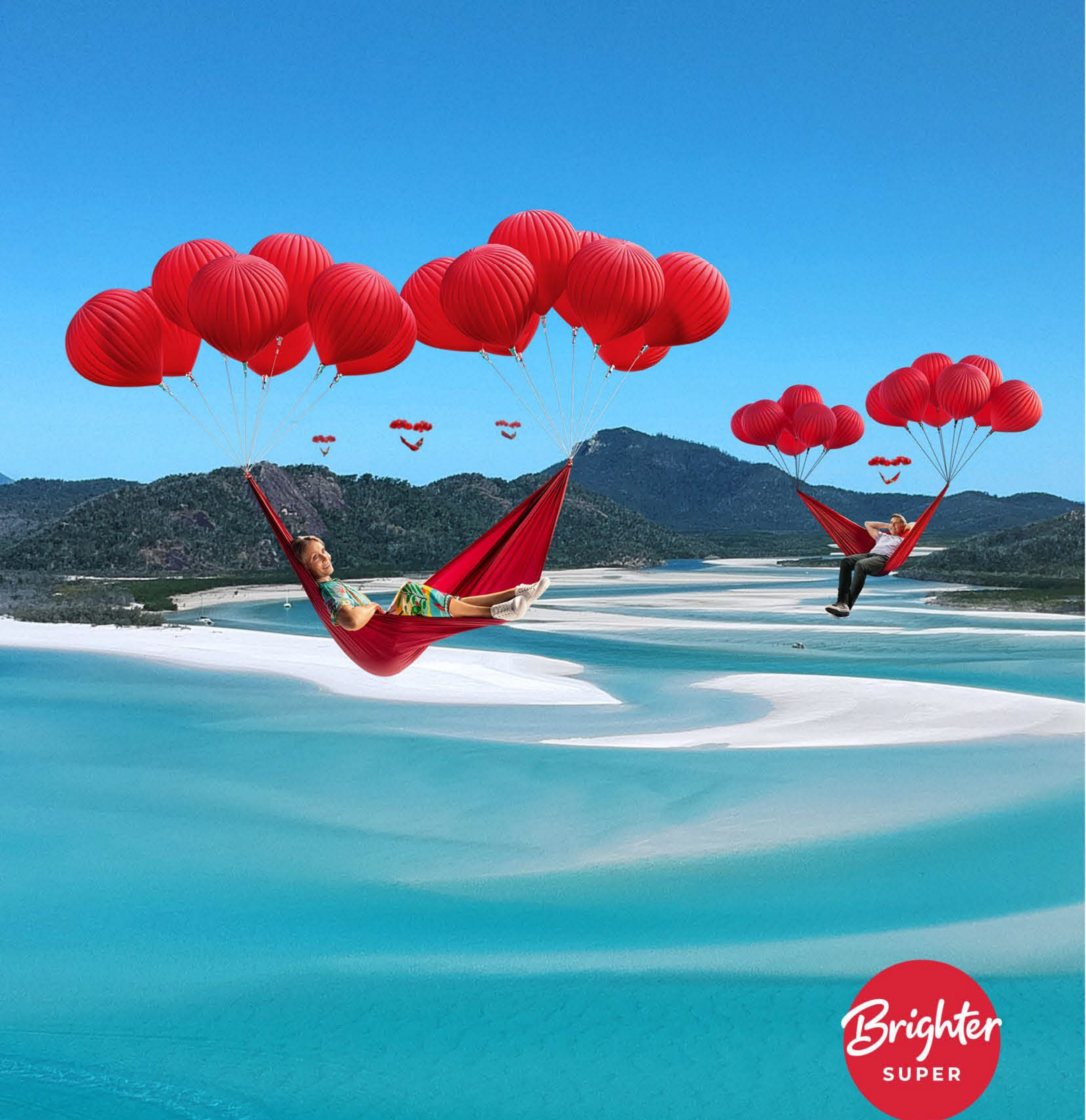
Brighter Super
Annual Financial Report

For the year ended 30 June 2026



SUPERANNUATION | INVESTMENT | ADVICE | INSURANCE

Brighter SUPER

right by your side

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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, as trustee of Brighter Super present their report together with the financial statements of Brighter Super for the financial year ended 30 June 2026.

Principal activity

For more than 60 years Brighter Super has helped members grow their super with trusted advice, personal service and local support. This is epitomised through Brighter Super's purpose: *it's all about the personal connections that guide members to retire confidently*.

The principal activity of Brighter Super is providing superannuation and retirement benefits. Brighter Super is a hybrid fund providing services for defined contribution, defined benefit, market linked and guaranteed pension products. In addition, Brighter Super provides members with life and income protection insurance products through a combination of 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

At 30 June 2026, Brighter Super's key highlights included:

- Funds under management (FUM) increased 7.5% to $38.4 billion.
- Member numbers grew by 21% to over 340,000.
- Member advice coverage rose to 56.7% and conversion of members into pension products rose to 68.7%.
- Member contributions and transfers from other funds grew by 19% to $3.2 billion.
- Brighter Super's flagship MySuper option returned 9.56% whilst the flagship Balanced accumulation and pension options returned 8.60% and 9.41% respectively.

Investment option performance

Brighter Super's MySuper, Balanced and Growth investment options delivered high single-digit and double-digit investment returns for the year, benefiting from strong Australian and International equity markets despite market volatility and the effects of the war in Iran. All Brighter Super investment options continued to exceed their investment objectives and industry medians over 10 years. The table below summarises the 1-year performance of our investment options:

Investment Options	30 June 2026 1 year return Accumulation	30 June 2026 1 year return Pension
MySuper	9.56%	-
Growth	10.18%	11.25%
Balanced	8.6%	9.41%
Conservative Balanced	7.31%	8.10%
Capital Stable	5.97%	6.69%
Secure	3.34%	4.05%

Member Outcomes

The Brighter Super Trustee conducted its annual *Member Outcome Assessment* in November 2025 and determined that the financial interests of members were being promoted. The assessment also concluded that the Brighter Super's overall investment fees and performance fees were competitive and Brighter Super continued to deliver high levels of member services.

Brighter Super's MySuper investment option passed the 2026 Your Future, Your Super performance test, scoring 0.293% above the benchmark. All other Trustee Directed Products also passed the test.

Directors' Report (continued)

Review of operations (continued)

Investing in member guidance, advice and services

Brighter Super continued to invest in member services during the year including the launch of the Brighter Super Advice Pathway, a new modularised financial advice and guidance programme. The program enables scalable, timely support tailored to member needs and has reduced the average cost of retirement advice charged to members by 50%. The programme has been well recognised by the industry with Brighter Super winning several awards including Best Fund Advice Services from Chant West, Best Member Education from SuperRatings for the second year in a row and best fund for Innovation in Member Education from Money Magazine.

During the period, Brighter Super also commenced publishing our inaugural *Member Commitments*, providing transparent quarterly reporting on key service and performance measures, including value for money products, financial education and advice, call centre performance, complaints and net promotor scores. The *Member Commitments* are published quarterly at brightersuper.com.au.

Brighter Super consolidated its clearing house and SuperStream gateway service providers to SuperChoice. This transition enhanced support for employers, reduced operating costs and strengthened readiness for the Payday Super reforms. All impacted employers were successfully migrated, contributing to an increase in SuperStream straight-through processing rates to above 99%.

Successor fund transfers

On 1 October 2025, Brighter Super Trustee became trustee of OneCare Super insurance-only and associated legacy products following a successor fund transfer of approximately 69,000 members from OnePath Custodians to Brighter Super.

Zurich Australia Limited was appointed as administrator and insurer for these products and is a material outsourced service provider to Brighter Super. The successor fund transfers bring benefits, including increased revenue for trustee service fees that will be used to reduce fees for all Brighter Super members.

Financial Position

Brighter Super's financial position continued to strengthen over the financial year with FUM increasing by $2.69 billion to $38.4 billion. The increase included strong growth in member contributions up 19% to $3.2B through higher Employer contributions (up 5%), Member contributions (up 25%) and transfers in from other funds (up 54%). These were offset by $3B in outflows driven by a 10% increase in member benefit payments. Competitive rollouts to other funds declined over the year.

Defined Benefits

The most recent triennial actuarial valuation of the defined benefit plans conducted in 2024 concluded the defined benefit plans were adequately funded to meet members' accrued benefit entitlements. The next full triennial valuation is scheduled to be performed in 2027.

During the year a review of the adequacy of employer funding contributions was conducted for the Energy Super defined benefit plans following material increases in benefits entitlements from higher average salaries. The review recommended adjustments to current employer funding arrangements and an increase to the strategic asset allocation of the defined benefit pools. Brighter Super is working with impacted employers to adjust the employer funding arrangements to ensure the Energy Super defined benefit plans continue to remain adequately funded.

Directors' Report (continued)

Review of operations (continued)

Sustainability

As a fund that supports 17 First Nations councils and with many First Nations people among our members, Brighter Super continued implementation of its inaugural *Innovate Reconciliation Action Plan* (RAP) focussed on learning and discovery. During the year, Brighter Super progressed initiatives aimed at strengthening relationships with Aboriginal and Torres Strait Islander peoples and communities, enhancing support for First Nations members, and participating in national programs focused on improving financial wellbeing and superannuation outcomes.

Climate

Brighter Super continued to enhance its climate-related reporting and analytics. Coverage of financed emissions reporting was expanded beyond listed equities and corporate bonds to include both listed property and listed infrastructure. Brighter Super also continued to strengthen its climate governance, risk management and reporting processes as part of its preparation for future sustainability reporting requirements.

During the year Brighter Super reaffirmed its target to reduce listed equities emissions intensity by 50% by 2035 compared with the 2022 baseline. At 30 June 2026, the carbon emissions intensity of the portfolio remained approximately 46% below its 2022 baseline. Progress also continued towards our target of investing $1 billion in renewable energy infrastructure assets by 2030, with approximately $500 million invested at financial year end.

Gender pay gap

The latest Workplace Gender Equality Agency data shows the financial services sector gender pay gap improved to 21.4% in 2024/45. Brighter Super's latest gender pay gaps is 10.8% for the 2026 financial year, well below industry averages.

Queensland investment strategy

The investment landscape of Queensland continues to present exciting opportunities underpinned by a growing population, the energy transition and the 2032 Olympics. Brighter Super's Queensland Investment Strategy is designed to identify and allocate 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 Brighter Super's assets owned by our Queensland members.

During the year Brighter Super approached the halfway milestone of the strategy, having allocated $225 million of the $500 million committed to invest into Queensland over five years.

Changes in state of affairs

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

Events since the end of the financial year

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected Brighter Super's operations, results or state of affairs, or may do so in future years.

Likely developments and expected results of operations

The introduction of Payday Super from 1 July 2026 has materially increased the volume of transaction processing required by Brighter Super to cater for the increased frequency of contribution remittance by employers to meet Payday Super requirements. To date Brighter Super has experienced an almost 50% increase in transactions and pleasingly is handling the increase within required service standards.

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

Environmental regulation and performance

The operations of Brighter Super 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

Ernst & Young (EY) is the external auditor of Brighter Super for the financial year ended 2026 and 2025. 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 Brighter Super Trustee, in accordance with the advice provided by the Finance 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*.

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 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 21.

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 Brighter Super's remuneration report for the year ended 2026, 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 Brighter Super which include those persons who, directly or indirectly, have authority and responsibility for planning, directing, and controlling the major activities of Brighter Super. For Brighter Super this includes the Board of Directors, Specialist Advisers, and executive key management personnel.

The Remuneration Report also includes remuneration disclosures prepared in accordance with the Australian Prudential Regulation Authority (APRA) requirements under Prudential Standard *CPS 511 Remuneration* (CPS 511). CPS 511 requires APRA-regulated entities to provide clear, comprehensive, meaningful, consistent and comparable public disclosure of information about their remuneration framework and practices on a financial year basis. Brighter Super Trustee, as trustee of Brighter Super under the Local Government Act (Qld), is considered a Significant Financial Institution (SFI) for the purposes of CPS 511. Accordingly, these disclosures are presented for the 2026 financial year.

(a) Key management personnel (KMP)

The following table identifies executives who were KMP within Brighter Super during the 2026 financial year.

Name	Role	Term as KMP
Directors		
Mr J Smith	Independent chair	Ceased 1 December 2025
Mr R Dewhurst	Independent director (Up to 7 July 2025), Deputy chair (from 8 July 2025 to 1 December 2025) & Independent chair (Appointed 2 December 2025)	Full financial year
Mr R Burton PSM	Member representative	Full financial year
Mr G Hallam AM PSM	Employer representative	Full financial year
Ms T Dyson	Employer representative	Ceased 8 July 2025
Ms C Butler	Employer representative	Appointed 8 July 2025
Ms M Collopy	Employer representative	Full financial year
Mr B O'Farrell	Independent Director	Appointed 1 January 2026
Mr H Capra	Member representative	Full financial year
Ms N Traill	Member representative	Full financial year
Mr C O'Neil	Employer representative	Full financial year
Ms R Girard	Member representative	Full financial year
Specialist Advisers		
Mr J Wilson	Specialist Adviser, Investment Committee	Full financial year
Mr R Wood	Specialist Adviser, Investment Committee	Full financial year
Mr P Kazacos OAM	Specialist Adviser, Technology Oversight Committee	Full financial year
Ms T Dyson	Specialist Adviser, Risk and Compliance Committee Specialist Adviser, Finance Committee	Appointed 9 July 2025 / Ceased 31 December 2025

Directors' Report (continued)

Remuneration Report (continued)

(a) Key management personnel (KMP) (continued)

Name	Role	Term as KMP
Other executive key management personnel – Executive Leadership Team		
Ms K Farrar	Chief Executive Officer (CEO)	Full financial year
Mr P Jodas	Chief Financial Officer (CFO)	Full financial year
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)	Ceased 5 December 2025
Mr D O'Donnell	Interim Chief Investment Officer	Appointed 5 December 2025 / Ceased 13 April 2026
Mr D Webb	Chief Investment Officer (CIO)	Appointed 14 April 2026
Mr J Gyton	Chief Operating Officer (COO)	Full financial year
Ms L Behrendt	Chief People Officer (CPO)	Full financial year
Mr B Ingram	Company Secretary (CS)	Full financial year

(b) Specified roles

CPS 511 provides for certain categorisations of specified roles within Brighter Super.

These roles and the relevant personnel at Brighter Super are detailed below:

Specified role	Brighter Super personnel
Senior Managers	All members of the Executive Leadership Team as detailed key management personnel above.
Executive Director	Nil
Material Risk-Taker	• Deputy Chief Investment Officer, Head of Investment Strategy • Head of Cash, Fixed Income and Credit • Head of Listed Equities and Sustainable Investment • Head of Real Assets
Financial Control Personnel*	• Head of Financial Reporting and Control • Deputy Chief Financial Officer • Head of Tax
Risk Control Personnel*	All staff employed in the Risk, Compliance and Governance teams.

* Not all Risk and Financial Control Personnel are entitled to Short Term Incentive Plan

(c) Governance of the remuneration framework

Brighter Super's remuneration framework

Brighter Super's remuneration framework comprises the following policies (together **Remuneration Policies**):

- Remuneration Policy (Directors and Specialist Advisers)
- Remuneration Policy (Team Members)
- Short Term Incentive Plan (STIP)
- Short Term Incentive Downward Adjustment Review Policy (STI Downward Adjustment Policy)

Directors’ Report (continued)

Remuneration Report (continued)

(c) Governance of the remuneration framework (continued)

The remuneration framework is designed to ensure that remuneration decisions across Brighter Super are consistent. Through the Remuneration Policies, it specifies the following:

- To ensure fairness, remuneration decisions will consider objective criteria, be administered through structured and authorised processes and 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 Brighter Super’s remuneration position.
- Remuneration decisions will consider individual merit and be rewarded differentially based on employee performance and competency; and
- Brighter Super’s remuneration position will ensure compliance with all legislative requirements and demonstrate a commitment to maintaining wage equality.

Brighter Super’s Remuneration Policies apply to all staff, directors and specialist advisers within the Brighter Super. We do not have any foreign branches or subsidiaries.

The role of the Board, the People and Culture Committee and the Audit, Risk and Compliance Committee

The Brighter Super Board of Directors (**Board**) has overall accountability for the remuneration framework, the Remuneration Policies and all remuneration decisions at Brighter Super.

To assist the Board in discharging its statutory, fiduciary, governance and regulatory responsibilities associated with people management activities, including those in relation to remuneration decisions, the Board has established the People and Culture Committee (**PCC**). The members of the PCC as at 30 June 2026 were:

- Ms Rebecca Girard, Committee Chair
- Mr Henry Capra, Member
- Mr Ron Dewhurst, Member
- Mr Cameron O’Neil, Member
- Ms Corinne Butler, Member

The primary purpose of the PCC is to provide an objective review and oversight of Brighter Super’s people and remuneration policies, frameworks, and practices to ensure:

- alignment with Brighter Super’s strategic goals
- compliance with external regulations and legal requirements
- compliance with Brighter Super’s *Risk and People Management Frameworks*
- consideration of Brighter Super’s members’ best financial interests.

The PCC provides regular reporting to Brighter Super’s Board, including on remuneration matters.

The PCC met four times during the 2026 financial year. The Board met nine times during the 2026 financial year and received reporting from the PCC after each of those meetings.

The Audit, Risk and Compliance Committee (**ARCC**) is responsible for providing risk and compliance input to final remuneration outcomes, including:

- risk-adjusted performance measures
- review and provide feedback on the Short-term Incentive Downward Adjustment Review Policy as it relates to significant risk events and their impact on remuneration

The ARCC met four times during the 2026 financial year.

Reviewing the Remuneration Policies

Annual consideration is given to whether Brighter Super’s remuneration framework is fit for purpose, and whether outcomes are fair, appropriate and encourage desired behaviours.

The PCC reviews the *Remuneration Policy (Directors and Specialist Advisers)* and the *Remuneration Policy (Team Members)* at least every two years to ensure they remain aligned to the business’ needs and meet Brighter Super’s remuneration principles. The *Remuneration Policy (Directors and Specialist Advisers)* is reviewed by the PCC and approved by the Board. The *Remuneration Policy (Team Members)* is developed by the Chief People Officer, reviewed by the Chief Executive Officer and approved by the PCC.

The *Short-Term Incentive Policy* is reviewed annually by the CPO, reviewed by the CEO and approved by the PCC. The *STI Downward Adjustment Policy* is reviewed every two years by the CPO and CEO and approved by the PCC.

Directors’ Report (continued)

Remuneration Report (continued)

(c) Governance of the remuneration framework (continued)

From time to time, the PCC also engages external remuneration consultants to assist with a review of the remuneration framework to ensure it complies with the requirements of CPS 511 and that Brighter Super’s remuneration practices are consistent with the market.

The role of the remuneration framework in delivering Brighter Super’s objectives

The remuneration framework is designed to promote Brighter Super’s business plan and objectives and support prudent risk management. When designing the remuneration arrangements and the organisational performance outcomes for each financial year, Brighter Super takes into consideration our long-term financial soundness and members’ best financial interests, including adherence to approved operating budgets, comparative fund metrics and performance outcomes for investment options.

Annually, organisational key performance indicators (KPIs) are developed by the CEO and recommended to the Board for consideration as part of setting the rolling three-year *Strategy and Business Plan*. These KPIs provide clear metrics for the achievement of Brighter Super’s objectives, across key areas (Investment, Member, Operations, People, Finance). With the executive, these KPIs are then cascaded to each division and team member and utilised in performance reviews.

Non-financial measures are given material weight in the setting of KPIs and the subsequent determination of both fixed and variable remuneration. Our variable remuneration programme, the STIP, is subject to Gateways to Participation which are designed to ensure that non-financial outcomes relating to conduct, competence, and regulatory requirements are considered, including the obligation to act in members’ best financial interests.

More broadly, behavioural and conduct criteria are specifically considered in each individual performance assessment which informs fixed remuneration reviews. There are also clear consequence management processes for conduct, which does not meet expected standards under Brighter Super’s *Code of Conduct*.

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 PCC aims to position executives at or near the median, with flexibility to take into account capability, experience, value to Brighter Super and performance of the individual.

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

ii) Variable remuneration

Brighter Super’s Short-Term Incentive Plan

The only variable remuneration offered to Brighter Super staff is a cash bonus, albeit under specific circumstances some component might be deferred.

Brighter Super offers a variable remuneration plan, the STIP, each year to members of the executive and senior leadership teams and other defined specialist roles. Eligible roles are approved annually by the PCC and incumbents are invited to participate in the STIP each year.

Included in the letter of invitation is the maximum potential payment applicable to each specific role for that financial year under the STIP. The maximum annual incentive opportunities under the respective remuneration policy are:

- CEO 30% of fixed remuneration;
- CIO 50% of fixed remuneration;
- CCO 20% of fixed remuneration;
- CMO 20% of fixed remuneration;
- Other Senior Managers 15% of fixed remuneration;
- Material Risk Takers 30% of fixed remuneration; and
- Eligible Financial and Risk Control Personnel 10% of fixed remuneration.

All ‘Senior Managers’ and ‘Material Risk-Takers’ (see specified roles) are eligible to participate.

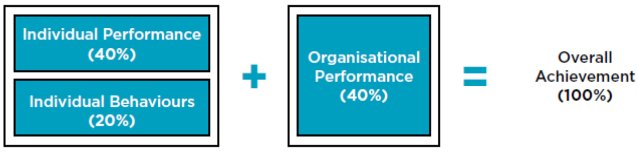
Assessing STIP awards

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 based on the following criteria:

Directors’ Report (continued)

Remuneration Report (continued)

(c) Governance of the remuneration framework (continued)



The total variable remuneration pool available is determined after assessment of the final annual organisational performance outcomes and is approved by the Board on recommendation from the PCC. This is to ensure the STIP promotes the achievement of Brighter Super’s business strategy and objectives for the relevant financial year.

The individual outcome for the CEO is determined by the PCC and approved by the Board. Individual outcomes for the executive team are determined by the CEO and reviewed by the PCC. Individual outcomes for leaders and team members below this level, including ‘Risk and Financial Control Personnel’, are determined by their line managers, and reviewed and approved through a moderation process undertaken by the executive team with final overall approval by the PCC.

The STIP is structured to prioritise appropriate risk management behaviours and discourage misconduct. There are three non-financial, conduct related gateways to receiving a STIP award.

Gateways to participation	Measures
Organisational compliance	Team members must demonstrate Brighter Super's policies, frameworks, values, standards, and procedures in the way they work. Team members are required to meet all training and assessment requirements for their position.
Regulatory compliance	Team members are required to meet all of Brighter Super's legislative and regulatory obligations in accordance with Brighter Super’s regulatory compliance risk appetite.
Conduct	Team members must demonstrate compliance with Brighter Super's code of conduct and principles in the way they work.

Outcomes of organisational performance are based on Brighter Super’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. Brighter Super’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 rollovers, pension conversions, Net Promoter Score and member 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** Organisational health measured by McKinsey Organisation Health Index 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.

Ensuring that conduct is considered in the STIP

Like Brighter Super’s other Remuneration Policies, the STIP is structured to prioritise appropriate risk management behaviours and discourage misconduct.

Directors' Report (continued)

Remuneration Report (continued)

(c) Governance of the remuneration framework (continued)

Ensuring that conduct is considered in the STIP (continued)

Failure to meet all Gateways to Participation automatically disqualifies a team member from receiving a STIP award. The Board expects that all team members act, in accordance with Brighter Super's Values and understand and adhere to the *Code of Conduct*. Any material breaches will be dealt with by fair and reasonable consequence management within the *People and Culture Framework.*

Remuneration consequences when conduct does not meet expected standards

Where a team member who was eligible to participate in the STIP is considered to have failed to meet any of the Gateways to Participation, the circumstances regarding the alleged failure are considered by the CEO, CRO and the CPO. If they agree that any of the Gateways to Participation have not been met, they will recommend to the PCC that the relevant staff member be excluded from participating in the STIP.

The *STI Downward Adjustment Policy* also provides for downward adjustments in 'unusual or exceptional circumstances', e.g., in material cases of adverse risk or conduct outcomes which have or could have impacted Brighter Super's prudential standing or reputation.

In the case where it is alleged that any of the CEO, CRO or CPO have failed to meet the Gateways to Participation, they will be excluded from consideration of the matter, and the review will be undertaken by two other executives. The PCC and Board will then make a final decision about participation.

The Board may, at its discretion, vary the payments to be made under the STIP. Further, a trigger for a downward adjustment of a STIP payment may be made for any of the following:

(a) misconduct leading to materially adverse outcomes
(b) failure of an 'Accountable Person' (as defined in Brighter Super's *Financial Accountability Regime Policy*) to take reasonable steps to avoid a breach of their Accountable Person obligations under the *Financial Accountability Regime Act 2023 (Cth)*
(c) material failure of financial or non-financial risk management
(d) a material failure or breach of fitness and propriety, or compliance obligations
(e) an error or a significant misstatement of criteria on which the variable remuneration determination was based, rendering the initial recommendation invalid
(f) action leading to avoidable adverse outcomes for members, beneficiaries, or counterparties.

Governance Role	Primary Function	Oversight/Inputs	Escalation/Outputs
Board	Exercises final discretion on remuneration.	Review recommendations as appropriate.	Oversees the implementation of the Remuneration Policy, overall accountability for remuneration and changes to frameworks.
PCC	Reviews remuneration framework, recommends Specified Role adjustments.	Receives downward adjustments recommendations and risk assessments.	Reviews and recommends final outcomes to Board.
STI Downward Adjustment Policy oversight from CPO and CEO	Applies consequence management for breaches or material incidents	Risk input from CRO and ARCC Chair.	Determines outcomes for non-Specified Roles under management delegation. For CPS 511 Specified Roles, outcomes recommended to PCC.
CRO	Advises on risk-adjusted outcomes, flags conduct or compliance issues.	Financial and non-financial risk assessments, regulatory obligations.	Provides input on potential remuneration adjustments.

Directors’ Report (continued)

Remuneration Report (continued)

(c) Governance of the remuneration framework (continued)

Variable remuneration of risk and financial control personnel

For the 2026 financial year, ‘Risk and Financial Control Personnel’ who report directly to senior managers were remunerated through a combination of fixed and, where eligible, variable remuneration, in accordance with CPS 511. The design of the STIP ensures that Gateways to Participation are non-financial, preserving the independence and authority of individuals in these roles.

Remuneration outcomes are assessed by line managers, calibrated across the enterprise as described above, and reviewed by the executive and PCC. Aggregate remuneration outcomes, and any STIP outcomes subject to a downward adjustment are reviewed by PCC before being approved by the Board. Board and PCC approval of STIP payments is conducted at an aggregate level, except in the case of the CEO.

- Of the Financial Control Personnel, 100% are eligible to participate.
- Of the Risk Control Personnel, 22% are eligible to participate[1].
- For the financial year, the average variable remuneration outcome for these team members was 2.98% of fixed remuneration.
- No adjustments to remuneration outcomes were applied during the year.
- No special payments were made to Risk and Financial Control Personnel in the reporting year.

Assessment for team members without variable remuneration

For team members who are not eligible to participate in the STIP, risk outcomes are assessed as part of the semi- and annual performance review process. These performance reviews include metrics regarding the completion of mandatory risk and compliance training, and compliance with Brighter Super’s *Code of Conduct*.

All team members, irrespective of STIP eligibility, are subject to the *Code of Conduct* and any breaches of this Code are considered in remuneration decisions as well as other forms of consequence management, for example further training, formal warnings, suspension, or dismissal.

Delivery and deferral of variable remuneration

Any payments under the STIP are delivered as a cash bonus for eligible team members. Payments for the 2026 financial year that are not subject to deferral were paid on 8 September 2026.

For the CEO, 40% of the eligible annual incentive is paid in the relevant financial year. 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.

A deferral will apply for a Senior Manager or a Highly Paid Material Risk Taker under CPS 511, if the calculated deferral amount (40% of STIP) is at or above $50,000 in a given financial year. Deferred payments will be forfeited in certain circumstances such as if an employee is terminated for cause.

Forfeiture and termination

Any deferred annual incentive payment is subject to malus and claw back.

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 automatically eligible to receive the annual incentive award that would have been otherwise payable.

However, the Board does have 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 and where conduct has been meritorious.

Directors’ and Specialist Advisers’ remuneration

Directors and Specialist Advisers 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 Advisers are reimbursed for reasonable expenses incurred when conducting business on behalf of Brighter Super.

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 base fees were reviewed with effect from 1 July 2025.

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[1] *This excludes the Chief Risk Officer and Chief Financial Officer, who are included in the ‘Senior Managers’ cohort.*

Directors’ Report (continued)

Remuneration Report (continued)

(c) Governance of the remuneration framework (continued)

All Directors and Specialist Advisers enter into a service agreement with the Brighter Super 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 Adviser.

(d) Quantitative disclosures

Remuneration expenses

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

	Short-term			Long-term		Post-employment		Total
Name	**Salary and fees**	**Cash bonus**	**Other**	**Long service leave**	**Cash bonus**	**Superannuation**	**Termination benefits**	
Directors								
Mr J Smith	80,008	-	-	-	-	7,724	-	87,732
Mr R Dewhurst	192,906	-	-	-	-	-	-	192,906
Mr R Burton PSM	110,865	-	-	-	-	13,304	-	124,169
Mr B O’Farrell	52,434	-	-	-	-	6,292	-	58,726
Mr G Hallam AM PSM	98,819	-	-	-	-	11,858	-	110,677
Ms T Dyson	-	-	-	-	-	-	-	-
Ms C Butler [2]	102,700	-	-	-	-	-	-	102,700
Ms M Collopy	107,894	-	-	-	-	12,947	-	120,841
Mr H Capra	118,986	-	-	-	-	14,278	-	133,264
Ms N Traill	92,769	-	-	-	-	11,132	-	103,901
Mr C O’Neil	92,769	-	-	-	-	11,132	-	103,901
Ms R Girard [3]	105,030	-	-	-	-	-	-	105,030
Total remuneration	**1,155,180**	**-**	**-**	**-**	**-**	**88,667**	**-**	**1,243,847**
Specialist Advisers								
Mr J Wilson [4]	46,697	-	-	-	-	-	-	46,697
Mr R Wood	46,697	-	-	-	-	-	-	46,697
Mr P Kazacos OAM [5]	35,023	-	-	-	-	-	-	35,023
Ms T Dyson [6]	22,500	-	-	-	-	2,700	-	25,200
Total remuneration	**150,917**	**-**	**-**	**-**	**-**	**2,700**	**-**	**153,617**

[2] Ms C Butler is an Employer representative elected director and $102,700 attributable to the services of Ms C Butler during the year were paid directly to My Recruitment Agency excluding GST.
[3] Ms R Girard is a Member representative elected director and $105,030 attributable to the services of Ms R Girard during the year were paid directly to The Services Union excluding GST.
[4] Mr J Wilson is a Specialist Advisor and $46,697 attributable to the services of Mr J Wilson during the year were paid directly to Jacob Williams Pty Ltd excluding GST.
[5] Mr P Kazacos OAM is a Specialist Advisor and $35,023 attributable to the services of Mr P Kazacos during the year were paid directly to Kazacos.ai Pty Ltd excluding GST.
[6] Ms T Dyson ceased to be a Director on 8 July 2025 and was appointed as a Specialist Adviser on 9 July 2025. Her fee of $22,500 plus 12% super ($2,700) is for the period from 9 July 2025 to 31 December 2025.

Directors' Report (continued)

Remuneration Report (continued)

(d) Quantitative disclosures (continued)

Name	Short-term			Long-term		Post-employment		Total[7]
	Salary and fees	Cash bonus	Other	Long service[8] leave	Cash bonus[9]	Superannuation	Termination benefits	
Other executive key management personnel								
Ms K Farrar	696,682	65,321	-	30,082	48,324	30,000	-	870,409
Mr P Jodas	437,485	49,925	-	563	-	30,000	-	517,973
Mr R Gajanayake	335,052	38,078	-	16,913	-	30,000	-	420,043
Mr S Chan	387,711	44,310	-	15,814	-	30,000	-	477,835
Ms L Kay	370,670	68,639	-	12,911	-	30,000	-	482,220
Mr S Marteene	370,762	68,804	-	12,696	-	30,000	-	482,262
Mr M Rider[10]	225,299	-	-	14,495	-	30,000	-	269,794
Mr D O'Donnell[11]	139,888	-	-	-	-	16,787	-	156,675
Mr D Webb[12]	147,911	-	-	186	-	7,500	-	155,597
Mr J Gyton	410,537	46,616	-	14,355	-	30,000	-	501,508
Ms L Behrendt	370,292	49,009	-	469	-	30,000	-	449,770
Mr B Ingram	326,961	37,386	-	12,911	-	29,415	-	406,673
Total remuneration	**4,219,250**	**468,088**	**-**	**131,395**	**48,324**	**323,702**	**-**	**5,190,759**

[7] *No non-monetary benefits were provided to KMP.*
[8] *Long service leave represents the additional accrual for the period.*
[9] *This amount represents the long-term deferred cash bonus recognised in the current year.*
[10] *Mr M Rider's remuneration relates to the period from 1 July 2025 until his cessation of employment on 5 December 2025.*
[11] *Mr D O'Donnell's remuneration relates to the period during which he served as Interim Chief Investment Officer, from 5 December 2025 to 13 April 2026.*
[12] *Mr D Webb's remuneration relates to the period from his appointment as Chief Investment Officer on 14 April 2026 to 30 June 2026.*

Directors' Report (continued)

Remuneration Report (continued)

(d) Quantitative disclosures (continued)

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[13] yet to vest $	Years in which remainder of cash bonus will be paid
Ms K Farrar	Chief Executive Officer	211,482	77%	23%	65,321	97,982	FY 2030 FY 2031 FY 2032
Mr P Jodas	Chief Financial Officer	62,250	80%	20%	49,925	N/a	N/a
Mr R Gajanayake	Chief Technology Officer	47,479	80%	20%	38,078	N/a	N/a
Mr S Chan	Chief Risk Officer	55,249	80%	20%	44,310	N/a	N/a
Ms L Kay	Chief Member Officer	72,100	95%	5%	68,639	N/a	N/a
Mr S Marteene	Chief Commercial Officer	72,273	95%	5%	68,804	N/a	N/a
Mr M Rider[14]	Chief Investment Officer	141,064	0%	100%	-	N/a	N/a
Mr D O'Donnell[15]	Interim Chief Investment Officer	N/a	N/a	N/a	N/a	N/a	N/a
Mr D Webb[16]	Chief Investment Officer	N/a	N/a	N/a	N/a	N/a	N/a
Mr J Gyton	Chief Operating Officer	58,125	80%	20%	46,616	N/a	N/a
Ms L Behrendt	Chief People Officer	51,480	95%	5%	49,009	N/a	N/a
Mr B Ingram	Company Secretary	46,616	80%	20%	37,386	N/a	N/a

The annual incentive awards were awarded on 8 September 2026.

[13] *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*
[14] *Mr M Rider was not eligible for an annual incentive award as his employment was terminated before the end of the performance year and therefore the entire amount was forfeited.*
[15] *Mr D O'Donnell was not eligible for an annual incentive award under the secondment arrangement.*
[16] *Mr D Webb was not eligible for an annual incentive award as the minimum service requirement within the performance year was not met, given the appointment occurred in April 2026.*

Directors’ Report (continued)

Remuneration Report (continued)

(d) Quantitative disclosures (continued)

Contractual arrangements

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

Name	Base fee/fixed remuneration per annum	Other monetary entitlements	Employment terms	Variable remuneration
Mr R Dewhurst	$154,992 $219,988	Not applicable	Deputy Chair (From 8 July 2025 to 1 December 2025) Independent Chair (From 2 December 2025 to 30 June 2026)	Not applicable
Ms T Dyson	$22,500	Not applicable	Specialist Adviser, Risk and Compliance Committee, and Finance Committee (6 months)	Not applicable
Ms C Butler	$92,768	Not applicable	Director, Employer representative	Not applicable
Mr B O’Farrell	$104,869	Not applicable	Independent Director	Not applicable
Mr D O’Donnell	$399,681	Not applicable	Secondment (4 months)	Not applicable
Mr D Webb	$653,000	Not applicable	Executive contract	Entitled to an annual incentive based on the achievement of Brighter Super, function and individual outcomes over a 12-month period.

Directors' Report (continued)

Remuneration Report (continued)

(d) Quantitative disclosures (continued)

CPS 511 Quantitative disclosures

The following quantitative disclosures have been prepared in accordance with the requirements of CPS 511 for the 2026 financial year. All amounts are expressed in Australian dollars. The tables below present the remuneration outcomes for the 2026 financial year.

Table 2 Remuneration outcomes for the financial year

AUD $M (3 decimal places)		CEO	Other senior managers	Highly paid material risk-takers[17]	Other material risk-takers[18]
Fixed remuneration					
1	Number of team members paid fixed remuneration (FTE)	1	11	-	-
2	**Total fixed remuneration[19]**	**0.727**	**3.816**	**-**	**-**
3	of which: cash-based	0.727	3.816	-	-
4	of which: share-based awards	-	-	-	-
5	of which: other (non-monetary benefits)	-	-	-	-
6	Average % increase in total fixed remuneration (row 2) on previous financial year	4%	8%	-	-
Variable remuneration					
7	Number of team members eligible for variable remuneration	1	8	-	-
8	Number of team members that received variable remuneration	1	8	-	-
9	**Total variable remuneration**	**0.065**	**0.403**	**-**	**-**
10	of which: cash-based	0.065	0.403	-	-
11	of which: share-based awards	-	-	-	-
12	of which: other	-	-	-	-
13	**Total variable remuneration (row 9) that has been deferred**	**0.098**	**-**	**-**	**-**
14	of which: cash-based	0.098	-	-	-
15	of which: share-based awards	-	-	-	-
16	of which: other	-	-	-	-
17	Average % decrease in total variable remuneration (row 9) on previous financial year	-14%	-	-	-
18	**Total remuneration (sum of rows 2 + 9)**	**0.792**	**4.219**	**-**	**-**

[17] *Highly Paid Material Risk-Takers are Material Risk-Takers whose total fixed remuneration plus actual variable remuneration is equal to or greater than $1 million in a financial year. There were no Highly Paid Material Risk-Takers.*
[18] *There were no Other Material Risk-Takers in addition to the Senior Managers.*
[19] *Includes cash salary, other short term cash payments and superannuation contributions.*

Directors’ Report (continued)

Remuneration Report (continued)

(d) Quantitative disclosures (continued)

Table 3 Special payments

	AUS $M (3 decimal places)	CEO	Other senior managers	Highly paid material risk-takers[20]	Other material risk-takers[21]
	Guaranteed bonuses				
1	Number of team members paid a guaranteed bonus	-	-	-	-
2	**Total guaranteed bonuses**	**-**	**-**	**-**	**-**
	Sign-on awards				
3	Number of team members paid a sign-on award	-	-	-	-
4	**Total sign-on awards**	**-**	**-**	**-**	**-**
	Severance payments				
5	Number of team members paid a severance payment	-	-	-	-
6	**Total severance payments**	**-**	**-**	**-**	**-**

[20] *There were no Highly Paid Material Risk-Takers to meet disclosure thresholds.*
[21] *There were no Other Material Risk-Takers in addition to the Senior Managers.*

Directors’ Report (continued)

Remuneration Report (continued)

(d) Quantitative disclosures (continued)

Table 4 Deferred and adjusted variable remuneration[22]

AUD $M (3 decimal places)		A Total amount of outstanding deferred variable remuneration (post adjustments)	B Total amount of variable remuneration not deferred (post adjustments)	C Total amount of downward adjustments to variable remuneration reported in columns A and B
CEO				
1	**Total CEO**	**0.285**	**0.065**	**-**
2	of which: cash	0.285	0.065	-
3	of which: share-based awards	-	-	-
4	of which: other	-	-	-
Other senior managers				
5	**Total other senior managers**	**-**	**-**	**-**
6	of which: cash	-	-	-
7	of which: share-based awards	-	-	-
8	of which: other	-	-	-
Highly paid material risk-takers[23]				
9	**Total highly paid material risk-takers**	**-**	**-**	**-**
10	of which: cash	-	-	-
11	of which: share-based awards	-	-	-
12	of which: other	-	-	-
Other material risk-takers[24]				
13	**Total other material risk-takers**	**-**	**-**	**-**
14	of which: cash	-	-	-
15	of which: share-based awards	-	-	-
16	of which: other	-	-	-
17	**Total (sum of rows 1 + 5 + 9 + 13)**	**0.285**	**0.065**	**-**

[End of remuneration report]

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

Ronald Dewhurst

Chair

22 September 2026

Brisbane

Michelene Collopy

Director

[22] *Reflects the total amount of outstanding deferred variable remuneration relating to FY26 only.*
[23] *There were no Highly Paid Material Risk-Takers.*
[24] *There were no Other Material Risk-Takers to meet disclosure thresholds.*

Shape the future
with confidence

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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 2026, 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

Ernst & Young

Maree Pallisco
Partner
22 September 2026

Consolidated statement of financial position as at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Cash at bank	14	148,206	231,144
Custodial held cash	7	3,491,678	2,809,333
Receivables/unsettled trades	8	197,002	157,148
Interest bearing securities	7	1,311,476	1,139,625
Listed equity investments and trusts	7	21,639,325	20,150,056
Derivative assets	7	211,967	221,340
Unlisted equity investments and trusts	7	12,169,233	11,691,340
Life insurance policies	7	389,842	356,654
Right of use assets		3,264	5,497
Other assets		7,257	7,580
Total assets		**39,569,250**	**36,769,717**
Liabilities			
Derivative liabilities	7	176,808	180,310
Payables/unsettled trades	9	189,470	136,381
Other liabilities		8,323	8,055
Lease liability		5,997	8,520
Income tax payable		39,202	32,614
Deferred tax liability (net)	13	771,331	715,369
Total liabilities excluding member benefits		**1,191,131**	**1,081,249**
Net assets available for member benefits		**38,378,119**	**35,688,468**
Defined contribution (DC) member liabilities		36,368,039	33,529,959
Defined benefit (DB) member liabilities		1,311,189	1,432,238
Total allocated member liabilities		**37,679,228**	**34,962,197**
Unallocated to members	10(c)	12,821	14,830
Total member liabilities		**37,692,049**	**34,977,027**
Total net assets		**686,070**	**711,441**
Equity			
Reserves	12	306,733	256,856
Defined benefits that are over/(under) funded	10(e)	282,394	281,926
Unallocated surplus	12(v)	96,943	172,659
Total equity		**686,070**	**711,441**

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 2026

	Note	2026 $'000	2025 $'000
Superannuation activities			
Interest revenue		186,052	169,707
Dividends and trust distributions		1,147,765	1,062,642
Net change in fair value of financial instruments	4	1,979,652	2,470,593
Other investment revenue and sundry revenue		7,880	16,523
Total net income		**3,321,349**	**3,719,465**
Investment expenses	5	98,367	118,218
Administration expenses	6	85,403	87,422
Depreciation, impairment, and amortisation	6	3,967	2,811
Total expenses		**187,737**	**208,451**
Results from superannuation activities before income tax expense/(benefit)		**3,133,612**	**3,511,014**
Income tax (expense)/benefit	13	(95,292)	(167,498)
Results from superannuation activities after income tax expense/(benefit)		**3,038,320**	**3,343,516**
Net benefits allocated to defined contribution members		2,861,481	3,167,297
Net change in defined benefit member benefits		79,924	216,003
Operating result after income tax		**96,915**	**(39,784)**

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 2026

	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 2025	**33,529,959**	**946,664**	**46,772**	**438,802**	**34,962,197**
Employer contributions	1,602,362	8,316	415	8,947	1,620,040
Member contributions	679,761	1,199	174	1,183	682,317
Successor fund transfers	74,681	-	-	-	74,681
Transfers from other funds	819,291	-	-	-	819,291
Income tax on contributions	(247,646)	(1,247)	(62)	(1,342)	(250,297)
Net after tax contributions	**2,928,449**	**8,268**	**527**	**8,788**	**2,946,032**
Benefits paid	(1,675,427)	(118,317)	(9,482)	(96,288)	(1,899,514)
Transfers to other funds	(1,039,909)	-	-	-	(1,039,909)
Insurance premiums charged	(733,124)	(2,474)	(181)	(321)	(736,100)
Insurance claims proceeds	397,615	557	217	235	398,624
Other fees	(3,340)	-	-	-	(3,340)
Transfers between member funds	365	26	-	(391)	-
Transfers to/(from) reserves	101,970	8,059	474	(670)	109,833
Net benefits allocated to members, comprising:					
Investment income	2,929,696	-	-	-	2,929,696
Administration fees	(68,215)	-	-	-	(68,215)
Net change in defined benefit member benefits	-	53,304	3,303	23,317	79,924
Balance at 30 June 2026	**36,368,039**	**896,087**	**41,630**	**373,472**	**37,679,228**

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 2026

	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	5,307	(1,237)	(147)	(647)	3,276
Net benefits allocated to members, comprising:					
Investment income	3,231,605	-	-	-	3,231,605
Administration fees	(64,308)	-	-	-	(64,308)
Net change in defined benefit member benefits	-	184,805	3,628	27,570	216,003
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 reserves for the year ended 30 June 2026

2026	Operational Risk Financial reserve $'000	General reserve $'000	Returning reserve $'000	Other reserves and balances $'000	DB over/ (under) funded $'000	Unallocated surplus/ (deficit) $'000	Total Reserves $'000
Opening balance	**92,853**	**86,076**	**57,386**	**20,541**	**281,926**	**172,659**	**711,441**
Other transfers (from)/to reserves	-	-	-	-	(10,669)	(1,784)	(12,453)
Transfers between reserves	(1,062)	26,890	-	-	41,812	(67,640)	-
Member net transfer (from)/to reserves	(6)	28	-	-	(30,675)	(79,180)	(109,833)
Operating result	8,831	10,358	4,716	122	-	72,888	96,915
Closing balance	**100,616**	**123,352**	**62,102**	**20,663**	**282,394**	**96,943**	**686,070**

2025	Operational Risk Financial reserve $'000	General reserve $'000	Returning reserve $'000	Other reserves and balances $'000	DB over/ (under) funded $'000	Unallocated surplus/ (deficit) $'000	Total Reserves $'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)	-	-	-	11,311	(3,854)
Transfers between reserves	-	24,446	-	-	(4,000)	(20,446)	-
Member net transfer (from)/to reserves	(643)	(102)	(5,300)	(174)	(882)	3,825	(3,276)
Operating result	9,186	6,922	10,121	136	(129,531)	63,382	(39,784)
Closing balance	**92,853**	**86,076**	**57,386**	**20,541**	**281,926**	**172,659**	**711,441**

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 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
(Purchase)/sale of other assets		(314)	(365)
Interest received		181,644	178,791
Other income		14,728	23,629
Dividends and trust distributions received		915,775	857,728
Investment expenses		(97,784)	(124,891)
Administration expenses		(88,542)	(90,723)
Income tax paid on investment earnings		(157,701)	(31,479)
Insurance premiums paid		(733,063)	(422,640)
Insurance proceeds received		398,286	240,539
Net cash from operating activities	**14**	**433,029**	**630,589**
Cash flows from investing activities			
Purchase of financial instruments		(13,302,792)	(9,881,659)
Sale of financial instruments		12,746,641	9,473,521
Net cash flows (used in)/from investing activities		**(556,151)**	**(408,138)**
Cash flows from financing activities			
Employer contributions		1,606,024	1,548,554
Member contributions		682,293	547,174
Transfers from other superannuation funds		819,290	582,239
Transfers to other superannuation funds		(1,039,909)	(1,132,093)
Benefits paid		(1,902,840)	(1,563,066)
Income tax paid on contributions		(125,440)	(212,189)
Zurich successor fund transfer	20	766	15,706
Net cash flows from/(used in) financing activities		**40,184**	**(213,675)**
Net (decrease)/increase in cash held		**(82,938)**	**8,776**
Cash at the beginning of the financial year		231,144	222,368
Cash at the end of the financial year	**14**	**148,206**	**231,144**

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 2026

Note 1. General information

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

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

Brighter Super 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.

Brighter Super 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 Brighter Super Trustee on 22 September 2026.

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 Brighter Super and its subsidiaries.

(a) Basis of preparation

Brighter Super 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 Brighter Super.

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 Brighter Super.

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.

(i) *New and amended accounting standards and interpretation adopted by Brighter Super:*

There are no new standards or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2025 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 2. Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

(ii) *New standards and interpretations effective after 1 July 2026 and have not been early adopted:*

A number of new standards, amendments to standards and interpretations are effective for annual reporting periods beginning after 1 July 2026 and have not been adopted in preparing these financial statements.

Australian Accounting Standard AASB 18 *Presentation and Disclosure in Financial Statements* (AASB 18) has been issued and will replace AASB 101 *Presentation of Financial Statements*. The standard introduces revised requirements for the presentation and disclosure of financial information, including new subtotals in the statement of profit or loss, enhanced guidance on aggregation and disaggregation, and additional disclosures in respect of management-defined performance measures. The standard will become mandatorily applicable to Brighter Super for annual reporting periods beginning on or after 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. Brighter Super is currently assessing the impact of AASB 18. Based on preliminary assessment, the standard is expected to primarily affect the presentation and disclosure of financial information, rather than the recognition or measurement of amounts in Brighter Super's financial statements.

Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) has also been issued but is not yet effective for the current reporting period, with mandatory application for Brighter Super expected from 1 July 2026. AASB S2 establishes requirements for the disclosure of climate-related risks and opportunities that could reasonably be expected to affect an entity's financial position, financial performance and cash flows over the short, medium or long term. The impact of AASB S2 is currently being assessed at the consolidated Brighter Super Fund level, given the nature of the standard. Based on preliminary considerations, AASB S2 is expected to primarily impact disclosure requirements rather than the recognition or measurement of amounts in Brighter Super's financial statements.

None of the other new standards, amendments and interpretations are expected to have a material impact on the financial statements.

(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 Brighter Super has control. Brighter Super controls an entity when it 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.

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 2. Summary of material accounting policies (continued)

(b) Principles of consolidation (continued)

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

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

Control is achieved when Brighter Super:

- 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 Brighter Super:

Parent and Head entity: Brighter Super Subsidiaries (all balance 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%

During the financial year, the Board approved the winding up of ESI Financial Services Pty Ltd and resolved to initiate an orderly wind-up of SPSL Services Pty Ltd**.**

(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 Brighter Super’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.

Note 2. Summary of material accounting policies (continued)

(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 Brighter Super. 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.

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

Brighter Super 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 Brighter Super'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.

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

Brighter Super 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.

Note 2. Summary of material accounting policies (continued)

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

(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. Brighter Super's Operational Risk Financial reserve has been established for this purpose.

As a minimum Brighter Super aims to hold a target amount equal to 20 basis points of assets under management subject to a predetermined tolerance limit. The tolerance limit is set by the Brighter Super 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 Brighter Super Trustee.

(ii) *General Reserve*

Brighter Super maintains a General reserve for the Accumulated Benefits Fund to ensure solvency 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 Brighter Super, which are not met from the Operational Risk Financial reserve. Brighter Super has a long-term target of 15 basis points of assets under management.

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 2. Summary of material accounting policies (continued)

(j) Reserves (continued)

(iii) *Returning Reserve*

Brighter Super 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 SPSL 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 SPSL's business.

(iv) *Other Reserves and Balances*

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

Note 3. Operation of Brighter Super

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

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

Brighter Super 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 Brighter Super.

Following the successor fund transfer of approximately 61,000 members from the Smart Future Trust on 1 October 2024 in respect of the Zurich OneCare Super and Wealth Protection insurance-only products, Zurich Australia Limited was appointed as administrator and insurer for those products and became a material outsourced service provider to Brighter Super.

On 1 October 2025, the Brighter Super Trustee became trustee of OneCare Super and associated legacy products following a further successor fund transfer of approximately 69,000 members from OnePath Custodians Pty Limited (OPC) to Brighter Super. Zurich Australia Limited continued in its role as administrator and insurer for these products.

Both successor fund transfers bring benefits including increased revenue for trustee service fees that will be used to reduce fees for all Brighter Super members.

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 4. Net change in fair value of financial instruments

	2026 $'000	2025 $'000
Fair value through profit or loss		
Custodial held cash	(4,123)	13,421
Interest bearing securities	(57,472)	54,507
Listed equity investments and trusts	1,735,665	2,317,313
Unlisted equity investments and trusts	(152,353)	336,808
Life insurance policies	(24,997)	(25,619)
Derivatives	482,932	(225,837)
Total	**1,979,652**	**2,470,593**

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.

Note 5. Direct investment expenses

	2026 $'000	2025 $'000
External investment management fees	19,267	45,557
Master custodian fees	4,461	4,322
Administration expenses – Fund investment operations	25,981	20,163
Withholding tax and other fees	45,348	45,580
Performance fees	706	749
Asset consultant fees	2,604	1,847
Total	**98,367**	**118,218**

Note 6. Administration expenses and depreciation

	2026 $'000	2025 $'000
Staff salaries and associated costs	40,756	41,089
Consultants' fees	11,855	11,803
Actuarial fees	202	500
Maintenance and service agreements	20,780	23,387
Marketing, communication and sponsorship expenses	5,971	3,174
Other administration expenses	5,839	7,469
Total administration expenses	**85,403**	**87,422**
Depreciation on property, plant and equipment	577	463
Depreciation on right of use assets	3,390	2,348
Total depreciation, impairment and amortisation	**3,967**	**2,811**

Note 7. Investments and derivatives

	2026 $'000	2025 $'000
Custodial held cash		
Custodial held cash	3,491,678	2,809,333
Total custodial held cash	**3,491,678**	**2,809,333**
Interest bearing securities		
Government bonds	566,834	648,123
Corporate bonds	459,239	334,598
Other interest-bearing securities	285,403	156,904
Total interest bearing securities	**1,311,476**	**1,139,625**
Listed equity investments and trusts		
Equity investments	20,598,340	19,100,705
Property, infrastructure and other trusts	1,040,985	1,049,351
Total listed equity investments and trusts	**21,639,325**	**20,150,056**
Unlisted equity investments and trusts		
Equity investments	7,410,864	6,977,926
Property, infrastructure and other trusts	4,758,369	4,713,414
Total unlisted equity investments and trusts	**12,169,233**	**11,691,340**
Life insurance policies		
Life insurance policies	389,842	356,654
Total life insurance policies	**389,842**	**356,654**
Derivative assets		
Swaps	1,205	195
Futures	6,438	7,813
Forward foreign exchange	204,280	213,031
Options	44	301
Total derivative assets	**211,967**	**221,340**
Total investment assets	**39,213,521**	**36,368,348**
Derivative liabilities		
Swaps	(1,116)	(307)
Futures	(2,251)	(6,431)
Forward foreign exchange	(172,551)	(173,344)
Options	(890)	(228)
Total derivative liabilities	**(176,808)**	**(180,310)**
Other financial assets		
Investment revenue receivables	77,321	76,048
Other receivables/unsettled trades	82,293	72,191
Total other financial assets	**159,614**	**148,239**

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 7. Investments and derivatives (continued)

	2026 $'000	2025 $'000
Other financial liabilities		
Other payables/unsettled trades	(95,775)	(81,580)
Total other financial liabilities	**(95,775)**	**(81,580)**
Net investment assets	**39,100,552**	**36,254,697**

Financial instruments

(i) *Classification*

Brighter Super'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 Brighter Super 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 Brighter Super has transferred substantially all of the risks and rewards of ownership.

(iii) *Measurement*

At initial recognition, Brighter Super 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 Brighter Super'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.

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

Brighter Super 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 Brighter Super Trustee values interest bearing securities held by Brighter Super 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 Brighter Super 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 Brighter Super 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 Brighter Super’s financial assets and liabilities at fair value according to the fair value hierarchy.

30 June 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
Listed equities and trusts	21,633,844	-	5,481	21,639,325
Unlisted equities and trusts	-	4,809,554	7,359,679	12,169,233
Interest bearing securities	-	1,299,561	11,915	1,311,476
Life insurance policies	-	356,878	32,964	389,842
Derivatives	6,483	205,484	-	211,967
Financial liabilities				
Derivatives	(3,141)	(173,667)	-	(176,808)
Total	**21,637,186**	**6,497,810**	**7,410,039**	**35,545,035**

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.

Note 7. Investments and derivatives (continued)

(a) Fair value hierarchy (continued)

30 June 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'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
Interest bearing 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.

(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:

30 June 2026	Listed equities and trusts $'000	Unlisted equities and trusts $'000	Interest bearing securities $'000	Life insurance policies - Annuities $'000	Total $'000
Balance at 1 July 2025	3,624	6,392,346	12,388	-	6,408,358
Purchases	139	424,364	-	32,964	457,467
Sales	(1,751)	(470,274)	-	-	(472,025)
Transfers into level 3	3,633	1,068,590	-	-	1,072,223
Transfers out of level 3	-	-	-	-	-
Net change in fair value	(164)	(55,347)	(473)	-	(55,984)
Balance at 30 June 2026	**5,481**	**7,359,679**	**11,915**	**32,964**	**7,410,039**

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):

30 June 2025	Listed equities and trusts $'000	Unlisted equities and trusts $'000	Interest bearing securities $'000	Total $'000
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**

Valuation inputs and relationship to fair value

Brighter Super 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 Brighter Super Trustee appointed Investment Committee and describes Brighter Super'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 Brighter Super's investment managers, or their administrators or responsible entities, notwithstanding that the ultimate responsibility lies with the Brighter Super 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.

Brighter Super 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. Brighter Super ensures that the valuation techniques applied by investment managers align with the approaches outlined in Brighter Super's Valuation Policy.

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

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.

30 June 2026	Fair value $000	Valuation techniques	Significant unobservable inputs	Range of inputs	Inter-relationship between unobservable inputs and fair value $000
Equity securities	5,481	Last traded price	Trading price for suspended/delisted securities that no longer have an observable active market.	N/A	An increase/(reduction) in the trading price will result in higher/(lower) fair values.
Unlisted equities and trusts	613,697	Investment manager - net asset value (NAV)/ redemption price	NAV per Share or Unit Price	Diverse[1]	Increase/(reduction) in the implied unit price will increase/(decrease) fair values.
	1,191,238	Investment Manager - comparable market precedent or transaction pricing	Earnings multiple	Diverse[1]	Increase/(reduction) in the implied unit price will increase/(decrease) fair values.
	203,163	Enterprise multiple	EV/EDITDA (Enterprise Value/Earnings Before Interest, Tax, Depreciation and Amortisation)	7.4x - 31.1x	Increase/(decrease) in the EV/EBITDA multiple would result in higher/(lower) fair values.
	504,450	Income approach via crediting rates	Crediting rates	Diverse[2]	Increase/(decrease) in crediting rates would increase/(decrease) fair values.
	2,811,917	Discounted cashflow	Discount rate	5%-26%	Increase/(reduction) in the discount rate will result in lower/(higher) fair values.
	2,035,214	Capitalisation method	Capitalisation rate	4.5%-8.25%	Increase/(reduction) in the capitalisation rate will result in lower/(higher) fair values.
Interest bearing securities	11,915	Discounted cashflow	Discount rate	5%-21%	Increase/(reduction) in the discount rate will result in lower/(higher) fair values.
Life insurance policies - Annuities	32,964	Discounted cashflow	Mortality rate	Diverse[3]	Higher/lower mortality rates (shorter/longer life expectancy) will result in lower/higher expected future benefit payments and therefore a lower/higher fair value of the liability.

[1] The range of inputs related to NAV per share/unit and earnings multiples is not disclosed as the private equity portfolio comprises numerous investments with a wide range of unrelated valuation inputs.
[2] The range of inputs related to crediting rates is not disclosed as the valuation incorporates numerous actuarial assumptions and inputs that vary across the underlying population.
[3] The range of inputs related to life insurance policy annuities is not disclosed as mortality assumptions are based on actuarial mortality tables and vary according to the age profile of the annuitants.

Note 7. Investments and derivatives (continued)

30 June 2025	Fair value $000	Valuation techniques	Significant unobservable inputs	Range of inputs	Inter-relationship between unobservable inputs and fair value $000
Equity securities	3,624	Last traded price	Trading price for suspended/delisted securities that no longer have an observable active market.	N/A	An increase/(reduction) in the trading price will result in higher/(lower) fair values.
Unlisted equities and trusts	302,990	Investment manager - net asset value (NAV)/ redemption price	NAV per Share or Unit Price	Diverse[1]	Increase/(reduction) in the implied unit price will increase/(decrease) fair values.
	1,199,907	Investment Manager - comparable market precedent or transaction pricing	Earnings multiple	Diverse[1]	Increase/(reduction) in the implied unit price will increase/(decrease) fair values.
	193,039	Enterprise multiple	EV/EDITDA (Enterprise Value/Earnings Before Interest, Tax, Depreciation and Amortisation)	7.4x - 31.1x	Increase/(decrease) in the EV/EBITDA multiple would result in higher/(lower) fair values.
	2,699,538	Discounted cashflow	Discount rate	6.5%-26%	Increase/(reduction) in the discount rate will result in lower/(higher) fair values.
	1,996,872	Capitalisation method	Capitalisation rate	4.39%-8.25%	Increase/(reduction) in the capitalisation rate will result in lower/(higher) fair values.
Interest bearing securities	12,388	Discounted cashflow	Discount rate	11%-12%	Increase/(reduction) in the discount rate will result in lower/(higher) fair values.

[1] The range of inputs related to NAV per share/unit and earnings multiples is not disclosed as the private equity portfolio comprises numerous investments with a wide range of unrelated valuation inputs.

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

30 June 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Listed equities and trusts	(3,633)	-	3,633	-
Unlisted equities and trusts	-	(1,068,590)	1,068,590	-
Total	**(3,633)**	**(1,068,590)**	**1,072,223**	**-**

Note 7. Investments and derivatives (continued)

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

30 June 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Listed equities and trusts	-	(708)	708	-
Total	**-**	**(708)**	**708**	-

Note 8. Receivables/unsettled trades

	2026 $’000	2025 $’000
Investment revenue receivables		
Interest receivables	25,385	21,541
Dividends and trust distributions receivables	51,936	54,507
	77,321	**76,048**
Other		
Sundry and other debtors	37,388	8,909
Other receivables and unsettled trades	82,293	72,191
	119,681	**81,100**
Total	**197,002**	**157,148**

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

	2026 $’000	2025 $’000
Other payables/unsettled trades	95,775	81,580
Sundry creditors	93,695	54,801
Total	**189,470**	**136,381**

These amounts represent liabilities for goods and services provided to Brighter Super 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.

Notes to and forming part of the financial statements for the year ended 30 June 2026

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 Brighter Super 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 Brighter Super 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.

(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 2026. 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 2026. 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 $13M (2025: $15M) primarily represent timing differences arising from delay when certain member's funds are receipted and when the transaction is processed and allocated to the member's selected investment option.

During the year, Brighter Super refined the presentation of timing differences arising from the application of soft-close unit prices to member account balances, compared with hard-close unit prices used for financial reporting purposes at reporting date. Where these timing differences have not been allocated to individual member accounts at reporting date, they are presented within unallocated surplus rather than unallocated to members, to better reflect their nature as unallocated earnings pending allocation or distribution.

Comparative amounts have been re-presented to conform with the current year presentation. At 30 June 2025, this reduced unallocated to members by $81 million, with an equivalent increase in unallocated surplus. The re-presentation also affected comparative amounts in the consolidated income statement and consolidated statement of changes in member benefits.

(d) Significant estimates

Brighter Super 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.

Note 10. Member liabilities (continued)

(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 Brighter Super's actual investments and investment strategy in respect of defined benefit member liabilities.

(ii) *Rate of salary adjustment*

Member benefits in each of Brighter Super'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 Brighter Super'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 Brighter Super Trustee considers the potential impact of changes to key variables about which assumptions need to be made.

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	
		2026	2025	2026	2025	2026 $'000	2025 $'000
Energy Defined Benefits Fund	Discount rate	6.30%	6.20%	1.0%/(1.0%)	1.0%/(1.0%)	(41,722)/45,944	(46,375)/52,424
	Salary adjustment rate	4.50%	4.50%	1.0%/(1.0%)	1.0%/(1.0%)	41,303/(38,237)	47,384/(41,335)
Regional Defined Benefits Fund	Discount rate	6.30%	6.10%	1.0%/(1.0%)	1.0%/(1.0%)	(384)/319	(440) / 879
	Salary adjustment rate	4.00%	4.00%	1.0%/(1.0%)	1.0%/(1.0%)	173/100	0 / 0
City Defined Benefits Fund	Discount rate	6.30%	6.10%	1.0%/(1.0%)	1.0%/(1.0%)	(1,258)/1,343	(1,391) / 1,516
	Salary adjustment rate	4.00%	4.00%	1.0%/(1.0%)	1.0%/(1.0%)	892/(856)	980 / (941)

At year end, the Accrued Benefits Index for the Energy Defined Benefits Fund was 91.0% (2025: 93.9%), Regional Defined Benefits Fund was 99.7% (2025: 99.8%), and City Defined Benefits Fund was 94.3% (2025: 94.9%).

(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 Brighter Super 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.

Note 10. Member liabilities (continued)

(e) Defined Benefit Funds that are over funded (continued)

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

	2026 $'000	2025 $'000
Energy Defined Benefits Fund	204,014	189,598
Regional Defined Benefits Fund	61,305	65,979
City Defined Benefits Fund	17,075	26,349
Total	**282,394**	**281,926**

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. Brighter Super undertakes a detailed triannual actuarial review together with annual assessments of defined benefits including contribution holiday arrangements.

Note 11. Insurance arrangements

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

Brighter Super 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 Brighter Super 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

Brighter Super maintained total reserves of $306.7 million as at 30 June 2026 (2025: $256.9 million), comprising the Operational Risk Financial Reserve, General Reserve, Returning Reserve and Other Reserve and balances.

(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 Brighter Super arising from operational risk in accordance with SPS 114. The Brighter Super Trustee has assessed an ORFR target of 0.20% (2025: 0.25%) of funds under management as appropriate for Brighter Super. As at 30 June 2026, Brighter Super's ORFR reserve balance was $100.6 million (2025: $92.9 million).

(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 Brighter Super, 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. As at 30 June 2026, Brighter Super's General reserve balance was $123.4 million (2025: $86.1 million).

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 12. Reserves (continued)

(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. No distributions were made from this reserve during the current financial year (2025: $5.3 million). The timing and quantum of any future distributions remain subject to Trustee determination. As at 30 June 2026, Brighter Super's Returning reserve balance was $62.1 million (2025: $57.4 million).

(iv) *Other Reserve and Balances*

Other reserves of $20.7 million at 30 June 2026 (2025: $20.5 million) comprise legacy reserves retained to meet specific obligations and support closed member arrangements inherited from the former Energy Super fund. The balance principally consists of the Energy Defined Benefit Self-Insurance Reserve and the Energy DB Smoothed Return Reserve.

The Energy Defined Benefit Self-Insurance Reserve is held to cover known and contingent claims arising from legacy self-insurance arrangements that ceased on 1 November 2009 as part of the transition of Energy Super to public offer status. From that date, death, total and permanent disablement (TPD) and total and temporary disablement (TTD) benefits for defined benefit members have been covered by external insurers. As at 30 June 2026, the balance of this reserve was $3.2 million (2025: $3.0 million). The reserve will be distributed to eligible defined benefit employers once all claims have been finalised.

The Energy DB Smoothed Return Reserve supports the legacy Energy Super Smoothed investment option, which is closed to new members. The reserve is used to absorb timing differences between underlying Balanced Fund investment performance and the smoothed returns credited to members, thereby reducing volatility in member returns and supporting the associated guarantee arrangements. As at 30 June 2026, the balance of this reserve was $17.5 million (2025: $17.5 million).

(v) *Unallocated surplus*

Amounts unallocated to members and disclosed in reserves was $97 million (2025: $173 million). This represents residual net assets supporting Brighter Super operations.

During the year, Brighter Super refined the presentation of timing differences arising from the application of soft-close unit prices to member account balances, compared with hard-close unit prices used for financial reporting purposes at reporting date. Where these timing differences have not been allocated to individual member accounts at reporting date, they are presented within unallocated surplus rather than unallocated to members, to better reflect their nature as unallocated earnings pending allocation.

Comparative amounts have been re-presented to conform with the current year presentation. At 30 June 2025, this increased unallocated surplus by $81.21 million, with an equivalent reduction in unallocated to members. This reclassification is reflected in the comparative consolidated statement of financial position and consolidated statement of changes in reserves. Separately, a $3.85 million adjustment relating to the 2024 financial year comparative was recognised in the consolidated income statement, consolidated statement of changes in member benefits, and consolidated statement of changes in reserves for the 2025 financial year comparatives.

Transfers in and out of reserves are made only with the authorisation of the Brighter Super Trustee and in accordance with Brighter Super's reserve policies. During the year, amounts were transferred between unallocated surplus, defined benefit surplus and member liabilities to reflect the allocation of reserves supporting defined benefit obligations and members' interests.

Note 13. Income tax

Taxation of Brighter Super

Brighter Super 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 Brighter Super's taxable income. However, Brighter Super 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).

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 13. Income tax (continued)

(i) *Income tax expense/(benefit)*

	2026 $'000	2025 $'000
Current tax on profits for the year	49,604	(11,681)
Adjustments for current income tax of prior periods	(14,031)	18,868
Total current tax expense/(benefit)	**35,573**	**7,187**
(Increase)/decrease in deferred tax assets	(1,636)	(1,964)
Increase/(decrease) in deferred tax liabilities	61,355	162,275
Total deferred tax expense/(benefit)	**59,719**	**160,311**
Total tax expense/(benefit)	**95,292**	**167,498**

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

	2026 $'000	2025 $'000
Operating result before income tax expense	**3,133,612**	**3,511,014**
Tax at the rate of 15%	469,887	524,953
Tax at the rate of 30%	310	3,399
Non-deductible expenses	21,550	24,321
Other non-assessable income	(73,566)	(51,577)
Dividend imputation and foreign tax credits (net)	(118,558)	(116,822)
Discount on capital gains	(39,738)	(33,512)
Adjustments for current tax of prior periods	(14,031)	18,868
Other movements in deferred tax assets/deferred tax liabilities (net)	(40,186)	(138,767)
Deductible insurance premiums charged to members accounts	(110,376)	(63,365)
Income tax expense/(benefit)	**95,292**	**167,498**

Note 13. Income tax (continued)

(iii) *Deferred income tax*

	2026 $'000	2025 $'000
Deferred income tax assets		
Taxable temporary differences – other assets	17,729	12,335
	17,729	**12,335**
Movements:		
Opening balance at 1 July	12,335	8,755
Charged/(credited) to the Consolidated income statement	1,636	1,607
Adjustments in relation to prior periods	3,758	1,973
Closing balance at 30 June	**17,729**	**12,335**
Deferred income tax liabilities		
Taxable temporary differences – assets subject to CGT	779,370	714,644
Taxable temporary differences – other assets	9,690	13,060
	789,060	**727,704**
Movements:		
Opening balance at 1 July	727,704	565,169
Charged/(credited) to the Consolidated income statement	61,355	161,536
Adjustments in relation to prior periods	1	999
Closing balance at 30 June	**789,060**	**727,704**
Net deferred tax liability	**771,331**	**715,369**

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.

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.

Note 13. Income tax (continued)

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

	2026 $'000	2025 $'000
Cash at bank	148,206	231,144

Reconciliation of net cash from operating activities to operating result after income tax		
Operating result after income tax	96,915	(35,934)
Adjustments for:		
Net (purchase)/sale of other assets	(314)	(365)
Dividend/distribution income re-invested	(234,561)	(211,756)
Net change in fair value of financial instruments	(1,979,652)	(2,470,593)
Depreciation, impairment and amortisation	3,967	2,811
Increase/(decrease) in employee provisions	644	200
(Decrease)/increase in lease liabilities	(2,523)	(3,348)
Net benefits allocated to defined contribution members	2,861,481	3,165,426
Net change in defined benefit member benefits	79,924	214,024
Insurance premiums paid	(733,063)	(422,640)
Insurance proceeds received from insurer	398,286	240,539
Change in operating assets/liabilities		
(Increase)/decrease/ in receivables	(1,498)	16,249
Increase/(decrease) in payables	5,833	(30)
(Decrease)/increase in income tax payable	(62,410)	136,006
Net cash inflows from operating activities	**433,029**	**630,589**

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 2026

Note 15. Financial instruments and risk management

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

Brighter Super has a Risk Management Framework (RMF), which includes the Risk Management Strategy (RMS) and Risk Appetite Statement (RAS), which are reviewed annually by the ARCC and approved by the Brighter Super Trustee. The RMF is the totality of systems, structures, policies, processes and people within business operations that identifies, assesses, manages, mitigates and monitors all internal and external sources of risk that could have a material impact on the business operations or the interests of members. The RMF was adopted by the Brighter Super Trustee and Management for managing risks within Brighter Super'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 Brighter Super commenced the implementation of the new requirements of CPS 230 Operational Risk Management, strengthening its practices in business continuity, service provider management, operational risk, and controls management.

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

The following disclosures are made in respect of Brighter Super'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*

Brighter Super 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. Brighter Super'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 Brighter Super's financial assets and liabilities gross exposure to foreign currencies less the amount of foreign exchange/derivative hedging. Through foreign exchange forward hedging, Brighter Super 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.

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 15. Financial instruments and risk management (continued)

(a) Market risk (continued)

(i) *Foreign exchange risk (continued)*

	USD Group[1] $'000	EUR Group[2] $'000	Other $'000	Total net exposure $'000
30 June 2026				
Gross amount denominated in foreign currency	13,633,410	2,955,384	148,712	16,737,506
Less: forward foreign currency contracts	(6,838,086)	(1,725,401)	(9,802)	(8,573,289)
Net exposure	**6,795,324**	**1,229,983**	**138,910**	**8,164,217**
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**

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, Norwegian Krone and South African Rand.

(ii) *Interest rate risk*

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

The table below summarises Brighter Super's direct exposure to interest rate risk:

	Floating interest rate $'000	Fixed interest rate $'000	Non-interest bearing $'000	Total $'000
30 June 2026				
Assets				
Cash at bank	148,206	-	-	148,206
Cash and cash equivalents for investing activities	2,436,982	1,054,696	-	3,491,678
Interest bearing securities	407,600	903,876	-	1,311,476
Listed equity investments and trusts	-	-	21,639,325	21,639,325
Unlisted equity investments and trusts	-	-	12,169,233	12,169,233
Life insurance policies	-	-	389,842	389,842
Derivatives	1,674	5,341	204,952	211,967
Other financial assets	-	-	159,614	159,614
	2,994,462	**1,963,913**	**34,562,966**	**39,521,341**
Liabilities				
Derivatives	(448)	(1,843)	(174,517)	(176,808)
Other financial liabilities	-	-	(95,775)	(95,775)
	(448)	**(1,843)**	**(270,292)**	**(272,583)**
Total	**2,994,014**	**1,962,070**	**34,292,674**	**39,248,758**

Note 15. Financial instruments and risk management (continued)

(b) Market risk (continued)

(ii) *Interest rate risk (continued)*

	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
Interest bearing 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**

(ii) Price risk

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

	2026 $'000	2025 $'000
Australian equities	14,528,915	13,255,566
International equities	13,480,289	12,823,065
Australian and international listed property	1,040,793	1,049,166
Australian and international unlisted property	2,035,214	1,996,872
Australian and international infrastructure	2,723,347	2,716,727
Life insurance policies	389,842	356,654
Total	**34,198,400**	**32,198,050**

Note 15. Financial instruments and risk management (continued)

(a) Summarised sensitivity analysis

The Brighter Super Trustee has considered the impact financial market volatility has on Brighter Super'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 Brighter Super 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.

The following table summarises the sensitivity of Brighter Super'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 Brighter Super Trustee's best estimate, having regard to a number of factors, including advice from Brighter Super'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	2026	2026	2025	2025
	Reflects higher asset prices	Reflects lower asset prices	Reflects higher asset prices	Reflects lower asset prices
Australian equities	13%	(13%)	13%	(13%)
International equities	16%	(16%)	15%	(15%)
Australian and international listed property	14%	(14%)	13%	(13%)
Australian and international unlisted property	7%	(7%)	8%	(8%)
Australian and international infrastructure	10%	(10%)	11%	(11%)
Life insurance policies	5%	(5%)	5%	(5%)
	$'000	$'000	$'000	$'000
Effect on net assets available to pay benefits	**4,625,608**	**(4,625,608)**	**4,259,207**	**(4,259,207)**

Interest rate risk

Volatility factors	2026	2026	2025	2025
	Reflects higher interest rates	Reflects lower interest rates	Reflects higher interest rates	Reflects lower interest rates
Cash and cash equivalents	0.83%	(0.83%)	0.63%	(0.63%)
Government bonds	0.83%	(0.83%)	0.63%	(0.63%)
Corporate bonds	0.83%	(0.83%)	0.63%	(0.63%)
Other interest bearing securities	0.83%	(0.83%)	0.63%	(0.63%)
	$'000	$'000	$'000	$'000
Effect on net assets available to pay benefits	**41,135**	**(41,135)**	**26,379**	**(26,379)**

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
	Reflecting a stronger AUD	Reflecting a weaker AUD	Gain/(loss) on stronger AUD	Gain/(loss) on weaker AUD
30 June 2026				
USD Group	7.00%	(7.00%)	(475,673)	475,673
EUR Group	7.00%	(7.00%)	(86,099)	86,099
Other	7.00%	(7.00%)	(9,724)	9,724
			(571,496)	**571,496**
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
Total			**(451,433)**	**451,433**

(c) Liquidity risk

Liquidity risk is the risk that Brighter Super 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.

Brighter Super is obligated to pay member benefits upon request. The Brighter Super Trustee's policy is therefore to primarily hold investments that are traded in an active market and can be readily disposed of. Brighter Super'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, Brighter Super 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 Brighter Super'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 Brighter Super's Trust Deed. Brighter Super considers it is highly unlikely that all liabilities to members would fall due at the same time.

Note 15. Financial instruments and risk management (continued)

(c) Liquidity risk (continued)

(i) *Maturities of financial liabilities (continued)*

30 June 2026	Less than 1 month $'000	1–3 months $'000	3–12 months $'000	1–5 years $'000	More than 5 years $'000	Total $'000
Non-derivatives						
Payables/unsettled trades	(189,470)	-	-	-	-	(189,470)
Accrued employee entitlements	(5,467)	(1,801)	(291)	(443)	(321)	(8,323)
Lease liability	(328)	(659)	(2,664)	(2,346)	-	(5,997)
Unallocated member liabilities	(12,821)	-	-	-	-	(12,821)
Defined contribution member liabilities	(36,368,039)	-	-	-	-	(36,368,039)
Total non-derivatives	**(36,576,125)**	**(2,460)**	**(2,955)**	**(2,789)**	**(321)**	**(36,584,650)**
Gross settled derivatives						
Inflow	3,147	177,463	30,024	691	642	211,967
(Outflow)	(8,715)	(18,609)	(148,319)	(853)	(312)	(176,808)
Net derivatives	**(5,568)**	**158,854**	**(118,295)**	**(162)**	**330**	**35,159**

30 June 2025	Less than 1 month $'000	1–3 months $'000	3–12 months $'000	1–5 years $'000	More than 5 years $'000	Total $'000
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	(14,830)	-	-	-	-	(14,830)
Defined contribution member liabilities	(33,529,959)	-	-	-	-	(33,529,959)
Total non-derivatives	**(33,685,555)**	**(2,873)**	**(3,089)**	**(5,954)**	**(274)**	**(33,697,745)**
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**

Note 15. Financial instruments and risk management (continued)

(d) Credit risk

Brighter Super 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 Brighter Super.

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

(i) *Interest bearing securities*

Brighter Super invests in fixed-interest securities which are rated by market recognised rating agencies. For unrated assets the Brighter Super Trustee assesses credit risk using an approach similar to that used by rating agencies. An analysis of interest bearing 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
2026	737,671	160,235	308,186	3,625	101,759	1,311,476
2025	684,117	251,613	185,017	1,205	17,673	1,139,625

(ii) *Settlement of securities transactions*

All transactions in listed securities are settled for upon delivery using brokers approved by the Brighter Super 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*

Brighter Super'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 Brighter Super's assets are held in custody. The custodian State Street has a rating of AA- (as determined by Standard and Poor's). The custodian also manages the clearing and depository function for Brighter Super's security transactions. The financial position and credit quality of the custodian is monitored by the Brighter Super Trustee.

(v) *Assets in life insurance policies*

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

On 1 October 2025, following a successor fund transfer of OneCare Super and associated legacy products, there are some life insurance policies held with Zurich Australia Limited who are wholly owned by the Zurich Insurance Group (rated AA). The financial position and credit quality of Zurich Australia Limited is also monitored by the Brighter Super Trustee.

(vi) *Maximum exposure to credit risk*

Brighter Super'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.

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.

Brighter Super considers all investments in managed unlisted unit trusts to be structured entities. Brighter Super 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.

Brighter Super does not control these structured entities as at 30 June 2026 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 2026 $'000	Fair value of investment 2025 $'000
Equity funds	2,246,185	7,873,102
Fixed income funds	5,164,678	153,663
Infrastructure funds	2,723,156	2,594,151
Property funds	2,035,214	1,070,424
Total	**12,169,233**	**11,691,340**

Brighter Super'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 2026, the net fair value loss on investments in managed unlisted unit trusts was $152.4M (2025: net fair value gain $336.8M).

Note 17. Auditors' remuneration

The auditor of the Brighter Super Trustee for the years ended 30 June 2026 and 30 June 2025 was Ernst & Young (EY).

	2026 $'000	2025 $'000
EY:		
Assurance services		
- Audit of financial statements and regulatory compliance	626	720
Total	**626**	**720**

Notes to and forming part of the financial statements for the year ended 30 June 2026

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 Brighter Super.

(a) Directors

The following persons were Directors of Brighter Super Trustee for the year ended 30 June 2026:

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	1 December 2025
Mr R Dewhurst	Chair and committee member	Independent	6 June 2018 2 December 2025-Chair	
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	8 July 2025
Ms C Butler	Director and committee member	Employer representative	8 July 2025	
Ms M Collopy	Director and committee member	Employer representative	1 June 2023	
Mr C O'Neil	Director	Employer representative	4 March 2025	
Mr R Burton PSM	Director and committee member	Member representative	1 July 2018	
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	

Note 18. Related parties (continued)

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

The following persons were specialist advisors to Trustee committees for the year ended 30 June 2026:

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	
Ms T Dyson	Specialist Advisor	Risk and Compliance Committee Finance Committee	9 July 2025	31 December 2025

(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 2026:

	Position	Appointment date	Resignation date	Employment terms
Ms K Farrar	Chief Executive Officer	16 April 2018		Executive contract
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	5 December 2025	Executive contract
Mr D O'Donnell	Interim Chief Investment Officer	5 December 2025	13 April 2026	Secondment
Mr D Webb	Chief Investment Officer	14 April 2026		Executive contract
Mr J Gyton	Chief Operating Officer	1 April 2022		Executive contract
Ms L Behrendt	Chief People Officer	13 January 2025		Executive contract
Mr B Ingram	Company Secretary	4 July 2023		Executive contract

Note 18. Related parties (continued)

(c) Remuneration of Directors and Specialist Advisors

Directors

	2026 $'000	2025 $'000
Short-term benefits	1,155	1,087
Post-employment benefits	89	101
Total remuneration	**1,244**	**1,188**

Included in the remuneration to directors above is director fees paid to The Services Union $105,030 (2025: $107,816) attributable to the services of Ms R Girard.

Specialist Advisors

	2026 $'000	2025 $'000
Short-term benefits	151	130
Post-employment benefits	3	-
Total remuneration	**154**	**130**

Governance of remuneration arrangements for Directors occurs through the Brighter Super Trustee. The Brighter Super 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 Brighter Super.

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

	2026 $'000	2025 $'000
Short-term benefits	4,687	4,342
Long-term and post-employment benefits	504	596
Termination benefits	-	221
Total remuneration	**5,191**	**5,159**

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 2026

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.

Effective 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.

Accordingly, there were no related party transactions with SPST during the financial year ended 30 June 2026.

	2026 $'000	2025 $'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

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) Brighter Super's infrastructure and property investment programs result in Brighter Super entering into arrangements with investment managers which can result in undrawn commitments of less than one year.

Details of investment commitments are as follows:

	2026 $'000	2025 $'000
Not later than one year	2,360,655	2,089,279
Total	**2,360,655**	**2,089,279**

Notes to and forming part of the financial statements for the year ended 30 June 2026

Note 20. Successor fund transfers

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.

On 1 October 2025, Brighter Super completed a further SFT of approximately 69,000 members from OnePath Custodians Pty Limited in respect of the Zurich OneCare Super and associated legacy insurance-only products.

These transfers form part of Brighter Super's strategy to grow its insurance-only member base and expand administration arrangements with Zurich Australia Limited as insurer and administrator.

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

	On 1 October 2025 $'000	On 1 October 2024 $'000
Assets		
Cash at bank	766	15,706
Other receivables	22,909	3,873
Life Insurance Policies Investments	74,681	-
Total assets	**98,356**	**19,579**
Liabilities		
Other payables	41	18,655
Benefit payable	23,634	-
Total liabilities	**23,675**	**18,655**
Net assets	**74,681**	**924**

Note 21. Significant post balance date events

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected Brighter Super'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 2026

Note 22. Parent entity financial information

(a) Summary financial information

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

	2026 $'000	2025 $'000
Total assets	39,564,367	36,761,743
Total liabilities excluding member benefits	1,192,843	1,080,456
Net assets available for member benefits	38,371,524	35,681,287
Total member liabilities	37,692,049	35,058,233
Net assets	679,475	623,054
Reserves	679,475	623,054
Operating result after income tax	94,203	(43,315)

(b) Guarantees entered into by parent entity

The parent entity did not have any guarantees as at 30 June 2026 or 30 June 2025.

(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):

	2026 $'000	2025 $'000
Not later than one year	2,360,655	2,089,279
Total	**2,360,655**	**2,089,279**

(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 2026

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 21 to 63 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 Brighter Super's financial position as at 30 June 2026 and its performance for the financial year ended on that date; and

(b) there are reasonable grounds to believe that Brighter Super 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.

Ronald Dewhurst

Chair

Michelene Collopy

Director

22 September 2026
Brisbane

Ernst & Young
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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 2026, the income statement, statement of changes in member benefits, statement of changes in reserves, and statement of cashflow 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 2026 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 audits of the financial report of public interest entities 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Valuation of level 2 and level 3 financial assets

Why significant	How our audit addressed the key audit matter
At 30 June 2026 the RSE's financial assets measured at fair value through profit or loss comprised investments in cash, interest bearing securities, listed equities (Australian and International), unlisted equities and property and infrastructure trusts, life insurance policies and derivatives. Note 7 to the financial report describes the valuation techniques and inputs used to determine the fair value of these financial assets, which are carried at fair value through profit and loss. The RSE outsources certain processes and controls related to the custody and investment management of the financial assets, including the recording and valuation of investments. The valuation of level 2 and 3 financial assets was considered a key audit matter due to the: ▪ Size of financial assets which comprise a significant proportion of total assets of the RSE, and the impact of the net change in valuation of financial assets on the income statement. ▪ Level of judgement in assessing the valuation of level 2 and level 3 investments, which are generally based on the net asset value (NAV) provided by the underlying investment manager.	Our procedures included: ▪ Assessing the design, implementation and operating effectiveness of the RSE's valuation process for financial assets. ▪ Obtaining and assessing the independent assurance report of the RSE's administrator and custodian to assess the design and operational effectiveness of processes and controls relevant to the custody, recording and valuation of the RSE's financial assets. ▪ Risk assessing the external investment manager by: - Reviewing the length of operating history. - Market reputation and prominence within the industry. - Reviewing licensing and regulatory approvals. - Regulatory history, including any breaches, investigations, or enforcement actions. - Performing an independent search to identify any adverse media coverage, regulatory concerns, litigation, or other negative matters - Confirming whether key functions, including accounting records and unit pricing, were administered by an independent third-party i.e. administrator and/or custodian. ▪ Assessing the quantity of investments held against the quantity confirmed by the Custodian and/or the underlying investment manager at 30 June 2026. ▪ Testing the valuation of investments on a sample basis. Our procedures specifically included: ▪ Assessing the fair value recorded by the RSE against the fair value provided by the investment manager of the trusts and equities. The fair value at year-end is based on NAV of the trusts and equities. ▪ Assessing redemption liquidity by reviewing confirmation responses to ensure that no redemption restrictions, gating arrangements, or other limitations on investor withdrawals were in place. ▪ Assessing the latest available audited financial statements of the trusts and equities to: - determine the reliability of the financial information on which the year-end NAV is based. - assess the valuation techniques applied by the trusts and equities for consistency with the accounting standards and the valuation techniques applied by the RSE. ▪ Where the audited financial statements have a different year-end to the RSE, we determined an appropriate external benchmark and assessed the movement in the unlisted unit trust NAV from the last audited financial statement date to 30 June 2026 against this benchmark. ▪ Obtaining controls assurance reports for the investment manager, where available.

Why significant	How our audit addressed the key audit matter
	▪ Assessing the adequacy of the disclosures included in Note 7 to the financial report against the requirements of the Australian Accounting Standards.

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 responsible for 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.
- 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 pages 7 to 20 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Brighter Super for the year ended 30 June 2026 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.

Ernst & Young

Ernst & Young

Maree Pallisco
Partner
Melbourne

22 September 2026

right by your side

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