

**ANZ AUSTRALIAN STAFF
SUPERANNUATION SCHEME**

2023 ANNUAL REPORT

**YEAR ENDED
31 DECEMBER 2023**



**RUN FOR YOU -
BY PEOPLE LIKE YOU**

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This 2023 Annual Report is issued by ANZ Staff Superannuation (Australia) Pty Limited ABN 92 006 680 664 AFSL 238268 RSEL L0000543, Trustee of the ANZ Australian Staff Superannuation Scheme ABN 83 810 127 567 RSE R1000863.

In this Annual Report, we refer to the ANZ Australian Staff Superannuation Scheme as either “the Scheme” or “ANZ Staff Super”. Any references to other schemes or schemes in general appear in lower case. We also refer to Section A as the Employee Section, Section C as Employee Section C, the Retained Benefit Account (RBA) Section as the Personal Section, the Spouse Contribution Account (SCA) Section as Partner Section and Account Based Pension (ABP) Section as the Retirement Section as these names better describe the sections and are more easily understood. The information in this Annual Report is accurate to the best of our knowledge at the date of publication.

This Annual Report is not intended, and should not be construed, to constitute financial advice or take the place of a licensed financial adviser briefed on your individual circumstances. No person should act or not act solely on the information provided. This document doesn't take into account what you currently have or what you want and need for your financial future. It is important for you to consider these matters. Read your Product Disclosure Statement and consider consulting a licensed financial adviser before you make decisions in relation to your superannuation.

Formal legal documents ultimately govern the operation of the Scheme, including the Scheme's Trust Deed and Rules and relevant legislation. Should there be any discrepancies between the information in this Annual Report and the actual provisions in the Trust Deed and Rules, the Trust Deed and Rules will prevail. You may obtain a copy of the Trust Deed and Rules from ANZ Staff Super (see the back page for contact details) or by visiting anzstaffsuper.com.

Published: May 2024

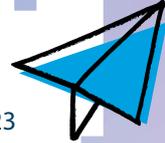
2023 SNAPSHOT



LOWEST INSURANCE PREMIUMS
We were No.1 in 2023*

\$6.7B

in assets as at 31 December 2023



433 MEMBERS

ACCESSED ADVICE OVER THE PHONE
AT NO EXTRA COST

ANZ STAFF SUPER RANKS 1, 2, 3 AND 4 FOR LOWEST FEES

AND COSTS ACROSS ALL BALANCES IN THE SURVEY (\$25,000, \$50,000 AND \$250,000)**

	\$25K	\$50K	\$250K
Aggressive Growth	#1	#1	#3
Balanced Growth	#1	#2	#4
Cautious	#1	#2	#3



LONG-TERM INVESTMENT PERFORMANCE

Our Balanced Growth option (MySuper) delivered an average annual return of 6.6% over the 10 years to 31 December 2023



1,604 members consolidated over of other super into their ANZ Staff Super accounts over the year

\$61.5M

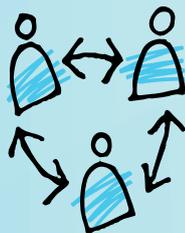
ALMOST 30,000 MEMBERS

One of Australia's biggest corporate super funds



DIGITAL CAMPAIGNS

OVER THE YEAR, **1,116 NEW MEMBERS** WERE WELCOMED THROUGH OUR FIVE-STEP ONBOARDING CAMPAIGN WHILE OVER **8,900 MEMBERS** AGED 50+ RECEIVED USEFUL TIPS ABOUT THEIR RETIREMENT READINESS



16,880 CALLS

by members to the call centre with 96% of calls resolved on the first call.

* Chant West Super Fund Insurance Premium Survey January, Death & TPD Premium Indices 2024.

** Chant West Super Fund Fee Survey December 2023. Fees listed as for the Employee Section of ANZ Staff Super.

MESSAGE FROM THE CHAIR AND HEAD OF ANZ STAFF SUPER

IN 2023 WE ANNOUNCED BIG CHANGES FOR OUR FUND TO BE DELIVERED IN 2024, DESIGNED TO UPLIFT MANY ASPECTS OF OUR MEMBER EXPERIENCE.

During 2023, we completed a review of our member experience function including inhouse capability and our outsourced administration and member services provider. As a result of the review, we determined we would add further capability and leadership to our member experience team and change our outsourced provider.

DELIVERING FOR OUR MEMBERS

On 1 June 2024 we are moving to Australian Administration Services Pty Limited (AAS). Over 40% of all super accounts in Australia are serviced by AAS.¹

We believe this move will help us deliver many of the things our members have been asking for. There will be an enhanced digital experience including an upgraded website with a new member online portal and more self-serve tools, along with a mobile app so you can check your super on the go. We will also provide more advice options for our members, especially those reaching retirement.

Changing to a new administration and member services provider is a significant and complex project. By the time this report is published, you may have experienced some interruptions to our normal processing times and to your online access as we made this transition. We apologise for any inconvenience this may have caused.

Later in 2024, we plan a further enhancement with the introduction of daily investment unit pricing. We'll share more information about this change closer to the implementation date.

A DIVERSE PORTFOLIO DEMONSTRATES RESILIENCE

2023 was another turbulent year for the global economy, but the diversity of our portfolio provided resilience, enabling us to deliver performance above 10-year objectives for our mixed options.

The tail end of the pandemic continued to unwind with cost of living, supply chain issues and inflation continuing to dominate the headlines. In October, events in the Middle East tore the world's attention away from Russia's ongoing war in Ukraine.

Stubbornly high inflation began to abate over the 12 months, in response to the sharpest interest rate hike cycle by central banks seen in decades. Even with slowing economic growth and the stress caused to households and businesses, investor confidence remained resilient with most major equity markets posting double-digit gains over the year. An expected recession in the U.S. did not materialise.

Contrary to the expectations of many, global share markets rallied over the calendar year, returning 21.7%.² The Australian share market underperformed other developed market economies, but still performed strongly on an absolute basis, returning 12.1% for the calendar year.³ The rally in shares had a dramatic impact on the performance of all super funds, including ANZ Staff Super. Our portfolio of international companies, which has a 91% exposure to developed markets, delivered 25%,⁴ with active managers outperforming the index. Our Australian companies portfolio delivered 12%, in line with benchmark.³

These results were further bolstered by the additions we made to our credit portfolio in 2023, which provided returns of 11.2% compared to a benchmark of 6.4%.

Inflation began to abate over the 12 months as central banks remained committed to returning inflation to their long-term targets. The Reserve Bank of Australia (RBA) increased interest rates to 4.35% in November (and left it unchanged in February and March 2024), whilst continuing to signal rates will likely remain "higher for longer." The RBA modestly increased its long-term inflation forecasts, however, anticipating that the 2-3% target will be met by the end of 2025.

In early 2024 global share markets have performed strongly, while bonds have been a little weaker due to lingering inflation expectations.

1. Link Group 2023 Annual Report. APRA Regulated Funds only. As at 30 June 2022.

2. As measured by the MSCI World Index ex Australia (hedged to AUD).

3. As measured by the S&P/ASX 300 Accumulation Index.

4. In unhedged terms.

OUR FUND PERFORMANCE⁵

In the 12 months to 31 December 2023 each of our investment options delivered strong results, with 14.4% for the Aggressive Growth option, 10.5% for Balanced Growth, 6.4% for Cautious and 3.9% for Cash.⁵

Despite these strong one-year returns, we maintain our mantra that super is a long-term investment, and we should always focus on the long-term results while expecting to experience highs and lows along the way.

We were therefore also pleased, that over the 10 years to 31 December 2023 our mixed investment options delivered strong results with the Aggressive Growth option returning 8.2% p.a., Balanced Growth 6.6% p.a. and 4.3% p.a. for Cautious. These options outperformed their objectives over 10 years by 2.5% p.a., 1.4% p.a. and 0.2% p.a. respectively.

Importantly, these results underscore our absolute commitment to work in your best financial interest.

INVESTMENT DIVERSIFICATION IS KEY

Last year, to improve the diversification and resilience of our investment options we appointed three new global credit managers with commitments of around \$300 million. During 2023, these managers contributed 10.9%, compared to a benchmark return of 7.8%.

FUTURE FOCUS

In 2024 we are undertaking an Investment Strategy Review and expect to consider some alternative investment opportunities as a consequence. We will keep you informed of any changes.

NEW MEMBER-ELECTED DIRECTORS

One of the ways your fund reflects the needs of members is by having four of the eight directors on the Board, nominated and elected by members like you. In 2023 members re-elected Rob Sparrow for another term.

Adam Vise chose not to stand for another term, and we thank him for his great advocacy on behalf of members over the previous eight years. Rebecca Noonan was elected to fill this position.

A FINAL NOTE

On behalf of the Board, we would like to take this opportunity to thank the management team for their diligent work this year as they strive to deliver great long-term performance for members, along with the substantial effort required to deliver the transition project.

We hope to significantly improve the member experience as a result of this transition. Meanwhile our fees, costs and insurance premiums remain among the lowest in the industry.⁶ Our focus on long-term investment performance remains unchanged. We continue to be the fund for current and former ANZ staff and their partners. Run for you, by people like you.



Janet Torney
Chair



Paul Rosam
Head of ANZ Staff Super

5. Accumulation options.

6. ANZ Staff Super is No.1 for lowest death and TPD premiums, Chant West Super Fund Insurance Premium Survey January 2024. ANZ Staff Super's Employee Section ranks 1, 2, 3 and 4 for lowest fees and costs across all balances in the survey (\$25,000, \$50,000 and \$250,000). Chant West Super Fund Fee Survey December 2023

* Past performance is not an indicator of future performance.

INVESTMENT UPDATE



The performance of financial markets in 2023 compared to their losses in 2022 could not be more stark.

In response to high inflation, developed market central banks increased interest rates significantly in 2023. While inflation did begin to moderate and its effects soften, economic growth across many developed economies started to slow but despite this there was a surge in returns from shares - most major equity markets posting double-digit gains over the year, while bonds also delivered positive returns after a challenging couple of years.

It wasn't all smooth sailing:

- In mid-March the collapse of Silicon Valley Bank kicked off the US banking sector crisis, which, coupled with the abrupt takeover of Credit Suisse, saw significant volatility in global markets, with the crisis deepening over April and May. As a result, banks were forced to impose tighter credit conditions which prompted swift intervention of banking regulators to restore investor confidence that the collapse would not become a global systemic banking crisis, allowing the crisis to ease in June.
- Towards year end, the conflict between Israel and Hamas raised concerns the conflict could involve other countries and result in further impacts on energy markets.

Despite these major events, equity markets rallied over the calendar year, while yields in major global bond markets were volatile, with Australian and US 10-year bond yields ending 2023 in a similar position to the end of 2022.

Overall, our international share investments portfolio returned 25.0%, domestic shares 12.0%, credit 11.2%, infrastructure 6.4% and fixed income returned 5.3%. Against these falls our property and diversity portfolios experienced losses of -2.5% and -0.7% respectively.

The table below shows the dramatic fall and equally rapid rebound seen in the Australian share (equities) market from 2020 to early 2024.



GLOBAL MARKET MOVEMENTS

In response to stubbornly high inflation globally, central banks and governments in major economies maintained policies of monetary and fiscal tightening – the US Federal Reserve undertook a number of interest rate increases over the year, with the federal funds rate peaking at 5.25%-5.50%.

In the US, GDP continued to trend upwards over the year, with the economy expanding 3.1% year-on-year in the December quarter of 2023, in stark comparison to 2022 where the first two quarters of the year were characterised by a technical recession. The reported unemployment rate stood at 3.7% at year-end and annual inflation trended downwards over the period, declining from 6.5% at the end of the previous year to hitting a low of 3% in June and then slightly increasing to 3.4% by the end of December. US equities rallied over the period, returning 26.3% for the calendar year.⁷

In other global markets, the UK faced a challenging economic environment over the year with a slowdown in economic growth, as the economy shrunk by 0.2% year-on-year in the final quarter of 2023. The country was hit hard by the energy price shocks resulting from the Russia-Ukraine war, adding to inflationary pressures. However, the UK ended the year following the downward inflationary trend seen across other developed market economies. Over the first two quarters of 2023 the Bank of England continue to raise interest rates, resulting in increases at 13 consecutive meetings, starting from December 2021, before pausing on rate hikes for the remainder of the year. Despite the local challenges, UK equities performed strongly over the 12 months, with the FTSE All Share Index up 7.9%.⁸

European equities rallied over the 12-month period, returning 22.2%,⁹ largely driven by a 14.2% return in Q1 2023, led by economically sensitive sectors, and a strong fourth quarter. Despite this, the Euro Area economy stalled, with GDP in the December quarter in line with the same quarter in 2022, representing the weakest economic performance since 2020. Over the 12-month period, Eurozone headline inflation significantly lowered, declining to 2.9% at year end, from 9.2% at the beginning of the year.

China's post-pandemic reopening at the end of 2022 sparked investor buoyancy going into the new calendar year, which paved the way for Chinese equities to rally over the first three months of 2023. The rally was short-lived though, as the local equity market struggled through the remainder of the year, with weaker than expected recovery, challenges in the property sector, and tensions between the US and China weighing on investor confidence. As a result, the Chinese equity market,¹⁰ fell by 3.7% over the 12-month period. In the fourth quarter of 2023, the Chinese economy expanded 5.2% year-on-year, up from 2.9% year-on-year measured in the fourth quarter of 2022. The Chinese unemployment figures dropped from 5.5% in December 2022 to 5.1% by the end of 2023, which is the lowest jobless rate since November 2021.

7. As measured by the S&P 500 Total Return Index

8. In GBP

9. As measured by the Euro Stoxx 50 Index

10. As measured by the Shanghai Composite Index

11. As measured by the Westpac-Melbourne Institute Index of Consumer Sentiment for Australia

12. As measured by the S&P/ASX 300 Accumulation Index

13. As measured by the S&P/ASX 300 A-REIT Total Return Index

14. As measured by the Bloomberg AusBond Composite Index

15. As measured by the Barclays Global Aggregate Index (hedged to AUD)

AUSTRALIAN MARKET MOVEMENTS

The Australian economy continued to recover over 2023, albeit at a slower rate, with annual growth in GDP coming at 1.5% over the twelve months to December compared to 2.4% over the same period in the previous year. The softening in growth was driven by higher interest rates placing cost pressures on households, forcing individuals to tighten spending habits and reduce consumption. The Australian seasonally adjusted unemployment rate ended the year at 3.9% in December 2023, up from 3.5% at the end of 2022. Inflation lowered to 4.1% year-on-year in the December 2023 quarter, marking four consecutive quarters of lower annual inflation, in response to tighter monetary conditions slowing goods and services inflation. Consumer confidence,¹¹ increased slightly to 82.1 in December 2023 from 80.3 in the previous year, but remains at pessimistic levels as sentiment continues to be dominated by the higher costs of living.

The Australian share market underperformed other developed market economies but still performed strongly on an absolute basis, returning 12.1% for the calendar year.¹² Information Technology, Consumer Discretionary and Telecommunications came in as the strongest performers, returning 27.9%, 21.7% and 16.7% respectively. The weakest performing sectors for the year were Consumer Staples, Utilities and Health Care, although still posting positive results (at 1.3%, 3.2% and 4.0% respectively). Australian listed property outperformed broader Australian equities, returning 16.9% over the calendar year.¹³

The Australian dollar (AUD) was virtually unchanged against the US dollar, with the AUD at 68.1 US cents at the end of the year.

Australian fixed interest returned 5.1% over the year.¹⁴ Similarly, global fixed interest generated a return of 5.3% for the year,¹⁵ and Australian cash returned 3.9%.¹⁴

OUTLOOK

2024 began with a positive start for financial markets, particularly global equity markets, which rallied on the back of resilient economic data, robust earnings reports and optimism around emergent artificial intelligence technologies. However, bond investors have slightly pushed back their expectation for interest rate cuts, which has pushed up bond yields and reduced returns for our Cautious option.

While international equity markets delivered very strong growth for 2023, we are expecting returns across the portfolio will be more balanced through 2024. Cash rates remain higher than we have seen since 2012. Likewise, bonds and credit are also offering attractive income returns. Office property returns remain constrained over the near term on inadequate demand growth. However, over a longer horizon we expect rental yields to increase and capital values to eventually follow suit.

INVESTMENT RETURNS

INVESTMENT PERFORMANCE FOR SUPER MEMBERS AND TRANSITION TO RETIREMENT PENSIONS*

Our Cash investment option's returns have placed it in the top quartile against peer performance for the 1-, 3-, 5- and 10-year periods as rated by Rainmaker. The Aggressive Growth option has posted first quartile returns for 1 year and importantly continues to deliver top quartile returns over 5 and 10 years. Balanced Growth delivered returns in the second quartile for 1 and 5 years, and third quartile returns for 3 and 10 years. Returns for the Cautious option were in the third quartile for all periods.

	December 2023 results			
	Aggressive Growth	Balanced Growth	Cautious	Cash
1 yr	14.4%	10.5%	6.4%	3.9%
3 yr (p.a.)	7.3%	5.1%	2.6%	2.1%
5 yr (p.a.)	9.4%	7.1%	4.0%	1.7%
10 yr (p.a.)	8.2%	6.6%	4.3%	1.8%

ANZ Staff Super uses the Rainmaker Benchmarking Service to compare the relative performance of its investment options against other funds that offer similar investment options. Performance is assessed monthly and ANZ Staff Super's net investment returns are reported in their respective performance quartile. For instance, a 1st Quartile ranking is where ANZ Staff Super's performance is ranked by Rainmaker to be in the top 25% of results sampled.

	Quartile			
	Aggressive Growth	Balanced Growth	Cautious	Cash
1 yr	1st	2nd	3rd	1st
3 yr	2nd	3rd	3rd	1st
5 yr	1st	2nd	3rd	1st
10 yr	1st	3rd	3rd	1st

Source: Rainmaker Information Services

INVESTMENT PERFORMANCE FOR ACCOUNT BASED PENSIONS*

Members with account based pensions had the following returns:

	December 2023 results			
	Aggressive Growth	Balanced Growth	Cautious	Cash
1 yr	16.4%	11.9%	7.5%	4.6%
3 yr (p.a.)	7.9%	5.6%	2.9%	2.4%
5 yr (p.a.)	10.3%	7.8%	4.5%	2.0%
10 yr (p.a.)	8.9%	7.2%	4.8%	2.1%

* **Important note:** Past performance is not necessarily a guide to future performance. This investment returns information has been prepared for the general information of members of the Scheme. It does not take into account any member's individual financial objectives, financial situation or needs.

We recommend that you seek help from a licensed financial adviser before acting on any of this information. While all due care and diligence has been taken in the preparation of this information, the Trustee reserves the right to correct any errors or omissions.

UNIT PRICES

Your account is recorded as a unit holding in one or more of the underlying investment options.

There are different types of units depending on the investment option(s) in which your account is invested. The unit price of a particular investment option is the value of its net assets divided by the number of units on issue. The value of net assets is the current market value of assets in an investment option, after deducting current liabilities such as accrued investment tax (where applicable) and investment related expenses.

Unit prices are set weekly or in certain circumstances more frequently as determined by the Trustee. As asset values fluctuate, unit prices will go up and down. The investment return for each investment option is calculated as the percentage change in unit prices for the year, to provide a measure of investment performance.

Unit prices are available by logging into your account at anzstaffsuper.com.

MEASURING INVESTMENT PERFORMANCE

With the exception of pensioner beneficiaries, the investment earnings for each member depend on the number, prices and types of investment units held, acquired or relinquished during the year.

The investment return for each investment option is calculated as the percentage change in unit prices for the year, to provide a measure of investment performance. The investment returns for each option are set out on pages 7 to 10, together with details of the investment returns of previous years. Remember, past investment returns are not necessarily indicative of future performance.

All investment income earned by account based pensions in the Retirement Section is exempt from tax. Therefore returns for each investment option are generally higher for these members than other members. and these returns are shown separately. Investment earnings for Transition to Retirement pensions are shown with returns for Employee, Personal and Partner members as, since 1 July 2017, these are not exempt from tax.

INVESTMENT OPTIONS

AGGRESSIVE GROWTH

OBJECTIVES

The investment objectives of the Aggressive Growth option are to:

- a. maximise returns over the long term whilst accepting a high degree of performance variability; and
- b. exceed inflation (CPI increases), on average, by at least 3% p.a. over rolling ten year periods.

SUITABILITY

Members who are seeking to maximise investment returns over the long term while accepting a high degree of performance variability.

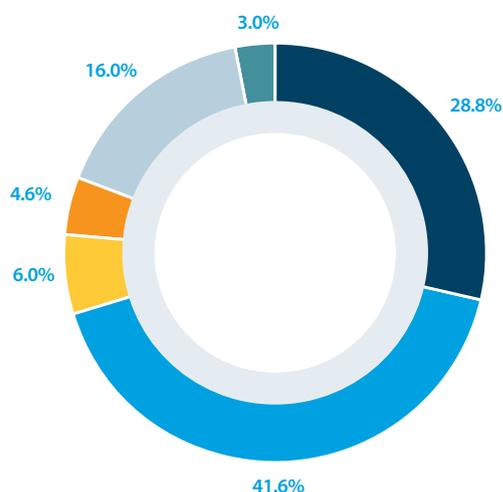
RISKS

The returns of the Aggressive Growth option are likely to be more volatile from year to year than the Balanced Growth option. Therefore if you are considering the Aggressive Growth option, you should be aware of the higher risks involved.

ASSET MIX

The majority of assets in the Aggressive Growth option are invested in shares with small allocations to property and alternative investments.

The pie chart is indicative of the investment mix for this option. Actual percentages may vary from time to time.



Growth Assets

- Australian equities
- International equities
- Property
- Emerging market equities

Alternative Assets*

- Alternative Assets
 - Diversity
 - Global Infrastructure
 - Global credit

Defensive Assets

- Cash

* The Trustee will actively review the structure of the alternative assets and will adjust the structure on a strategic basis. Accordingly from time to time, allocations to alternative assets will not be fully invested and the uninvested allocations will be held in one or more of the non-alternative asset classes.

RETURNS

Year ended 31 December	Net return	Tax exempt return ¹	CPI increase ²
2023	14.4%	16.4%	4.1%
2022	-8.0%	-9.4%	7.8%
2021	17.2%	19.3%	3.5%
2020	5.0%	5.1%	0.9%
2019	20.9%	23.5%	1.8%
2018	-1.7%	-1.9%	1.8%
2017	13.2%	13.6%	1.9%
2016	9.3%	10.3%	1.5%
2015	5.0%	5.4%	1.7%
2014	10.0%	10.7%	1.7%

Notes

1. These returns are generally higher because tax is not payable on the investment earnings of an account based pension. From 1 July 2017, investment earnings for Transition to Retirement members under age 65 are taxed.
2. The increase in the Consumer Price Index (CPI) is a measure of inflation.

BALANCED GROWTH

OBJECTIVES

The investment objectives of the Balanced Growth option are to:

- a. maximise returns over the long term whilst accepting a moderate degree of performance variability; and
- b. exceed inflation (CPI increases), on average, by at least 2.5% p.a. over rolling ten year periods.

SUITABILITY

Members who are seeking to maximise investment returns over the long term while accepting a moderate to high degree of performance variability.

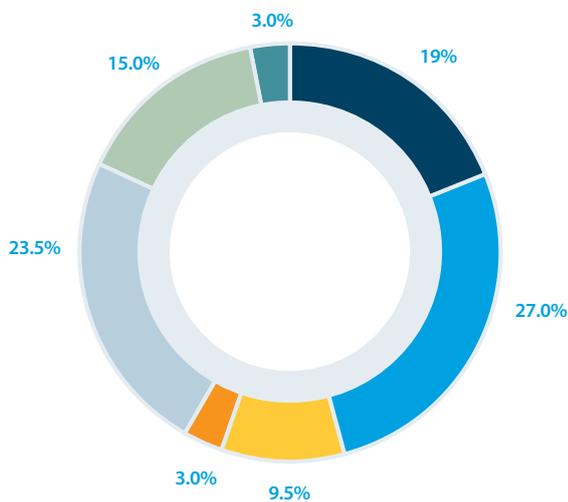
RISKS

The returns of the Balanced Growth option are likely to be more volatile from year to year than the Cautious option. Therefore, if you are considering the Balanced Growth option you should be aware that there will be fluctuations in returns from year to year.

ASSET MIX

Typically around 60% of the Balanced Growth option is invested in shares and property and around 20% is invested in alternative assets. The remainder is normally invested in fixed interest securities and cash.

The pie chart is indicative of the investment mix for this option. Actual percentages may vary from time to time.



Growth Assets

- Australian equities
- International equities
- Property
- Emerging market equities

Alternative Assets*

- Alternative Assets
 - Diversity
 - Global Infrastructure
 - Global credit

Defensive Assets

- Fixed Interest securities
 - Australian
 - International
 - Inflation linked
- Cash

RETURNS

Year ended 31 December	Net return	Tax exempt return ¹	CPI increase ²
2023	10.5%	11.9%	4.1%
2022	-6.6%	-7.8%	7.8%
2021	12.5%	14.2%	3.5%
2020	3.9%	4.0%	0.9%
2019	16.7%	18.9%	1.8%
2018	-0.9%	-1.1%	1.8%
2017	10.9%	11.3%	1.9%
2016	7.9%	8.7%	1.5%
2015	4.2%	4.5%	1.7%
2014	9.2%	10.0%	1.7%

Notes

1. These returns are generally higher because tax is not payable on the investment earnings of an account based pension. From 1 July 2017, investment earnings for Transition to Retirement members under age 65 are taxed.
2. The increase in the Consumer Price Index (CPI) is a measure of inflation.

* The Trustee will actively review the structure of the alternative assets and will adjust the structure on a strategic basis. Accordingly from time to time, allocations to alternative assets will not be fully invested and the uninvested allocations will be held in one or more of the non-alternative asset classes.

CAUTIOUS

OBJECTIVES

The investment objectives of the Cautious option are to:

- a. achieve returns which exceed those available on cash investments over the long term whilst achieving reasonable stability in returns from year to year; and
- b. exceed inflation (CPI increases), on average, by at least 1.0% p.a. over rolling ten year periods.

SUITABILITY

Members who are seeking to achieve returns which exceed those available on cash investments over the long term whilst achieving reasonable stability in returns from year to year.

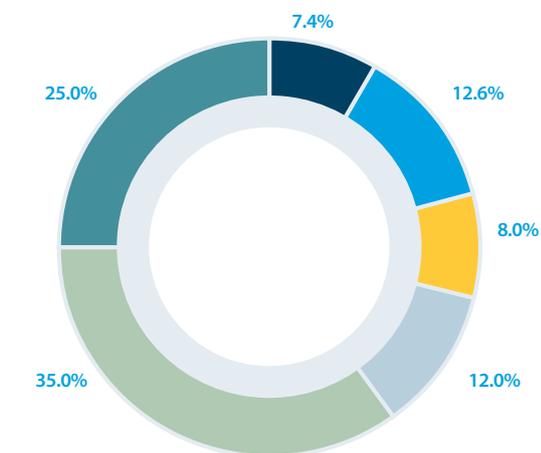
RISKS

The Cautious option is designed to reduce the chance of experiencing a negative return in any one year compared to the Aggressive or Balanced Growth options and to protect the capital value of your investment over a 12-month period.

ASSET MIX

Typically around 60% of the Cautious option is invested in diversified fixed interest securities and cash, with the remainder in shares, property and alternative assets.

The pie chart is indicative of the investment mix for this option. Actual percentages may vary from time to time.



Growth Assets

- Australian equities
- International equities
- Property

Alternative Assets*

- Alternative Assets
 - Diversity
 - Global Infrastructure
 - Global credit

Defensive Assets

- Fixed Interest securities
 - Australian
 - International
 - Inflation linked
- Cash

RETURNS

Year ended 31 December	Net return	Tax exempt return ¹	CPI increase ²
2023	6.4%	7.5%	4.1%
2022	-3.9%	-4.7%	7.8%
2021	5.6%	6.4%	3.5%
2020	3.5%	3.8%	0.9%
2019	8.8%	10.1%	1.8%
2018	1.4%	1.6%	1.8%
2017	6.5%	6.8%	1.9%
2016	5.2%	5.8%	1.5%
2015	3.4%	3.7%	1.7%
2014	7.2%	8.1%	1.7%

Notes

1. These returns are generally higher because tax is not payable on the investment earnings of an account based pension. From 1 July 2017, investment earnings for Transition to Retirement members under age 65 are taxed.
2. The increase in the Consumer Price Index (CPI) is a measure of inflation.

* The Trustee will actively review the structure of the alternative assets and will adjust the structure on a strategic basis. Accordingly from time to time, allocations to alternative assets will not be fully invested and the uninvested allocations will be held in one or more of the non-alternative asset classes.

CASH

OBJECTIVES

The investment objective of the Cash option is to achieve returns, before fees and taxes, that is equal to or higher than the RBA cash rate over rolling 1-year periods.

SUITABILITY

Members who are seeking to maintain capital stability over short time periods.

The Cash option is a conservative investment option that only invests in short-term money market securities and fixed interest securities with short durations.

It should provide lower returns than the other options over the long term and would not normally be selected as a long-term investment strategy for superannuation.

RISKS

The Cash option is designed for investors who seek to remove market risk in the short term for a specific reason and are prepared to forgo expected capital growth or higher returns.

ASSET MIX

All assets in this option are invested in an at-call account on deposit with ANZ.

The pie chart is indicative of the investment mix for this option. Actual percentages may vary from time to time.



RETURNS

Year ended 31 December	Net return	Tax exempt return ¹	CPI increase ²
2023	3.9%	4.6%	4.1%
2022	1.6%	1.9%	7.8%
2021	0.8%	0.9%	3.5%
2020	1.0%	1.1%	0.9%
2019	1.4%	1.7%	1.8%
2018	1.7%	2.0%	1.8%
2017	1.4%	1.6%	1.9%
2016	2.1%	2.5%	1.5%
2015	2.0%	2.3%	1.7%
2014	2.4%	2.8%	1.7%

Notes

1. These returns are generally higher because tax is not payable on the investment earnings of an account based pension. From 1 July 2017, investment earnings for Transition to Retirement members under age 65 are taxed.
2. The increase in the Consumer Price Index (CPI) is a measure of inflation.

INVESTMENT MANAGEMENT

ANZ Staff Super's assets held by each investment manager as at 31 December 2023 are shown in the table below. Invested assets at the end of 2023 were \$6,664.4 million.

	As at 31 December 2023	
	\$m	%
Australian Shares		
Macquarie Investment Management	958.1	14.4
Allan Gray (Australia)	216.4	3.2
Hyperion Asset Management	197.3	3.0
ANZ (Fire Finch Ltd)	0.2	0.0
International Shares		
BlackRock Investment Management	540.1	8.1
Realindex Investments	191.8	2.9
Towers Watson Australia	953.5	14.3
Vanguard Investments Australia	493.5	7.4
Australian Direct Property		
Dexus Capital Funds Management Limited	86.9	1.3
Barwon Investment Partners	117.2	1.8
Mirvac Funds Management Australia	123.7	1.8
Global Listed Real Estate		
Resolution Capital	192.0	2.9
Australian Fixed Income		
BlackRock Global Investors	567.8	8.5
Ardea Investment Management	43.5	0.6
International Fixed Income		
Colchester Global Investors	252.2	3.8
Diversity		
Fulcrum Asset Management	300.9	4.5
Private Equity		
Industry Funds Management	0.2	0.0
Global Infrastructure		
Maple Brown Abbott	85.1	1.3
North Haven Infrastructure Partners	6.1	0.1
SUSI Partners	51.0	0.8
EQT Infrastructure	0.1	0.0
Palisade Investment Partners	244.1	3.7
Ancala Partners	53.1	0.8
Global Credit		
Insight Investment Management	108.5	1.6
Westbourne Capital	17.3	0.3
Intermediate Capital Group	80.4	1.2
BlueBay Asset Management	103.7	1.5
Wellington Management Funds	99.2	1.5
Cash		
ANZ (cash deposits)	386.1	5.8
Macquarie Investment Management	154.7	2.3
Currency Hedging		
QIC Limited	39.7	0.6
Total	6,664.4	100.0

INVESTMENT MANAGER CHANGES

There are five investment manager changes across the year. ANZ Staff Super invested in:

- BlueBay Emerging Market Aggregate Bond Fund in February 2023
- Wellington Securitised Opportunities fund in April 2023.

ANZ Staff Super exited its investments in:

- Schroder Real Return Fund in February 2023
- Bridgewater All Weather Fund in October 2023
- Kinetic Investment Partners Limited in November 2023.

HEDGING POLICY

A portion of the investments in the Aggressive Growth, Balanced Growth and Cautious options is invested in international assets such as shares, fixed interest and property securities. The exposure to currency risk in these options can be managed by hedging, i.e. locking in future exchange rates using derivatives.

While the Trustee considers option level exposures to foreign currency risks, required hedging is implemented at the asset sector level. Most foreign currency exposures are fully hedged other than international developed market and emerging market equities. The foreign currency exposures that arise from holding emerging market equities are not hedged whereas developed market international equities are partially hedged.

The target developed markets foreign currency exposures are:

Investment option	Target
Aggressive Growth	30%
Balanced Growth	20%
Cautious	7.5%

There is no foreign currency exposure in the Cash option.

The Trustee's hedging policy is reviewed from time to time. Members will be advised of any future changes.

USE OF DERIVATIVES

The Trustee does not directly invest in any derivatives (such as futures and options) other than foreign exchange contracts used for hedging.

Investment managers may use derivatives in managing portfolios for the Trustee and in managing pooled investment vehicles in which the Trustee invests. Limits on the extent of derivative use are specified in the investment management agreements between the Trustee and the various investment managers.

FEES AND COSTS

Having very competitive fees and costs is just one of the member benefits that set ANZ Staff Super apart from the rest.

ANZ Staff Super's Employee, Personal, Partner and Retirement Sections are very competitive compared to those of other super funds due to our strong focus on value for members.

Membership section	Net administration fees for 2023	Investment fees and costs ³			
		Aggressive Growth option	Balanced Growth option	Cautious option	Cash option
Employee Section	0.08% ¹ p.a. of first \$500,000 invested, nil thereafter				
Employee Section C	0.08% ^{1,4} p.a. of first \$500,000 invested, nil thereafter				
Personal Section	0.16% ¹ p.a. of first \$500,000 invested, nil thereafter	0.423% or \$4.23 per \$1,000 invested	0.464% or \$4.64 per \$1,000 invested	0.365% or \$3.65 per \$1,000 invested	0.015% or \$0.15 per \$1,000 invested
Partner Section	0.16% ¹ p.a. of first \$500,000 invested, nil thereafter				
Retirement Section – Retirement income	0.13% ¹ p.a. of first \$500,000 invested, nil thereafter				
Retirement Section – Transition to retirement	0.13% ¹ p.a. of first \$500,000 invested, nil thereafter				

Other fees and costs (such as insurance premiums) may apply. For details, refer to the Product Disclosure Statement for your section available from anzstaffsuper.com or by calling ANZ Staff Super on **1800 000 086**.

Notes

- Administration fees are only charged on the first \$500,000 of assets in any account in Employee, Personal, Partner and Retirement Sections. For 2023 (and continuing in 2024), there was a fee rebate of 0.03% p.a. for the first \$500,000 invested and the fees quoted allow for this rebate. The fee rebate is reviewed annually.
- Calculated on a pro rata basis, deducted weekly by redeeming some of your units.
- Investment fees and costs include the costs of investment management such as investment manager fees and any performance fees that may be paid to investment managers, custodian fees, and indirect investment costs as well as other expenses that are not met from the fees deducted directly from member accounts. Indirect investment costs are those costs which are not paid directly out of ANZ Staff Super by the Trustee. Investment fees and costs are not deducted directly from member accounts. They are deducted from investment returns before returns are allocated to members through unit prices. Investment fees and costs change from year to year depending on actual costs incurred. Investment fees and costs are estimates. Actual costs vary from year to year. The investment fees and costs are based on the investment fees and costs for the year ended 31 December 2023 except that amounts related to performance fees are based on the average performance fees for the 5 years ended 31 December 2023. The actual amount you will be charged in subsequent years will depend on the actual investment fees and costs incurred for the relevant period. The investment fees and costs are deducted from investment earnings before the unit price is declared.
- Account management fees are not payable by Employee Section C members who are classified as Choice members for legislative purposes.

FINANCIAL INFORMATION

The following information is taken from the audited accounts for the years ended 31 December 2023 and 2022. Copies of the full audited accounts and the auditor's report are available to members on request from ANZ Staff Super. See the back page for contact details.

STATEMENT OF FINANCIAL POSITION

Statement of financial position at 31 December	2023 \$'000	2022 \$'000
Assets		
Unlisted unit trusts	6,074,268	5,348,191
Equities	309	122,343
Forward foreign exchange	46,901	4,943
Cash and cash equivalents	537,694	500,607
Receivables	12,923	18,821
Prepayments	-	191
Current tax assets	13,398	5,585
Deferred tax asset	-	1,708
Total assets	6,685,493	6,002,389
Liabilities		
Benefits payable	-	-
Creditors and accruals	2,864	2,334
Forward foreign exchange	7,196	14,723
Income tax payable	-	-
Deferred tax liability	104,644	49,513
Total liabilities	114,704	66,570
Net assets available for member benefits	6,570,789	5,935,819
Member Benefits		
Defined contribution member liabilities	6,438,611	5,815,694
Defined benefit member liabilities	11,357	12,932
Total member benefits liabilities	6,449,968	5,828,626
Equity		
Death and Disablement Reserve	36,384	34,486
Scheme Operating Reserve	34,069	30,831
Employer Funding Reserve	18,379	17,819
Defined benefit liabilities over/(under) funded	2,921	1,389
Unallocated	29,068	22,668
Total equity	120,821	107,193

INCOME STATEMENT

Income statement for the year ended 31 December	2023 \$'000	2022 \$'000
Revenue from superannuation activities		
Interest	16,054	6,229
Dividends	2,538	2,728
Trust distributions	191,544	246,497
Net remeasurement changes in assets measured at fair value	511,855	(716,754)
Other investment income	9,031	7,875
Other income	15	8
Total superannuation activities revenue	731,037	(453,417)
Expenses		
Investment expenses	28,156	26,061
Administration expenses	235	289
Total expenses	28,391	26,350
Net results from superannuation activities	702,646	(479,767)
Allocation to member benefits		
Less: net benefits allocated to defined contribution accounts	631,484	(405,413)
Less: net change in defined benefit liabilities	70	(654)
Total allocation to member benefits	631,554	(406,067)
Net results before income tax expense	71,092	(73,700)
Income tax expense	50,080	(54,295)
Net result after tax income expense	21,012	(19,405)

STATEMENT OF CHANGES IN MEMBER BENEFITS

Year ended 31 December	2023			2022		
	Defined contribution \$'000	Defined benefit \$'000	Total \$'000	Defined contribution \$'000	Defined benefit \$'000	Total \$'000
Opening balance of member benefits	5,815,694	12,932	5,828,626	6,161,879	15,309	6,177,188
Contribution revenue						
Employer contributions	285,612	-	285,612	263,339	-	263,339
Member contributions	38,037	-	38,037	38,581	-	38,581
Government co-contributions	89	-	89	121	-	121
Transfers in	60,906	-	60,906	75,427	-	75,427
Income tax on contributions	(44,938)	-	(44,938)	(41,149)	-	(41,149)
Net after tax contributions	339,706	-	339,706	336,319	-	336,319
Benefits paid						
Benefits paid	(354,587)	(1,645)	(356,232)	(277,115)	(1,723)	(278,838)
Tax benefit from anti detriment	-	-	-	-	-	-
Net benefits paid	(354,587)	(1,645)	(356,232)	(277,115)	(1,723)	(278,838)
Insurance						
Insurance premiums charged to member accounts	(9,222)	-	(9,222)	(9,171)	-	(9,171)
Claims credited to member accounts	14,153	-	14,153	7,819	-	7,819
Tax benefit from insurance premiums	1,383	-	1,383	1,376	-	1,376
Net insurance (cost)/benefit	6,314	-	6,314	24	-	24
Benefits allocated to member accounts						
Comprising:						
New investment earnings allocated	637,452	-	637,452	(399,321)	-	(399,321)
Administration fees deducted	(5,968)	-	(5,968)	(6,092)	-	(6,092)
Net change in defined benefit member accrued benefits	-	70	70	-	(654)	(654)
Net income	631,484	70	631,554	(405,413)	(654)	(406,067)
Net benefits transferred to reserves	-	-	-	-	-	-
Closing balance of member benefits	6,438,611	11,357	6,449,968	5,815,694	12,932	5,828,626

RESERVES AND ACCOUNTS

Five types of reserves or accounts are held within ANZ Staff Super for efficient financial management. They are:

1. The Scheme Operating Reserve (SOR). This is part of the financial management of ANZ Staff Super, and may be used in certain circumstances to address operational risk events or claims against ANZ Staff Super arising from operational risk events. Under APRA Prudential Standard SPS114 Operational Risk Financial Requirement, the Trustee is required to hold adequate financial resources to address losses arising from operational risks. These financial resources are held in the Scheme Operating Reserve and exceed the level required by the prudential standard.
2. The Death and Disablement Reserve (DDR) operates as a reserve to manage the cashflows relating to the death and Total and Permanent Disablement cover provided through ANZ Staff Super.
3. The Employer Funding Reserve (EFR) is also part of the financial management of ANZ Staff Super.
4. The Unallocated Transfer Reserve (UTR) relates to monies transferred from other ANZ staff superannuation schemes which were not allocated to transferring members. There is currently no money in the UTR.
5. The Pension Section Account (PSA) relates to assets transferred from the ANZGROUP (Australia) Staff Pension Scheme to finance the benefits paid to pensioner beneficiaries. As at 31 December 2023, there were 79 lifetime pensioners in ANZ Staff Super.

Reserve and account balances at 31 December

Year	SOR \$m	DDR \$m	EFR \$m	PSA \$m
2023	34.1	36.4	18.4	14.3
2022	30.8	34.5	17.8	14.3
2021	33.0	43.2	20.1	17.3
2020	29.3	43.4	18.7	17.1
2019	28.2	48.3	21.2	18.1
2018	24.1	45.3	18.9	16.6
2017	24.4	49.7	19.4	19.2
2016	22.1	49.3	18.0	19.2
2015	20.5	49.8	17.7	20.4

These reserves and accounts do not affect the pricing of units or the investment earnings on members' accounts.

GOVERNANCE

Your Trustee is ANZ Staff Superannuation (Australia) Pty Limited, which is responsible for the operation and management of ANZ Staff Super.

The Board of the Trustee has eight Directors, four elected by members and four appointed by ANZ.

The Board has an excellent mix of skills and experience to oversee the operations and management of ANZ Staff Super and represent member interests.

YOUR TRUSTEE DIRECTORS AT 31 DECEMBER 2023

ANZ REPRESENTATIVE DIRECTORS:



Janet Torney
Non-Executive Director



Anne Flanagan
Non-Executive Director



Margot Dargan
Non-Executive Director



Darren Tarraran
Chief Operating Officer,
Global Markets

MEMBER REPRESENTATIVE DIRECTORS:



Robert Sparrow
Head of Business Solutions



Janelle Mason
Non Executive Director



Glenn Phillips
Director, Financial
Institutions Group, Banks



Rebecca Noonan
CSO Compliance Lead
BG&C

CHANGES IN 2023

Anne Flanagan acted as Chair from 1 January to 6 June 2023. Janet Torney then took the role of Chair from 7 June 2023.

Darren Tarraran replaced Adrian Went as an ANZ representative director on 2 December 2023. The Board sincerely thanks Adrian for his valuable contribution during his time on the Board.

A member-representative election was held as the terms of office of Adam Vise and Rob Sparrow expired on 30 June 2023. Adam did not stand for re-election. Rob Sparrow was re-elected and Rebecca Noonan was elected effective 1 July 2023 for a four year term. The Board congratulates Rob and Rebecca on their election and sincerely thanks Adam for his valuable contribution to the Board during his time in office.

BOARD MEETING ATTENDANCE FOR 2023

Trustee Director	Possible number of Board meetings*	Number of Board meetings attended**
Janet Torney	4	4
Anne Flanagan	6	6
Janelle Mason	6	6
Gary Newman	2	2
Glenn Phillips	6	6
Robert Sparrow	6	6
Adam Vise	3	3
Adrian Went	6	6
Rebecca Noonan	3	3

* Directors also attend committee meetings as required.

** Where a Director is unable to attend a Board meeting, his or her alternate Director usually attends the meeting.

CORPORATE GOVERNANCE

The Trustee is committed to maintaining the highest standards of corporate governance practice and ethical conduct in undertaking its responsibilities to manage ANZ Staff Super on behalf of its members.

The Trustee uses the collective skills and experience of its Directors to efficiently and soundly manage and monitor the operations and performance of ANZ Staff Super. The Trustee has a Risk, Audit and Compliance Committee to assist the Board in fulfilling its accounting, audit and statutory reporting responsibilities, overseeing compliance with its Trust Deed and Rules, relevant legislation and prudential standards, and discharging its risk management responsibilities.

Key governance issues considered by the Trustee include:

- corporate structures, processes, policies and conduct;
- prudential measures such as information security, fraud prevention, insurance and business resilience;
- monitoring of service providers including the administrator and investment managers;
- risk management;
- legislative and regulatory compliance; and
- communication with members and other stakeholders.

GROUP SUPERANNUATION'S ROLE

ANZ Group Superannuation is responsible for managing ANZ Staff Super's relationship with its service providers. ANZ Group Superannuation also supports the Trustee by overseeing member communication and education, compliance and governance, risk management, investment services and statutory requirements.

INDEMNITY INSURANCE

The Trustee has indemnity insurance to cover ANZ Staff Super and Directors in case of a loss due to a claim against the Trustee. The insurance is designed to cover a financial loss incurred as a result of an honest mistake that may occur in operating the Scheme. It does not cover the Directors for claims resulting from intentional or reckless neglect or dishonest conduct.

OTHER INFORMATION

ENQUIRIES

You can call ANZ Staff Super with any enquiry about your account or the Scheme on **1800 000 086**. You can also access your account information via our website at **anzstaffsuper.com**.

Most member enquiries can be easily answered by ANZ Staff Super service representatives over the phone. In some cases, you may be asked to put your enquiry in writing and provide contact details for a reply. Enquiries will generally be answered within a few days.

Our website includes a range of articles and educational material, including product dashboards, certain details about the Trustee and documents relating to ANZ Staff Super. For the product dashboards, go to **anzstaffsuper.com**, and select 'Documents' and for the Trustee details and Scheme documents go to **anzstaffsuper.com** and select 'Trustee Information'.

COMPLAINTS

If you have an issue or concern regarding ANZ Staff Super you can outline your concerns in writing to the Trustee and the matter will be investigated in accordance with our inquiries and complaints handling procedure.

Up to 31 May 2024: **From 1 June 2024:**

ANZ Staff Super	ANZ Staff Super
GPO Box 4303	GPO Box 2139
Melbourne VIC 3001	Melbourne VIC 3001

The Trustee will advise you in writing of its decision.

If your complaint is not resolved to your satisfaction by our internal procedures within 45 days, you can contact the Australian Financial Complaints Authority (AFCA):

You can contact the AFCA by phoning **1800 931 678** (toll free), or email afca.org.au or by visiting its website at **www.afca.org.au**.

ACCESS YOUR ACCOUNT INFORMATION AT ANZSTAFFSUPER.COM

TRANSFER OF ACCOUNTS TO THE ATO

If you are an employee member ceasing employment with ANZ or a Personal Section member with a benefit less than \$7,500, you will have up to 30 days to decide what to do with your benefit. If your payment instructions are not received within 30 days, your benefit will be transferred to the Australian Taxation Office (ATO).

If your benefit is transferred to the ATO, you will no longer be a member of ANZ Staff Super and you will need to contact the ATO to access your benefit. Any insurance cover you had as an Employee Section or Personal Section member will cease by the time your benefit is transferred to the ATO.

If your benefit is \$7,500 or more it will be transferred to the Personal Section (previously known as the RBA Section) of ANZ Staff Super.

LOW BALANCE, INACTIVE ACCOUNTS

If your account balance is less than \$6,000 on 30 June or 31 December and a contribution or roll in has not been made to your account in the previous 16 months, government legislation may require us to classify your account as an 'inactive low-balance account'. Accounts with an amount owing to ANZ Staff Super are considered to be active.

If your account remains inactive, we will be required to transfer your account balance to the ATO. The ATO will then seek to consolidate this account balance to another active account of yours where possible. We will seek to contact you before your account is transferred to the ATO to give you an opportunity to retain your account with ANZ Staff Super.

SERVICE PROVIDERS

The Trust Deed permits the Trustee to appoint independent specialists to assist with the management and operation of ANZ Staff Super. The Trustee has appointed the following professional firms to provide services to it:

Member Services	Mercer Outsourcing (Australia) (ceasing 31 May 2024) Australian Administration Services Pty Limited (AAS) (commencing 1 June 2024)
Actuary	Willis Towers Watson
Investment Adviser	Willis Towers Watson
Insurer	Zurich Australia Limited
Legal Adviser	KHQ Lawyers
Master Custodian	JP Morgan
Auditor	KPMG
Accounting	Sharyn Long Chartered Accountants
Communications	Infinite Communication

CONTACT DETAILS

UNTIL 31 MAY 2024



Postal address:
ANZ Staff Super
PO Box 4303
Melbourne VIC 3001



Phone
1800 000 086

Outside Australia
+61 3 8687 1829



Email
anzstaffsuper@superfacts.com



Website
anzstaffsuper.com

Australian Financial Complaints Authority
1800 931 678

Australian Taxation Office
Superannuation Help Line 13 10 20

FROM 1 JUNE 2024

ANZ Staff Super
PO Box 2139
Melbourne VIC 3001

1800 000 086

+61 2 8571 6789

enquiry@anzstaffsuper.com

anzstaffsuper.com