

Brighter Super Annual Financial Report

For the year ended 30 June 2025



SUPERANNUATION | INVESTMENT | ADVICE | INSURANCE

right by your side

Contents

Directors' Report	3
Auditor independence declaration	13
Consolidated statement of financial position	14
Consolidated income statement	15
Consolidated statement of changes in member benefits	16
Consolidated statement of changes in reserves	18
Consolidated statement of cash flows	19
Notes to and forming part of the financial statements	
Note 1. General information	20
Note 2. Summary of material accounting policies	20
Note 3. Operation of the Fund	25
Note 4. Net change in fair value of financial instruments	25
Note 5. Direct investment expenses	26
Note 6. Administration expenses and depreciation	26
Note 7. Investments and derivatives	27
Note 8. Receivables/unsettled trades	33
Note 9. Payables/unsettled trades	33
Note 10. Member liabilities	33
Note 11. Insurance arrangements	36
Note 12. Reserves	36
Note 13. Income tax	37
Note 14. Cash flow statement reconciliation	39
Note 15. Financial instruments and risk management	40
Note 16. Structured entities	47
Note 17. Auditors' remuneration	47
Note 18. Related parties	48
Note 19. Commitments and contingent liabilities	51
Note 20. Zurich successor fund transfer	52
Note 21. Significant events post balance date events	52
Note 22. Parent entity financial information	53
Trustee's declaration	54
Independent Auditor's report on financial statements	55

This Annual Report has been produced by Brighter Super Trustee ABN 94 085 088 484 AFS Licence No. 230511 as trustee for Brighter Super ABN 23 053 121 564 and provides general information for Brighter Super members. Current information about investment performance and other issues will be published on our website and in our newsletters. We will send you a printed copy at your request.

Directors' Report

The directors of Brighter Super Trustee (the 'Trustee'), as trustee of Brighter Super (the 'Fund') present their report together with the financial statements of the Fund for the financial year ended 30 June 2025.

Principal activity

On 1 July 2024, LGIAsuper Trustee as trustee for LGIAsuper, changed its legal name to Brighter Super Trustee as trustee for Brighter Super. All references relating to LGIAsuper have been amended to Brighter Super.

The principal activity of the Fund is providing superannuation and retirement benefits. The Fund is a hybrid fund providing services for defined contribution, defined benefit, market linked and guaranteed pension products. In addition, the Fund provides members with life and income protection insurance products through a combination of the Fund's group insurance arrangements and retail insurance products in partnership with life insurers.

There were no significant changes in the nature of activities during the year.

Review of operations

Operating results and investment earnings

We are pleased to present the results for the 30 June 2025 Financial Year where the results from Superannuation activities is up 27% for the year. Net benefits allocated to member benefits was \$3.2B for defined contribution (including pension) members, while \$214M was allocated to defined benefit member benefits, which also includes adjustments for increased benefits allocated to this cohort. The results from superannuation activities were as follows:

	2025 \$'000	2024 \$'000
Superannuation activities		
Total net income	3,719,465	2,974,429
Total expenses	208,451	211,606
Results from superannuation activities before income tax expense	3,511,014	2,762,823
Income tax (expense)/benefit	(167,498)	(137,657)
Results from superannuation activities after income tax expense	3,343,516	2,625,166
Net benefits allocated to defined contribution members	3,165,426	2,513,060
Net change in defined benefit member benefits	214,024	82,449
Operating result after income tax	(35,934)	29,657

Total net income increased 25% from the prior year to \$3.72B, primarily driven through a combination of a 9% increase in the Funds' assets under management and over 10% in performance returns for the year. The Fund's performance returns benefited largely from strong performance in the Australian and International equity markets. The MySuper, Balanced and Growth investment options delivered high single digit and double-digit investment returns for the year, beating peer industry medians.

Total expenses for the year reduced to \$208M, down 1% from the prior year largely benefiting from a reduction in the Amortisation of intangible assets. Included in Total expenses are Administration expenses, up 4.7% to \$87.4M while Investment expenses were up 10% in line with the underlying growth of the Fund's assets under management.

During the year, a full triennial valuation of the defined benefit plans as at 30 June 2024 was completed, and the defined benefit schemes were found to be well funded to meet defined benefit entitlements.

Directors' Report (continued)

Review of operations (continued)

Investment performance

The Fund delivered strong option investment performances for the year with all our ready-made multi-manager investment options beating the relevant SuperRatings SR Index medians, except for Secure which was broadly in-line. The table below summarises the 1-year performance against the relevant SuperRatings Index:

Investment Options	30 June 2025 1 year return	30 June 2025 1 year median*
MySuper	10.89%	10.51%
Growth	11.65%	11.40%
Balanced	10.54%	10.34%
Conservative Balanced	9.16%	8.83%
Capital Stable	7.53%	7.40%
Secure	5.15%	5.16%

**Based on the 30 June 2025 1-year super fund rankings and median returns of the SuperRatings SR 50 MySuper Index, SR 50 Growth Index, SR 50 Balanced Index, SR 25 Conservative Balanced Index, SR 50 Capital Stable Index and SR25 Secure Index.*

Member outcomes

The Trustee conducted its annual Member Outcome Assessment in February 2025 and determined that the financial interests of members are being promoted by the Trustee. The Fund passed the 2025 Your Future Your Super performance test, scoring 0.25% above the benchmark which was a 7-basis point improvement from the previous year. The assessment also concluded that the Fund's overall investment fees and performance fees were competitive and the Fund continued to deliver high levels of member services.

Administration fees and product changes

Administration fees charged to members decreased 22% to \$64.3M during the year reflecting the lowering of our product administration fees and administration fee caps from 1 January 2025.

During the period Brighter Super launched the new Retire Easy Pension product and selected TAL Life Limited, following a competitive market process, to jointly develop a new lifetime income stream product to launch to market in March 2026. This appointment leverages the existing partnership with TAL as both insurer and administrator of risk only and legacy products.

Custody transition

On 2 September 2024 the Fund's custodian and investment administration services transitioned from National Australia Bank Ltd to State Street Australia Limited.

Zurich successor fund transfer

On 1 August 2024 the Brighter Super Trustee board approved the successor fund transfer of approximately 61,000 members of the Zurich OneCare Super and Wealth Protection insurance risk only products from the Smart Future Trust. The transfer was completed on 1 October 2024. Zurich Financial Services Limited was appointed as the Fund administrator and insurer for these products and is a material outsourced provider to the Fund. Benefits from this successor fund transfer includes realising increasing benefits from scale which has helped to reduce fees for all Brighter Super members as noted in *Administration fees and product changes*.

Contributions, transfers, rollouts and benefit payment cashflows

Employer and member contributions and transfers in from other funds increased by 20% to \$2.7B through higher Employer contributions (up 9%), Member contributions (up 36%) and transfers in from other funds (up 40%). These were offset by \$2.7B in outflows driven by a 24% increase in member benefit payments and rollouts to other funds, which remained flat to last year's roll outs.

These improved contributions and flat rollouts reflect the benefits achieved from greater focus on inorganic and organic growth initiatives including delivery of our signature member education and advisory initiatives, continuing to invest in partnerships with Independent Financial Advisers and investment in our technology and service delivery which decreased processing times through increased straight through processing and a reduction in complaints.

Directors' Report (continued)

Review of operations (continued)

Environmental, sustainability and governance

During the last year we continued to uplift our climate reporting with now 80% of our portfolio covered with the addition of Corporate Bonds and several of our unlisted investments being covered.

At the end of June 2024 Brighter Super had met its committed target of reducing carbon emissions intensity on our listed equities portfolio by 30% from 2021/22 to 2023/24. The Fund has set new targets including a further reduction in emission intensity in listed equities and to invest in renewable energy infrastructure, these new targets will be disclosed in the 2025 Brighter Super Sustainability Report.

The 2025 Brighter Super Sustainability Report will be published and made available at Brightersuper.com.au later this year.

The Fund has established its inaugural Innovate Reconciliation Action Plan (RAP) to appropriately recognise and support First Nation peoples, communities and members. In November 2024 Brighter Super published its Innovate RAP 2024 to 2026.

Queensland asset strategy

The investment landscape of Queensland continues to present exciting opportunities. The Fund has identified the strategic importance of identifying and allocating capital to meaningful Queensland assets and projects that ultimately drive solid performance to members and create positive impacts to Queensland and its community. This is particularly important with 85% of the Fund's assets owned by our Queensland members. The strategy commits a further \$500M to invest in Queensland assets, a 50% increase to the \$1B already invested. During the period, a number of key investment commitments were made including \$100 million towards Queensland real estate assets through Barings, \$75 Million towards Queensland agriculture and water assets through the Riparian Water Fund and \$50 million towards Queensland innovation startups via Queensland Investment Corporation (QIC).

Sale of subsidiary, ongoing review service portfolio and referral partnership

On 30 May 2025, Globe Hold Co Pty Ltd, a wholly owned subsidiary of the Fund, completed the sale of SPSSL Limited to Coolum Capital Pty Limited via a share sale agreement to an external party for 100% ownership of SPSSL Limited.

Following a strategic review of Brighter Super's financial advice offering, ESI Financial Services, a wholly owned subsidiary of the Fund, completed the divestment for 100% of the current on-going financial advice service agreements it had in place to Financial Advice Matters. The effective date of the sale was 13 June 2025. ESI Financial Services will no longer provide an ongoing review service.

The Fund has also entered a one-year exclusive referral agreement with Financial Advice Matters as Brighter Super's referral partner for members who have complex financial advice needs that cannot be supported by the Fund.

Changes in state of affairs

There were no other significant changes in the state of affairs of the Fund that occurred during the financial year.

Events since the end of the financial year

The Brighter Super Trustee has approved the successor fund transfer of approximately 67,000 members of the OnePath insurance risk only and legacy products from the Retirement Portfolio Service. The transfer is expected to occur on 1 October 2025. As a result of the transfer, Zurich Australia Limited will act as the Fund administrator, continue as the insurer for these products, and continue as a material outsourced provider to the Fund.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected the Fund's operations, results or state of affairs, or may do so in future years.

Likely developments and expected results of operations

There are no likely developments as at the date of this report.

Environmental regulation and performance

The operations of the Fund are not currently subject to any particular or significant environmental regulation under any law of the Commonwealth of Australia or any of its states and territories.

Directors' Report (continued)

Audit and non-audit services

Brighter Super Trustee appointed Ernst & Young (EY) as the external auditor of the Fund for the current financial year. For the previous financial year, PricewaterhouseCoopers Australia (PwC) were the appointed external auditor of the Fund.

Details of the amounts paid or payable to the auditors for audit or non-audit services during the year are disclosed in note 17.

The directors of the Trustee, in accordance with the advice provided by the Finance and Audit Committee, are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. No non-audit services were provided by the auditor during the year.

For the provision of non-audit services by the auditors, the directors ensure they do not compromise the auditor independence requirements of the *Corporations Act 2001*:

- All non-audit services are reviewed by the Finance and Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor, and
- All services are reviewed to ensure the services do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 13.

Rounding of amounts to the nearest thousand dollars

Amounts in the directors' report and the financial statements are rounded to the nearest thousand dollars, in accordance with *Australian Securities and Investments Commission Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

Directors' Report (continued)

Remuneration Report

The directors present the Fund's remuneration report for the year ended 2025, outlining key aspects of our remuneration policies and framework, and remuneration awarded this year. The Remuneration Report forms part of the Directors' Report and has been audited in accordance with section 300C of the *Corporations Act 2001*. The Remuneration Report details the remuneration arrangements for the Key Management Personnel (KMP) of the Fund which include those persons who, directly or indirectly, have authority and responsibility for planning, directing, and controlling the major activities of the Fund. For the Fund this includes the Board of Directors, Specialist Advisors, and executive key management personnel.

(a) Key management personnel

Name	Role	Term as KMP
Directors		
Mr J Smith	Independent chair	Full financial year
Mr R Dewhurst	Independent	Full financial year
Mr R Burton PSM	Member representative	Full financial year
Mr M Jamieson	Employer representative	Ceased 4 March 2025
Mr G Hallam AM PSM	Employer representative	Full financial year
Ms T Dyson	Employer representative	Full financial year
Ms J Thomas	Member representative	Ceased 24 January 2025
Ms M Collopy	Employer representative	Full financial year
Mr H Capra	Member representative	Full financial year
Ms N Traill	Member representative	Full financial year
Mr C O'Neill	Employer representative	Appointed 4 March 2025
Ms R Girard	Member representative	Appointed 1 April 2025
Specialist Advisors		
Mr J Wilson	Specialist Advisor Investment Committee	Full financial year
Mr R Wood	Specialist Advisor Investment Committee	Full financial year
Mr P Kazacos OAM	Specialist Advisor Technology Oversight Committee	Full financial year
Other executive key management personnel		
Ms K Farrar	Chief Executive Officer (CEO)	Full financial year
Mr G Hollier	Chief Financial Officer (CFO)	Ceased 14 February 2025
Mr T Strong	Interim Chief Financial Officer (ICFO)	Appointed 17 February 2025 / Ceased 20 May 2025
Mr P Jodas	Chief Financial Officer (CFO)	Appointed 14 April 2025
Mr R Gajanayake	Chief Technology Officer (CTO)	Full financial year
Mr S Chan	Chief Risk Officer (CRO)	Full financial year
Ms L Kay	Chief Member Officer (CMO)	Full financial year
Mr S Marteene	Chief Commercial Officer (CCO)	Full financial year
Mr M Rider	Chief Investment Officer (CIO)	Full financial year
Mr J Gyton	Chief Operating Officer (COO)	Full financial year
Ms A Kelsall	Chief People Officer (CPO)	Ceased 10 January 2025
Ms L Behrendt	Chief People Officer (CPO)	Appointed 13 January 2025 ¹
Mr B Ingram	Company Secretary (CS)	Full financial year

1. Ms L Behrendt was appointed Interim Chief People Officer effective 13 January 2025 and was promoted to Chief People Officer effective 31 March 2025.

(b) Remuneration expenses

The following tables show details of the remuneration expenses recognised for the directors of the Fund's trustee and other executive key management personnel including specialist advisors, for the period measured in accordance with the requirements of the accounting standards.

Directors' Report (continued)

(b) Remuneration expenses (continued)

Name	Short-term			Long-term		Post-employment		Total ⁶
	Salary and fees	Cash bonus	Other	Long service ⁷ leave	Cash bonus ⁹	Superannuation	Termination benefits	
Directors								
Mr J Smith	192,136	-	-	-	-	23,056	-	215,192
Mr R Dewhurst	120,226	-	-	-	-	-	-	120,226
Mr R Burton PSM	100,835	-	-	-	-	12,100	-	112,935
Mr M Jamieson	66,900	-	-	-	-	8,028	-	74,928
Mr G Hallam AM PSM	89,200	-	-	-	-	10,258	-	99,458
Ms T Dyson	100,835	-	-	-	-	11,596	-	112,431
Ms J Thomas ¹	80,465	-	-	-	-	-	-	80,465
Ms M Collopy	89,200	-	-	-	-	10,258	-	99,458
Mr H Capra	106,653	-	-	-	-	12,265	-	118,918
Ms N Traill	83,383	-	-	-	-	9,589	-	92,972
Mr C O'Neill	29,733	-	-	-	-	3,419	-	33,152
Ms R Girard ²	27,351	-	-	-	-	-	-	27,351
Total remuneration	1,086,917	-	-	-	-	100,569	-	1,187,486
Specialist Advisors								
Mr J Wilson ³	48,952	-	-	-	-	-	-	48,952
Mr R Wood	44,500	-	-	-	-	-	-	44,500
Mr P Kazacos OAM ⁴	36,713	-	-	-	-	-	-	36,713
Total remuneration	130,165	-	-	-	-	-	-	130,165
Other executive key management personnel								
Ms K Farrar	667,772	-	-	37,549	108,069	30,813	-	844,203
Mr G Hollier	276,075	-	-	17,352	-	28,143	-	321,570
Mr T Strong	77,257	-	-	-	-	8,772	-	86,029
Mr P Jodas ⁵	93,879	-	10,000	126	-	10,175	-	114,180
Mr R Gajanayake	298,273	45,201	-	14,817	-	30,124	-	388,415
Mr S Chan	351,103	51,170	-	19,127	-	30,137	-	451,537
Ms L Kay	343,355	58,928	-	13,399	-	30,140	-	445,822
Mr S Marteene	334,219	59,069	-	18,193	-	30,140	-	441,621
Mr M Rider	453,161	115,293	-	6,164	-	30,200	-	604,818
Mr J Gyton	370,575	55,336	-	11,103	-	30,149	-	467,163
Ms A Kelsall	149,619	-	-	-	-	24,564	220,835	395,018
Ms L Behrendt	153,762	21,038	-	218	-	16,124	-	191,142
Mr B Ingram	318,652	38,100	-	20,776	-	30,120	-	407,648
Total remuneration	3,887,702	444,135	10,000	158,824	108,069	329,601	220,835	5,159,166

- Ms J Thomas is a Member representative elected director and \$80,465 attributable to the services of Ms J Thomas during the year were paid directly to The Services Union.
- Ms R Girard is a Member representative elected director and \$27,351 attributable to the services of Ms R Girard during the year were paid directly to The Services Union.
- Mr J Wilson is a Specialist Advisor and \$48,952 attributable to the services of Mr J Wilson during the year were paid directly to Jacob Williams Pty Ltd.
- Mr P Kazacos OAM is a Specialist Advisor and \$36,713 attributable to the services of Mr P Kazacos during the year were paid directly to Kazacos.ai Pty Ltd.
- Mr P Jodas received a \$10,000 relocation allowance recorded within other remuneration.
- No non-monetary benefits were provided to KMP.
- Long service leave represents the additional accrual for the period.
- No key management personnel appointed during the period received a payment as part of their consideration for agreeing to hold the position.
- \$76,040 was paid on 9 September 2025, the remaining amount represents the long-term deferred cash bonus recognised in the current year.

Directors' Report (continued)

(c) Remuneration policies

The People and Culture Committee is made up of five directors. The committee recommends and the board approves the remuneration policy and structure at least every two years to ensure it remains aligned to business needs, and meets the Fund's remuneration principles. From time to time, the committee also engages external remuneration consultants to assist with this review. In particular, the board aims to maintain remuneration policies that:

- align with the Trustee's business plan, strategic objectives and risk management framework;
- promote effective management of both financial and non-financial risks;
- promote performing its duties and exercising its powers in the best financial interests of beneficiaries; and
- support the prevention and mitigation of conduct risk.

The remuneration policies are designed to ensure that remuneration decisions across the Fund are consistent. The remuneration policies set out the following elements:

- to ensure fairness, remuneration decisions will consider objective criteria, will be administered through structured and authorised processes and will have the requisite oversight as required under APRA standards;
- job evaluation and external remuneration benchmarking will be adopted to provide an objective and industry-specific framework for the consideration of the Fund's remuneration position;
- remuneration decisions consider individual merit and will reward differently based on employee performance and competency; and
- the Fund's remuneration position will ensure compliance with all legislative requirements and will demonstrate a commitment to maintaining wage equality.

(d) Elements of remuneration

i) Fixed annual remuneration

Executives may receive their fixed remuneration as cash, or cash with non-monetary benefits. Fixed annual remuneration is reviewed annually, or on promotion. It is benchmarked against market data for comparable roles in other superannuation funds with similar funds under management. The committee aims to position executives at or near the median, with flexibility to take into account capability, experience, value to the Fund and performance of the individual.

Superannuation is included in the fixed annual remuneration for all executives.

ii) Variable remuneration

Maximum opportunity

The maximum annual incentive opportunities under the respective remuneration policy are:

- CEO 30% of fixed remuneration;
- CIO 30% of fixed remuneration;
- CCO 20% of fixed remuneration;
- CMO 20% of fixed remuneration; and
- other executive KMP 15% of fixed remuneration.

Performance metrics

In assessing performance both quantitative and qualitative factors are considered to determine the overall achievement over the financial year. The overall achievement of the annual incentive award is assessed on the following criteria:

- Organisational performance: 40%
- Individual performance: 40%
- Individual behaviours: 20%

Directors' Report (continued)

(d) Elements of remuneration (continued)

The following gateways must be achieved to be eligible for the annual incentive award.

Gateways	Measures
Organisational compliance	Executives must demonstrate the Fund's policies, frameworks, values, standards, and procedures in the way they work. Executives are required to meet all training and assessment requirements for their position.
Regulatory compliance	Executives are required to meet all of the Fund's legislative and regulatory obligations.
Conduct	Executives must demonstrate the Fund's code of conduct and principles in the way they work.

Outcomes of organisational performance are based on the Fund's scorecard for performance and risk measures, which is developed as part of the strategy and business plan at the start of the performance year. The Fund's scorecard for the financial year is:

Area	Measures
Investment performance	Delivering strong returns to our members Measured by our investment returns, Your Future Your Super Returns and peer relative returns
Members	Strengthening our brand and member growth Measured by Net Promoter Score, number of members and advice coverage
Operations	Strengthening our operations and offerings Measured by funds under management, number of complaints raised and engagement with our risk culture employee survey
People	Creating organisational health Engagement with our Organisation Health Index employee survey
Financial performance	Delivering our members sustainable financial outcomes Measured by administration costs per members and administration costs in relation to administration fees

The individual performance and behaviours are assessed separately for each individual executive.

Delivery of variable remuneration

The annual incentive is delivered as a cash bonus for eligible executives. Annual incentives earned for the financial year ended 30 June 2025 that are not subject to deferral were paid on 9 September 2025.

For the CEO, 40% of the eligible annual incentive was paid in cash on 9 September 2025, the remaining 60% of the CEO's total annual incentive is deferred over a period of six years, vesting on a pro-rata basis in three equal instalments after four, five, and six years.

Forfeiture and termination

Conduct gateways apply which can reduce annual incentive outcomes (down to nil). Any deferred annual incentive arrangement is subject to malus and clawback criteria. Where an eligible employee terminates their employment within the performance year or where the employment comes to an end before the annual incentive award payment date, the employee will not be eligible to receive the annual incentive award that would have been otherwise payable. The board has the discretion to grant any annual incentive award payment in circumstances where the employment comes to an end before the annual incentive award payment is due.

Directors' Report (continued)

(e) Performance based remuneration granted and forfeited during the year

The following table shows the annual incentive that KMP were awarded and how much was forfeited based on the satisfaction of the performance metrics and service conditions.

Name	Title	Maximum cash bonus \$	Awarded %	Forfeited %	Vested \$	Maximum ¹ yet to vest \$	Years in which remainder of cash bonus will be paid
Ms K Farrar	Chief Executive Officer	195,773	97%	3%	76,040	114,060	FY 2028 FY 2029 FY 2030
Mr G Hollier ²	Chief Financial Officer	66,743	0%	100%	-	N/a	N/a
Mr T Strong ³	Interim Chief Financial Officer	-	N/a	N/a	N/a	N/a	N/a
Mr P Jodas ⁴	Chief Financial Officer	-	N/a	N/a	N/a	N/a	N/a
Mr R Gajanayake	Chief Technology Officer	45,201	100%	0%	45,201	N/a	N/a
Mr S Chan	Chief Risk Officer	51,170	100%	0%	51,170	N/a	N/a
Ms L Kay	Chief Member Officer	69,327	85%	15%	58,928	N/a	N/a
Mr S Marteene	Chief Commercial Officer	69,493	85%	15%	59,069	N/a	N/a
Mr M Rider	Chief Investment Officer	135,638	85%	15%	115,293	N/a	N/a
Mr J Gyton	Chief Operating Officer	55,336	100%	0%	55,336	N/a	N/a
Ms A Kelsall ²	Chief People Officer	49,519	0%	100%	-	N/a	N/a
Ms L Behrendt ⁵	Chief People Officer	24,750	85%	15%	21,038	N/a	N/a
Mr B Ingram	Company Secretary	44,824	85%	15%	38,100	N/a	N/a

1. The minimum value of the deferred compensation that is yet to vest is nil. Deferred annual incentive vests in instalments after four years as disclosed above.
2. Mr G Hollier and Ms A Kelsall were not eligible for an annual incentive award as their employment was terminated before the end of the performance year and therefore the entire amount was forfeited.
3. Mr T Strong was not eligible for annual incentive award on the secondment arrangement.
4. Mr P Jodas was not eligible for annual incentive award as the minimum service requirement within the performance year was not met given appointment occurred in April 2025.
5. Ms L Behrendt was only eligible for annual incentive award on a pro rata basis from her appointment date.

The annual incentive awards were awarded on 9 September 2025.

(f) Contractual arrangements

During the financial year, the following new contracts for services were negotiated between the Fund and a member of KMP.

Name	Base fee/fixed remuneration	Other monetary entitlements	Employment terms	Variable remuneration
C O'Neill	\$89,200	Not applicable	Director, Employer representative	Not applicable
R Girard	\$89,200	Not applicable	Director, Member representative	Not applicable
Tim Strong	\$355,965	Not applicable	Secondment (3 months)	Not applicable
Lisa Behrendt	\$330,000	Not applicable	Secondment (2 months)	Not applicable
Lisa Behrendt	\$330,000	Not applicable	Executive contract	Entitled to an annual incentive based on the achievement of the Fund, function and individual outcomes over a 12-month period.
Patrick Jodas	\$415,000	\$10,000 relocation allowance	Executive contract	Entitled to an annual incentive based on the achievement of the Fund, function and individual outcomes over a 12-month period.

Directors' Report (continued)

(g) Directors and Specialist Advisor remuneration

Directors and Specialist Advisors receive a board role fee and fees for chairing or participating on board committees. They do not receive performance-based compensation or retirement allowances. The fees are inclusive of superannuation. All Directors and Specialist Advisors are reimbursed for reasonable expenses incurred when conducting business on behalf of the Fund.

Fees are reviewed annually by the board taking into account comparable roles and market data provided by the board's independent remuneration adviser. The current based fees were reviewed with effect from 1 July 2024.

All Directors and Specialist Advisors enter into a service agreement with the Trustee in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of the Director or Specialist Advisors.

[End of remuneration report]

This report is signed in accordance with a resolution of directors,



John Smith

Chair

22 September 2025

Brisbane



Michelene Collopy

Director



**Shape the future
with confidence**

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Auditor's independence declaration to the directors of Brighter Super

As lead auditor for the audit of the financial report of Brighter Super for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Brighter Super and the entities it controlled during the financial year.

Ernst & Young

Maree Pallisco
Partner
22 September 2025

Consolidated statement of financial position as at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Assets			
Cash at bank	14	231,144	222,368
Custodial held cash	7	2,809,333	3,305,707
Receivables/unsettled trades	8	157,148	186,513
Fixed interest securities	7	1,139,625	505,014
Listed equity investments and trusts	7	20,150,056	17,768,814
Derivative assets	7	221,340	199,518
Unlisted equity investments and trusts	7	11,691,340	10,936,356
Life insurance policies	7	356,654	379,262
Right of use assets		5,497	7,845
Other assets		7,580	7,465
Total assets		36,769,717	33,518,862
Liabilities			
Derivative liabilities	7	180,310	24,451
Payables/unsettled trades	9	136,381	107,932
Other liabilities		8,055	6,955
Lease liability		8,520	11,868
Income tax payable		32,614	30,532
Deferred tax liability (net)	13	715,369	556,414
Total liabilities excluding member benefits		1,081,249	738,152
Net assets available for member benefits		35,688,468	32,780,710
Defined contribution (DC) member liabilities		33,529,959	30,627,827
Defined benefit (DB) member liabilities		1,432,238	1,384,752
Total allocated member liabilities		34,962,197	32,012,579
Unallocated to members	12(c)	96,036	10,700
Total member liabilities		35,058,233	32,023,279
Total net assets		630,235	757,431
Equity			
Reserves	12	256,856	226,505
Defined benefits that are over/(under) funded	10(e)	281,926	416,339
Unallocated surplus	12	91,453	114,587
Total equity		630,235	757,431

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

Consolidated income statement for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Superannuation activities			
Interest revenue		169,707	188,863
Dividends and trust distributions		1,062,642	978,146
Net change in fair value of financial instruments	4	2,470,593	1,792,440
Other investment revenue and sundry revenue		16,523	14,980
Total net income		3,719,465	2,974,429
Investment expenses	5	118,218	106,711
Administration expenses	6	87,422	83,516
Depreciation, impairment, and amortisation	6	2,811	21,379
Total expenses		208,451	211,606
Results from superannuation activities before income tax expense		3,511,014	2,762,823
Income tax (expense)/benefit	13	(167,498)	(137,657)
Results from superannuation activities after income tax expense		3,343,516	2,625,166
Net benefits allocated to defined contribution members		3,165,426	2,513,060
Net change in defined benefit member benefits		214,024	82,449
Operating result after income tax		(35,934)	29,657

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

Consolidated statement of changes in member benefits for the year ended 30 June 2025

	DC member liabilities \$'000	Energy DB member liabilities \$'000	City DB & DC member liabilities \$'000	Regional DB member liabilities \$'000	Total \$'000
Balance at 1 July 2024	30,627,827	831,841	51,232	501,679	32,012,579
Employer contributions	1,526,146	10,692	443	10,340	1,547,621
Member contributions	544,361	1,226	194	1,392	547,173
Transfers from other funds	582,239	-	-	-	582,239
Income tax on contributions	(233,984)	(1,604)	(66)	(1,551)	(237,205)
Net after tax contributions	2,418,762	10,314	571	10,181	2,439,828
Benefits paid	(1,376,737)	(75,811)	(8,291)	(98,841)	(1,559,680)
Transfers to other funds	(1,131,936)	-	(157)	-	(1,132,093)
Insurance premiums charged	(419,096)	(2,740)	(205)	(390)	(422,431)
Insurance claims proceeds	240,370	204	145	-	240,719
Other fees	(3,297)	-	(4)	-	(3,301)
Transfers between member funds	1,462	(712)	-	(750)	-
Transfers to/(from) reserves	7,178	-	(52)	-	7,126
Net benefits allocated to members, comprising:					
Investment income	3,229,734	-	-	-	3,229,734
Administration fees	(64,308)	-	-	-	(64,308)
Net change in defined benefit member benefits	-	183,568	3,533	26,923	214,024
Balance at 30 June 2025	33,529,959	946,664	46,772	438,802	34,962,197

The above Consolidated statement of changes in member benefits should be read in conjunction with the accompanying notes.

Consolidated statement of changes in member benefits for the year ended 30 June 2024

	DC member liabilities \$'000	Energy DB member liabilities \$'000	City DB & DC member liabilities \$'000	Regional DB member liabilities \$'000	Total \$'000
Balance at 1 July 2023	28,486,420	830,968	55,825	576,472	29,949,685
Employer contributions	1,391,154	12,553	532	12,106	1,416,345
Member contributions	398,942	1,116	221	1,709	401,988
Transfers from other funds	416,066	-	110	-	416,176
Income tax on contributions	(207,338)	(1,883)	(80)	(1,816)	(211,117)
Net after tax contributions	1,998,824	11,786	783	11,999	2,023,392
Benefits paid	(1,074,863)	(66,763)	(6,966)	(108,069)	(1,256,661)
Transfers to other funds	(1,127,332)	-	(110)	-	(1,127,442)
Insurance premiums charged	(240,196)	(2,274)	(223)	(485)	(243,178)
Insurance claims proceeds	68,967	-	37	318	69,322
Other fees	(2,705)	-	(4)	-	(2,709)
Transfers between member funds	924	(390)	-	(534)	-
Transfers to/(from) reserves	4,728	-	(67)	-	4,661
Net benefits allocated to members, comprising:					
Investment income	2,595,917	-	-	-	2,595,917
Administration fees	(82,857)	-	-	-	(82,857)
Net change in defined benefit member benefits	-	58,514	1,957	21,978	82,449
Balance at 30 June 2024	30,627,827	831,841	51,232	501,679	32,012,579

The above Consolidated statement of changes in member benefits should be read in conjunction with the accompanying notes.

Consolidated statement of changes in reserves for the year ended 30 June 2025

	Operational Risk Financial reserve	General reserve	Returning reserve	Other reserves and balances	DB over/ (under) funded	Unallocated surplus/ (deficit)	Total Reserves
2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	77,845	46,933	66,107	27,675	465,399	47,461	731,420
Other transfers to/(from) reserves	(391)	(5,754)	-	-	-	7,160	1,015
Transfers between reserves	(63)	28,403	1,961	(7,512)	(3,437)	(19,352)	-
Member net transfer to/(from) reserves	-	67	(4,728)	-	-	-	(4,661)
Operating result	6,948	(627)	(10,775)	416	(45,623)	79,318	29,657
Closing balance	84,339	69,022	52,565	20,579	416,339	114,587	757,431

	Operational Risk Financial reserve	General reserve	Returning reserve	Other reserves and balances	DB over/ (under) funded	Unallocated surplus/ (deficit)	Total Reserves
2025	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	84,339	69,022	52,565	20,579	416,339	114,587	757,431
Transfer from Zurich (note 20)	-	924	-	-	-	-	924
Other transfers (from)/to reserves	(29)	(15,136)	-	-	-	(69,895)	(85,060)
Transfers between reserves	-	24,446	-	-	(4,000)	(20,446)	-
Member net transfer (from)/to reserves	(643)	(102)	(5,300)	(174)	(882)	(25)	(7,126)
Operating result	9,186	6,922	10,121	136	(129,531)	67,232	(35,934)
Closing balance	92,853	86,076	57,386	20,541	281,926	91,453	630,235

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

Consolidated statement of cash flows for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
(Purchase)/sale of other assets		(365)	1,639
Interest received		178,791	190,086
Other income		23,629	8,130
Dividends and trust distributions received		857,728	980,451
Investment expenses		(124,891)	(106,019)
Administration expenses		(90,723)	(80,311)
Income tax paid on investment earnings		(31,479)	24,105
Insurance premiums paid		(422,640)	(242,399)
Insurance proceeds received		240,539	67,442
Net cash from operating activities	14	630,589	843,124
Cash flows from investing activities			
Purchase of financial instruments		(9,881,659)	(13,934,188)
Sale of financial instruments		9,473,521	13,416,917
Net cash flows (used in)/from investing activities		(408,138)	(517,271)
Cash flows from financing activities			
Employer contributions		1,548,554	1,414,083
Member contributions		547,174	401,989
Transfers from other superannuation funds		582,239	416,176
Transfers to other superannuation funds		(1,132,093)	(1,127,442)
Benefits paid		(1,563,066)	(1,259,354)
Income tax paid on contributions		(212,189)	(148,458)
Zurich successor fund transfer	20	15,706	-
Net cash flows (used in)/from financing activities		(213,675)	(303,006)
Net increase in cash held		8,776	22,847
Cash at the beginning of the financial year		222,368	199,521
Cash at the end of the financial year	14	231,144	222,368

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

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 1. General information

On 1 July 2024, LGIAsuper Trustee as trustee for LGIAsuper, changed its legal name to Brighter Super Trustee as trustee for Brighter Super. All references relating to LGIAsuper have been amended to Brighter Super.

Brighter Super (the 'Fund') is a superannuation fund domiciled in Australia. The Fund is constituted by a Trust Deed dated 24 September 2024, as amended, which maintains the establishment of the Fund since 1 February 1965 and the Fund provides retirement benefits to its members. The Fund comprises a defined contribution fund, three defined benefit funds and a pension division.

The Trustee of the Fund is Brighter Super Trustee (the 'Trustee'), and the registered office is Level 20, 333 Ann Street, Brisbane, Queensland, 4000.

The Fund accepts contributions from its members. In relation to defined benefit members, the contribution rate is the rate agreed by the actuary and the employer. In relation to defined contribution members, contributions are compulsory for permanent employee members in most instances and members may also make voluntary pre-tax and post-tax contributions.

The Fund obtained from the Australian Prudential Regulation Authority (APRA) its RSE licence on 5 September 2005 (registration number R1000160) and its MySuper licence on 24 May 2013 (registration number 23053121564638).

The financial statements were approved by the Board of Directors of the Trustee on 22 September 2025.

Note 2. Summary of material accounting policies

This note provides a summary of material accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in other notes below. The policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of the Fund and its subsidiaries.

(a) Basis of preparation

The Fund has prepared general purpose financial statements in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), the *Corporations Act 2001* and *Corporations regulations 2001* and the provisions of the Trust Deed of the Fund.

The principal standard AASB 1056 applies to the financial statements, other standards are also applied where necessary except to the extent that they differ from AASB 1056.

The financial statements are presented in Australian Dollars, which is the functional currency of the Fund.

The Consolidated statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial investments, derivative liabilities and net assets available for member benefits.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 2. Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

(i) *New and amended accounting standards and interpretation adopted by the Fund:*

The Fund has applied the following standards and amendments for the first time for its annual reporting period commencing 1 July 2024:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Noncurrent [AASB 101]
- AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants [AASB 101]
- AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback [AASB 16] and
- AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements [AASB 7 & AASB 107]

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(ii) *New standards and interpretations effective after 1 July 2025 and have not been early adopted:*

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2025 and have not been adopted early in preparing these financial statements. None of these are expected to have a material impact on the financial statements of the Fund except for AASB 18 Presentation and Disclosure in Financial Statements (AASB 18).

The Fund is currently assessing the impact of this standard. The Fund will apply the new standard from its mandatory effective date of 1 January 2028. Retrospective application is required, and so the comparative information for the financial year ending 30 June 2028 will be restated in accordance with AASB 18.

(iii) *Comparatives*

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. As a result, items in the notes to the financial statements have been amended. Comparative figures have been adjusted to conform to the current year's presentation.

(b) Principles of consolidation

Subsidiaries are entities over which the Fund has control. The Fund controls an entity when the Fund is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group (see note 2(f)).

Inter-company transactions, balances, and unrealised gains on transactions between Fund companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

In accordance with AASB 10 Consolidated financial statements the Fund has determined that it meets the definition of an Investment Entity. As a result, the Fund is only required to consolidate entities which provide services to the Fund. The determination was based on:

- The Fund obtains funds from members for the purpose of providing those members with investment management services;
- The Fund commits to its members that its business purpose with regards to investments is solely for returns from capital appreciation, investment income, or both; and
- The Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 2. Summary of material accounting policies (continued)

(b) Principles of consolidation (continued)

Control is achieved when the Fund:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

(i) Subsidiaries

The following entities comprise the significant trading and holding entities of the Fund:

Parent and Head entity: Brighter Super Subsidiaries (all balances dates 30 June)	Acquisition date	Ownership interest
LGIAsuper Corporate Services Pty Ltd	10/11/2021	100%
ESI Financial Services Pty Ltd	1/07/2021	100%
Globe Hold Co Pty Ltd	10/11/2021	100%
SPSL Services Pty Ltd	31/03/2022	100%

(c) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

(d) Revenue recognition and other income

(i) Interest revenue

Interest revenue is recognised in profit or loss for all financial instruments that are held at fair value through profit or loss using the effective interest method. Income from cash and cash equivalents is presented as interest revenue.

(ii) Dividend and trust distributions

Dividend and trust distribution income is recognised gross of withholding tax in the period in which the Fund's right to receive payment is established.

(iii) Other income

Other income is recognised when due and receivable, and if not received at reporting date, is reported as a receivable.

(e) Contributions received and transfers from other funds

Contributions received and transfers from other funds are recognised in the Statement of changes in member benefits when the control of the contribution or transfer has transferred to the Fund. They are recognised gross of any taxes.

(f) Business combinations

The acquisition method of accounting is used to account for all business acquisitions, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the group,
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 2. Summary of material accounting policies (continued)

(f) Business combinations (continued)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(g) Use of estimates

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel. Refer to note 7 for details.

The Fund makes estimates and assumptions in relation to the valuation of defined benefit member liabilities, details of which are set out in note 10.

The Fund also makes estimates and assumptions in relation to the valuation of investments in life insurance policies, which are valued by reference to the amount advised by the insurer as the current surrender value, details of which are set out in note 7.

(h) Cash

For the purpose of presentation in the Consolidated statement of financial position and Consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Fund's entities are measured using the currency of the primary economic environment in which the Fund operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars (\$), which is the Fund's functional and presentation currency.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 2. Summary of material accounting policies (continued)

(i) Foreign currency translation (continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses arise from the settlement of such transactions and from the translations at year end exchange rates of monetary items denominated in foreign currencies. Amounts are recognised in the period in which they arise within the Consolidated income statement.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at balance date. Translation differences on assets and liabilities carried at fair value are reported in the Consolidated income statement on a net basis within net changes in fair value of financial instruments.

(j) Reserves

(i) Operational Risk Financial Reserve

Superannuation Prudential Standard 114: *Operational Risk Financial Requirement*, (SPS 114) which became effective 1 July 2013, requires Registered Superannuation Entity (RSE) licensees to maintain adequate financial resources to address losses arising from operational risks that may affect such entities within their business operations. The Fund's Operational Risk Financial reserve has been established for this purpose.

As a minimum the Fund aims to hold a target amount equal to 25 basis points of assets under management subject to a predetermined tolerance limit. The tolerance limit is set by the Trustee to reduce the need for small transfers to or from the Operational Risk Financial reserve for immaterial fluctuations in the reserve's value.

The Operational Risk Financial reserve may only be used to make a payment to address an operational risk event as defined by SPS 114.

When the amount falls below the tolerance limit, additional funds are transferred into the Operational Risk Financial reserve. Any transfers to the Operational Risk Financial reserve must be approved by the Trustee.

(ii) General Reserve

The Fund maintains a General reserve for the Accumulated Benefits Fund to ensure solvency should expenditures exceed fees charged to members, as well as supporting the Fund's sustainability over time by funding strategic initiatives which deliver net benefits to members. The General reserve assists with the management of the operational risks of the Fund, which are not met from the Operational Risk Financial reserve. The Fund has a long-term target of 15 basis points of assets under management.

(iii) Returning Reserve

The Fund maintains a Returning reserve for the benefit of pre 1 July 2021 members in order to protect that cohort's best financial interest. This reserve funded the acquisition of SPSP Limited (Suncorp's superannuation business). The Returning reserve has paid all costs and expenses that were payable on the acquisition completion and the successor fund transfer (SFT), including all costs and expenses associated with implementation, integrating, unbundling and transition of SPSP's business.

(iv) Other Reserves and Balances

The Fund maintains a number of smaller specific reserves that were transferred as part of the Energy Super SFT. Further details are outlined at note 12.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 3. Operation of the Fund

Brighter Super continues in existence under the *Local Government Act (2009)*, which was amended to legally change the Fund's name to Brighter Super effective 1 July 2024.

The Fund is a hybrid fund which incorporates both Defined Benefits Funds and a Defined Contributions Fund.

The Fund consists of three separate closed Defined Benefits Funds, namely, the Regional Defined Benefits Fund (pertaining to previous LGsuper members), the City Defined Benefits Fund (relating to previous City Super members) and the Energy Defined Benefits Fund (transferred as part of the SFT from Energy Super effective 1 July 2021) and a combined Defined Contributions Fund.

Benefits of members in the Defined Benefits Funds are calculated by way of formula as defined in the Trust Deed. Benefits of members of the Defined Contributions Fund are equal to the member's account balance, which is credited each year with contributions and a proportionate share of net investment earnings (positive or negative), expenses, insurance premiums and income tax expense of the Fund.

On 1 July 2022, LGIAsuper rebranded to Brighter Super, the legal name remained LGIAsuper Trustee as trustee for LGIAsuper until the legislative change to *Local Government Act (2009)*, effective 1 July 2024. The Brighter Super Group was formed by LGIAsuper, Energy Super and SPSL Master Superannuation Trust (Suncorp's superannuation business).

On 2 September 2024, the Fund's custodian and investment administration services transitioned from National Australia Bank Ltd to State Street Australia Limited. State Street Australia Limited has become a material outsourced provider to the Fund.

On 1 October 2024, Brighter Super completed a SFT of approximately 61,000 members from the Zurich OneCare Super and Wealth Protection insurance risk only products from the Smart Future Trust. Zurich Australia Limited was appointed as the Fund administrator and insurer for these products.

Note 4. Net change in fair value of financial instruments

	2025 \$'000	2024 \$'000
Fair value through profit or loss		
Custodial held cash	13,421	10,588
Fixed interest securities	54,507	576
Listed equity investments and trusts	2,317,313	1,981,527
Unlisted equity investments and trusts	336,808	(165,050)
Life insurance policies	(25,619)	5,555
Derivatives	(225,837)	(40,756)
Total	2,470,593	1,792,440

The changes in net fair value of financial instruments reflect investment market conditions prevailing as at balance date in respect of investments held at balance date and during the year in respect of investments realised during the period.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 5. Direct investment expenses

	2025 \$'000	2024 \$'000
External investment management fees	45,557	21,404
Master custodian fees	4,322	5,805
Administration expenses – Fund investment operations	20,163	18,170
Withholding tax and other fees	45,580	53,146
Performance fees	749	6,602
Asset consultant fees	1,847	1,584
Total	118,218	106,711

Note 6. Administration expenses and depreciation

	2025 \$'000	2024 \$'000
Staff salaries and associated costs	41,089	39,110
Consultants' fees	11,803	11,151
Actuarial fees	500	183
Maintenance and service agreements	23,387	23,193
Marketing, communication and sponsorship expenses	3,174	2,425
Other administration expenses	7,469	7,454
Total administration expenses	87,422	83,516
Depreciation on property, plant and equipment	463	1,835
Depreciation on right of use assets	2,348	2,356
Impairment of intangible assets	-	905
Amortisation of intangible assets	-	16,283
Total depreciation, impairment and amortisation	2,811	21,379

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 7. Investments and derivatives

	2025 \$'000	2024 \$'000
Custodial held cash		
Custodial held cash	2,809,333	3,305,707
Total custodial held cash	2,809,333	3,305,707
Fixed interest securities		
Government bonds	648,123	270,863
Corporate bonds	334,598	143,037
Other interest bearing securities	156,904	91,114
Total fixed interest securities	1,139,625	505,014
Listed equity investments and trusts		
Equity investments	19,100,705	16,682,279
Property, infrastructure and other trusts	1,049,351	1,086,535
Total listed equity investments and trusts	20,150,056	17,768,814
Unlisted equity investments and trusts		
Equity investments	6,977,926	7,076,634
Property, infrastructure and other trusts	4,713,414	3,859,722
Total unlisted equity investments and trusts	11,691,340	10,936,356
Life insurance policies		
Life insurance policies	356,654	379,262
Total life insurance policies	356,654	379,262
Derivative assets		
Swaps	195	-
Futures	7,813	6,335
Forward foreign exchange	213,031	193,183
Options	301	-
Total derivative assets	221,340	199,518
Total investment assets	36,368,348	33,094,671
Derivative liabilities		
Swaps	(307)	-
Futures	(6,431)	(4,684)
Forward foreign exchange	(173,344)	(19,767)
Options	(228)	-
Total derivative liabilities	(180,310)	(24,451)
Other financial assets		
Investment revenue receivables	76,048	92,347
Other receivables/unsettled trades	72,191	89,359
Total other financial assets	148,239	181,706

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 7. Investments and derivatives (continued)

	2025 \$'000	2024 \$'000
Other financial liabilities		
Other payables/unsettled trades	(81,580)	(70,185)
Total other financial liabilities	(81,580)	(70,185)
Net investment assets	36,254,697	33,181,741

Financial instruments

(i) Classification

The Fund's investments and derivative liabilities are classified as at fair value through profit or loss in accordance with AASB 1056. Other financial assets and other financial liabilities are measured at amortised cost.

(ii) Recognition/derecognition

Financial assets and financial liabilities are recognised on the date the Fund becomes party to the contractual agreement (trade date) and changes in the fair value of the financial assets or financial liabilities are recognised from this date.

Investments are derecognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all of the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Fund measures a financial asset or liability at fair value. Transaction costs are expensed in the Consolidated income statement.

Subsequent to initial recognition, all financial assets and financial liabilities held at fair value through the Consolidated income statement are measured at fair value. Gains and losses are presented in the Consolidated income statement in the period in which they arise as net changes in the fair value of financial instruments. Net changes in the fair value of financial instruments excludes interest income received, interest income is reported separately in the Consolidated income statement.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the Statement of financial position when there is a legally enforceable right to offset the amounts and there is an intention to settle on a net basis or realise the asset and settle the liability at the same time.

(v) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, have little price transparency and require varying degrees of judgement depending on liquidity and uncertainty of market factors. These instruments are fair valued using alternative valuation techniques.

Valuation techniques use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require some degree of estimation. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 7. Investments and derivatives (continued)

(v) Significant accounting estimates and assumptions (continued)

Investments in life insurance policies are based on the current surrender value advised by the insurer. Life insurance policy investments are held in trusts. Investments backing these policies are investments in funds that invest in cash, corporate bonds, government bonds, infrastructure and property.

(a) Fair value hierarchy

The Fund classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1:** quoted prices (unadjusted) in active markets for identical assets and liabilities. These inputs are readily available in the market and are normally obtainable from multiple sources.
- Level 2:** inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly. The Trustee values fixed interest securities held by the Fund using broker quotes, units in unit trusts using the unit price provided by the underlying fund manager, life insurance policies using the surrender value provided by the insurer and over-the-counter derivatives not traded on public exchanges using the present value of future cash flows based on the forward exchange rates at the balance sheet date.
- Level 3:** one or more of the significant inputs are not based on observable market data, examples include implied unit prices, capitalisation rates, earnings multiples, recent comparable market transactions and delisted securities that no longer have an observable active market. The Trustee generally values units in unit trusts classified as level 3 instruments using the implied unit price provided by the underlying fund manager unless there is a specific verifiable reason to vary from the unit price provided. The level 3 unit trusts held by the Fund may include closed funds which are illiquid investments. The level 3 unit trusts hold assets such as property and private equity.

Recognised fair value measurements

The table below sets out the Fund's financial assets and liabilities at fair value according to the fair value hierarchy.

	Level 1	Level 2	Level 3	Total
30 June 2025	\$'000	\$'000	\$'000	\$'000
Financial assets				
Listed equities and trusts	20,146,432	-	3,624	20,150,056
Unlisted equities and trusts	-	5,298,994	6,392,346	11,691,340
Fixed interest securities	-	1,127,237	12,388	1,139,625
Life insurance policies	-	356,654	-	356,654
Derivatives	8,115	213,225	-	221,340
Financial liabilities				
Derivatives	(6,659)	(173,651)	-	(180,310)
Total	20,147,888	6,822,459	6,408,358	33,378,705

Investments not included in the above table are cash, cash equivalents, deposits and short-term receivables and payables as the carrying amount is a reasonable approximation of fair value.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 7. Investments and derivatives (continued)

(a) Fair value hierarchy (continued)

	Level 1	Level 2	Level 3	Total
30 June 2024	\$'000	\$'000	\$'000	\$'000
Financial assets				
Listed equities and trusts	17,765,980	1,097	1,737	17,768,814
Unlisted equities and trusts	-	5,696,047	5,240,309	10,936,356
Fixed interest securities	371	491,374	13,269	505,014
Life insurance policies	-	379,262	-	379,262
Derivatives	6,335	193,183	-	199,518
Financial liabilities				
Derivatives	(4,684)	(19,767)	-	(24,451)
Total	17,768,002	6,741,196	5,255,315	29,764,513

Investments not included in the above table are cash, cash equivalents, deposits and short-term receivables and payables as the carrying amount is a reasonable approximation of fair value.

(b) A reconciliation of movements in Level 3 of the fair value hierarchy between the beginning and end of the reporting period is disclosed in the following table:

	Listed equities and trusts \$'000	Unlisted equities and trusts \$'000	Fixed interest securities \$'000	Total \$'000
30 June 2025				
Balance at 1 July 2024	1,737	5,240,309	13,269	5,255,315
Purchases	5,100	1,161,252	133	1,166,485
Sales	(4,061)	(258,435)	(537)	(263,033)
Transfers into level 3	708	-	-	708
Transfers out of level 3	-	-	-	-
Net change in fair value	140	249,220	(477)	248,883
Balance at 30 June 2025	3,624	6,392,346	12,388	6,408,358

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 7. Investments and derivatives (continued)

(b) A reconciliation of movements in Level 3 of the fair value hierarchy between the beginning and end of the reporting period is disclosed in the following table (continued):

	Listed equities and trusts \$'000	Unlisted equities and trusts \$'000	Fixed interest securities \$'000	Total \$'000
30 June 2024				
Balance at 1 July 2023	-	5,649,293	17,975	5,667,268
Purchases	6,732	185,080	-	191,812
Sales	(5,698)	(309,677)	(3,190)	(318,565)
Transfers into level 3	356	-	93	449
Transfers out of level 3	-	-	(258)	(258)
Net change in fair value	347	(284,387)	(1,351)	(285,391)
Balance at 30 June 2024	1,737	5,240,309	13,269	5,255,315

Valuation inputs and relationship to fair value

The Fund has an Asset Valuation Policy which sets out its approach to determining the carrying value of investment assets. The Asset Valuation Policy is governed by the Trustee appointed Investment Committee and describes the Fund's use of asset valuations calculated by investment managers or other third parties. The Investment Committee is responsible for overseeing the investment governance, including overseeing the reasonableness and accuracy of valuations. The Investment Committee makes decisions involving out of cycle valuations of unlisted investments to ensure members are treated fairly by ensuring the timely availability of accurate valuations of assets.

Valuations of unlisted investment assets are conducted by the Fund's investment managers, or their administrators or responsible entities, notwithstanding that the ultimate responsibility lies with the Trustee. At a minimum, investment managers must: provide valuation policies at least annually or on earlier revision, provide an independent valuation of the underlying assets to be conducted at least annually by a qualified valuation firm; ensure the appropriate rotation of valuers; and the auditing of the relevant financial statements by a licensed auditing firm. Valuations are sought for unlisted assets at frequencies considered most appropriate and feasible. This is typically monthly or quarterly but in some cases for bespoke assets which are not of significant size, semi-annually or annually maybe deemed acceptable.

The Fund reviews the valuation methodology adopted by the relevant investment manager and makes further enquiries, as appropriate, relating to valuation methodology and key inputs used to determine valuations. The Fund ensures that the valuation techniques applied by investment managers align with the approaches outlined in the Fund's Valuation Policy.

The valuation techniques used to calculate valuations for these investments include discount cash flow models and observable transactions in similar securities.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 7. Investments and derivatives (continued)

The following table summarises information about significant unobservable inputs used in level 3 fair value measurements. See (a) above for the valuation techniques adopted.

	Fair value at 30 June 2025 \$'000	Valuation technique	Key unobservable inputs	Inter-relationship between unobservable inputs and fair value
Equity securities	3,624	Last traded price	Trading price for suspended/delisted securities that no longer have an observable active market.	An increase/(reduction) in the trading price will result in higher/(lower) fair values.
Unlisted equities and trusts	3,847,291	Investment manager - net asset value (NAV)/ redemption price	NAV per implied unit price	Increase/(reduction) in the implied unit price will result in higher/(lower) fair values.
		Discounted cashflow	Discount rate	Increase/(reduction) in the discount rate will result in lower/(higher) fair values.
		Capitalisation method	Capitalisation rate	Increase/(reduction) in the capitalisation rate will result in lower/(higher) fair values.
Fixed interest securities	12,388	Discounted cashflow	Discount rate	Increase/(reduction) in the discount rate will result in lower/(higher) fair values.

(c) Movements between levels in the fair value hierarchy are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2025				
Listed equities and trusts	-	(708)	708	-
Unlisted equities and trusts	-	-	-	-
Fixed interest securities	-	-	-	-
Total	-	(708)	708	-

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2024				
Listed equities and trusts	(1,429)	1,073	356	-
Unlisted equities and trusts	-	-	-	-
Fixed interest securities	-	165	(165)	-
Total	(1,429)	1,238	191	-

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 8. Receivables/unsettled trades

	2025 \$'000	2024 \$'000
Investment revenue receivables		
Interest receivables	21,541	30,999
Dividends and trust distributions receivables	54,507	61,348
	76,048	92,347
Other		
Sundry and other debtors	8,909	4,807
Other receivables and unsettled trades	72,191	89,359
	81,100	94,166
Total	157,148	186,513

Receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. Subsequently receivables are measured at amortised cost. Receivable amounts are generally received within 30 days of being recorded as receivables. Recovery of receivables is reviewed regularly. Debts which are known to be uncollectable are written off by reducing the carrying amount.

Note 9. Payables/unsettled trades

	2025 \$'000	2024 \$'000
Other payables/unsettled trades	81,580	70,185
Sundry creditors	54,801	37,747
Total	136,381	107,932

These amounts represent liabilities for goods and services provided to the Fund prior to the end of the financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Note 10. Member liabilities

(a) Recognition and measurement of member liabilities

The entitlements of members to benefit payments are recognised as liabilities. They are measured at the amount of the accrued benefits as at the reporting date, being the benefits that the Fund is presently obliged to transfer to members or their beneficiaries in the future as a result of the membership up to the end of the reporting period.

(i) Defined contribution member liabilities

Defined contribution member account balances are measured using unit prices determined by the Trustee based on the underlying investment option values selected by members. Defined contribution member liabilities are calculated as the difference between the carrying amounts of assets and the carrying amounts of liabilities (including income tax liabilities) as at the reporting date.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 10. Member liabilities (continued)

(ii) *Defined benefit member liabilities*

Defined benefit member liabilities are measured as the estimated present value of a portfolio of investments that would be needed as at the reporting date to yield future net cash flows that would be sufficient to meet the accrued benefits on the date when they are expected to fall due.

The valuation of accrued benefits for the Energy Defined Benefits Fund, Regional Defined Benefits Fund and the City Defined Benefits Fund were undertaken by the actuary as part of an actuarial review as at 30 June 2025. Together, with the latest data set and actuarial assumptions, this review has been used as the basis for determining the accrued benefits at 30 June 2025. The actual triennial review was last conducted in December 2024 for 30 June 2024.

(b) **Defined contribution member liabilities**

Defined contribution members liabilities are disclosed in two categories in the Consolidated statement of changes in member benefits (DC member liabilities and included in City DB and DC member liabilities) and bear the investment risk relating to the underlying investment options.

(c) **Unallocated to members**

Amounts unallocated to members of \$96M (2024: (\$11M)) primarily represent timing differences arising from soft close unit prices being applied to member account balances and hard close unit prices used for accounting purposes at reporting date.

(d) **Significant estimates**

The Fund has identified two assumptions (discount rate and rate of salary adjustment) for which changes are reasonably possible and would have a material impact on the amount of the defined benefit liabilities.

(i) *Discount rate*

The assumed discount rate for the three plans has been determined by reference to the investment returns expected on the investment portfolio which reflects the Fund's actual investments and investment strategy in respect of defined benefit member liabilities.

(ii) *Rate of salary adjustment*

Member benefits in each of the Fund's three defined benefit plans are based on an average of each member's salary at specified anniversary dates in each of the last three years of their expected membership of their plan. The assumed annual salary adjustments for each of the Fund's three plans has been determined by reference to the Wage Price Index produced by the Australian Bureau of Statistics and in consultation with the employer-sponsors.

The Trustee considers the potential impact of changes to key variables about which assumptions need to be made.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 10. Member liabilities (continued)

(ii) Rate of salary adjustment (continued)

The following are sensitivity calculations for each of the discount rate and rate of salary assumptions used for the Defined Benefit Funds.

Defined benefit fund	Assumption	Assumed at reporting date		Reasonably possible change		Change in member benefit liability	
		2025	2024	2025	2024	2025 \$'000	2024 \$'000
Energy Defined Benefits Fund	Discount rate	6.20%	6.30%	1.0%/(1.0%)	1.0%/(1.0%)	(46,375)/52,424	(46,852)/53,924
	Salary adjustment rate	4.50%	4.50%	1.0%/(1.0%)	1.0%/(1.0%)	47,384/(41,335)	50,388/(44,200)
Regional Defined Benefits Fund	Discount rate	6.10%	6.30%	1.0%/(1.0%)	1.0%/(1.0%)	(440) / 879	(3,010) / 3,010
	Salary adjustment rate	4.00%	4.00%	1.0%/(1.0%)	1.0%/(1.0%)	0 / 0	0 / 0
City Defined Benefits Fund	Discount rate	6.10%	6.30%	1.0%/(1.0%)	1.0%/(1.0%)	(1,391) / 1,516	(1,579) / 1,580
	Salary adjustment rate	4.00%	4.00%	1.0%/(1.0%)	1.0%/(1.0%)	980 / (941)	1,062 / (1,062)

At year end, the Accrued Benefits Index for the Energy Defined Benefits Fund was 93.9% (2024: 94.1%), Regional Defined Benefits Fund was 99.8% (2024: 100.0%), and City Defined Benefits Fund was 94.9% (2024: 93.7%).

(e) Defined Benefit Funds that are over funded

For the three defined benefit superannuation funds, there were no unexpected events that changed defined benefit member liabilities materially. The Trustee has no information that would lead it to adjust the assumptions around pension index rates, resignations and mortality, which are all unchanged from the previous reporting period.

The Fund's three defined benefit funds are over-funded by the amounts disclosed below:

	2025 \$'000	2024 \$'000
Energy Defined Benefits Fund	189,598	323,749
Regional Defined Benefits Fund	65,979	67,802
City Defined Benefits Fund	26,349	24,788
Total	281,926	416,339

All defined benefits continue to remain in surplus. A defined benefit contribution holiday is in place for City and Energy Defined Benefit employers. The Regional Defined Benefit employers are contributing at the rate recommended by the actuary. The Fund undertakes a detailed triannual actuarial review together with annual assessments of defined benefits including contribution holiday arrangements.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 11. Insurance arrangements

The Fund provides insurance benefits to its members. The Trustee has a group policy in place with third-party insurance companies to insure these insurance benefits for the members of the Fund.

The Fund collects premiums from members on behalf of the insurance company. Insurance claim amounts are recognised where the insurer has agreed to pay the claim to, or for the benefit of the member. Therefore, insurance premiums are not revenues or expenses of the Fund and do not give rise to insurance contract liabilities. Insurance premiums charged to members' accounts are recognised in the Statement of changes in members' benefits.

Note 12. Reserves

(i) *Operational Risk Financial Reserve*

The Operational Risk Financial Reserve (ORFR) may be used in certain circumstances to address operational risk events or claims against the Fund arising from operational risk in accordance with SPS 114. The Trustee has assessed an ORFR target of 0.25% (2024: 0.25%) of funds under management as appropriate for the Fund.

(ii) *General Reserve*

The General reserve is maintained to ensure that Brighter Super remains solvent should expenditures exceed fees charged to members, as well as supporting Brighter Super's sustainability over time by funding strategic initiatives which deliver net benefits to members. The General reserve assists with the management of the operational risks of the Fund, including meeting losses from events not covered by insurance, and not met from the ORFR. The reserve supports expenses and capital investments in technology assets to enhance the efficiency of Brighter Super's operations and supports investments in new products or enhancements to existing products.

(iii) *Returning Reserve*

As part of the merger with Energy Super, a general reserve equalisation process was undertaken which resulted in a reserve for the future benefit of pre-1 July 2021 members. A further general reserve equalisation process was completed in the current year. A \$5.3M (2024: \$4.7M) distribution was made from this reserve in the year with the balance expected to be distributed over a period of 10 years unless utilised for other approved purposes.

(iv) *Other Reserve and Balances*

As part of the transition of Energy Super to public offer status, self-insurance arrangements ceased from 1 November 2009, and from that date, death, total and permanent disablement (TPD) benefits, and total and temporary disablement (TTD) benefits for defined benefit members were covered by external insurers. Funds were retained in reserves to cover known and contingent claims. As at 30 June 2025, the total balance of this reserve remaining is \$3.0M (2024: \$3.1M), which will be distributed to eligible defined benefit employers once all claims have been finalised.

During the year ended 30 June 2018, Energy Super undertook a segregation of its assets supporting pension members, a reserve was created at the time of segregation. As part of the Energy Super SFT on 1 July 2022, this reserve was transferred into other reserves or balances. Subsequently, the assets were desegregated, the reserve is now no longer required and was amalgamated into the General reserve in the prior year.

There have been no further transfers into this reserve.

(v) *Unallocated surplus*

Amounts unallocated to members and disclosed in reserves was \$91M (2024: \$115M). This represents residual net assets supporting the fund operations.

Transfers in and out of the reserves are made only at the authorisation of the Trustee and in accordance with the Fund's reserve policies.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 13. Income tax

Taxation of the Fund

The Fund is a complying superannuation fund for the purposes of the provisions of the Income Tax Assessment Act. Accordingly, the concessional tax rate of 15% has been applied to the Fund's taxable income. However, the Fund also controls a number of corporate subsidiaries that are subject to income tax at a rate of 30%. A list of the subsidiaries which have been consolidated for financial accounting purposes are included in note 2(b)(i).

(i) Income tax expense/(benefit)

	2025 \$'000	2024 \$'000
Current tax on profits for the year	(11,681)	(21,452)
Adjustments for current income tax of prior periods	18,868	(2,519)
Total current tax expense/(benefit)	7,187	(23,971)
(Increase)/decrease in deferred tax assets	(1,964)	9,592
Increase/(decrease) in deferred tax liabilities	162,275	152,036
Total deferred tax expense/(benefit)	160,311	161,628
Total tax expense/(benefit)	167,498	137,657

(ii) Reconciliation of income tax expense to prima facie tax payable

	2025 \$'000	2024 \$'000
Operating result before income tax expense	3,511,014	2,762,823
Tax at the rate of 15%	524,953	414,106
Tax at the rate of 30%	3,399	633
Non-deductible expenses	24,321	23,229
Other non-assessable income	(51,577)	(45,482)
Dividend imputation and foreign tax credits (net)	(116,822)	(115,006)
Discount on capital gains	(33,512)	(20,712)
Adjustments for current tax of prior periods	18,868	(2,519)
Other movements in deferred tax assets/deferred tax liabilities (net)	(138,767)	(116,592)
Deductible insurance premiums charged to members accounts	(63,365)	-
Income tax expense/(benefit)	167,498	137,657

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 13. Income tax (continued)

(iii) Deferred income tax

	2025 \$'000	2024 \$'000
Deferred income tax assets		
Taxable temporary differences – assets subject to CGT	-	2,615
Taxable temporary differences – other assets	12,335	6,140
	12,335	8,755
Movements:		
Opening balance at 1 July	8,755	17,114
Charged/(credited) to the Consolidated income statement	1,607	(9,592)
Current year losses	-	1,233
Adjustments in relation to prior periods	1,973	-
Closing balance at 30 June	12,335	8,755
Deferred income tax liabilities		
Taxable temporary differences – assets subject to CGT	714,644	564,796
Taxable temporary differences – other assets	13,060	373
	727,704	565,169
Movements:		
Opening balance at 1 July	565,169	413,133
Charged/(credited) to the Consolidated income statement	161,536	152,036
Adjustments in relation to prior periods	999	-
Closing balance at 30 June	727,704	565,169
Net deferred tax liability	715,369	556,414

Income tax in the Statement of financial position for the year comprises of current and deferred tax.

Current income tax expense is the expected tax payable on the taxable income for the year using the concessional tax rate of 15% for Fund income and all other subsidiaries (refer to note 2(b)(i)) expected tax payable on the taxable income for the year using the corporate tax rate of 30% for the income.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 13. Income tax (continued)

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Note 14. Cash flow statement reconciliation

	2025 \$'000	2024 \$'000
Cash at bank	231,144	222,368
Reconciliation of net cash from operating activities to operating result after income tax		
Operating result after income tax	(35,934)	29,657
Adjustments for:		
Net (purchase)/sale of other assets	(365)	1,639
Dividend/distribution income re-invested	(211,756)	-
Net change in fair value of financial instruments	(2,470,593)	(1,792,440)
Depreciation, impairment and amortisation	2,811	21,379
Increase/(decrease) in employee provisions	200	(3,168)
(Decrease)/increase in lease liabilities	(3,348)	(3,083)
Net benefits allocated to defined contribution members	3,165,426	2,513,060
Net change in defined benefit member benefits	214,024	82,449
Insurance premiums paid	(422,640)	(242,399)
Insurance proceeds received from insurer	240,539	67,442
Change in operating assets/liabilities		
Decrease/(increase) in receivables	16,249	4,923
(Decrease)/increase in payables	(30)	1,315
Increase/(decrease) in income tax payable	136,006	162,350
Net cash inflows from operating activities	630,589	843,124

There were no non-cash financing activities during the year.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 15. Financial instruments and risk management

The Trustee holds overall responsibility for risk management within the Fund's business operations. The Trustee and management recognise that effective risk management is critical to the achievement of the Fund's objectives. The Risk and Compliance Committee (RCC) has delegated authority from the Board to oversee the adequacy and effectiveness of the risk management frameworks and processes within the Fund.

The Fund has a Risk Management Framework (RMF), which includes the Risk Management Strategy (RMS) and Risk Appetite Statement (RAS), which are reviewed annually by the RCC and approved by the Trustee. The RMF is the totality of systems, structures, policies, processes and people within the Fund's business operations that identifies, assesses, manages, mitigates and monitors all internal and external sources of risk that could have a material impact on the Fund's business operations or the interests of members. The RMF was adopted by the Trustee and Management for managing risks within the Fund's business as required by APRA Prudential Standard SPS 220 Risk Management, and the requirements of the *Superannuation Industry (Supervision) Act 1993 (SIS Act)*. During the year the Fund commenced the implementation of the new requirements of CPS 230 Operational Risk Management, strengthening the Fund's practices in business continuity, service provider management, operational risk, and controls management.

The Fund also has an Investment Governance Framework (IGF) established by the Trustee. This Framework sets out the Trustees' policies and procedures for the selection, management and monitoring of investments for the Fund. For each investment option offered by the Fund, the Trustee seeks to maximise the returns derived for the level of risk to which the Fund is exposed. The IGF is reviewed by the Investment Committee and approved by the Trustee.

The following disclosures are made in respect of the Fund's exposure to a variety of financial risks: market risk (including price risk, currency risk, and interest rate risk, credit risk and liquidity risk).

(a) Market risk

(i) Foreign exchange risk

The Fund operates internationally and has assets and liabilities denominated in currencies other than Australian Dollars. Foreign exchange risk arises as the value of securities denominated in foreign currencies fluctuates due to changes in exchange rates. The Fund's policy is to economically hedge up to 100% of direct foreign currency exposure in the property, infrastructure, fixed income and alternative sectors and 15% of its currency exposure in the global equities sector, using forward foreign exchange contracts.

The table below summarises the Fund's financial assets and liabilities gross exposure to foreign currencies less the amount of foreign exchange/derivative hedging. Through foreign exchange forward hedging, the Fund uses both the USD and EUR currencies as a proxy hedge against other comparative currencies. The exposures below have been grouped by the proxy hedged groups.

	USD Group ¹ \$'000	EUR Group ² \$'000	Other \$'000	Total net exposure \$'000
30 June 2025				
Gross amount denominated in foreign currency	12,972,518	2,675,485	123,504	15,771,507
Less: forward foreign currency contracts	(6,751,616)	(1,489,103)	(6,903)	(8,247,622)
Net exposure	6,220,902	1,186,382	116,601	7,523,885
30 June 2024				
Gross amount denominated in foreign currency	10,973,903	2,261,907	117,498	13,353,308
Less: forward foreign currency contracts	(5,570,581)	(1,209,025)	31	(6,779,575)
Net exposure	5,403,322	1,052,882	117,529	6,573,733

1. Included in the USD Group net exposure are the following comparative currencies proxy hedged by the USD (listed below if exceeding \$20M exposure): Canadian Dollar, Chinese Yuan, Hong Kong Dollar, Indian Rupee, Japanese Yen, South Korean Won, Saudi Riyal and Taiwan Dollar.

2. Included in the EUR Group net exposure are the following comparative currencies proxy hedged by the EUR (listed below if exceeding \$20M exposure): Swiss Francs, Danish Krone, Great British Pound, Swedish Krona and South African Rand.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 15. Financial instruments and risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed and floating interest rates expose the Fund to fair value interest rate risk.

The table below summarises the Fund's direct exposure to interest rate risk:

	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2025				
Assets				
Cash at bank	231,144	-	-	231,144
Cash and cash equivalents for investing activities	1,910,942	898,391	-	2,809,333
Fixed interest securities	266,711	872,914	-	1,139,625
Listed equity investments and trusts	-	-	20,150,056	20,150,056
Unlisted equity investments and trusts	-	-	11,691,340	11,691,340
Life insurance policies	-	-	356,654	356,654
Derivatives	-	7,710	213,630	221,340
Other financial assets	-	-	148,239	148,239
	2,408,797	1,779,015	32,559,919	36,747,731
Liabilities				
Derivatives	(1)	(626)	(179,683)	(180,310)
Other financial liabilities	-	-	(81,580)	(81,580)
	(1)	(626)	(261,263)	(261,890)
Total	2,408,796	1,778,389	32,298,656	36,485,841
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2024				
Assets				
Cash at bank	222,368	-	-	222,368
Cash and cash equivalents for investing activities	2,437,964	867,743	-	3,305,707
Fixed interest securities	97,148	407,866	-	505,014
Listed equity investments and trusts	-	-	17,768,814	17,768,814
Unlisted equity investments and trusts	-	-	10,936,356	10,936,356
Life insurance policies	-	-	379,262	379,262
Derivatives	-	2,043	197,475	199,518
Other financial assets	-	-	181,706	181,706
	2,757,480	1,277,652	29,463,613	33,498,745
Liabilities				
Derivatives	-	(742)	(23,709)	(24,451)
Other financial liabilities	-	-	(70,185)	(70,185)
	-	(742)	(93,894)	(94,636)
Total	2,757,480	1,276,910	29,369,719	33,404,109

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 15. Financial instruments and risk management (continued)

(a) Market risk (continued)

(iii) Price risk

The Fund is exposed to equity security and derivative price risk. This arises from investments held by the Fund for which prices in the future are uncertain. At 30 June, the fair value of securities exposed to price risk were as follows:

	2025 \$'000	2024 \$'000
Australian equities	13,255,566	12,932,450
International equities	12,823,065	10,826,464
Australian and international listed property	1,049,166	1,086,158
Australian and international unlisted property	1,996,872	1,752,922
Australian and international infrastructure	2,716,727	2,107,176
Life insurance policies	356,654	379,262
Total	32,198,050	29,084,432

(b) Summarised sensitivity analysis

The Trustee has considered the impact financial market volatility has on the Fund's significant estimates and judgements, the carrying values of its investments and financial risk management framework. Key considerations are as follows:

Significant estimates and judgements

In preparing these financial statements, the Trustee has taken into account judgements, estimates and assumptions that affect the amounts reported in the financial statements. These estimates and judgements are continually evaluated and are based on historical experience and various other factors, including reasonable expectations of future events. As such, actual results could differ from those estimates.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 15. Financial instruments and risk management (continued)

(b) Summarised sensitivity analysis (continued)

The following table summarises the sensitivity of the Fund's operating profit and net assets attributable to members to interest rate risk, foreign exchange risk and price risk. The reasonably possible movements in the risk variables have been based on the Trustee's best estimate, having regard to a number of factors, including advice from the Fund's asset consultants, historical levels of changes in interest rates, foreign exchange rates and market volatility. Actual movements in the risk variables may be greater or less than anticipated due to a number of factors. As a result, historical variations in risk variables should not be used to predict future variations in the risk variables.

Price risk

Volatility factors	2025	2025	2024	2024
	Reflects higher asset prices	Reflects lower asset prices	Reflects higher asset prices	Reflects lower asset prices
Australian equities	13%	(13%)	14%	(14%)
International equities	15%	(15%)	16%	(16%)
Australian and international listed property	13%	(13%)	16%	(16%)
Australian and international unlisted property	8%	(8%)	8%	(8%)
Australian and international infrastructure	11%	(11%)	11%	(11%)
Life insurance policies	5%	(5%)	5%	(5%)
	\$'000	\$'000	\$'000	\$'000
Effect on net assets available to pay benefits	4,259,207	(4,259,207)	4,107,549	(4,107,549)

Interest rate risk

Volatility factors	2025	2025	2024	2024
	Reflects higher interest rates	Reflects lower interest rates	Reflects higher interest rates	Reflects lower interest rates
Cash and cash equivalents	0.63%	(0.63%)	0.74%	(0.74%)
Government bonds	0.63%	(0.63%)	0.74%	(0.74%)
Corporate bonds	0.63%	(0.63%)	0.74%	(0.74%)
Other interest bearing securities	0.63%	(0.63%)	0.74%	(0.74%)
	\$'000	\$'000	\$'000	\$'000
Effect on net assets available to pay benefits	26,379	(26,379)	29,854	(29,854)

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 15. Financial instruments and risk management (continued)

Foreign exchange risk

	Volatility factor	Volatility factor	Effect on net assets available to pay benefits \$'000	Effect on net assets available to pay benefits \$'000
	%	%	Gain/(loss) on stronger AUD	Gain/(loss) on weaker AUD
	Reflecting a stronger AUD	Reflecting a weaker AUD		
30 June 2025				
USD Group	6.00%	(6.00%)	(373,254)	373,254
EUR Group	6.00%	(6.00%)	(71,183)	71,183
Other	6.00%	(6.00%)	(6,996)	6,996
			(451,433)	451,433
30 June 2024				
USD Group	7.00%	(7.00%)	(378,233)	378,233
EUR Group	7.00%	(7.00%)	(73,702)	73,702
Other	7.00%	(7.00%)	(8,227)	8,227
Total			(460,162)	460,162

(c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations to members or counterparties in full as they fall due or can only do so on terms that are disadvantageous.

The Fund is obligated to pay member benefits upon request. The Trustee's policy is therefore to primarily hold investments that are traded in an active market and can be readily disposed of. The Fund's assets include investments in unlisted investments, property and infrastructure, which are not traded in an organised public market, and which generally may be illiquid. As a result, the Fund may not be able to liquidate some investments at an amount close to their fair value in order to meet immediate liquidity requirements.

(i) Maturities of financial liabilities

The tables below show the Fund's financial liabilities based on their contractual maturities using undiscounted cash flows. Liabilities to defined contribution members are payable upon request. Liabilities to defined benefit members are payable upon the member meeting a vesting condition (such as resignation or retirement) in accordance with the terms of the Fund's Trust Deed. The Fund considers it is highly unlikely that all liabilities to members would fall due at the same time.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 15. Financial instruments and risk management (continued)

(c) Liquidity risk (continued)

(i) Maturities of financial liabilities (continued)

	Less than 1 month \$'000	1–3 months \$'000	3–12 months \$'000	1–5 years \$'000	More than 5 years \$'000	Total \$'000
30 June 2025						
Non-derivatives						
Payables/unsettled trades	(136,381)	-	-	-	-	(136,381)
Accrued employee entitlements	(4,047)	(2,198)	(346)	(1,190)	(274)	(8,055)
Lease liability	(338)	(675)	(2,743)	(4,764)	-	(8,520)
Unallocated member liabilities	(96,036)	-	-	-	-	(96,036)
Defined contribution member liabilities	(33,529,959)	-	-	-	-	(33,529,959)
Total non-derivatives	(33,766,761)	(2,873)	(3,089)	(5,954)	(274)	(33,778,951)
Gross settled derivatives						
Inflow	4,231	55,530	161,328	251	-	221,340
(Outflow)	(3,721)	(95,830)	(80,452)	(307)	-	(180,310)
Net derivatives	510	(40,300)	80,876	(56)	-	41,030

	Less than 1 month \$'000	1–3 months \$'000	3–12 months \$'000	1–5 years \$'000	More than 5 years \$'000	Total \$'000
30 June 2024						
Non-derivatives						
Payables/unsettled trades	(107,932)	-	-	-	-	(107,932)
Accrued employee entitlements	(7,160)	(33)	(269)	(413)	-	(7,875)
Lease liability	(319)	(638)	(2,524)	(8,387)	-	(11,868)
Unallocated member liabilities	(10,700)	-	-	-	-	(10,700)
Defined contribution member liabilities	(30,627,827)	-	-	-	-	(30,627,827)
Total non-derivatives	(30,753,938)	(671)	(2,793)	(8,800)	-	(30,766,202)
Gross settled derivatives						
Inflow	10,887	100,407	88,224	-	-	199,518
(Outflow)	(4,694)	(15,377)	(4,380)	-	-	(24,451)
Net derivatives	6,193	85,030	83,844	-	-	175,067

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 15. Financial instruments and risk management (continued)

(d) Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due, causing a financial loss to the Fund.

The main credit risks, to which the Fund is exposed, arise from the Fund's investment in interest-bearing securities. The Fund is also exposed to credit risk on derivative financial instruments, cash and cash equivalents, and other receivables.

(i) Fixed interest securities

The Fund invests in fixed-interest securities which are rated by market recognised rating agencies. For unrated assets the Trustee assesses credit risk using an approach similar to that used by rating agencies. An analysis of fixed interest securities by rating is set out in the following table.

	AAA to AA \$'000	A+ to A- \$'000	BBB+ to B- \$'000	CCC+ to CCC- \$'000	Not Rated \$'000	Total \$'000
2025	684,117	251,613	185,017	1,205	17,673	1,139,625
2024	163,592	170,235	157,617	628	12,942	505,014

(ii) Settlement of securities transactions

All transactions in listed securities are settled for upon delivery using brokers approved by the Trustee. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment.

(iii) Cash and cash equivalents

The Fund's exposure to credit risk for cash and cash equivalents is considered low as all counterparties have a rating of AA- (as determined by Standard and Poor's) or higher.

(iv) Assets in custody

Substantially all of the Fund's assets are held in custody. During the year the Fund transitioned custodians and from 2 September 2024 the Fund's assets were held by the new custodian State Street Corporation (rated AA-), previously being held by National Australia Bank (rated AA-). The custodian also manages the clearing and depository function for the Fund's security transactions. The financial position and credit quality of the custodian is monitored by the Trustee.

(v) Assets in life insurance policies

Life insurance policies are held with TAL Life Limited who is wholly owned by the Dai-ichi Life Group (rated A+), the financial position and credit quality of TAL Life Limited is monitored by the Trustee.

(vi) Maximum exposure to credit risk

The Fund's maximum exposure to credit risk is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 16. Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangements.

The Fund considers all investments in managed unlisted unit trusts to be structured entities. The Fund invests in underlying managed unlisted unit trusts for the purpose of capital appreciation and/or earning investment income.

The managed unlisted unit trusts' objectives are to achieve medium to long-term capital growth. The managed unlisted unit trusts invest in a number of different financial instruments, including equities and debt instruments.

The Fund does not control these structured entities as at 30 June 2025 and, notwithstanding this, applies the Investment Entity exemption from consolidation under AASB10.

The exposure to investments in managed unlisted unit trusts at fair value, by investment strategy, is disclosed below:

	Fair value of investment 2025 \$'000	Fair value of investment 2024 \$'000
Equity funds	7,873,102	2,404,542
Fixed income funds	153,663	4,672,092
Infrastructure funds	2,594,151	2,106,800
Property funds	1,070,424	1,752,922
Total	11,691,340	10,936,356

The Fund's maximum exposure to loss from its interests in investee funds is equal to the total fair value of its investments in the investee funds.

During the year ended 30 June 2025, the net fair value gain on investments in managed unlisted unit trusts was \$336.8M (2024: net fair value loss \$165.1M).

Note 17. Auditors' remuneration

Brighter Super Trustee appointed Ernst & Young (EY) as the external auditor of the Fund for the current financial year. For the previous financial year PricewaterhouseCoopers Australia (PwC) were the appointed external auditor of the Fund.

	2025 \$	2024 \$
EY:		
Assurance services		
- Audit of financial statements and regulatory compliance	719,680	-
PwC and related network firms:		
Assurance services		
- Audit of financial statements and regulatory compliance	-	545,242
Non - assurance services		
- Taxation services	-	458,735
- Taxation services – Other PwC Network	-	48,257
- Other consulting services for merger related activities	-	15,801
Total	719,680	1,068,035

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 18. Related parties

Key management personnel includes both Directors and Executives who have authority and responsibility for planning, directing and controlling the activities of the Fund.

(a) Directors

The following persons were Directors of Brighter Super Trustee for the year ended 30 June 2025:

Director	Director and committee member	Representative body	Appointment date	Resignation/term expired date
Mr J Smith	Chair and committee member	Independent	1 December 2013 1 October 2016-Chair	
Mr R Dewhurst	Director and committee member	Independent	6 June 2018	
Mr M Jamieson	Director and committee member	Employer representative	1 July 2018	4 March 2025
Mr G Hallam AM PSM	Director and committee member	Employer representative	1 October 2020	
Ms T Dyson	Director and committee member	Employer representative	1 July 2021	
Ms M Collopy	Director and committee member	Employer representative	1 June 2023	
Mr C O'Neill	Director	Employer representative	4 March 2025	
Mr R Burton PSM	Director and committee member	Member representative	1 July 2018	
Ms J Thomas	Director and committee member	Member representative	1 July 2021	24 January 2025
Mr H Capra	Director and committee member	Member representative	1 June 2023	
Ms N Traill	Director and committee member	Member representative	9 April 2024	
Ms R Girard	Director	Member representative	1 April 2025	

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 18. Related parties (continued)

To assist the Trustee in their functions, specialist advisors to Trustee committees have been appointed by the Trustee.

The following persons were specialist advisors to Trustee committees for the year ended 30 June 2025:

Name	Position	Committee	Appointment date	Resignation date
Mr J Wilson	Specialist Advisor	Investment Committee	6 February 2019	
Mr R Wood	Specialist Advisor	Investment Committee	1 July 2021	
Mr P Kazacos OAM	Specialist Advisor	Technology Oversight Committee	1 January 2024	

(b) Executives

The Chief Executive Officer (CEO) is appointed by Brighter Super Trustee. The CEO in turn appoints the executives.

The following persons were executives of Brighter Super Trustee for the year ended 30 June 2025:

	Position	Appointment date	Resignation date	Employment terms
Ms K Farrar	Chief Executive Officer	16 April 2018		Executive contract
Mr G Hollier	Chief Financial Officer	3 September 2018	14 February 2025	Executive contract
Mr T Strong	Interim Chief Financial Officer	17 February 2025	20 May 2025	Secondment
Mr P Jodas	Chief Financial Officer	14 April 2025		Executive contract
Mr R Gajanayake	Chief Technology Officer	6 August 2022		Executive contract
Mr S Chan	Chief Risk Officer	1 October 2019		Executive contract
Ms L Kay	Chief Member Officer	1 July 2021		Executive contract
Mr S Marteene	Chief Commercial Officer	1 July 2021		Executive contract
Mr M Rider	Chief Investment Officer	14 February 2022		Executive contract
Mr J Gyton	Chief Operating Officer	1 April 2022		Executive contract
Ms A Kelsall	Chief People Officer	24 October 2022	10 January 2025	Executive contract
Ms L Behrendt ¹	Chief People Officer	13 January 2025		Executive contract
Mr B Ingram	Company Secretary	4 July 2023		Executive contract

1. Ms L Behrendt was appointed Interim Chief People Officer effective 13 January 2025 on a secondment agreement and was promoted to Chief People Officer effective 31 March 2025.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 18. Related parties (continued)

(c) Remuneration of Directors and Specialist Advisors

Directors

	2025 \$'000	2024 \$'000
Short-term benefits	1,087	1,030
Post-employment benefits	101	93
Total remuneration	1,188	1,123

Included in the remuneration to directors above is director fees paid to The Services Union \$107,816 (2024: \$132,554).

Specialist Advisors

	2025 \$'000	2024 \$'000
Short-term benefits	130	119
Post-employment benefits	-	1
Total remuneration	130	120

Governance of remuneration arrangements for Directors occurs through the Trustee. The Trustee considers industry practice, an external independent review and members' interests in setting Directors' fees. All Directors are reimbursed for reasonable expenses incurred while conducting business on behalf of the Fund.

All remuneration is paid directly to each Director or their nominated entity. The remuneration shown above is the full remuneration and no Director receives remuneration from related parties for their role as a Director of Brighter Super Trustee.

(d) Remuneration of executives

	2025 \$'000	2024 \$'000
Short-term benefits	4,342	4,113
Long-term and post-employment benefits	596	437
Termination benefits	221	162
Total remuneration	5,159	4,712

For full remuneration details of key management personnel, refer to the Remuneration Report.

Executives and management staff are employed under individual employment contracts. Remuneration is benchmarked with market rates for employees in the financial services industry each year or as and when required by the role.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 18. Related parties (continued)

(e) Other related party transactions

SPSL Pooled Superannuation Trust (SPST)

SPSL Limited (as trustee for SPST) provided superannuation fund management services to SPST until 30 September 2023. Effective 1 October 2023, Brighter Super Trustee was appointed trustee for SPST (previously SPSL Limited), transactions between SPSL Limited and SPST ceased at this date. Brighter Super Trustee as trustee of SPST entered into a services agreement with SPSL Services Pty Ltd (a consolidated subsidiary of the Brighter Super group refer to note 2(b)(i)) and SPST, to provide superannuation fund management services to SPST. Transactions between SPSL Services Pty Ltd and SPST in relation to this agreement consisted of fee revenue received for fund management services from 1 October 2023.

On 26 May 2025, the role of trustee of SPST was transferred back to SPSL Limited, transactions between SPSL Services Pty Ltd and SPST ceased at this date. All these transactions were on a normal commercial basis.

	2025 \$'000	2024 \$'000
The aggregate amounts included in the determination of the operating result before tax resulting from transactions with SPST are:		
Management fees received or due and receivable	12	20
Other expense paid or due and payable	-	(1)

Note 19. Commitments and contingent liabilities

(a) Except for the liability for accrued benefits (refer note 10) there were no material contingent assets or liabilities of a significant value at balance date.

(b) The Fund's infrastructure and property investment programs result in the Fund entering into arrangements with investment managers which can result in undrawn commitments of less than one year.

Details of investment commitments are as follows:

	2025 \$'000	2024 \$'000
Not later than one year	2,089,279	1,364,464
Total	2,089,279	1,364,464

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 20. Zurich successor fund transfer

On 1 October 2024, Brighter Super completed a successor fund transfer (SFT) of approximately 61,000 members from the Zurich OneCare Super and Wealth Protection insurance risk only products from the Smart Future Trust.

The net assets which were transferred have been valued in accordance with the Fund's accounting policies. The transfers occurred as follows:

On 1 October 2024	\$'000
Assets	
Cash at bank	15,706
Other receivables	3,873
Total assets	19,579
Liabilities	
Other payables	18,655
Total liabilities	18,655
Net assets	924
Equity	
General reserve	924
Total equity	924

Note 21. Significant post balance date events

The Brighter Super Trustee has approved the successor fund transfer of approximately 67,000 members of the OnePath insurance risk only and legacy products from the Retirement Portfolio Service. The transfer is expected to occur on 1 October 2025. As a result of the transfer, Zurich Australia Limited will act as the Fund administrator, continue as the insurer for these products, and continue as a material outsourced provider to the Fund.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected the Fund's operations, results or state of affairs, or may do so in future years.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Note 22. Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2025 \$'000	2024 \$'000
Total assets	36,761,743	33,518,014
Total liabilities excluding member benefits	1,080,456	737,107
Net assets available for member benefits	35,681,287	32,780,907
Total member liabilities	35,058,233	32,023,279
Net assets	623,054	757,628
Reserves	623,054	757,628
Operating result after income tax	(43,315)	26,286

(b) Guarantees entered into by parent entity

The parent entity did not have any guarantees as at 30 June 2025 or 30 June 2024.

(c) Commitments and contingent liabilities of the parent entity

Except for the liability for accrued benefits (refer note 10) there were no material contingent assets or liabilities of a significant value at balance date.

Details of investment commitments are as follows (refer to note 19):

	2025 \$'000	2024 \$'000
Not later than one year	2,089,279	1,364,464
Total	2,089,279	1,364,464

(d) Determining the parent entity information

The financial information for the parent entity has been prepared on the same basis as the Consolidated financial statements except as set out below.

Investments in subsidiaries are accounted for at cost and dividends received from subsidiaries are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

Notes to and forming part of the financial statements for the year ended 30 June 2025

Trustees' declaration

In the opinion of the Directors of Brighter Super Trustee as trustee for Brighter Super:

- (a) the accompanying financial statements and notes set out on pages 14 to 53 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2025 and its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors of Brighter Super Trustee as trustee for Brighter Super.



John Smith

Chair



Michelene Collopy

Director

22 September 2025
Brisbane



**Shape the future
with confidence**

Ernst & Young
8 Exhibition Street
Melbourne VIC 3000 Australia
GPO Box 67 Melbourne VIC 3001

Tel: +61 3 9288 8000
Fax: +61 3 8650 7777
ey.com/au

Independent auditor's report to the members of Brighter Super

Opinion

We have audited the financial report of Brighter Super (the RSE), which comprises the statement of financial position as at 30 June 2025, the income statement, statement of changes in member benefits, statement of cash flows and statement of changes in equity/reserves for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the RSE is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the RSE's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the RSE in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RSE's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the RSE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the RSE to cease to continue as a going concern.



**Shape the future
with confidence**

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Brighter Super for the year ended 30 June 2025 complies with section 300C of the *Corporations Act 2001*.

Responsibilities

The directors of the Trustee are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300C of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that appears to read 'Maree Pallisco'.

Maree Pallisco
Partner
Melbourne

22 September 2025



right by your side

Level 20, 333 Ann Street Brisbane Qld 4000 GPO Box 264 Brisbane Qld 4001
Telephone: **1800 444 396** From overseas +61 7 3244 4300 Fax 07 3244 4344
info@brightersuper.com.au brightersuper.com.au



SUPERANNUATION | INVESTMENT | ADVICE | INSURANCE

Brighter Super Trustee (ABN 94 085 088 484 AFS Licence No. 230511) (Trustee) as trustee for Brighter Super (ABN 23 053 121 564) (Fund).
Brighter Super products are issued by the Trustee on behalf of the Fund.