals live and breathe relationships and understanding, and that’s why Prime Super continues to be part of the Australian recruitment family.”

Our partners

We form partnerships with organisations and communities that support our members, their employers and the fund. You can read about our partners in their own words.



Partnerships help us understand our members and also help us support organisations and individuals to understand and make the most of their super, and plan for retirement.

Agribusiness Australia



Agribusiness Australia works to grow and advance the interests of agribusiness in Australia through advocacy, promotion and leadership. We sponsor the Agribusiness Australia Scholarship which aims to encourage young Australians to choose a career in agribusiness. It has a history of attracting high-performing young agribusiness professionals who can make a significant contribution to the future.

agribusiness.asn.au

Australian Education Awards



Australian Education Awards runs annually as the leading independent awards event in the kindergarten to year 12 education sector; showcasing the top-performing schools, principals, department heads and teachers and their outstanding achievements and transformative work that makes a profound difference to the lives of young people across Australia.

educatorawards.com

Australian Rural Leadership Foundation



Australian Rural Leadership Foundation (ARLF) builds the capacity of individuals and groups to act beyond themselves, to create action and change in their organisation, industry or sector and in their community. The ARLF develops and promotes leadership through experiential leadership programs and its alumni network. We provide a scholarship for a participant in the 15-month Australian Rural Leadership Program each year.

rural-leaders.org.au

Meaningful Ageing Australia Ltd



MAA is the national peak body for championing the importance of spiritual care for the emotional wellbeing and quality of life of older people. MAA creates practical resources to build staff confidence and capability in integrating emotional and spiritual care into their day-to-day work. MAA resources and services are informed by current research and evidence, and often reflect collaborations with organisations, leading research bodies and subject-matter experts from Australia and around the world.

meaningfulageing.org.au

National Farmers' Federation



National Farmers' Federation (NFF) is a respected advocacy organisation that champions the issues affecting farmers and is dedicated to the advancement of agriculture across Australia. We partner with state farming bodies to help regional and agricultural workers achieve the best retirement outcomes possible. We also provide a mentor for the NFF's Diversity in Agriculture Leadership Program.

nff.org.au

New South Wales Farmers Association



NSW Farmers is Australia's largest state farming organisation. We are Australia's only state-based farming organisation that represents farmer members across all agricultural commodities. Our teams working across regional NSW and Sydney ensure key policies and messages travel from paddock to Parliament, and local voices guide and shape our positions on issues affecting people and communities.

nswfarmers.org.au

Recruitment, Consulting and Staffing Association



RCSA is the peak body for the recruitment and staffing industry in Australia and New Zealand and a strong advocate for the promotion and protection of the industry. It provides learning and development opportunities, and events where members can network and celebrate success.

rca.com.au

Victorian Farmers Federation



Victorian Farmers Federation (VFF) is an active, powerful lobby group dedicated to the interests of farmers and making a difference to communities. With a strong record of successful political advocacy and leadership, the VFF has generated substantial benefits for the agriculture sector since its formation in 1979.

vff.org.au

Western Australian Farmers Federation Inc



WAFarmers is the most influential agricultural advocacy group in Western Australia. WAFarmers represents the voices of farmers throughout Western Australia and is continually working towards a more viable, profitable and sustainable future for the agricultural industry. As part of this pursuit, WAFarmers develops corporate partnerships to provide quality services to WAFarmers members that place money back into farmers' pockets.

wafarmers.org.au

A beneficial relationship for our members

This year we formed an important relationship with Fitzpatrick's Private Wealth which enables our members with more complex financial needs to receive quality advice.



Pictured (left to right): Lachlan Baird, CEO Prime Super; Jasia Fabig, CEO Fitzpatrick's Private Wealth; Jodie Blackledge, CEO Fitzpatrick's Private Wealth; Maria Ganakas, National Manager Member Solutions Prime Super; Anthony Vaiente, Head of Business Growth Fitzpatrick's Private Wealth.

Many of our employers, partners and the associations we engage with have expressed their need for specialist education and technical advice that we are currently unable to provide.

Our relationship with Fitzpatrick's Private Wealth began when both parties recognised an affinity for outstanding customer service and a strong cultural alignment. It was obvious that both organisations place the highest priority on putting the member/customer first.

Fitzpatrick's has the clear purpose to enrich the lives of its clients and this is demonstrated in its dealings

across the community. The shared objective to look after our members and help them achieve the best possible outcomes from their lifetime of work ensures that at Prime Super if we are unable to provide a member with the more complex advice they may need, we are comfortable in recommending Fitzpatrick's Private Wealth to them, knowing they will be well looked after.

Fitzpatrick's advisers have the expertise and relevant qualifications to offer and implement solutions that could genuinely help some of our members. For example, some of our employers and

members may need advice in succession planning, business risk management and/or establishing charitable foundations. We know that when we recommend Fitzpatrick's we are giving members the opportunity to achieve the outcomes they want and to receive an honest, professional and personal level of service that aligns with our ethos.





Changes to super this year

This year some changes to super were expected to take effect, such as the increase in the superannuation guarantee payments. In addition, the incoming government made some additional changes.

Increasing the super guarantee rate

While the rate of super paid by employers to employees increased to 10.5% of the employee's salary from 1 July 2022, the rate increased again, to 11% from 1 July 2023.

New tax rules

On 28 February 2023, the government announced that from 1 July 2025 a 30% concessional tax rate will be applied to future earnings for superannuation balances above \$3 million. This measure is not yet law—further consultation will be undertaken with the superannuation industry and relevant stakeholders.

New work test rules

If you are under 75 years of age during the financial year 2022–23 you can make non-concessional or salary sacrifice contributions, provided your super balance was less than \$1.7 million in July 2022; or \$1.9 million from July 2023.

Paying super on parental leave

The government announced changes to extend the Commonwealth Parental Leave Scheme from 18 to 26 weeks, with some added flexibility to encourage both parents to benefit. An extra fortnight will be added to the scheme each year until

the full 26 weeks is available from July 2026.

Increase to age limit on spouse contributions

Contributions can be made on behalf of a spouse until 28 days after the end of the month in which the spouse turns 75. The contributor must also be under 75 years of age.

Super income stream temporary minimum withdrawal

In response to the pandemic, the Australian Government temporarily reduced the minimum amount a retiree must withdraw as a pension from their super each year. From 1 July 2023, the reduced minimum annual withdrawal amounts reverted to the original amounts. The current minimum annual rate a retiree must withdraw as a percentage of their account balance is outlined in the table.

Age (at 1 July each year)	Temporary minimum drawdown rate until 30 June 2023	Standard minimum drawdown rate from 1 July 2023
Under 65	2.0%	4.0%
65–74	2.5%	5.0%
75–79	3.0%	6.0%
80–84	3.5%	7.0%
85–89	4.5%	9.0%
90–94	5.5%	11.0%
95 and older	7.0%	14.0%

Downsizer contributions

The eligible age to make a downsizer contribution has been reduced to 55 years old (as of 1 July 2023). A downsizer contribution allows eligible members who sell their family home to use the sale proceeds to make a one-off contribution up to \$300,000 as an individual or \$600,000 as a couple providing they owned the property for at least 10 years. The contribution will not count towards the concessional or non-concessional contributions caps. Other conditions apply so speak with us if you'd like to know more.

Other changes

There have been several other changes to super this year. If you'd like more information, call us on 1800 675 839 or book a chat with a super specialist at primesuper.com.au.

Operations

Our Operations team is central to our administrative and insurance processes.

Always here to answer member calls

This year, we answered more than 50,077 phone calls from members and employers. We answered 83% of all calls within 30 seconds.



Phone calls from members and employers

50,077



Answered within 30 seconds

83%

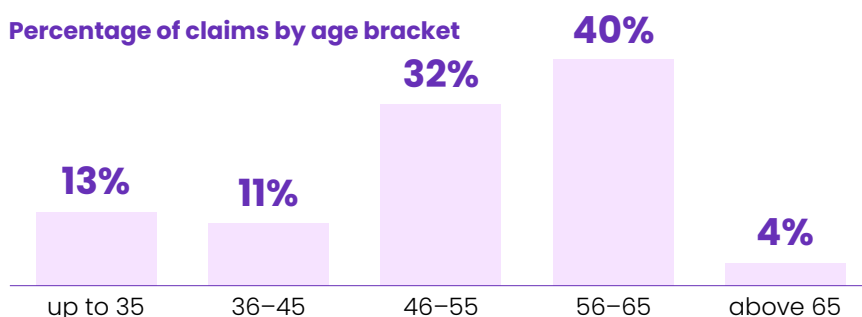
Insurance claims

When our members make an insurance claim, the people in our Operations team are among those who expedite the process. The Operations team works closely with our insurer TAL to facilitate smooth processing and aim for a timely resolution at a time that can already be stressful for our members or their dependants.

Of the total claims paid this year, 63% helped our members continue living their lives while recovering or managing an illness or injury such as:

- ⊕ Cancer and circulatory system conditions
- ⊕ Musculoskeletal and connective tissue conditions
- ⊕ Injuries and fractures

Percentage of claims by age bracket



Significant event notices

We reviewed the insurance offered to members and made some significant changes which came into effect on 1 October 2022.

In August 2022, the fund issued a significant event notice to members about the insurance changes.

Some changes were profession-specific.

Details are available at primesuper.com.au/sen.

Change to minimum account balance

From 30 September 2023, a change to the minimum account balance took effect.

While no minimum account balance is needed to open an account or receive contributions, if you apply for a payment or rollover to be made from your account, you'll need a minimum balance of \$6,000 to remain in your Prime Super account.

For more information about the minimum account balance, refer to page 9 of the Member Guide, available at primesuper.com.au.



Risk management

Risk management is a fundamental aspect of good governance and central to the Fund's operations. The Fund's Board and management are committed to a positive and proactive approach to managing all risks.

Risk management aims to ensure an appropriate level of risk is considered in meeting the strategic objectives of the Fund and best financial interests of members.

Risk management is a fundamental aspect of good governance and central to the Fund's operations. The Board and management are committed to a positive and proactive approach to managing all risks.

Risk culture

The trustee fosters positive attitudes and preemptive behaviours to risk management. This creates a proactive risk culture in which risk management is an important consideration in all aspects of planning and decision-making.

Risk culture is iterative and organic, reflecting the attitudes of industry peers and society. The trustee continues to review its underlying risk and cultural initiatives to promote a strong member-centric risk culture.

Several programs have been developed and implemented to keep risk management at the forefront of decision-making and to assist the Fund in maintaining its preferred risk culture.

The accountability for risk management resides at all levels of the Fund. It is the responsibility of the trustee and all employees to

monitor and manage risks arising within their areas and report any material issues that arise.

In this way we enact practical, focused, and transparent risk management as we assess, monitor, manage and mitigate current and emerging risks that could impact the Fund.

How is risk managed?

Management of risk is underpinned by the Risk Management Framework. The framework sets out a structured process to identify potential risks and define strategies to eliminate, minimise or mitigate the impact of those risks.

The framework applies across the Fund, from the Board through to the systems, policies and processes that oversee our operations, and our people.

The framework includes mechanisms to effectively monitor existing and emerging risks. It is used to monitor and manage risks as part of our daily operating rhythm within our positive risk culture.

Three lines of defence

The Risk Management Framework is supported by a three lines of defence model that enables delegation of responsibilities, independence, assurance and oversight.

Our positive risk culture empowers staff to appropriately monitor and manage risks as part of their daily operations. It allows for open, transparent and proactive discussions about potential risk concerns and opportunities, and a structured and efficient process for escalation, guidance and resolution.

The Board reviews and approves the framework each year. It delegates the responsibility for risk and compliance oversight to the Audit, Compliance & Risk Committee, which is responsible for ensuring risk management policies and processes align with the current risk appetite of the Fund.

The three lines of defence model comprises:

1. Business management

Each business unit within the Fund is required to understand, identify, monitor, manage and report risks in its area of responsibility.

2. The Risk & Compliance team

The Risk & Compliance team implements and maintains the framework and risk-related policies to deliver better practices across the Fund.

3. Internal and external auditors

Independent internal and external auditors provide assurance to the Board that the framework is effective.

Risk management (continued)

Risk Management Framework

This diagram sets out the three lines of defence in the Risk Management Framework.



How the Fund operates

Rules, structures, policies and processes govern the operation of the Fund. Our corporate governance is designed to protect the interests of members and other stakeholders, including employers and the community.

The trust deed

A trust deed governs the Fund and sets out, among other things, the entitlements of members and obligations of the trustee.

The trustee Board

Prime Super is governed and managed by the trustee Board. The Board currently has nine directors and represents the interests of members in accordance with the trust deed and superannuation law.

The Board is responsible for the overall governance and strategic direction of the Fund. The Board meets regularly to discuss management of the Fund and has

oversight of the Fund's policies and procedures. Directors receive fees and are reimbursed for travelling expenses for attending Board and committee meetings.

Prime Super has a majority independent board and keeps a register of [relevant interests and duties](#) for each of our Directors. The Fund has [procedures](#) in place for the nomination, appointment, and removal of trustee Directors.

Board and committee meetings

The Prime Super Board meets every two months. There were six Board meetings held over the past year. For details of Directors' attendance at Board and

committee meetings, see the table on page 33. You can also view up-to-date details of Board meeting attendance in the [Governance and disclosures](#) section of our website.

Complying fund

Prime Super is a complying superannuation fund for taxation purposes. All necessary returns and certificates have been lodged with the Australian Prudential Regulation Authority (APRA). When the audit of Prime Super's financial statements was completed, documents for the year to 30 June 2023 were lodged with APRA.

The trustee is not aware of any matter that would cause the Fund to lose its complying status. No penalties under superannuation law have been imposed.

Conflicts of interest

The trustee has established procedures to make sure any conflict of interest with respect to the Directors is disclosed and dealt with appropriately.

Trustee liability insurance

The trustee has liability insurance to protect it and the Directors and officers against any losses arising as a result of a claim for a breach of their duty.



How the Fund operates

(continued)

Committees

The trustee has committees that help manage its functions and responsibilities.

Directors sit on these committees and can attend a meeting even if they are not a member of the committee.

Prime Super currently has an Investment Committee, an Audit, Compliance & Risk Committee, a Remuneration & Nominations Committee and a Claims Committee. The role and members of the committees are provided on the adjacent page.

Participating employers are also entitled to establish a policy committee to consider the operation and performance of the Fund, and communicate the views of members and employers to the trustee. Policy committees must comprise an equal number of member and employer representatives.

At 30 June 2023 there was no policy committee.

Investment Committee

Members: Gerard Parlevliet (Chair), Bev Durston, Matthew Scholten and Gemma Dooley.

The Investment Committee is responsible for overseeing the Fund's investment strategy including reviewing, monitoring and making recommendations and decisions about the investments of Prime Super. The Committee also oversees the Fund's investment governance processes and developments in ESG and climate-related disclosures.

Remuneration & Nominations Committee

Members: Jacqueline Kelly (Chair), Nigel Alexander, Gemma Dooley and Ben Davis.

The Remuneration & Nominations Committee oversees the appointment of new directors and the governance frameworks for remuneration, culture, performance assessments, Board reviews and succession planning.

Audit, Compliance & Risk Committee

Members: Allison Harker (Chair), Ben Davis and Jacqueline Kelly.

The Audit, Compliance & Risk Committee is responsible for monitoring the audit, compliance and risk management functions of the Fund. This includes providing oversight of the Fund's compliance with legal and regulatory requirements, effective management of risk and quality assurance of the financial information of the Fund.

Claims Committee

Members: Matthew Scholten (Chair), Nigel Alexander, Allison Harker and Bev Durston.

The Claims Committee provides oversight of the Fund's death, disability (including income protection) and terminal illness insurance claims and monitors all claims and decisions made under delegation.

Meeting attendance

The following table shows the attendance of Board members at Board meetings and committee meetings. For up-to-date information about attendance, visit the [Governance and disclosures](#) section of our website.

Board and committee meetings – year ended 30 June 2023

Director	Board meetings		Investment Committee meetings		Audit, Compliance & Risk Committee meetings		Remuneration & Nominations Committee meetings	
	A	B	A	B	A	B	A	B
Nigel Alexander (Chair)	6	6	5	4	3	0	5	5
Martin Day ¹	5	5	5	0	6	6	0	0
Ben Davis	6	6	0	0	7	7	0	0
Allison Harker	6	6	0	0	7	7	2	0
Jacqueline Kelly	6	6	0	0	1	1	5	5
Gerard Parlevliet	6	6	6	6	0	0	2	2
Matthew Scholten	5	6	6	6	2	0	0	0
Gavin Watson ²	3	3	0	0	4	4	2	2
Brett Lazarides ³	2	3	3	3	0	0	2	2
Bev Durston ⁴	3	3	3	2	0	0	0	0
Gemma Dooley ⁵	3	3	3	2	0	0	1	1
Lachlan Baird (CEO and Fund secretary)	6	6	6	6	7	7	5	0

A – Meetings attended **B** – Total meetings eligible

* All board members are permitted to attend committee meetings even if they are not a member of the committee.

1 Resigned 30 April 2023

2 Retired from the Board on 13 December 2022.

3 Retired from the Board on 13 December 2022.

4 Joined the Board on 1 January 2023.

5 Joined the Board on 1 January 2023.

Board members

The Directors of the trustee (the Board) meet regularly to discuss the management of the Fund. The Board represents the interests of members in accordance with the trust deed and superannuation law. The Board is also responsible for the overall governance and strategic direction of Prime Super and the financial growth and security of our members' super savings.



Nigel Alexander
Chair
Appointed 1 January 2020

Nigel's career extends across accounting, finance, agribusiness, insurance and not-for-profit organisations. He was Chief Executive Officer and Executive Chair of the North Australian Pastoral Company and is a former chair of RACQ and its wholly owned subsidiary RACQ insurance.

Nigel is a chartered accountant and holds a Bachelor of Business and a Master of Applied Finance. Nigel is a Fellow of the Australian Institute of Company Directors.



You'll find more comprehensive information about our Board members at primesuper.com.au.



Ben Davis
Independent Director
Appointed 27 August 2019

Ben is former secretary of the Australian Workers' Union (AWU) Victorian Branch. As a member of the AWU national executive, he was the AWU organiser for central Victoria with insight across the industries of Prime Super members.

Ben has a Diploma in Superannuation and is a graduate of AICD¹.



Allison Harker
NFF-nominated Director
Appointed 26 August 2020

Allison has over 20 years of experience in financial services, primary industry and government. She is an experienced director in audit, risk and economic development.

Allison is a qualified AICD¹ company director, a graduate of the Australian Rural Leadership Foundation, and a graduate of the National Farmers' Federation Diversity in Agriculture Leadership program which supports women in leadership.



Gerard Parlevliet
Independent Director
Appointed 22 June 2017

Prior to joining Prime Super, Gerard had over 18 years of experience in senior roles with Commonwealth Bank Group Super, the \$10 billion fund for Commonwealth Bank staff. He was Chief Investment Officer for seven years and retired in 2017.

Gerard has a Bachelor of Business, a Diploma of Superannuation Management and a Diploma of Financial Planning. He is a certified practising accountant and a trustee fellow of ASFA².

¹ Australian Institute of Company Directors
² Australian Superannuation Funds Association

Board members

(continued)



Jacqueline Kelly
Independent Director
Appointed 24 February 2015

Jacqueline has experience in public, private and not-for-profit sectors including health, professional services and aged care. She served for 15 years as Chief Executive Officer at Lutheran Services in Queensland. Her expertise includes health and human services, funds management, superannuation, banking and financial planning.

Jacqueline holds a Master of Business Administration, a Bachelor of Arts and has completed governance programs with the AICD¹ and Harvard Business School.



Matthew Scholten
Independent Director
Appointed 1 January 2019

Matthew is Executive Chairman/ Practice Principal at Scholten Collins McKissock, a corporate, authorised representative of Elect Wealth Management Pty Ltd. His career in financial services began in 1987.

Matthew is a certified financial planner and has qualifications from the Australian Insurance Institute, the SMSF Association and ASFA². He is a graduate member of the AICD¹ and a member of AIST³.



Bev Durston
Independent Director
Appointed 1 January 2023

Bev has more than 30 years of experience in investments. She has a Bachelor of Science, a Banking and International Finance degree and professional trustee qualifications.

Bev has held senior portfolio management and investment roles in Australia and the United Kingdom. She has served as a trustee for a corporate defined benefits pension fund and is a member of the CFA Institute and ASFA².

¹ Australian Institute of Company Directors

² Australian Superannuation Funds Association

³ Australian Institute of Superannuation Trustees



Gemma Dooley
Independent Director
Appointed 1 January 2023

Gemma has held non-executive board and committee roles over the past 10 years during her executive career and has now transitioned into a non-executive director career.

Gemma has a Bachelor of Science (Chemistry and Applied Mathematics), a Graduate Diploma in Applied Finance and Investment, and is a graduate of the Australian Institute of Company Directors and AIST³.



Stuart Read
Independent Director
Appointed 29 August 2023

Stuart is a highly experienced general counsel and legal adviser with a strong focus in superannuation. Over the past 25 years, he has worked with large law firms and held senior legal roles at Superpartners, CareSuper, Cbus, and Equisuper.

Stuart has a Bachelor of Arts/Laws degree, a Graduate Diploma in Applied Corporate Governance and a Graduate Diploma in Applied Science (Organisation Dynamics). He is a member of the Law Institute of Victoria.

³ Australian Institute of Superannuation Trustees

Executive team

Meet the team that oversees the day-to-day running of the Fund and the delivery of its strategic goals. Each person brings experience, skills and insight to the Fund.



Lachlan Baird
Chief Executive Officer
Appointed 21 March 2005

Lachlan drives the strategic direction of Prime Super to deliver growth and excellent service for members.

Under Lachlan's leadership, Prime Super is positioned as a fund that delivers above average long-term returns with excellent customer service.

As Chief Executive Officer of Prime Super since 2005, and with experience and expertise in all aspects of superannuation, Lachlan has steered Prime Super through the uncertain economic environment during COVID-19, the 2008 Global Financial Crisis and the market downturns of 2015 and 2022.

Lachlan managed the Fund through mergers with Combined Super in 2019 and the Health Industry Plan in 2014.



Mark Ashburn
General Manager Distribution
Appointed 24 October 2016

Mark is responsible for the national team that grows and retains the membership of Prime Super. The team acts as a local point of contact for members, employers and partners around Australia.

Mark has 30 years of experience in financial services. He has led sales and operations teams at EY, Kinetic Super, GE and General Motors for over 10 years before joining Prime Super in 2016.

An accomplished professional in leading teams to deliver outstanding and sustainable results, Mark's strengths include sales strategy execution combined with executive energy and experience to contribute to the leadership of Prime Super.



Remo Memmolo
Chief Operating Officer
Appointed 24 February 2015

Remo has a strategic focus on strong financial management, improved efficiency and service excellence for Prime Super.

Remo joined the Fund in 2015 and has worked on financial and strategic initiatives to deliver strong results and improved efficiency, with a focus on excellent service.

For over 30 years in the financial services industry, Remo has managed complex and diverse operations. He has extensive experience in investments, operations, relationship management, change management, financial budgeting and reporting.



All of our executives are responsible persons for the Fund. You can read more about our executive team members at primesuper.com.au.



Helen Whitehead
General Manager
Marketing & Communications
Appointed 6 November 2019

Helen leads the Marketing & Communications team that initiates and delivers member and employer communications to support and build the Fund.

Helen has over 25 years of marketing experience across diverse industries including energy, education, local government and publishing.

Helen is passionate about providing an exceptional customer experience and uses her extensive skills and experience to build sustainable brands and oversee the development and delivery of effective marketing strategies.



Ann Wong
General Manager
Risk & Compliance
Appointed 3 October 2016

Ann manages the team that makes sure Prime Super operates within all risk and compliance requirements.

With over 28 years of experience in the financial services industry, Ann has a detailed understanding of the superannuation regulatory environment and financial industry risk management frameworks.

Ann's strong communication and negotiation skills allow her to work effectively with stakeholders at all levels, including government regulators, auditors, internal teams and directors.

2023 remuneration

As a profit-to-members super fund, Prime Super is run to benefit members. The Fund's remuneration practices are set out in a Remuneration Policy maintained by the Board.

Director remuneration

The Prime Super Board is responsible for reviewing and setting directors' remuneration.

Remuneration is set at a level that recognises the responsibilities of directors, acknowledges the expectations of directors at law, is comparative to market, and encompasses all activities of directors.

Directors are separately remunerated for additional activities they undertake on behalf of the Board, outside their normal

duties. Remuneration for such activities is only payable where the Chair/Board has approved those activities.

The Chair of the Board, Chair of the Investment Committee, Chair of the Audit Compliance & Risk Committee, and the Chair of the Remuneration & Nominations Committee receive a higher level of remuneration as a reflection of the increased workload and responsibility associated with those roles.

Governance and oversight

The Board has established the Remunerations & Nominations Committee that assists the trustee by advising, reviewing and making recommendations regarding governance strategy frameworks and systems of Board and executive remuneration. The Board reviews the performance of the committee annually and ensures members have the appropriate skills, experience and knowledge to act on the committee.

Prime Super Board of Directors

Name	Position held	Date appointed	Date retired
Nigel Alexander ¹	Chairman	1 January 2020	
Ben Davis ²	Director	27 August 2019	
Gemma Dooley	Director	1 January 2023	
Bev Durston	Director	1 January 2023	
Allison Harker ³	Director	26 August 2020	
Jacqueline Kelly ⁴	Director	24 February 2015	
Gerard Parlevliet ⁵	Director	22 June 2017	
Matthew Scholten	Director	1 January 2019	
Martin Day	Director	28 October 2014	30 April 2023
Brett Lazarides	Director	1 January 2019	13 December 2022
Gavin Watson	Director	1 January 2019	13 December 2022

¹ Chair of the Board

² Retired 30 June 2023 from the AWU, remains a director of Prime Super

³ Chair of the Audit Compliance and Risk Committee

⁴ Chair of the Remuneration and Nominations Committee

⁵ Chair of the Investment Committee

Director remuneration

The following table sets out the detailed remuneration paid and payable to each director for the financial years ending 30 June 2023 and 30 June 2022.

Director	Short-term benefits				Post-employment benefits		TOTAL \$
	Cash salary \$	Additional remuneration \$	Other short-term compensation \$	Non-monetary benefits \$	Pension and super-annuation benefits ¹ \$	Other post-employment benefits \$	
Nigel Alexander							
2023	139,819	-	-	-	14,681	-	154,500
2022	136,364	-	-	-	13,636	-	150,000
Ben Davis²							
2023	66,945	-	-	-	7,029	-	73,975
2022	65,291	-	-	-	6,529	-	71,820
Martin Day							
2023	64,138	-	-	-	6,735	-	70,873
2022	75,064	-	-	-	7,506	-	82,570
Gemma Dooley							
2023	33,473	-	-	-	3,515	-	36,987
Bev Durston							
2023	33,473	-	-	-	3,515	-	36,987
Allison Harker							
2023	68,615	-	-	-	7,205	-	75,820
2022	65,291	-	-	-	6,529	-	71,820
Jacqueline Kelly							
2023	76,966	-	-	-	8,081	-	85,047
2022	75,064	-	-	-	7,506	-	82,570
Brett Lazarides							
2023	33,473	-	-	-	3,515	-	36,987
2022	65,291	-	-	-	6,529	-	71,820
Gerard Parlevliet							
2023	76,966	-	-	-	8,081	-	85,047
2022	75,064	-	-	-	7,506	-	82,570
Matthew Scholten							
2023	66,945	-	-	-	7,029	-	73,975
2022	65,291	-	-	-	6,529	-	71,820
Gavin Watson							
2023	33,473	-	-	-	3,515	-	36,987
2022	65,291	-	-	-	6,529	-	71,820

¹ Figure may include salary sacrifice.

² Of the remuneration payable to Mr Davis, 100% is paid to his employer AWU.

Please note: No share-based remuneration or long-term benefits are paid or payable to Directors.

Executive officer remuneration

To achieve its goals in relation to executive staff, the Remuneration Policy is designed to:

- Encourage executives to perform to their fullest capacity
- Be business-focused and flexible
- Be competitive and cost-effective in each relevant employment market, and
- Be internally consistent.

Executive officer remuneration may incorporate fixed and variable performance elements with both a short-term and long-term focus.

In setting any performance-based component of remuneration, the Prime Super Board ensures the performance-based component supports:

- Protecting the interests and meeting the reasonable expectations of members

- The long-term soundness of the Trustee and the Fund, and
- The Risk Management Framework of the trustee.

Chief Executive Officer remuneration

The Prime Super Board is responsible for reviewing and setting the level and structure of remuneration of the Chief Executive Officer.

The Chief Executive Officer's remuneration has due regard to industry practice and comparative information. It is set at a level and is structured to attract, motivate, reward and retain a good performer to drive the Fund efficiently.

Executive officer remuneration

The Chief Executive Officer is responsible for reviewing and setting the level and structure of remuneration of the other executive officers.

Other executive officer remuneration has due regard to industry practice, comparative information and the financial constraints of the business. It is set at a level and is structured to attract, motivate, reward and retain good performers to drive the Fund efficiently.

The Chief Executive Officer undertakes an annual review of the performance of the other executive officers, including the assessment of any annual performance bonus to be awarded.

Prime Super executive officers

Name	Position held	Date appointed	Date resigned
Mark Ashburn	General Manager Distribution	24 October 2016	
Lachlan Baird	Chief Executive Officer	21 March 2005	
Remo Memmolo	Chief Operating Officer	24 February 2015	
Helen Whitehead	General Manager Marketing & Communications	6 November 2019	
Ann Wong	General Manager Risk and Compliance	3 October 2016	
Jane Kang	General Manager Investments	4 November 2015	31 January 2023
George Kogios	General Manager Strategy	4 February 2019	16 November 2022
Wendy Shang	General Counsel and Assistant Company Secretary	24 August 2009	14 April 2022

Executive officer remuneration

The following table sets out the detailed remuneration paid and payable to each Executive Officer for the financial years ending 30 June 2023 and 30 June 2022.

Executive officer	Short-term benefits				Post-employment benefits		TOTAL \$
	Cash salary & short-term compensated absences ² \$	Short-term cash and other bonuses \$	Non-monetary benefits \$	Other short-term employee benefits \$	Pension & super-annuation benefits ¹ \$	Other post-employment benefits \$	
Mark Ashburn							
2023	235,798	23,982	-	-	27,277	-	287,057
2022	244,889	20,807	-	-	26,570	-	292,266
Lachlan Baird							
2023	576,725	-	-	-	27,500	-	604,225
2022	542,524	-	-	-	27,500	-	570,024
Jane Kang							
2023	194,250	21,171	-	-	16,503	-	231,924
2022	214,768	20,748	-	-	23,552	-	259,068
George Kogios							
2023	115,970	-	-	-	9,918	71,296	197,184
2022	227,067	5,268	-	-	22,034	-	254,369
Remo Memmolo							
2023	296,028	26,878	-	-	27,500	-	350,406
2022	275,193	24,222	-	-	27,500	-	326,915
Wendy Shang							
2023	-	-	-	-	-	-	-
2022	162,838	13,010	-	-	22,483	-	198,331
Helen Whitehead							
2023	239,335	23,077	-	-	27,500	-	289,912
2022	235,365	21,485	-	-	25,685	-	282,535
Ann Wong							
2023	295,579	26,438	-	-	27,500	-	349,517
2022	270,051	25,536	-	-	27,500	-	323,087

¹ The figures include amounts that have been salary sacrificed as superannuation payments.

² The figures include motor vehicle allowance where applicable.

Please note: no share-based remuneration is paid or payable to executives.

Executive officer remuneration

(continued)

Executive Officer performance-based components of remuneration

Executive Officer	Date granted	Nature of compensation granted	Service & performance criteria	% Paid/ vested in the financial year	% Not granted in the financial year
Mark Ashburn	30 August 2022	Cash bonus	Outperformance when measured against pre-agreed key performance indicators (KPIs). The KPIs include measures relating to the Fund and the individual, and include financial, people, member, strategy and risk measures.	100%	
Lachlan Baird			No entitlement to bonus		
Jane Kang	30 August 2022	Cash bonus	Outperformance when measured against pre-agreed KPIs. The KPIs include measures relating to the Fund and the individual, and include financial, people, member, strategy and risk measures.	100%	
George Kogios	30 August 2022	Cash bonus	Outperformance when measured against pre-agreed KPIs. The KPIs include measures relating to the Fund and the individual, and include financial, people, member, strategy and risk measures.	0	100%
Remo Memmolo	30 August 2022	Cash bonus	Outperformance when measured against pre-agreed KPIs. The KPIs include measures relating to the Fund and the individual, and include financial, people, member, strategy and risk measures.	100%	
Helen Whitehead	30 August 2022	Cash bonus	Outperformance when measured against pre-agreed KPIs. The KPIs include measures relating to the Fund and the individual, and include financial, people, member, strategy and risk measures.	100%	
Ann Wong	30 August 2022	Cash bonus	Outperformance when measured against pre-agreed KPIs. The KPIs include measures relating to the Fund and the individual, and include financial, people, member, strategy and risk measures.	100%	



Overview

Investments

Members

Operations

Governance

Remuneration

Investment options

Financials

Investment options



Investment options

Prime Super gives you choice and flexibility when it comes to how your super is invested. The Fund offers 11 different investment options, including pre-mixed and single sector options.

Pre-mixed investment options comprise a combination of growth and defensive assets and include the MySuper, Managed Growth, Conservative, Alternatives, Sustainable Responsible Investment and Income Focused investment options.

Investment options that focus on a single asset class include the Australian Shares, International Shares, Property, Fixed Interest and Cash options. You can invest in one option or a combination and adjust your investment mix to suit you. Our Sustainable Responsible Investment (SRI) balanced option may reflect any social and environmental values you may have.

The following pages set out the details of each of our 11 investment options as at 30 June 2023.

Up-to-date information about our investment options, investment returns, our approach to responsible investing and our asset holdings can be found in the [Investments](#) section of our website.

Please note

We have updated the descriptions of our investment options to ensure consistency and clarity, and have simplified and condensed our asset classes to make them more informative for our members.

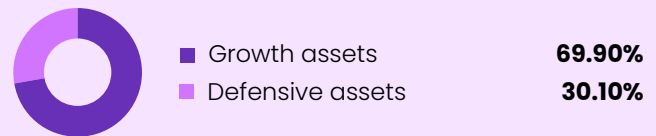
On page 51, you'll find a summary of the changes we've made to some investment options which took effect from 1 July 2023.

 primesuper.com.au/investments

Pre-mixed options

MySuper

Suitability	Members who seek moderate to high returns over the medium to long term and are prepared to accept some fluctuation in returns over the short term.
Investment style	Invests in a diversified range of investments, a mixture of growth and defensive assets.
Investment return objective	To outperform the Consumer Price Index (CPI) (after tax and investment expenses) by at least 3.0% pa over the long term.
Risk level	High. Likelihood of negative returns – four to less than six in 20 years.
Time horizon	Seven years or longer.



Asset class	Range %	Target allocation %
Growth assets		69.90
Equities		
Australian Shares	5.0–40.0	24.00
International Shares		
- Developed Markets	5.0–35.0	28.00
- Emerging Markets	0.0–10.0	2.00
Private Equity	0.0–12.5	0.50
Infrastructure	0.0–25.0	11.30
Property	0.0–25.0	4.10
Fixed Income		
Overseas – Fixed Interest	0.0–25.0	0.00
Other		
Absolute Return Strategies	0.0–10.0	0.00
Credit Opportunities	0.0–22.5	0.00
Defensive assets		30.10
Infrastructure	0.0–25.0	3.70
Property	0.0–25.0	1.40
Fixed Income		
Australian – Fixed Interest	0.0–15.0	3.00
Overseas – Fixed Interest	0.0–25.0	7.00
Cash	0.5–30.0	9.00
Other		
Absolute Return Strategies	0.0–10.0	0.00
Alternatives	0.0–10.0	0.00
Credit Opportunities	0.0–22.5	6.00
Total		100.00

Managed Growth

Suitability	Members who seek moderate to high returns over the medium to long term and are prepared to accept a higher level of risk to achieve this.
Investment style	Invests primarily in growth assets.
Investment return objective	To outperform CPI (after tax and investment expenses) by at least 3.5% pa over the long term.
Risk level	High. Likelihood of negative returns – four to less than six in 20 years.
Time horizon	Ten or more years.



■ Growth assets
■ Defensive assets

88.30%
11.70%

Asset class	Range %	Target allocation %
Growth assets		88.30
Equities		
Australian Shares	10.0–50.0	30.50
International Shares		
- Developed Markets	10.0–50.0	39.50
- Emerging Markets	0.0–10.0	3.00
Private Equity	0.0–12.5	0.00
Infrastructure	0.0–25.0	11.20
Property	0.0–20.0	4.10
Fixed Income		
Overseas – Fixed Interest	0.0–10.0	0.00
Other		
Credit Opportunities	0.0–15.0	0.00
Defensive assets		11.70
Infrastructure	0.0–25.0	3.80
Property	0.0–20.0	1.40
Fixed Income		
Australian – Fixed Interest	0.0–10.0	0.00
Overseas – Fixed Interest	0.0–10.0	2.50
Cash	0.0–10.0	2.00
Other		
Alternatives	0.0–5.0	0.00
Credit Opportunities	0.0–15.0	2.00
Total		100.00

Alternatives

Suitability	Members who seek moderate to high returns over the long term and are prepared to accept a higher level of risk to achieve this.
Investment style	Invests primarily in unlisted assets.
Investment return objective	To outperform CPI (after tax and investment expenses) by at least 2.5% pa over the long term.
Risk level	Medium-High. Likelihood of a negative return – three to less than four in 20 years.
Time horizon	Ten or more years.



■ Growth assets
■ Defensive assets

62.00%
38.00%

Asset class	Range %	Target allocation %
Growth assets		62.00
Private Equity	0.0–25.0	2.00
Infrastructure	0.0–75.0	48.70
Property	0.0–50.0	11.30
Other		
Credit Opportunities	0.0–50.0	0.00
Defensive assets		38.00
Infrastructure	0.0–75.0	16.20
Property	0.0–50.0	3.80
Other		
Alternatives	0.0–20.0	0.00
Credit Opportunities	0.0–50.0	18.00
Total		100.00

Investment options

(continued)

Pre-mixed options (continued)

Conservative

Suitability	Members who seek security over returns.
Investment style	Invests primarily in defensive assets with the aim of protecting the value of a member's net investment.
Investment return objective	To outperform CPI (after tax and investment expenses) by at least 1.0% pa over the long term.
Risk level	Low to Medium. Likelihood of negative returns – one to less than two in 20 years.
Time horizon	Five or more years.



■ Growth assets **32.00%**
■ Defensive assets **68.00%**

Asset class	Range %	Target allocation %
Growth assets		32.00
Equities		
Australian Shares	0.0–20.0	7.50
International Shares		
- Developed Markets	0.0–20.0	10.50
Private Equity	0.0–7.5	0.00
Infrastructure	0.0–15.0	8.70
Property	0.0–12.5	5.30
Fixed Income		
Overseas – Fixed Interest	0.0–40.0	0.00
Other		
Absolute Return Strategies	0.0–10.0	0.00
Credit Opportunities	0.0–10.0	0.00
Defensive assets		68.00
Infrastructure	0.0–15.0	2.80
Property	0.0–12.5	1.70
Fixed Income		
Australian – Fixed Interest	0.0–25.0	11.50
Overseas – Fixed Interest	0.0–40.0	15.00
Cash	20.0–50.0	37.00
Other		
Absolute Return Strategies	0.0–10.0	0.00
Alternatives	0.0–5.0	0.00
Credit Opportunities	0.0–10.0	0.00
Total		100.00

Income Focused

Suitability	Members who seek income supplement over capital growth.
Investment style	Invests in a diversified range of investments with predominant focus on yield.
Investment return objective	To provide income yields of 2.0% per annum (before tax and fees) above RBA cash rate over rolling 3-year period.
Risk level	Medium-High. Likelihood of negative return – three to less than four in 20 years.
Time horizon	Five or more years.



■ Growth assets **56.50%**
■ Defensive assets **43.50%**

Asset class	Range %	Target allocation %
Growth assets		56.50
Equities		
Australian Shares	10.0–30.0	21.00
International Shares		
- Developed Markets	10.0–30.0	13.00
Infrastructure	0.0–25.0	15.00
Property	0.0–15.0	7.50
Fixed Income		
Overseas – Fixed Interest	10.0–40.0	0.00
Other		
Credit Opportunities	0.0–15.0	0.00
Defensive assets		43.50
Infrastructure	0.0–25.0	5.00
Property	0.0–15.0	2.50
Fixed Income		
Australian – Fixed Interest	0.0–30.0	0.00
Overseas – Fixed Interest	10.0–40.0	20.00
Cash	5.0–40.0	11.00
Other		
Credit Opportunities	0.0–15.0	5.00
Total		100.00

Sustainable Responsible Investment (SRI) balanced

Suitability	Members who seek moderate returns over the long term and have a strong ethical conviction.
Investment style	Invests in a cross-section of diversified assets with an emphasis on growth from socially responsible investments over the long term and reduced risk. See page 12 for more information about our SRI balanced option.
Investment return objective	To outperform the CPI (after tax and investment expenses) by at least 2.0% pa over the long term.
Risk level	High. Likelihood of negative returns – four to less than six in 20 years.
Time horizon	Seven or more years.



■ Growth assets **72.50%**
■ Defensive assets **27.50%**

Asset class	Range %	Target allocation %
Growth assets		72.50
Equities		
Australian Shares	20.0–40.0	26.00
International Shares		
– Developed Markets	20.0–40.0	34.00
Listed Property	0.0–20.0	5.00
Other		
Absolute Return Strategies	0.0–20.0	7.50
Defensive assets		27.50
Fixed Income		
Australian – Fixed Interest	0.0–25.0	8.00
Overseas – Fixed Interest	0.0–25.0	7.00
Cash	0.0–20.0	5.00
Other		
Absolute Return Strategies	0.0–20.0	7.50
Total		100.00

Sector options

Australian Shares

Suitability	Members who seek strong returns over the long term and are prepared to accept a higher level of risk to achieve this.
Investment style	Invests in Australian listed companies and returns are expected to vary significantly year to year.
Investment return objective	To outperform (before tax and investment expenses) the S&P/ASX300 Accumulation Index.
Risk level	Very high. Likelihood of negative returns – greater than six in 20 years.
Time horizon	Ten years or longer.



■ Growth assets **100.00%**

Asset class	Range %	Target allocation %
Growth assets		100.00
Equities		
Australian Shares	100.00	100.00
Total		100.00

Investment options

(continued)

Sector options (continued)

International Shares

Suitability	Members who seek strong returns over the long term and are prepared to accept a higher level of risk to achieve this.
Investment style	Invests in international listed companies and returns which are subject to foreign exchange risk, and are expected to vary significantly year to year.
Investment return objective	To outperform before tax and investment expenses the weighted average of MSCI World (ex-Australia) Index (in AUD) and MSCI Emerging Markets Index (in AUD) before hedging.
Risk level	Very high. Likelihood of negative returns – greater than six in 20 years.
Time horizon	Ten or more years.



■ Growth assets

100.00%

Asset class	Range %	Target allocation %
Growth assets		100.00
Equities		
International Shares		
Developed Markets	0.0–100.0	95.00
Emerging Markets	0.0–100.0	5.00
Total		100.00

Property

Suitability	Members who seek moderate to high returns through investing in property.
Investment style	Invests in property via listed and unlisted property vehicles.
Investment return objective	To outperform (after tax and investment expenses) CPI by at least 1.5% pa over the long term.
Risk level	High. Likelihood of negative returns – four to less than six in 20 years.
Time horizon	Ten or more years.



■ Growth assets

75.00%

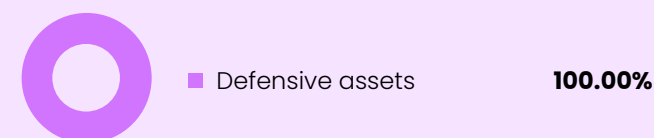
■ Defensive assets

25.00%

Asset class	Range %	Target allocation %
Growth assets		75.00
Property	0.0–100.0	75.00
Defensive assets		25.00
Property	0.0–100.0	25.00
Total		100.00

Fixed Interest

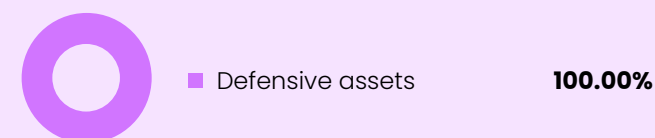
Suitability	Members who seek a return above the cash rate over the medium to long term.
Investment style	Invests in domestic and international fixed interest securities. Losses may occur over some periods.
Investment return objective	To outperform (before tax and investment expenses) the weighted average of major Australian and international bond indices and global floating rate credit (targeting outperformance above the Bloomberg AusBond Bank Bill Index) hedged to \$AUD.
Risk level	Medium. Likelihood of negative returns – two to less than three in 20 years.
Time horizon	Five or more years.



Asset class	Range %	Target allocation %
Growth assets		0.00
Fixed Income		
Overseas – Fixed Interest	0.0–100.0	0.00
Defensive assets		100.00
Fixed Income		
Australian – Fixed Interest	0.0–100.0	40.00
Overseas – Fixed Interest	0.0–100.0	60.00
Total		100.00

Cash

Suitability	Members who place security of their assets over returns.
Investment style	Invests in short-term money market securities, bank deposits and other cash instruments. Expected to produce a stable but low return. In some investment environments, returns may be lower than inflation and/or may be negative.
Investment return objective	To perform in line (before tax and investment expenses) with Bloomberg AusBond Bank Bill Index.
Risk level	Low. Likelihood of negative returns – 0.5 to less than one in every 20 years.
Time horizon	Any time period.



Asset class	Range %	Target allocation %
Defensive assets		100.00
Cash	100.0	100.00
Total		100.00

Summary of changes to investment options from 1 July 2023:

These changes aim to provide our members with clearer information about our investment options and their associated risks and objectives.

MySuper (balanced) option

The time horizon has increased to “10 or more years.”

Property option

The investment return objective is now “To outperform (after tax and investment expenses) CPI by at least 1.0% pa over rolling 10-year periods.”

Fixed Interest option

The investment return objective is now “To outperform (before tax and investment expenses) the weighted average of major Australian and international bond indices hedged to \$A.”

Cash option

The risk level has been reduced to “Very Low” with the likelihood of negative returns decreasing to “0 to less than 0.5 in every 20 years.”

Financial report

A man and a woman in business attire are looking at a document together. The man is wearing a light blue shirt and a watch, and the woman is wearing a white shirt and glasses. They are both looking down at the document with focused expressions.

Abridged financial statements for the year ended 30 June 2023 are provided in the following section. A full set of audited financial statements is available online at [primesuper.com.au](https://www.primesuper.com.au).



Statement of financial position

As at 30 June 2023

	2023 \$'000	2022 \$'000
Assets		
Cash and cash equivalents	20,007	19,260
Receivables	1,061	1,053
Investments		
Cash	721,449	712,061
Australian Shares	1,471,185	1,415,301
International Shares	1,757,875	1,532,902
Emerging Markets	124,051	115,956
Australian Fixed Interest	208,033	59,680
International Fixed Interest	625,758	421,063
Infrastructure	963,608	787,338
Property	348,562	461,912
Credit Opportunities	463,887	254,500
Private Equity	12,795	18,828
Absolute Return Strategies	31,500	183,286
Derivative assets	20,061	63,500
Property, plant and equipment	415	635
Income tax receivable	12,341	27,297
Total assets	6,782,588	6,074,572
Liabilities		
Payables	(11,248)	(8,807)
Derivative liabilities	(42,832)	(57,324)
Deferred tax liabilities	(79,815)	(44,800)
Total liabilities excluding member benefits	(133,895)	(110,931)
Net assets available for member benefits	6,648,693	5,963,641
Member benefits		
Allocated to members	(6,603,230)	(5,921,441)
Unallocated to members	(147)	(854)
Total member liabilities	(6,603,377)	(5,922,295)
Net assets	45,316	41,346
Equity		
Administration reserve	(9,114)	(7,637)
Investment reserve	(6,698)	(6,902)
Operational risk reserve	(16,850)	(15,045)
Defined benefits that are (over) funded	(12,654)	(11,762)
Total equity	(45,316)	(41,346)

Income statement

For the year ended 30 June 2023

	2023 \$'000	2022 \$'000
Superannuation activities		
Interest	33,858	19,895
Dividends and distributions	318,496	300,563
Changes in assets measured at fair value	255,051	(649,412)
Other income	14,129	6,099
Total superannuation activities income	621,534	(322,835)
Investment expenses	(29,324)	(29,810)
Administration expenses	(8,731)	(8,889)
Operating expenses	(18,604)	(16,086)
Total expenses	(56,659)	(54,785)
Net result from superannuation activities	564,875	(377,620)
Profit/(loss) from operating activities	564,875	(377,620)
Less: Net (benefits)/loss allocated to members' accounts	(518,562)	317,679
Profit/(loss) before income tax	46,313	(59,941)
Income tax expenses/(benefit)	40,798	(62,983)
Profit after income tax	5,515	3,042



Statement of changes in member benefits

For the year ended 30 June 2023

	2023 \$'000	2022 \$'000
Opening balance of member benefits	5,922,295	6,056,662
Contributions:		
Employer	445,906	383,732
Member	90,699	107,713
Transfer from other superannuation plans	82,553	97,166
Government co-contributions	506	515
Income tax on contributions	(66,060)	(57,578)
Net after tax contributions	553,604	531,548
Benefits to members/beneficiaries	(388,820)	(349,847)
Insurance premiums charged to members' accounts	(20,214)	(17,371)
Death and disability insurance benefits credited to members' accounts	17,950	18,982
Benefits allocated to members' accounts, comprising:		
Net investment/(loss) income	550,025	(290,387)
Administration fees	(31,197)	(28,627)
Change in DB member benefits	(266)	1,335
Closing balance of member benefits	6,603,377	5,922,295

Additional information about the financial statements

Reserves

The trustee operates an Administration Reserve, an Investment Reserve and an Operational Risk Reserve. All are invested in the MySuper option.

Administration Reserve

All member fees are paid into the Administration Reserve and are used to pay costs. As the trustee operates the Fund on a not-for-profit basis, any surplus after payment of current costs can be applied to the benefit of members at the trustee's discretion.

Prime Super's Reserving Policy authorises the use of the reserves for costs associated with the Fund's operation and management.

Investment Reserve

Investment returns earned by the Fund for all investment options are held in an Investment Reserve between the time they are received by the Fund, and the time they are credited to members.

Any returns, positive or negative, achieved on the Investment Reserve are considered investment earnings of the Fund and will also be distributed to members. Due to occasional unexpected investment distributions or estimated tax liabilities and rounding of investment returns to whole cents, it is not practical to distribute the entire Investment Reserve. The balance of any carry

forward Investment Reserve is likely to be between zero and around 0.5% of the Fund's assets, which is available for distribution to members in subsequent years.

Operational Risk Reserve

The Operational Risk Reserve is legislatively required to specifically cover potential losses arising from operational risks that may affect the Fund's business operations. It is set at a target amount of 0.25% of the total value of the Fund (as at 30 June each year).

The Operational Risk Reserve has been fully funded. However, the trustee has the discretion to top up the Operational Risk Reserve in the future with a deduction from members' accounts, if required.

Trustee Capital Reserve

The Trustee Capital Reserve is kept separate from the assets of Prime Super.

The trustee created a new Trustee Capital Reserve within Prime Super Pty Ltd on 2 May 2022 to ensure adequate financial resources to manage the financial risks of the trustee and its directors in performing their roles in relation to Prime Super. The reserve will be built through the payment of trustee remuneration. The reserve cannot be used for any other purpose.

The Trustee Capital Reserve will be built over future years at a rate of 0.025% of Prime Super's net funds under management. The methodology will continue to be adopted for subsequent years until the Reserve reaches a maximum value of 0.10% of the Fund's total net funds under management.



Reserve balances held by the Fund

The balances of the Administration Reserve, Investment Reserve and Operational Risk Reserve accounts are set out in the table below.

Year ended	Administration Reserve		Investment Reserve		Operational Risk Reserve	
	Reserve \$'000	% of FUM*	Reserve \$'000	% of FUM*	Reserve \$'000	% of FUM*
2023	\$9,114	0.13%	\$6,698	0.10%	\$16,850	0.25%
2022	\$7,637	0.13%	\$6,902	0.11%	\$15,045	0.25%
2021	\$6,030	0.10%	\$4,768	0.08%	\$15,599	0.25%

Reserve balance held by Trustee

The Balance of the trustee Capital Reserve account is set out in the table below.

Year ended	Trustee Capital Reserve	
	Reserve \$'000	% of FUM*
2023	\$2,202	0.03%**
2022	\$1,048	0.02%**
2021	n/a	n/a

* Funds under management

** Net of tax

Earnings rates

Earnings rates are declared by Prime Super each week and can be positive or negative. This establishes the investment earnings to be allocated to member accounts and then reported as a dollar value. However, crediting rates from investment earnings will only be applied at the earliest of:

- When you exit Prime Super during the financial year
- When you switch between investment options during the financial year, or
- Effective from 30 June once the final earnings rates for the full financial year are declared.

Final earnings rates declared at the end of each financial year generally take longer to finalise. As such, Prime Super will apply a 'preliminary weekly earnings rate' to each of our investment options for the last week of June and possibly the first few weeks of July.

Once the rates are declared towards the end of July, the 'preliminary weekly earnings rates' will be adjusted to ensure alignment with the final declared earnings rates for the financial year.

If you close your super account during the year (withdraw your balance as a lump sum and cease to be a member), your account

balance will be credited (positive earnings) or debited (negative earnings) with the last determined weekly crediting rates up to the end of the week.

From the end of that previous week, until the date of withdrawal, the trustee applies an interim crediting rate which is generally 0%.

Superannuation surcharge

The Australian Government abolished the superannuation surcharge tax from 1 July 2005. However, a surcharge for prior years may still appear on your annual statement as a deduction from your account.

Investments of the Fund

The investments of the Fund at 30 June 2023 are set out in the following table.

The Fund uses a number of investment managers to manage the assets of each investment option. This is intended to reduce investment volatility. The trustee may remove or appoint new investment managers at any

time. See our website for details: primesuper.com.au.

The trustee may directly buy or sell derivative instruments and permits investment managers to use them. However, derivative investments may not be used by the trustee or investment managers for speculative purposes. The use of derivatives is monitored and

a derivatives risk statement has been prepared by the trustee that limits the use of derivatives to reducing costs, hedging, arbitrage and other defensive purposes.

Investments that make up 5% or more of the value of the Fund are indicated with an asterisk (*).

Asset Class/Fund Manager	30 June 2023		30 June 2022	
	\$'000	% of Total Fund	\$'000	% of Total Fund
Equities – Australian Shares				
Ausbil Australian Equities*	382,627	5.71%	385,347	6.46%
Bennelong Australian Equities	225,487	3.36%	191,671	3.21%
Firetrail Australian Equities	202,475	3.02%	184,861	3.10%
Transaction AC	11	-	11	-
Tyndall Australian Share Income Fund	8,473	0.13%	7,594	0.13%
Tribeca Small Cap Australian Equities	116,834	1.74%	116,418	1.95%
Vinva Australian Equities*	535,357	7.98%	529,242	8.87%
	1,471,264	21.94%	1,415,144	23.71%
Equities – International Shares				
LA Capital Overseas Equities*	508,529	7.58%	420,314	7.04%
MFS Global Equity Trust	-	-	295,636	4.95%
Realindex Global Share Fund (Screened)*	388,197	5.79%	337,423	5.65%
State Street Global Advisors Minimum Volatility Global Equity	150,831	2.25%	149,297	2.50%
State Street ACWI Indexed*	417,126	6.22%	-	-
Transition AC	32	-	16	-
Wasatch Global Small Caps	94,197	1.40%	106,010	1.78%
Wellington Global Quality Growth Fund	199,082	2.97%	224,190	3.76%
	1,757,994	26.22%	1,532,886	25.68%
Equities – Emerging Markets				
Parametric Emerging Markets Equities	124,051	1.85%	115,956	1.94%
	124,051	1.85%	115,956	1.94%
Cash				
NAB Rolling Deposit Account – 180 Days	-	-	50,248	0.84%
NAB Term Deposit – 365 Days	20,651	0.31%	103,902	1.74%
CBA Term Deposit – 365 Days	13,445	0.20%	-	-
First Sentier Wholesale Institutional Cash Fund*	687,307	10.25%	557,864	9.35%
Invoice Account	46	-	47	-
	721,449	10.76%	712,061	11.93%



Asset Class/Fund Manager	30 June 2023		30 June 2022	
	\$'000	% of Total Fund	\$'000	% of Total Fund
Fixed Income – Australian Fixed Interest and Credit				
BlackRock Australian Government Bonds	81,539	1.22%	41,261	0.69%
iShares Wholesale Australian Bond Index Fund	126,493	1.89%	18,418	0.31%
	208,032	3.10%	59,679	1.00%
Fixed Income – International Fixed Interest and Credit				
AllianceBernstein Global Floating Rate Credit	182,017	2.71%	189,530	3.18%
AllianceBernstein Global Floating Rate Credit Fallen Angel Strategy	184,283	2.75%	166,201	2.78%
US Treasury Long Duration	109,680	1.64%	-	-
iShares Global Bond Index Fund	146,208	2.18%	57,928	0.97%
	622,188	9.28%	413,659	6.93%
Infrastructure				
First Sentier Investors Wholesale Infrastructure Income Fund	29,203	0.44%	27,696	0.46%
Diapur and Ferguson Wind Farms	97,945	1.46%	-	-
Emerging Markets Infrastructure Fund	-	-	19	-
Diversified Infrastructure Trust	55,570	0.83%	53,301	0.89%
Igasamex	57,490	0.86%	47,988	0.80%
Igasamex Two	105,514	1.57%	88,075	1.48%
Igasamex Three	14,821	0.22%	12,371	0.21%
International Parking Group	20,633	0.31%	20,109	0.34%
International Parking Group 2	26,411	0.39%	25,740	0.43%
International Parking Group 3	30,934	0.46%	30,148	0.51%
ITE College West	34,424	0.51%	30,760	0.52%
Mortons Lane Wind Farm	35,669	0.53%	33,502	0.56%
Megellan Core Infrastructure Fund	-	-	21,460	0.36%
Peninsula Link	27,250	0.41%	29,001	0.49%
Peninsula Link Two	16,256	0.24%	17,301	0.29%
Kinland Group	157,881	2.35%	136,402	2.29%
Rowville Transmission Facility	10,486	0.16%	9,847	0.16%
SAREN Energy	68,354	1.02%	68,165	1.14%
Savant Energy	23,495	0.35%	16	-
Southern Water	10,209	0.15%	13,448	0.23%
Southern Water 2	5,502	0.08%	7,248	0.12%
Vopak Terminal Eemshaven	66,394	0.99%	56,730	0.95%
Worsley Multi Fuel Cogen Plant	69,167	1.03%	58,011	0.97%
	963,608	14.37%	787,338	13.19%

Investments of the Fund

(continued)

Asset Class/Fund Manager	30 June 2023		30 June 2022	
	\$'000	% of Total Fund	\$'000	% of Total Fund
Property				
111 Alinga Street – Infrastructure House	87,917	1.31%	96,485	1.62%
313 Adelaide St	60,708	0.91%	74,991	1.26%
50 Miller Street Trust	14,282	0.21%	84,678	1.42%
Blackstone Real Estate Partners VI	295	-	431	0.01%
Campbell Place	66,247	0.99%	67,785	1.14%
Investa Commercial Property Group	37,866	0.56%	39,387	0.66%
Lendlease Prime Property Fund Retail	6,629	0.10%	12,103	0.20%
Royale Investment Trust	74,618	1.11%	86,052	1.44%
	348,562	5.20%	461,912	7.74%
Fixed Income – Private Credit				
Alpha Trains Junior Loan	97,683	1.46%	47,026	0.79%
Applegreen Loan	78,395	1.17%	-	-
Arqiva Bond	-	-	17,189	0.29%
Aunor Senior Secured Bond	19,416	0.29%	24,607	0.41%
Continuity Capital Private Credit Fund 1	184	-	229	-
Continuity Capital Private Credit Fund 2	15,958	0.24%	16,379	0.27%
Metrics Credit Diversified Australian Senior Loan Fund	39,128	0.58%	37,095	0.62%
Sydney Airport Bond	-	-	20,703	0.35%
TDF Term Loan	49,255	0.73%	46,462	0.78%
Westbourne Capital Infrastructure Debt Fund 2	12,889	0.19%	18,478	0.31%
Vantage Towers Loan	65,573	0.98%	-	-
Yorkshire Water Loan	85,376	1.27%	26,329	0.44%
	463,857	6.92%	254,497	4.26%
Equities – Private Equity				
AIF Capital Asia III LP	208	-	176	-
AIF Capital Asia IV LP	8,611	0.13%	10,490	0.18%
CM Capital Venture Trust 4A	65	-	1,092	0.02%
CM Capital Venture Trust 4B	65	-	1,092	0.02%
HarbourVest Dover St VII Cayman Fund LP	45	-	45	-
HarbourVest Partners VII Cayman Buyout Fund LP	85	-	407	0.01%
HarbourVest Partners VII Cayman Ventures Fund LP	154	-	264	-
Partners GP Euro Buyout 2008 (B) LP	2,025	0.03%	3,115	0.05%
Partners GP Secondary 2008 LP	1,537	0.02%	2,147	0.04%
	12,795	0.19%	18,828	0.32%



Asset Class/Fund Manager	30 June 2023		30 June 2022	
	\$'000	% of Total Fund	\$'000	% of Total Fund
Other – Absolute Return Strategies				
PineBridge Global Dynamic Asset Allocation Fund	-	-	62,916	1.05%
Pendal Sustainable Investments	31,433	0.47%	26,922	0.45%
Schroders Real Return Fund	-	-	93,466	1.57%
	31,433	0.47%	183,304	3.07%
Other – Derivatives				
Credit Opportunities Swaps	-	-	4,581	0.08%
Alternatives FX Overlay Portfolio	(13,836)	(0.21%)	2,237	0.04%
Developed Overseas Equity FX Overlay Portfolio	(9,041)	(0.13%)	(20,749)	(0.35%)
State Street Derivatives Overlay	8	-	21,646	0.36%
Perennial Derivatives Overlay Portfolio	3,567	0.05%	6,019	0.10%
	(19,302)	(0.29%)	13,734	0.23%
Total investments	6,705,931	100.00%	5,968,998	100.00%

We're here to help

Employers

Contact us if you're considering choosing Prime Super as the default fund for your employees.

Prime Super members

If you'd like to talk about your Prime Super membership or you need financial advice, we can put you in touch with one of our super specialists.

Potential members

If you're thinking of joining Prime Super, let us know. We'd love you to join us and benefit from all the little things that make a big difference for our members.

Find out more

You can access a lot of information on our website including this report and our annual reports from previous years. You can view the Fund's Trust Deed, our audited financial statements and auditor's reports, and find our complaints procedure.

If you'd like to receive information about the insurance we offer, our risk management strategy or the Fund's investment strategy let us know and we'll post them to you.

If you'd like to speak with us, we're here Monday to Friday from 8am – 8pm. You can also use the details below to contact us anytime:

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Putting the heart into super for 30 years



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