

IOOF Portfolio Service Superannuation Fund

ABN 70 815 369 818

Annual Financial Report
For the year ended 30 June 2024

IIOF Portfolio Service Superannuation Fund Annual Financial Report

Table of Contents

Directors' Report	3
Remuneration Report	6
Lead Auditors Independence Declaration	28
Financial Statements	
Statement of financial position	29
Income statement	30
Statement of changes in member benefits	31
Statement of changes in reserves	32
Statement of cash flows	33
Notes to the financial statements	
1 Reporting entity	34
2 Basis of preparation	34
3 Changes in accounting policies	36
4 Material accounting policies	36
5 Member liabilities and funding arrangements	40
6 Receivables	44
7 Payables and accruals	45
8 Reserves	45
9 Net change in fair value of investments	45
10 Other operating expenses	46
11 Auditor's remuneration	46
12 Income tax benefit/(expense)	46
13 Cash flow statement reconciliation	47
14 Fair value of financial instruments	48
15 Financial management framework	52
16 Related parties	57
17 Investment assets of unconsolidated structured entities	64
18 Indemnity	65
19 Contingent assets, liabilities and capital commitments	65
20 Successor fund transfer	65
21 Events subsequent to reporting date	65
Trustee Declaration	66
Independent Report by the Approved Auditor to the Trustee	67

Directors' report

The Directors of I.O.O.F. Investment Management Limited (IIML) ABN 53 006 695 021 (the 'Trustee'), as Trustee for the IIOF Portfolio Service Superannuation Fund (the 'Fund'), submit here with the annual financial report of the Fund for the financial year ended 30 June 2024. In order to comply with the provisions of the *Corporations Act 2001*, the Directors of the Trustee report as follows:

Principal activities

The IIOF Portfolio Service Superannuation Fund is a superannuation fund that provides both defined contribution and defined benefit accounts to members. The Fund is closed to new defined benefit entrants. The Fund is operated for the purpose of providing superannuation services to members. The Fund was constituted by a Trust Deed dated 20 June 1994, as amended. It is domiciled in Australia and the address of the registered office is Level 1, 800 Bourke Street Docklands, VIC 3008.

In accordance with the amendments to the Superannuation Industry (Supervision) Act 1993, the Fund is registered with the Australian Prudential Regulation Authority (APRA) as a Registrable Superannuation Entity (RSE) (registration number R1000627).

Directors

The Directors during the period were:

Directors	Date Appointed / Retired	Position
Lindsay Smartt	06 August 2019	Independent Non-Executive Director, Chair
Karen Gibson	26 November 2018	Independent Non-Executive Director
Beth McConnell	17 March 2022	Independent Non-Executive Director
Steven Schubert	17 March 2022	Independent Non-Executive Director
Mario Pirone	03 October 2023	Independent Non-Executive Director
Marianne Perkovic	03 October 2023	Independent Non-Executive Director
Jane Harvey	Appointed 19 March 2020 Retired 15 December 2023	Independent Non-Executive Director

Review of operations

During the financial year, the net assets available for member benefits of the Fund was \$64,167m (2023: \$34,954m) with the increase being largely driven by the Successor Fund Transfer of the MLC Wrap funds into the Fund. The Fund recorded total revenue of \$3,685m (2023: \$2,884m) and total expenses of \$363m (2023: \$254m).

Significant events

- Licence conditions

In November 2022, APRA imposed additional licence conditions on IIML. These conditions included:

- Enhancement of the Trustee's governance in relation to member outcomes, oversight of service providers, risk, compliance and managing conflicts of interest;
- Appointment of an independent expert to examine the operational effectiveness of the Trustee's governance, accountability and risk management frameworks and practices; and
- Rectification of areas of concern with input from the independent expert.

Directors' report (continued)

The Trustee is working with Insignia Financial Ltd and its subsidiaries (collectively referred to as the IFL Group) to satisfactorily address all the Licence Conditions and to rectify any and all areas of concern identified by the independent expert. A Rectification Action Plan to address these additional licence conditions was formally approved by APRA on 22 November 2023.

Aside from the above there are no other matters to note.

Significant changes in state of affairs

During the year, the Trustee approved the merger of the following RSEs via Successor Fund Transfer (SFT) to the IOOF Portfolio Service Superannuation Fund (ABN 70 815 369 818).

- MLC Superannuation Fund (ABN 40 022 701 955) (MLCSF);
- MLC Pooled Superannuation Trust (ABN 89 787 168 280) (MLCPST);
- PremiumChoice Retirement Service (ABN 70 479 285 132) (PCRS); and
- DPM Retirement Service (ABN 40 725 722 496) (DPMRS).

All assets and liabilities of these funds were transferred to the IOOF Portfolio Service Superannuation Fund on 29 March 2024 and no members or assets remained in any of these funds.

Aside from the above there are no other matters to note.

Events subsequent to balance date

In August 2024, Chair Lindsay Smartt announced that he will be stepping down from the RSEL Board. Danielle Press will be appointed as a Non-Executive Director on 19 September 2024 and will officially take on the position of Chair in November 2024.

Aside from the above there are no other matters to note.

Likely developments

There are no likely developments to report except as may be stated elsewhere in this report or in the financial statements. Further information has not been included in this report to avoid the disclosure of information that may result in unreasonable prejudice to the Fund.

Environmental regulations

The operations of the Fund are not subject to any significant environmental regulation under Commonwealth, State or Territory law.

Environmental, social and governance ("ESG") risks can have a material impact on the Fund's ability to deliver sustainable long-term outcomes for the members and the community. To ensure the Fund fulfils its purpose the IFL Group considers a broad range of ESG considerations. To help guide its responsible investment practice, the IFL Group has become a member of the Investor Group on Climate Change (IGCC). The IFL Group's ESG activities are discussed in the ESG section of its annual report.

Rounding

The IOOF Portfolio Service Superannuation Fund is an entity of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded off to the nearest million dollars, unless otherwise indicated.

Directors' report (continued)

Indemnification and insurance of officers and auditors

The Fund has not indemnified or made a relevant agreement for indemnifying against a liability for any person who is or has been an officer of the Trustee or an auditor of the Fund during the year. Subject to the relevant Trust Deed and relevant law, the Trustee is entitled to be indemnified out of the assets of the Fund for any liability incurred by it in properly performing or exercising any of its powers or duties in relation to the Fund. The auditor of the Fund is in no way indemnified out of the assets of the Fund.

The ultimate parent company of the Trustee, Insignia Financial Ltd, has paid or agreed to pay insurance premiums in respect of the Trustee's officers for liability, legal expenses, insurance contracts, and premiums in respect of such insurance contracts, for the financial year ended 30 June 2024. Such insurance contracts insure against certain liability (subject to specified exclusions) for persons who are or have been the officers of the Trustee. Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the contracts.

Non-audit services

The Directors are satisfied that there were no non-audit services provided by the auditor. This complies with the general standard of independence for auditors imposed by the *Corporations Act 2001*. Any non-audit services are managed as follows:

- Fees earned from non-audit work undertaken by KPMG are capped at 0.1 times the total audit fee;
- Services are reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- Services are provided in accordance with the general principles relating to auditor independence as set out in the Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

Further information regarding remuneration of auditors is included in Note 11 Auditor's remuneration.

Lead auditor's independence declaration

The lead auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* is set out on page 28 and forms part of the Directors' Report for the financial year ended 30 June 2024.

Signed in accordance with a resolution of the Directors of I.O.O.F. Investment Management Limited, pursuant to Section 298(2) of the *Corporations Act 2001*.



Mr Lindsay Smartt

Chair

18 September 2024

Remuneration report

Remuneration report

Letter from the Group People & Remuneration Committee Chair

Dear Members,

On behalf of I.O.O.F Investment Management Limited (IIML), I am pleased to present our 2024 Remuneration report to members. IIML is the Registrable Superannuation Entity Licensee (RSEL) of the IOOF Portfolio Service Superannuation Fund (Fund) and is one of the RSEL Boards under Insignia Financial. As a Group, Insignia Financial Limited (IFL) is made up of a number of businesses and products, that provide a number of services to IIML including administrative services, through outsourced arrangements, which supports IIML to operate this Fund.

I present this report to you as the Chair of the IFL Group People and Remuneration Committee, which is also the Remuneration Committee for this Fund. In this capacity, the Committee is responsible for overseeing remuneration for employees who provide services to IIML. This report aims to provide clarity and transparency on our remuneration practices and governance as well as insight on remuneration arrangements for the most critical employees providing services to IIML, referred to as Key Management Personnel (KMP) in this report.

This is the first Remuneration report published for this Fund, which is in response to new financial reporting obligations. I hope it is well received by our members.

Changes to Key Management Personnel

This year saw the departure of Renato Mota as Chief Executive Officer (CEO) of IFL at the end of February and the commencement of Scott Hartley into the role on 1 March 2024. In addition, Chris Weldon (Chief Client Officer) was appointed as a KMP in November 2023. With the announcement of a new Executive structure in July and changes to the Executive Team, there will be changes to our KMP in next year's Remuneration report.

Board renewal

In 2024, we welcomed two new directors to the IIML Board. Mario Pirone and Marianne Perkovic both joined the RSEL Boards on 3 October 2023. It was announced in September 2024 that Danielle Press has been appointed as Chair elect and Non-Executive Director of the RSEL Board. Danielle will begin her role as Non-Executive Director on 19 September 2024 and will officially take on the position of Chair in November 2024 from Lindsay Smartt who recently announced he would be stepping down from the RSEL Boards.

Financial Year 2024

Over the past few years, IFL has been on a pathway of simplifying and uplifting the company. IFL (then IOOF Holdings Ltd) acquired MLC Wealth from National Australia Bank in 2021, and the Australian & New Zealand Pensions and Investments business (P&I from ANZ) in 2020, making it one of the largest super Fund providers in Australia. The greater scale, capability and efficiency of these combined businesses will flow through to members in the form of value, choice and accessibility. I am pleased to say that through the 2024 financial year, we have continued taking steps forward to better integrate and simplify these legacy businesses, to support this Fund in a more efficient way.

In addition, focus has continued around uplifting governance standards to reflect the larger organisation we have become. In particular, good progress continues to be made in relation to the licence conditions APRA imposed in November 2022, aimed at enhancing IIML's governance in relation to member outcomes, oversight of service providers, risk, compliance and managing conflicts of interest. IIML is working with IFL to satisfactorily address these licence conditions.

With regard to investment performance, all three of IFL's default Funds were placed in the top 10 for FY24 in the SuperRatings SR50 MySuper Survey – a great achievement and outcome for members.

Equally, we also recognise that there have been challenges in 2024, largely related to remediation for legacy product compliance issues. In response, the relevant RSEL has paid a fine, increased its remediation provision to address legacy issues and agreed to additional commitments with APRA on this matter.

Remuneration report

Performance & remuneration outcomes for Financial Year 2024

The average short-term variable reward (STVR) outcome for KMP as a percentage of target is 70% as compared with the maximum of 125%.

In the 2024 financial year, a 2.1% average Total Fixed Remuneration (TFR) increase was applied across the KMP, effective 1 July 2024.

Non-Executive Director Fees

For financial year 2024, the Non-Executive Directors fees received a 2.5% increase across their fee structure to ensure alignment to market benchmarks. In addition to the 2.5% increase, an additional fee was introduced for the financial year 2024 to compensate the directors for additional workload.

On behalf of the People and Remuneration Committee, I would like to thank you for your support as a member and invite you to read this Remuneration report.

Yours sincerely



John Selak

Group People & Remuneration Committee Chair

18 September 2024

Remuneration report

Contents

The Remuneration report for IOOF Portfolio Service Superannuation Fund outlines our remuneration approach and outcomes for the KMP. This report has been prepared, and audited, as required by the *Corporations Act 2001*. It forms part of the Directors' Report.

1. Remuneration objectives, principles & governance	9	5. Key Management Personnel (KMP)	16
2. Meeting regulatory requirements	10	Key Management Personnel	17
3. Key components of remuneration for Key Management Personnel	11	Executive KMP STVR performance outcomes	18
Total fixed remuneration	11	Remuneration received by Executive KMPs	19
Executive Incentive Plan	11	Deferred performance rights	20
Short-term variable remuneration	11	6. Non-Executive Director remuneration (NED)	22
Long-term variable remuneration	12	NED RSEL Board, Committee and subsidiary fee structure	22
4. Executive remuneration outcomes for the 2024 financial year	14	2024 statutory remuneration – NEDs	23
Snapshot of FY24 remuneration outcomes	14	Terms of appointment	23
2024 performance outcomes	15	7. Key Management Personnel remuneration - additional statutory disclosure	24
		8. Other information	25
		Equity holdings	25

Remuneration report

1. Remuneration objectives, principles & governance

IFL believes remuneration plays an important role in supporting a strong culture and delivering business outcomes. We have a comprehensive remuneration framework which ensures the design and oversight of our practices support the delivery of strategic objectives, whilst meeting regulatory standards and stakeholder expectations. This is achieved by rewarding collective and individual performance, in addition to constructive behaviours that drive strong risk outcomes.

Promoting member best financial interests

Our remuneration framework practices support behaviours that protect the best financial interests of members. This is achieved by encouraging prudent risk management behaviours that underpin a foundation of member and employee trust and ensure clear accountability and appropriate consequences for management where there are adverse outcomes for members.

Role of RSELS in governing remuneration

The RSEL Boards within IFL are responsible for the relevant RSEL's Remuneration Framework and its effective application. The RSEL Boards consider, approve and adopt IFL's Remuneration Policy and oversee the remuneration practices of IFL to support behaviours that protect the best financial interests of members for RSELS. The RSEL Boards are responsible for providing feedback, input and decision making on the performance and remuneration outcomes for employees who provide services that have been outsourced to IFL by the RSEL Boards. This is facilitated by the People and Culture function who ensure appropriate and timely information is provided to the Boards regarding goals, performance and remuneration. The RSEL Boards receive relevant reporting and information from their respective Risk & Compliance Committees, the Risk and Conduct Forum (on serious risk matters) and the Chief Risk Officer to ensure that the risk outcomes are appropriately reflected in remuneration outcomes.

RSEL Board representatives also took part in a joint meeting with the IFL Group People & Remuneration, Group Risk and Compliance and Group Audit Committees, as part of IFL's end of year performance and remuneration review process. The joint Committee meeting was extended to include the Chairs of the RSEL Boards, Risk and Compliance and Audit Committees to provide the perspective of the RSELS to the discussion. The joint meeting reviewed the material risk matters and considered potential consequences on performance and remuneration outcomes for senior leaders. For the financial year 2024, two Executive KMP incurred a reduction to their Short Term Variable Reward (STVR) via the Risk & Conduct modifier due to significant risk matters.

In addition, the IFL Group People and Remuneration Committee, were recommended by the IFL Board to exercise discretion for 2024 by applying a 20% reduction to STVR outcomes for all current executives in relation to the fines, increased provisions and additional commitments with APRA on remediation matters. This reduction was approved by the RSEL Boards.

Remuneration report

2. Meeting Regulatory Requirements

The Financial Accountability Regime (FAR) will apply to superannuation RSEs and insurance entities commencing 15 March 2025. We welcome this legislation which is aimed at strengthening our responsibility and accountability frameworks and improving the risk and governance cultures of Australia's financial institutions. IFL has made solid progress over FY2024 in readiness for this legislation. We have established our Office of the FAR and defined the operationalisation of the uplifted Risk Governance Frameworks and systems to ensure adherence with the regime. We are also in the final stages of defining our Accountable Persons, who will have additional obligations to ensure compliance with the regime.

An amended CPS 511 commenced in FY2024 for superannuation and insurance Significant Financial Institutions. This standard aims to ensure remuneration practices manage risk and conflicts, that appropriate consequences exist for risk and conduct and that RSEL Boards have oversight and accountability for remuneration outcomes for key employees. This represented an opportunity to strengthen the existing practices within the industry and in the twelve months since this standard commenced, we have continued to embed and uplift practices.

This includes:

- Further enhancing the application of our consequence management framework, including launching a new policy and practices to support more consistent and rigorous application of consequences where there are adverse risk matters;
- Updating our performance and goal setting framework to ensure the right balance of financial and non-financial goals;
- Putting appropriate deferrals in place for at risk incentive payments for key senior managers, to manage any risk matters that may emerge over time;
- Completing another rigorous review of the remuneration framework and policy and continued to develop robust processes around conflicted remuneration scenarios;
- Defining a materiality threshold and definition for the engagement of Third-Party Service Providers (TPSP), approved by the Boards, which is used to identify the scale and nature of services that could present a material conflict to the remuneration framework; and
- Our Boards continuing to demonstrate active governance and oversight to these significant matters and ongoing regulatory change.

Remuneration report

3. Key components of remuneration for Key Management Personnel

The Key Management Personnel are employed by IOOF Service Co Pty Ltd or MLC Wealth Ltd. Whilst this cohort are employed by IOOF Service Co Pty Ltd and MLC Wealth Ltd, the amounts paid to KMPs are in relation to services provided to the Fund. The NEDs and the Chief Member Officer costs are recharged 100% to the RSEL. A portion of their fees are then recharged, where possible, to the Fund's general reserve.

Each KMP is aligned to one of the three incentive plans outlined in the table. However, this excludes NEDs who are not eligible to participate in IFL incentive plans:

KMP Incentive Plans	Executive Incentive Plan (EIP)	Asset Management Incentive Plan (AMIP)	Insignia Financial Incentive Plan (IFIP)															
TFR	Total fixed remuneration (TFR) comprises base remuneration (i.e. cash salary) and superannuation. TFR is delivered in accordance with contractual terms and conditions of employment and is reviewed annually against relevant comparator Group remuneration benchmarks.																	
STVR	<p>The EIP is the incentive plan covering the CEO and Executive KMP. It is divided into short-term variable reward (STVR) which is delivered in cash, and long-term variable reward (LTVR) which is delivered in equity. The total EIP opportunity is 170% of fixed remuneration for the CEO and 60% -90% for Executive KMP.</p> <p>The Table below represents the total STVR opportunity of each role's total variable reward:</p> <table border="1"> <thead> <tr> <th></th> <th>% STVR of EIP Target</th> <th>Maximum STVR (125%)</th> </tr> </thead> <tbody> <tr> <td>CEO</td> <td>35%</td> <td>43.75%</td> </tr> <tr> <td>Executive KMPs</td> <td>50%</td> <td>62.5%</td> </tr> </tbody> </table> <p>Individual STVR outcomes are determined with reference to IFL performance and individual performance, through a balanced scorecard. The performance measures comprise a mix of financial and non-financial metrics linked to IFL and business unit targets, aligned to IFL's strategy, with the weightings varied by role. For the CEO and Executive KMP, the financial weighting was 30% for financial year 2024. STVR</p>		% STVR of EIP Target	Maximum STVR (125%)	CEO	35%	43.75%	Executive KMPs	50%	62.5%	<p>The AMIP is a specialist incentive plan which is designed to reward participants for delivery of annual goals that drive long-term sustainable performance.</p> <p>The plan provides an appropriate level of remuneration that varies based on the RSEL Board's determination of the KMPs performance for the year which is measured against agreed targets for financial and non-financial measures that deliver strategic objectives.</p> <p>All participants for consideration for an AMIP award, will be subject to minimum performance requirements.</p> <p>The AMIP Pool is allocated to participants on a discretionary basis, taking into account individual performance, contribution to Asset Management outcomes, risk outcomes and the values and behaviours demonstrated by participants.</p>	<p>The IFIP is the general plan for the IFL. The plan is designed to deliver remuneration outcomes in line with annual performance achievement, with material weighting to financial and non-financial outcomes across customer, leadership, strategy execution and member and shareholder measures, incorporating both risk and behavioural assessments. The plan recognises both the "what" and the "how" of performance. STVR amounts are paid in cash.</p> <p>The Table below represents the total STVR opportunity of each role's total variable reward:</p> <table border="1"> <thead> <tr> <th></th> <th>% STVR of IFIP Target</th> <th>Maximum STVR (125%)</th> </tr> </thead> <tbody> <tr> <td>KMP, CMO, Senior Manager and Material Risk Takers</td> <td>0% - 100%</td> <td>0% - 125%</td> </tr> </tbody> </table> <p>Individual STVR outcomes are determined with reference to IFL performance and individual performance through a balanced scorecard. The performance measures</p>		% STVR of IFIP Target	Maximum STVR (125%)	KMP, CMO, Senior Manager and Material Risk Takers	0% - 100%	0% - 125%
	% STVR of EIP Target	Maximum STVR (125%)																
CEO	35%	43.75%																
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Remuneration report

	<p>outcomes are subject to Board Discretion.</p> <table border="1" data-bbox="300 315 663 524"> <thead> <tr> <th></th> <th>Financial</th> <th>Non-financial</th> </tr> </thead> <tbody> <tr> <td>CEO</td> <td>30%</td> <td>70%</td> </tr> <tr> <td>Executive KMPs</td> <td>30%</td> <td>70%</td> </tr> </tbody> </table>		Financial	Non-financial	CEO	30%	70%	Executive KMPs	30%	70%		<p>comprise a mix of financial and non-financial metrics linked to IFL and business unit targets, aligned to IFL's strategy with the weightings varied by role.</p> <p>For the KMP and APRA Specified Roles, the financial weighting was 30% - 50% for financial year 2024. STVR outcomes are subject to Board Discretion.</p> <table border="1" data-bbox="1050 607 1460 824"> <thead> <tr> <th></th> <th>Financial</th> <th>Non-financial</th> </tr> </thead> <tbody> <tr> <td>KMP, CMO and APRA Specified Roles</td> <td>30% - 50%</td> <td>50% - 70%</td> </tr> </tbody> </table> <p>To reward eligible participants for delivery of annual goals that drive long-term sustainable performance.</p> <p>The plan is not formulaic; judgement is applied through qualitative assessment of risk, reputation, sustainability and environment, conduct and values, the quality of IFL's and individual performance and any other matters determined by either the IFL Board or the IIML Board.</p>		Financial	Non-financial	KMP, CMO and APRA Specified Roles	30% - 50%	50% - 70%
	Financial	Non-financial																
CEO	30%	70%																
Executive KMPs	30%	70%																
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KMP, CMO and APRA Specified Roles	30% - 50%	50% - 70%																
LTVR	<p>Under the LTVR, performance rights are performance tested after four years and are vested subject to the relevant restriction period.</p> <p>TSR (70% of LTVR target) Based on the percentile ranking against the peer group of the ASX 200 (excluding resources).</p> <p>Reputational (30% of LTVR target) IFL is using RepTrak to track its reputation from a 2024 baseline score of 73.4%. The outcome is derived at the end of the four-year performance period, using the average of the quarterly scores of the last 12 months of the performance period.</p>	n/a	n/a															

Remuneration report

<p>Risk and Conduct and Principles</p>	<p>Performance outcomes are subject to the following gateways and modifiers:</p> <ul style="list-style-type: none"> • Compliance gateways: all KMP must meet core compliance expectations to be eligible for a STVR, including adherence to the Code of Conduct and completion of mandatory training requirements. • Principles: the Boards have the discretion to adjust the CEO, Executive KMP and APRA Specified Roles STVR outcomes on the basis of an assessment of behaviours aligned with IFL principles, where appropriate. • Risk and Conduct: the Boards have discretion, where appropriate, to adjust the CEO, Executive KMP and/or other APRA Specified Roles STVR outcomes, including where informed by recommendations from the Risk & Conduct Forum in relation to risk and conduct matters. The Risk and Conduct modifier also includes consideration of the risk matter outcomes that may warrant an adjustment to the Risk and Conduct assessment. 												
<p>Deferral</p>	<p>The EIP, AMIP & IFIP are designed to meet CPS 511 and Financial Accountability Regime (FAR) deferral requirements with at least 40% of the total reward deferred for 5 years for KMP and APRA Specified Roles & at least 60% of the total reward deferred for 6 years for the Chief Executive Officer.</p> <p>STVR is delivered as a combination of cash and deferred cash/or performance rights*</p> <table border="1" data-bbox="300 741 1444 931"> <thead> <tr> <th></th> <th>Cash</th> <th>Deferred Cash /or Performance Rights</th> <th>Minimum deferral period</th> </tr> </thead> <tbody> <tr> <td>KMP and APRA Specified Roles</td> <td>60%</td> <td>40%</td> <td>5 years</td> </tr> <tr> <td>CEO</td> <td>40%</td> <td>60%</td> <td>6 years</td> </tr> </tbody> </table> <p><i>*Deferral only applies if the total VR outcome is \$125,000 or more.</i></p> <p>These deferrals enable the Board to have effective forfeiture powers for a period of time if malus or other equivalent events subsequently come to light post grant/vesting.</p>		Cash	Deferred Cash /or Performance Rights	Minimum deferral period	KMP and APRA Specified Roles	60%	40%	5 years	CEO	40%	60%	6 years
	Cash	Deferred Cash /or Performance Rights	Minimum deferral period										
KMP and APRA Specified Roles	60%	40%	5 years										
CEO	40%	60%	6 years										
<p>Board discretion and adjustments</p>	<p>The Boards may apply its absolute discretion to adjust remuneration, subject to clawback and malus provisions in the relevant variable reward plans.</p>												

Remuneration report

4. Key Management Personnel remuneration outcomes for the 2024 financial year

Snapshot of FY24 remuneration outcomes

KMP (excluding NEDs)

Gateway Compliance	<ul style="list-style-type: none"> - All KMP have all met the behavioural and compliance gateway requirements.
Total Fixed Remuneration (TFR)	<ul style="list-style-type: none"> - Average fixed remuneration increases for KMP were 2.1%, effective 1 July 2024.
Short-term variable reward (STVR)	<ul style="list-style-type: none"> - The key financial and non-financial goals that determine STVR outcomes are outlined on page 18. - Against a possible STVR range of 0% - 125%, the average Executive KMP STVR target outcome was 70%. - Discretion was exercised by the Board in relation to the 2024 STVR outcome for the current CEO and Executive KMP, with a 20% reduction applied in relation to an increase in provisions related to remediation. - A reduction of 30% under the risk and conduct modifier was also applied to two executive KMP, totalling a 50% reduction overall for those individuals. - 50% of Executive KMP STVR is deferred for 12 months.
Long-term variable reward (LTVR)	<p><u>CEO & Executive KMP only</u></p> <ul style="list-style-type: none"> - The first tranche of the prior equity-based Executive incentive scheme (the Executive Equity Plan) reached the end of its four-year performance period on 30 June 2024. - The 40% of rights tested against a relative Total Shareholder Return hurdle, failed and will lapse. - The 60% that was tested against annualised business performance vested at the maximum opportunity of 100%. - LTVR is now issued under the EIP with a 4-year vesting period, released after 5 or 6 years in line with relevant regulatory requirements.

Non-Executive Director (NED)

NED fees	<ul style="list-style-type: none"> - NED fees were increased by 2.5% effective 1 July 2023. - An additional RSEL workload fee was also introduced in FY2024 to compensate the NEDs for increase in additional workload and time commitment to RSEL activities.
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Remuneration report

4. Key Management Personnel remuneration outcomes for the 2024 financial year (continued)

2024 performance outcomes

The following table provides the 2024 financial year STVR outcomes for the current KMP (excluding NEDs). The 50% weighting of shared goals for the CEO is due to his tenure of 4 months and balance with other priorities for this time.

	IFL Performance Measures	Rationale	CEO weighting	Exec KMP weighting	CMO Weighting	Scorecard result	CEO outcome	Exec KMP outcome ⁽²⁾	CMO ⁽²⁾
Financial	Net Funds flow	Aggregate Funds flow from platforms and asset management. Assessed against financial ranges set at the commencement of the financial year	7.5%	10.0%	10.0%	Not Achieved	0.0%	0.0%	0.0%
	OPEX	Operating expenditure across the enterprise assessed against financial ranges set at the commencement of the financial year	7.5%	10.0%	0%	Achieved	7.5%	10.0%	0.0%
	UNPAT	Underlying net profit after tax. Assessed against financial ranges set at the commencement of the financial year	7.5%	10.0%	0%	Exceeds	9.4%	12.5%	0.0%
Non-Financial	Rectification Action Plan	Embedding sustainable enterprise governance to meet APRA Licence conditions. Assessed against delivery of program milestones	10.0%	15.0%	25.0%	Achieved	10.0%	15.0%	25%
	MasterTrust Separation Critical Pathways	Separation of legacy MasterTrust products - Plum and MasterKey from NAB and P&I from ANZ. Assessed against delivery of program milestones	7.5%	10.0%	10.0%	Exceeds	9.4%	12.5%	12.5%
	MLC Wrap transition to Expand	Transition of MLC Wrap members to Expand platform. Assessed against delivery of program milestones	7.5%	10.0%	10.0%	Exceeds	9.4%	12.5%	12.5%
	Cultural alignment	Assessment of engagement factors measured through CultureAmp, externally benchmarked across organisations. Assessed against targets set at the commencement of the financial year	2.5%	5.0%	5.0%	Not Achieved	0.0%	0.0%	0.0%
Total outcome	Total shared goals outcome		50.0%	70.0%	60.0%	Partially Achieved	45.6%	62.5%	50%
	Total individual goals outcome		50.0%	30.0%	40.0%	Varied	50.0%	27.5% - 35.0%	40%
	Total scorecard outcome ⁽¹⁾		100.0%	100.0%	100.0%	Varied	95.6%	90.0%-121.9%	90%

⁽¹⁾ The total scorecard outcome includes any individuals who may have role modelled behavioural principles where the total scorecard outcome is multiplied by 125%.

⁽²⁾ The CMO and Chief Investment Officer are part of discretionary plans where STVR outcomes are not driven from a performance scorecard. The Chief Investment Officer has the same shared goals and weightings as the Exec KMP.

Remuneration report

5. Key Management Personnel

All KMP (including NEDs) are employed by IOOF Service Co Pty Ltd or MLC Wealth Ltd. KMP are defined as persons having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any Director (whether Executive or otherwise) of that entity.

They are all remunerated in accordance with IFL's Remuneration policy and practices by the employing entities. KMP (excluding NEDs) remuneration arrangements are reflective of the role they perform for IFL and are reviewed at least annually. In setting an individual's remuneration IFL considers:

- o role complexity and responsibilities;
- o individual capabilities, experience and knowledge;
- o business and individual performance;
- o internal and external market role relativities;
- o management on the target remuneration for individuals; and
- o general remuneration market environment and trends.

More information on the remuneration arrangements for NEDs, can be found in Section 6 of this report.

Remuneration Methodology

NEDs perform work for the RSEL and other RSEs within IFL. Therefore, the proportion of remuneration is based on Funds Under Management (FUM) for the relevant RSE as a percentage of the total FUM across all the RSEs within IFL.

For all other KMP, they perform work for the RSEL and other IFL entities. The amounts disclosed for remuneration in this document reflect an apportionment methodology considering the following:

- o time committed to the RSEs, and
- o the FUM of the relevant RSE, as a percentage of the total FUM of all the RSEs within IFL.

The amounts paid to all KMP (including NEDs) in relation to services provided to the Fund amounted to \$1,744,752. The NEDs and the Chief Member Officer costs are recharged 100% to the RSEL. A portion of their fees are then recharged, where possible, to the Fund's general reserve.

Remuneration report

5. Key Management Personnel (continued)

Key Management Personnel

The table below outlines the KMPs for the year ended 30 June 2024.

Name	Role	Term as KMP
Chair⁽¹⁾		
L Smartt	Independent Non-Executive Director & Chair	Full year
Non-Executive Directors⁽¹⁾		
K Gibson	Independent Non-Executive Director	Full year
B McConnell	Independent Non-Executive Director	Full year
M Perkovic	Independent Non-Executive Director	Appointed 3 October 2023
M Pirone	Independent Non-Executive Director	Appointed 3 October 2023
S Schubert	Independent Non-Executive Director	Full year
Chief Executive Officer and Executive Director		
S Hartley	Chief Executive Officer (CEO) and Executive Director	Appointed 1 March 2024
Current KMP		
D Chalmers	Chief Financial Officer	Full year
F Lombardo	Chief Operating and Technology Officer	Full year Ceased KMP duties effective 26 July 2024
D Farmer	Chief Investment Officer	Full year
S Hopwood	Acting Chief Member Officer	Appointed 26 February 2024 Ceased KMP duties effective 26 July 2024
M Oliver	Chief Distribution Officer	Full year Ceased KMP duties effective 26 July 2024
A Saxena	Chief Risk Officer	Full year
M Walls	Chief People Officer	Full year
C Weldon	Chief Client Officer	Appointed 13 November 2023 Ceased KMP duties effective 26 July 2024
Former Non-Executive Directors		
J Harvey	Independent Non-Executive Director	Ceased KMP duties effective 15 December 2023
Former KMP		
A Coyne	Chief Member Officer	Ceased KMP duties effective 23 February 2024
R Mota	Chief Executive Officer (CEO) and Managing Director	Ceased KMP duties effective 29 February 2024

⁽¹⁾ NEDs serve an initial term of 4 years from the date of appointment, a decision to reappoint of RSEL Board NEDs can serve as a Board member for maximum 9 years and Board Chair for a maximum of 12 years.

I.O.O.F Investment Management Limited is the RSEL for the following RSE's:

- IOOF Portfolio Service Superannuation Fund
- AvWrap Retirement Services
- Symetry Personal Retirement Fund

Remuneration report

5. Key Management Personnel (continued)

KMP STVR performance outcomes

The following table provides the 2024 financial year STVR outcomes for KMPs for the period. The minimum potential outcome is zero:

Name	STVR Target	STVR Maximum	STVR Outcome (2,3,4)	STVR Cash ⁽⁵⁾	STVR Deferred ⁽⁶⁾	STVR actual as a % of STVR target	STVR actual as a % of STVR maximum
	2024 \$	2024 \$	2024 \$	2024 \$	2024 \$	2024 %	2024 %
Chief Executive Officer and Executive Director							
S Hartley ⁽¹⁾	13,819	17,274	10,572	4,229	6,343	77	61
Current KMP							
D Chalmers	15,847	19,809	12,202	6,101	6,101	77	62
D Farmer ^(8,10)	-	-	111,004	66,602	44,402	-	-
S Hopwood ⁽⁸⁾	-	-	5,487	5,487	-	-	-
F Lombardo	33,108	41,385	16,686	8,343	8,343	50	40
M Oliver	47,697	59,621	24,039	12,020	12,020	50	40
A Saxena	22,035	27,544	21,484	10,742	10,742	97	78
M Walls	12,478	15,598	11,540	5,770	5,770	92	74
C Weldon	17,829	22,286	13,550	6,775	6,775	76	61
Former KMP							
A Coyne ^(8,9)	-	-	-	-	-	-	-
R Mota ⁽⁷⁾	29,819	37,274	37,274	18,637	18,637	125	100

⁽¹⁾S Hartley commenced KMP duties 1 March 2024. STVR amounts are prorated for the period they were KMP.

⁽²⁾Includes 20% discretionary Board reduction.

⁽³⁾Includes 30% risk and conduct modifier reduction for F Lombardo and M Oliver.

⁽⁴⁾Approval date of STVR for S Hartley is 21 August 2024 and 20 August 2024 for other Executive KMPs.

⁽⁵⁾STVR Cash will be paid on 20 September 2024.

⁽⁶⁾STVR Deferred will be paid September 2025 (excluding S Hartley), subject to malus and clawback provisions. S Hartley will have 60% of their STVR outcome deferred as follows: 50% payment due September 2025, 10% payment in November 2024, subject to shareholder approval of LTVR offer at 2024 AGM.

⁽⁷⁾R Mota ceased KMP duties 29 February 2024 and STVR amounts are prorated for the period they were KMP, 50% of STVR outcome is paid upfront and remaining 50% STVR deferred will be paid September 2025.

⁽⁸⁾D Farmer, S Hopwood and A Coyne are not participants of the EIP STVR plan. Their plans are discretionary plans and do not have target and maximum amounts.

⁽⁹⁾A Coyne ceased KMP duties 23 February 2024.

⁽¹⁰⁾D Farmer STVR deferral equates to 40%, deferred for 5 years.

Remuneration report

5. Key Management Personnel (continued)

Remuneration received by KMP

The remuneration outcomes table below provides a summary of the remuneration that was received by KMP. We believe that presenting this information provides members with greater clarity and transparency of remuneration. This voluntary non-statutory disclosure differs from the statutory remuneration table in section 7.

	Total fixed remuneration ⁽¹⁾	STVR ⁽²⁾	EEP/EIP ^(4,5)	Total value of remuneration
Name	2024 \$	2024 \$	2024 \$	2024 \$
Chief Executive Officer and Executive Director				
S Hartley ⁽⁸⁾	23,289	10,572	25,664	59,525
Current KMP				
D Chalmers	35,337	12,202	9,441	56,980
D Farmer	111,374	111,004	-	222,378
S Hopwood	29,791	5,487	-	35,278
F Lombardo ⁽⁶⁾	73,858	16,686	8,506	99,050
M Oliver ⁽⁵⁾	106,944	24,039	39,679	170,662
A Saxena ⁽³⁾	73,781	45,905	22,035	141,721
M Walls	27,878	11,540	7,690	47,108
C Weldon	37,948	13,550	11,334	62,832
Former KMP				
A Coyne	59,089	-	-	59,089
R Mota ⁽⁷⁾	50,652	37,274	(12,082)	75,844
Total	629,941	288,259	112,267	1,030,467

⁽¹⁾Includes base salary, non-monetary and superannuation.

⁽²⁾ Refer to table on prior page 'KMP STVR performance outcomes' for specific STVR arrangements.

⁽³⁾A Saxena total STVR represents a commencement incentive and performance based STVR for the FY24 period. The commencement incentive was paid 11 October 2023.

⁽⁴⁾On review of the 2023 EEP annual assessment of the Financial and Non-Financial hurdles, a portion of the Performance Rights granted were forfeited/cancelled. The impact of this cancellation has been reflected in 2024. Those with negative figures are due to not being part of the 2024 EIP offer, however did have cancellation of rights that were in relation to 2023 EEP.

⁽⁵⁾EIP/EEP value for M Oliver includes an additional grant of performance rights for the 2023 EEP plan granted in October 2023 due to a remuneration increase associated with a role expansion.

⁽⁶⁾F Lombardo 2024 EEP/EIP amount includes an additional 40% reduction to his 2023 EEP annualised outcome via a Risk & Conduct modifier which was determined in 2024.

⁽⁷⁾R Mota ceased KMP duties 29 February 2024 and STVR amounts are prorated for the period they were KMP for FY24, as per prior table 'KMP STVR performance outcomes'.

⁽⁸⁾S Hartley has been offered an LTVR (EIP) for 2024. Approval of this grant will be sought at the 2024 IFL AGM.

Remuneration report

5. Key Management Personnel (continued)

Deferred performance rights for CEO and Executive KMP

Performance rights for the CEO and Executive KMP currently operate under the Executive Incentive Plan (EIP). The vesting of performance rights is subject to two hurdles over a four-year vesting period. The IFL performance rights are equity-settled share-based payment plans as per below:

- 70% of the grant is subject to a Total Shareholder Return (TSR) progressive vesting scale over four years which is known as the financial measure. TSR represents the change in the value of a share plus the value of dividends paid.
- The remaining 30% of the grant is subject to reputation which will be determined based on the Company's reputation score as at 1 July 2023, relative to a subset of peer organisations positions similar to the company over the same four year performance period. 2024 is the first year that IFL will use reputation as a performance measure, and it has been included in recognition of its critical importance in enhancing long-term financial performance.

Year	Performance period	Grant date	IFL TSR for the period %	Ranking relative to ASX200	Vesting status at 30 June 2024	Performance period end date
2024 EIP	2024-2027	13-Dec-23	(12.98%)	125th	0% vested	30 Jun 27

For performance rights plans pre-dating the EIP, the vesting of 60% of performance rights under the EEP is subject to annualised assessment for the grant date performance period and subject to a four-year vesting period. 40% of the grant is subject to a TSR progressive vesting scale over four years.

Year	Performance period	Grant date	IFL TSR for the period %	Ranking relative to ASX200	Vesting status at	Performance period end date
2023 EEP	2023-2026	14-Dec-22	(8.44%)	116th	0% vested	30 Jun 26
2022 EEP	2022-2025	04-Mar-22	(34.02%)	128th	0% vested	30 Jun 25
2021 EEP	2021-2024	18-Dec-20	(37.08%)	122nd	0% vested	30 Jun 24

Accordingly, the following IFL performance rights were vested and forfeited for KMP as issued under the 2021 Executive Equity Plan. This plan refers to the previous executive incentive scheme which was in place for financial years 2021 – 2023.

Name	Performance period end	Type of instrument	TSR (40%) ⁽²⁾	Financial (10%) ⁽¹⁾	Non-Financial (50%) ⁽¹⁾	% vested	% forfeited
Current KMP			Number of rights vested				
D Chalmers	30-Jun-24	2021 Executive Equity Plan	-	491	2,455	60%	40%
D Farmer	30-Jun-24	2021 Executive Equity Plan	-	724	3,623	60%	40%
F Lombardo	30-Jun-24	2021 Executive Equity Plan	-	768	3,840	60%	40%
M Oliver	30-Jun-24	2021 Executive Equity Plan	-	739	3,694	60%	40%
M Walls	30-Jun-24	2021 Executive Equity Plan	-	212	1,063	60%	40%
C Weldon	30-Jun-24	2021 Executive Equity Plan	-	231	1,154	60%	40%
Former KMP			Number of rights vested				
R Mota	30-Jun-24	2021 Executive Equity Plan	-	1,309	6,547	60%	40%

⁽¹⁾ The financial and non-financial hurdles were annualised hurdles that were assessed on a one-year performance period between 1 July 2020 and 30 June 2021.

⁽²⁾ The TSR performance condition had a four-year performance period (1 July 2020 - 30 June 2024) and was performance tested on 30 June 2024. The TSR hurdle did not pass its performance conditions and performance rights were forfeited.

Remuneration report

5. Key Management Personnel (continued)

CEO, Executive KMP and other KMP employment arrangements

Contract Term	CEO	Executive KMP	Other KMP ⁽²⁾
Contract Type ⁽¹⁾	Permanent	Permanent	Permanent
Notice Period	6 months	6 months	3 months
Severance	n/a	n/a	n/a
STVR treatment on termination	<p>In general, unless otherwise determined by the IFL Board and subject to law:</p> <ul style="list-style-type: none"> In the case of a KMP resignation or termination for cause before the end of the performance period, the KMP will not be eligible to be considered for an STVR award for that year. Where a KMP's exit is related to any other reason (i.e. retrenchment, retirement, ill health separation, mutual agreement or death), the KMP remains eligible (unless the IFL Board determines otherwise) to be considered for an STVR award with regard to actual performance against performance measures (as determined by the IFL Board in the ordinary course following the end of the performance period). 		
LTVR treatment on termination	<p>In general, unless otherwise determined by the IFL Board:</p> <ul style="list-style-type: none"> Any performance rights will lapse if a KMP resigns or is terminated for cause before the vesting date of the 2024 LTVR (EIP), and the end of the performance period for awards granted of the 2021 LTVR (EEP). Where a KMP's exit is related to any other reason (i.e. retrenchment, retirement, ill health separation, mutual agreement or death), any unvested LTVR awards continue on-foot with performance measured at the end of the performance period related to each award (and with the award otherwise remaining subject to all terms and conditions other than those relating to continuity of employment). For LTVR awards granted from the 2024 financial year, KMPs who are dismissed during the restricted period will forfeit all performance rights subject to the restricted period. Where a KMP exits for any other reason during the restricted period, outstanding performance rights will continue to remain on foot for the original restricted period(s). 		

⁽¹⁾ Contracts for permanent employment continue until notice is given by either party.

⁽²⁾ Excludes RSEL Non-Executive Directors.

Remuneration report

6. Non-Executive Director remuneration

Director and Committee fees are set by the IFL Board for each NED across IFL including the RSEs. Whilst this cohort are employed by IOOF Service Co Pty Ltd or MLC Wealth Ltd, the fee paid to perform the role undertaken for the RSEL is funded by the RSEL. Fees include compulsory contributions to superannuation. This fee is based on market data provided by external market remuneration from the Financial Institutions Remuneration Group (FIRG) and IFL's Group People & Remuneration Committee's recommendations to the IFL Board, where the following is considered.

- The ability to attract, retain and motivate directors.
- General industry practise and fees paid to non-executive directors of comparable companies, and principles of corporate governance.
- The responsibilities and risks attached to the role.
- The time commitment expected of NEDs on all matters.

To ensure independence and impartiality, fees are not linked to performance. NEDs are not eligible to participate in any of the IFL incentive arrangements.

NEDs are remunerated for their work, having regard to their specific responsibilities and the nature and objectives of the Fund. The fees are reviewed annually, effective 1 July each year.

Remuneration report

6. Non-Executive Director remuneration

2024 statutory remuneration – Non-Executive Directors

The following table has been prepared in accordance with the Act and Regulations. It shows details of the nature and amount of each element of remuneration paid or awarded for services provided for the year based on a FUM apportionment methodology. The figures below relate to the total remuneration apportionment paid to each NED for the services provided to the Fund.

NED		Short-term benefits ⁽¹⁾		Post-employment	Total
		Directors' fees ⁽²⁾	Non-monetary ⁽³⁾	Superannuation	
		\$	\$	\$	\$
Chair					
L Smartt	2024	89,261	-	6,250	95,511
Non-Executive Directors					
K Gibson ⁽⁶⁾	2024	66,842	215	5,927	72,984
B McConnell	2024	66,513	-	6,250	72,763
M Perkovic ⁽⁵⁾	2024	49,702	-	4,653	54,355
M Pirone ⁽⁵⁾	2024	49,833	-	4,522	54,355
S Schubert	2024	66,513	-	6,250	72,763
Former Non-Executive Directors					
J Harvey ^(4,7)	2024	30,649	-	3,313	33,962
Total	2024	419,313	215	37,165	456,693

⁽¹⁾Short-term benefits include mandated superannuation guarantee contributions in line with the superannuation opt out rules.

⁽²⁾Directors' fees include Board and committee fees received in cash.

⁽³⁾Non-monetary benefits include Company funded benefits and fringe benefits tax payable on those benefits.

⁽⁴⁾J Harvey ceased KMP duties on 15 December 2023.

⁽⁵⁾M Perkovic and M Pirone commenced KMP duties on 3 October 2023.

⁽⁶⁾Amounts for K Gibson include delayed payments in relation to financial year 2024 for Fees and Superannuation of \$6,734. Payments have been processed in financial year 2025.

⁽⁷⁾Amounts for J Harvey include delayed payments in relation to financial year 2024 for Fees and Superannuation of \$1,596. Payments have been processed in financial year 2025.

Terms of appointment

All NEDs and KMP have letters of appointment detailing the terms under which they are engaged. The term of appointment for each is open-ended, subject to the provisions of the Corporations Act and the Company's Constitution.

Remuneration report

7. Key Management Personnel remuneration – additional statutory disclosure

The following table sets out the remuneration received by KMP for the year ended 30 June 2024 reflecting the apportionment methodology that constitutes time committed to the RSEs and the FUM of the relevant RSE as a percentage of the total FUM of all the RSEs within IFL. The share-based payments shown below are not amounts received by the KMP during the year, as they include accounting values for unvested share awards in accordance with accounting standards.

Element of remuneration	Short-term benefits				Post-employment	Long-term benefits	Termination benefits	Total	Component as a % of total remuneration		
	Salary	Bonus - cash		Non-monetary ⁽¹⁾	Superannuation	Share based payments ⁽²⁾			Fixed	Var ⁽⁵⁾	
Component of remuneration	Fixed \$	Fixed ⁽⁴⁾ \$	Variable ⁽³⁾ \$	Fixed \$	Fixed \$	Variable \$	Fixed \$	\$	Fixed ⁽⁵⁾ %	Var ⁽⁵⁾ %	
Chief Executive Officer and Executive Director											
S Hartley	2024	22,555	-	10,572	-	734	891	-	34,752	67	33
Current KMP											
D Chalmers	2024	34,092	-	12,202	122	1,123	11,509	-	59,048	60	40
D Farmer	2024	106,686	-	111,004	-	4,687	4,163	-	226,540	49	51
S Hopwood ⁽⁷⁾	2024	27,675	-	5,487	45	2,072	-	-	35,279	84	16
F Lombardo	2024	71,017	-	16,686	278	2,562	16,199	-	106,742	69	31
M Oliver	2024	102,149	-	24,039	732	4,062	29,103	-	160,085	67	33
A Saxena	2024	71,019	24,421	21,484	325	2,437	1,913	-	121,599	81	19
M Walls	2024	26,357	-	11,540	149	1,373	7,996	-	47,415	59	41
C Weldon	2024	36,041	-	13,550	94	1,812	9,082	-	60,579	63	37
Former KMP											
A Coyne ⁽⁸⁾	2024	54,650	-	-	-	4,439	402	104,233	163,724	100	0
R Mota ⁽⁶⁾	2024	49,304	-	37,274	374	973	17,521	166,850	272,296	80	20
Total	2024	601,545	24,421	263,838	2,119	26,274	98,779	271,083	1,288,059		

⁽¹⁾Non-monetary benefits include Company funded benefits and fringe benefits tax payable on those benefits, typically car parking.

⁽²⁾Share-based payments include accruals in relation to the Executive Performance Share Plans (EEP/EIP) and accruals in relation to other grants of performance rights over shares in the Company. The value of the number of shares and options expected to vest has been apportioned over the term from grant date to vesting date, in accordance with the accounting standards.

⁽³⁾Incentive amounts represent cash accruals in current year. As payment of the variable component is at the discretion of the IFL Board, the minimum value is nil and the maximum is the total amount paid. The variable bonus paid in cash refers to the total STVR outcome and includes an upfront amount paid in September 2024 and the deferred amount due in 2025.

⁽⁴⁾Amounts represent retention and commencement incentives, which are non-performance based. For A Saxena, this is a commencement incentive that was paid 11 October 2023.

⁽⁵⁾Fixed amounts are non-performance based, and variable amounts are performance based.

⁽⁶⁾R Mota ceased KMP duties on 29 February 2024 and STVR amounts are prorated for the period they were a KMP.

⁽⁷⁾S Hopwood commenced KMP duties on 26 February 2024 and STVR amounts are prorated for the period they were a KMP.

⁽⁸⁾A Coyne ceased KMP duties on 23 February 2024.

Remuneration report

8. Other information

Equity holdings

The table below sets out details of deferred Insignia Financial performance rights that were granted to KMP during 2024 or in prior years and that then vested, were exercised/sold or which lapsed/were forfeited during 2024. When each performance right is exercised, it is converted into one IFL ordinary share.

Name	Type of instrument	Grant date	Fair value per right at grant date	Number granted ⁽¹⁾	Opening balance	Granted as compensation	Exercised/Vested ⁽²⁾	Forfeited/Lapsed	Closing balance	Financial year of performance period end
Chief Executive Officer and Executive Director										
S Hartley ⁽⁶⁾	2024 EIP	-	\$0.99	8,994	-	8,994	-	-	8,994	2027
Total S Hartley				8,994	-	8,994	-	-	8,994	
Current KMP										
D Chalmers	2024 EIP	13-Dec-24	\$0.99	5,558	-	5,558	-	-	5,558	2027
	2023 EEP	14-Dec-22	\$2.45	10,185	10,185	-	-	(2,192)	7,993	2026
	2022 EEP	4-Mar-22	\$2.72	6,783	6,004	-	-	-	6,004	2025
	2021 EEP	18-Dec-20	\$2.29	4,910	4,910	-	(2,946)	(1,964)	-	2024
Total D Chalmers				27,436	21,099	5,558	(2,946)	(4,156)	19,555	
D Farmer	2021 EEP	18-Dec-20	\$2.29	7,246	7,246	-	(4,347)	(2,898)	-	2024
Total D Farmer				7,246	7,246	-	(4,347)	(2,898)	-	
F Lombardo	2024 EIP	13-Dec-24	\$0.99	11,611	-	11,611	-	-	11,611	2027
	2023 EEP	14-Dec-22	\$2.45	21,230	21,230	-	-	(8,418)	12,812	2026
	2022 EEP	4-Mar-22	\$2.72	12,251	10,843	-	-	-	10,843	2025
	2021 EEP	18-Dec-20	\$2.29	7,680	7,680	-	(4,608)	(3,072)	-	2024
Total F Lombardo				52,772	39,753	11,611	(4,608)	(11,490)	35,266	
M Oliver ⁽⁵⁾	2024 EIP	13-Dec-24	\$0.99	16,728	-	16,728	-	-	16,728	2027
	2023 EEP	14-Dec-22	\$2.45	30,577	25,411	5,166	-	(7,910)	22,667	2026
	2022 EEP	4-Mar-22	\$2.72	15,323	14,064	-	-	-	14,064	2025
	2021 EEP	18-Dec-20	\$2.29	7,388	7,388	-	(4,433)	(2,955)	-	2024
Total M Oliver				70,016	46,863	21,894	(4,433)	(10,865)	53,459	
A Saxena	2024 EIP	13-Dec-23	\$0.99	7,728	-	7,728	-	-	7,728	2027
Total A Saxena				7,728	-	7,728	-	-	7,728	

Remuneration report

8. Other information (continued)

Name	Type of instrument	Grant date	Fair value per right at grant date	Number granted ⁽¹⁾	Opening balance	Granted as compensation	Exercised/Vested ⁽²⁾	Forfeited/Lapsed ^(3,4)	Closing balance	Financial year of performance period end
Current KMP (continued)										
M Walls	2024 EIP	13-Dec-23	\$0.99	4,376	-	4,376	-	-	4,376	2027
	2023 EEP	14-Dec-22	\$2.45	8,018	8,018	-	-	(1,639)	6,380	2026
	2022 EEP	4-Mar-22	\$2.72	5,334	4,489	-	-	-	4,489	2025
	2021 EEP	18-Dec-20	\$2.29	2,125	2,125	-	(1,275)	(850)	-	2024
Total M Walls				19,853	14,632	4,376	(1,275)	(2,489)	15,245	
C Weldon	2024 EIP	13-Dec-23	\$0.99	6,253	-	6,253	-	-	6,253	2027
	2023 EEP	14-Dec-22	\$2.45	9,831	9,831	-	-	(2,223)	7,608	2026
	2022 EEP	4-Mar-22	\$2.72	5,357	4,741	-	-	-	4,741	2025
	2021 EEP	18-Dec-20	\$2.29	2,307	2,307	-	(1,384)	(923)	-	2024
Total C Weldon				23,748	16,879	6,253	(1,384)	(3,146)	18,602	
Former KMP										
A Coyne ⁽⁷⁾	2022 EPR	4-Mar-22	\$2.29	779	779	-	-	-	779	2025
Total A Coyne				779	779	-	-	-	779	
R Mota	2023 EEP	14-Dec-22	\$2.45	28,814	28,814	-	-	(6,201)	22,613	2026
	2022 EEP	4-Mar-22	\$2.72	19,205	14,492	-	-	-	14,492	2025
	2021 EEP	18-Dec-20	\$2.29	13,093	13,093	-	(7,856)	(5,237)	-	2024
Total R Mota				61,112	56,399	-	(7,856)	(11,438)	37,105	
Total KMP				279,684	203,650	66,414	(26,849)	(46,482)	196,733	

⁽¹⁾Exercise price at grant date is \$nil.

⁽²⁾Vested rights were approved and vested 30 June 2024 for EEP 2021. These were exercised in financial year 2025.

⁽³⁾Forfeited/lapsed performance rights for EEP 2023 refer to annualised assessment at the end of each financial year.

⁽⁴⁾Forfeited/lapsed performance rights for EEP 2021 refer to the non-achievement of the TSR hurdle assessed at the end of the performance period.

⁽⁵⁾Additional rights were granted to M Oliver in 2024 in respect of the 2023 EEP plan based on a review of his remuneration in December 2022.

⁽⁶⁾S Hartley equity holdings relate to the offer provided for 2024. Official grant is subject to shareholder approval at the 2024 IFL AGM.

⁽⁷⁾A Coyne amounts represent performance rights that were granted through the Employee Performance Rights (EPR).

Remuneration report

8. Other information (continued)

This report is signed in accordance with a resolution of the Directors made pursuant to Section 298(2) of the *Corporations Act 2001*.

The *Remuneration Report* is prepared, and audited, in accordance with the requirements of the *Corporations Act 2001*. It forms part of the *Directors' Report*.



John Selak

Group People & Remuneration Committee Chair

18 September 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To The directors of I.O.O.F. Investment Management Limited, as trustee for the IOOF Portfolio Service Superannuation Fund

I declare that, to the best of my knowledge and belief, in relation to the audit of IOOF Portfolio Services Superannuation Fund for the financial year ended 30 June 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Dean Waters
Partner
Melbourne
18 September 2024

KPMG

IOOF Portfolio Service Superannuation Fund
Statement of financial position
As at 30 June 2024

	Note	2024 \$m	2023 \$m
Assets			
Cash and cash equivalents	13(a)	3,732	2,048
Outstanding settlements receivable		78	62
Receivables	6	1,471	549
Investment assets:			
Equities	14	6,318	2,860
Interest bearing securities	14	349	196
Term deposits		1,460	557
Pooled superannuation trusts	14	1	5
Separately managed accounts	14	2,315	-
Unlisted unit trusts	14	48,689	28,639
Annuities		103	122
Current tax assets		-	4
Total assets		64,516	35,042
Liabilities			
Payables and accruals	7	69	37
Outstanding settlements payable		9	3
Current tax liabilities		56	-
Deferred tax liabilities	12(c)	215	48
Total liabilities excluding member benefits		349	88
Net assets available for member benefits		64,167	34,954
Member benefits			
Defined contribution member liabilities	5	63,891	34,715
Defined benefit member liabilities	5	14	15
Unallocated surplus		73	102
Total member liabilities		63,978	34,832
Total net assets		189	122
Equity			
Operational Risk Financial Requirement reserve	8	164	87
General reserve	8	18	30
Other reserves	8	4	3
Defined benefit that are over/(under) funded	5	3	2
Total equity		189	122

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

IOOF Portfolio Service Superannuation Fund
Income statement
For the year ended 30 June 2024

	Note	<u>2024</u> \$m	<u>2023</u> \$m
Superannuation activities			
Interest income		180	92
Dividend income		109	85
Distribution Income		1,869	790
Net change in fair value of investments	9	1,494	1,905
Other income		33	12
Total revenue		<u>3,685</u>	<u>2,884</u>
Expenses			
Administration expenses		332	243
Investment expenses		1	1
Other operating expenses	10	30	10
Total expenses		<u>363</u>	<u>254</u>
Profit from operating activities		3,322	2,630
(Less): Net benefits allocated to defined contribution member accounts		(3,419)	(2,721)
(Less): Net change in defined benefit member liabilities		(1)	(2)
Loss before income tax		<u>(98)</u>	<u>(93)</u>
Income tax benefit	12(a)	96	87
Loss after income tax		<u><u>(2)</u></u>	<u><u>(6)</u></u>

The above income statement should be read in conjunction with the accompanying notes to the financial statements.

IOOF Portfolio Service Superannuation Fund
Statement of changes in member benefits
For the year ended 30 June 2024

	Note	Defined Contribution Members \$m	Defined Benefit Members \$m	Total \$m
Opening balance of member benefits as at 1 July 2023		34,817	15	34,832
Contributions:				
Employer		947	1	948
Member		2,138	-	2,138
Successor fund transfer	20	25,698	-	25,698
Transfer from other superannuation funds		2,722	-	2,722
Transfer to other superannuation funds		(2,296)	-	(2,296)
Income tax on contributions		(188)	-	(188)
Net after tax contributions		29,021	1	29,022
Benefits to members/beneficiaries		(3,178)	(2)	(3,180)
Insurance premiums charged to members' accounts		(107)	-	(107)
Death and disability benefits credited to members' accounts		60	-	60
Reserves transferred from members' accounts				
ORFR reserve		(68)	-	(68)
General reserve		(1)	-	(1)
Benefits allocated to members' accounts comprising:				
Net investment income		3,767	-	3,767
Administration and other operating expenses		(348)	-	(348)
Net change in defined benefit member benefits		1	-	1
Closing balance of member benefits as at 30 June 2024		63,964	14	63,978
Opening balance of member benefits as at 1 July 2022		31,442	19	31,461
Contributions:				
Employer		796	1	797
Member*		1,486	-	1,486
Successor fund transfer		-	-	-
Transfer from other superannuation funds*		2,003	-	2,003
Transfer to other superannuation funds		(1,246)	-	(1,246)
Income tax on contributions		(152)	-	(152)
Net after tax contributions		2,887	1	2,888
Benefits to members/beneficiaries		(2,153)	(7)	(2,160)
Insurance premiums charged to members' accounts		(99)	-	(99)
Death and disability benefits credited to members' accounts		60	-	60
Reserves transferred from members' accounts				
ORFR reserve		(4)	-	(4)
General reserve		(37)	-	(37)
Benefits allocated to members' accounts comprising:				
Net investment income		2,964	-	2,964
Administration and other operating expenses		(243)	-	(243)
Net change in defined benefit member benefits		-	2	2
Closing balance of member benefits as at 30 June 2023		34,817	15	34,832

*Comparative information has been revised to reflect the change detailed in Note 4(j).

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

IOOF Portfolio Service Superannuation Fund
Statement of changes in reserves
For the year ended 30 June 2024

	Note	Operational Risk Financial Requirement reserve	General reserve	Other reserves	Defined benefit that are over/(under) funded	Total Equity
		\$m	\$m	\$m	\$m	\$m
Opening balance as at 1 July 2023		87	30	3	2	122
Net transfers from members' accounts		68	1	-	-	69
Profit/(loss)		9	(13)	1	1	(2)
Closing balance as at 30 June 2024	8	<u>164</u>	<u>18</u>	<u>4</u>	<u>3</u>	<u>189</u>

		Operational Risk Financial Requirement reserve	General reserve	Other reserves	Defined benefit that are over/(under) funded	Total Equity
		\$m	\$m	\$m	\$m	\$m
Opening balance as at 1 July 2022		79	2	3	3	87
Net transfers from members' accounts		4	37	-	-	41
Profit/(loss)		4	(9)	-	(1)	(6)
Closing balance as at 30 June 2023	8	<u>87</u>	<u>30</u>	<u>3</u>	<u>2</u>	<u>122</u>

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

IOOF Portfolio Service Superannuation Fund
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 \$m	2023 \$m
Cash flows from operating activities			
Interest received		150	76
Dividends received		103	85
Distributions received		983	1,163
Other income received		41	9
Administration expenses paid		(309)	(237)
Insurance premiums paid		(107)	(99)
Other expenses paid		(29)	(12)
Income tax received		323	93
Net cash flows from operating activities	13(b)	1,155	1,078
Cash flows from investing activities			
Proceeds from sale of investments		16,811	8,218
Purchases of investments		(18,189)	(10,190)
Net cash flows from investing activities		(1,378)	(1,972)
Cash flows from financing activities			
Employers' contributions		948	796
Members' contributions*		2,138	1,486
Successor fund transfer		1,703	-
Transfer from other superannuation funds*		2,722	2,003
Transfer to other superannuation funds		(2,296)	(1,246)
Benefits to members/beneficiaries		(3,180)	(2,160)
Death and disability benefits credited to members' accounts		60	60
Income tax on contributions		(188)	(152)
Net cash flows from financing activities		1,907	787
Net increase / (decrease) in cash and cash equivalents		1,684	(107)
Cash and cash equivalents at the beginning of the year		2,048	2,155
Cash and cash equivalents at the end of the year	13(a)	3,732	2,048

*Comparative information has been revised to reflect the change detailed in Note 4(j).

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

IOOF Portfolio Service Superannuation Fund

Notes to the financial statements

For the year ended 30 June 2024

1. Reporting entity

The IOOF Portfolio Service Superannuation Fund (the "Fund") is a superannuation fund that provides both defined contribution and defined benefit accounts to members. The Fund is closed to new defined benefit entrants. The Fund is operated for the purpose of providing superannuation services to members. The Fund was constituted by a Trust Deed dated 20 June 1994, as amended. It is domiciled in Australia and the address of the registered office is Level 1, 800 Bourke Street, Docklands, VIC 3008.

The Trustee of the Fund is I.O.O.F. Investment Management Limited (IIML) ABN 53 006 695 021. The Trustee is incorporated and domiciled in Australia and holds RSE Licence Number L0000406. The ultimate parent entity is Insignia Financial Limited.

In accordance with the amendments to the *Superannuation Industry (Supervision) Act 1993*, the Fund is registered with the Australian Prudential Regulation Authority (APRA) as a Registrable Superannuation Entity (RSE) (registration number R1000627).

(a) Significant events

Successor Fund Transfer

The Fund completed the merger with MLC Superannuation Fund, MLC Pooled Superannuation Trust, PremiumChoice Retirement Service and DPM Retirement Service via Successor Fund Transfer (SFT) on 30 March 2024. Refer to note 20 for further details.

Licence condition

In November 2022, APRA imposed additional licence conditions on the Trustee. These conditions included:

- (i) Enhancement of the Trustee's governance in relation to member outcomes, oversight of service providers, risk, compliance and managing conflicts of interest;
- (ii) Appointment of an independent expert to examine the operational effectiveness of the Trustee's governance, accountability and risk management frameworks and practices; and
- (iii) Rectification of areas of concern with input from the independent expert.

The Trustee is working with Insignia Financial Ltd and its subsidiaries (collectively referred to as the IFL Group) to satisfactorily address all the Licence Conditions and to rectify any and all areas of concern identified by the independent expert. A Rectification Action Plan to address these additional licence conditions was formally approved by APRA on 22 November 2023.

Aside from the above there are no other matters to note.

2. Basis of preparation

The principal accounting policies that have been adopted in the preparation of the financial statements are as follows:

(a) Statement of compliance

General purpose financial statements

These general purpose financial statements have been prepared in accordance with the recognition and measurement principles of all applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. They contain disclosures that are mandatory under the Accounting Standards and those considered necessary by the Directors to meet the needs of members.

The financial statements were authorised for issue by the Board of Directors of the Trustee, IIML, on 18 September 2024.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

2. Basis of preparation (continued)

(b) Basis of measurement

The financial statements and notes accompanying the financial statements have been prepared on the historical cost basis except for:

- (i) financial instruments held at fair value through profit or loss, which are measured at fair value; and
- (ii) financial liabilities and term deposits, other than those held at fair value through profit or loss, are measured at amortised cost.

(c) Functional and presentation currency

The financial statements are presented in Australian dollars. Amounts are shown rounded to the nearest million (\$m) under the option available under ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191 and ASIC Corporations (Amendment) Instrument 2022/519, unless otherwise stated.

(d) Material accounting judgements, estimates and assumptions

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Assumptions made at each reporting date are based on best estimates at that date. Although the Fund has internal control systems in place to ensure that estimates are reliably measured, actual amounts may differ from those estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and any future periods affected.

The additional accounting policies sensitive to the use of judgement, estimates and assumptions are outlined below:

(i) Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management applies judgement in selecting valuation techniques where there is no market price available for an instrument. Further details on the determination of fair values of financial instruments are set out in note 14.

(ii) Assessment of the interest in unlisted unit trusts as structured entities

The Fund has assessed whether its investments in related unlisted unit trusts should be classified as structured entities. A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. The Fund has concluded that its investments in unlisted unit trusts meet the definition of structured entities as the voting rights of these unlisted unit trusts are not substantive in nature as set out in note 17 Investment assets of unconsolidated structured entities.

As such, the Fund does not consolidate any entities.

(iii) Valuation of defined benefit member liabilities

The amount of member liabilities in relation to defined benefits has been determined using actuarial valuation techniques and assumptions. An actuarial valuation involves making various assumptions about the future. Actual developments in the future may differ from these assumptions. The assumptions include rates of leaving service, future investment returns, pension indexation rates, mortality rates and future salary increases. These liabilities are determined in part by the salaries earned by members at the time they retire. Due to the complexities involved in the valuation and its long term nature, defined benefit member liabilities are sensitive to changes in these assumptions.

In determining the appropriate investment return rate, the actuary considers the long term best estimate return that reflects the Fund's actual investments and investment strategy in respect of defined benefit member liabilities. Future salary increases are set in consultation with the employer-sponsors and take into account general market wage growth expectations.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

3. Changes in material accounting standards and interpretations

The Fund has adopted Disclosure of Accounting Policies (Amendments to AASB 101 and IFRS Practice Statement 2) from 1 July 2023. The amendments did not result in changes to the accounting policy information disclosed in the financial statements.

There are no other material new standards or amendments to standards that are mandatory for the first time in the financial year beginning 1 July 2023 that affect the Fund's financial statements and are not likely to affect future periods. The Fund has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2023.

New standards and amendments to accounting standards issued but not yet effective

AASB 18 Presentation and Disclosure in Financial Statements will be applicable to the Fund for the 30 June 2029 financial year. The standard will replace AASB 101 Presentation of Financial Statements. The standard establishes key presentation and disclosure requirements including newly defined subtotals in the statement of profit or loss, the disclosure of management-defined performance measures and enhanced requirements for grouping information.

4. Material accounting policies

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless as set out in note 4(j) change in comparatives.

(a) Financial assets

(i) Cash and cash equivalents

Cash comprises cash at bank. Cash and cash equivalents include cash at bank, deposits held at call with financial institutions and other short term, highly liquid investments including term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. As cash and cash equivalents are not subject to changes in price, historical cost approximates fair value.

(ii) Outstanding settlements

Outstanding settlements include amounts outstanding for redemptions of investments and purchases of investments, which remain unsettled at the reporting date and are normally settled within 30 days. These amounts are measured at fair value.

(iii) Receivables

Receivables are carried at nominal amounts due and are measured at fair value. Receivables are normally settled within 30 days.

(iv) Investments

Investments of the Fund are initially recognised at cost, being the fair value of the consideration given. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investments are included in the statement of financial position at fair value as at reporting date and movements in the fair value of investments are recognised in the income statement in the financial year in which they occur. Further details on how fair value is determined at each reporting date are set out in note 14.

Purchases and sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognised on the trade date, i.e. the date that the Fund commits to purchase the asset.

The Fund's maximum exposure to loss from their investments in unlisted unit trusts, which have been assessed to be structured entities, is restricted to their fair value, refer to note 17.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

4. Material accounting policies (continued)

(a) Financial assets (continued)

(iv) Investments (continued)

The prices used to value investments include:

(i) Equities

Equities, for which there is a readily available market quotation, are valued at the last quoted sale price as at the close of business on reporting date.

(ii) Interest bearing securities

Interest bearing securities, for which there is a readily available market quotation, are valued at the last quoted sale price as at the close of business on reporting date.

(iii) Term deposits and annuities

Term deposits and annuities, other than those held at fair value through profit or loss, are recorded at amortised cost which approximates fair value.

(iv) Pooled superannuation trusts

Pooled superannuation trusts are valued at the sale price at reporting date quoted by the investment managers which equates to the fair value.

(v) Separately managed accounts

Separately managed accounts consist of equities and units in unlisted unit trusts. Equities, for which there is a readily available market quotation, are valued at the sale price as at the reporting date. Units in unlisted unit trusts are valued at the sale price at reporting date quoted by the investment managers which equates to the fair value.

(vi) Units in unlisted unit trusts

Units in unlisted unit trusts are valued at the sale price at reporting date quoted by the investment managers which equates to the fair value.

For investments in suspended unlisted unit trusts, the prices used to value investments are the last available sale prices published by the relevant Fund Manager.

(b) Financial liabilities

The Fund recognises financial liabilities on the day it becomes a party to the contractual provisions of the instrument. Liabilities are carried at fair value and may include amounts for unsettled investment purchases and accrued fees payable. Unsettled purchases are amounts due to brokers for securities purchased that have not been paid at reporting date. Trades are recorded on trade date and normally settle within two business days.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

4. Material accounting policies (continued)

(c) Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund has a legal right to offset the amounts and it intends either to settle on a net basis or realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under Australian Accounting Standards. For example, for gains and losses arising from a group of similar transactions, such as gains and losses from investments held at fair value.

(d) Member liabilities

(i) Allocated to members

Defined contribution member liabilities are measured as the amount of member account balances as at the reporting date.

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

(ii) Unallocated surplus

As at reporting date the Fund has a total of \$73m (2023: \$102m) held as unallocated surplus. The balance was mainly funded by the tax difference between the aggregate of the members' and the Fund's overall income tax position. The amount will be used for future Operational Risk Financial Requirement (ORFR) Reserve funding and potential liabilities with the Australian Taxation Office (ATO).

(e) Revenue and expense recognition

(i) Interest income

Interest income is recognised in the income statement as it accrues, using the effective interest rate of the instrument calculated at the acquisition date.

(ii) Dividend income

Dividends from equity securities are recognised on the date the shares are quoted ex-dividend.

(iii) Distribution income

Distributions from unlisted unit trusts are recognised as at the date the unit value is quoted ex-distribution.

(iv) Net change in fair values of investments

Changes in investments measured at fair value are calculated as the difference between the fair value at sale, or at reporting date, and the fair value at the previous valuation point. All changes are recognised in the income statement.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

4. Material accounting policies (continued)

(e) Revenue and expense recognition (continued)

(v) Other income

Other income consists mainly of fee rebate income which is recognised when the Fund has established the right to receive the income.

(vi) Expenses

Expenses are recognised on an accruals basis and if not paid at reporting date, are reflected in the statement of financial position as a liability.

(f) Income tax

The Fund is a complying superannuation fund for the purposes of the provisions of the *Income Tax Assessment Act 1997*. Accordingly, the concessional tax rate of 15% has been applied to the Fund's taxable income. The Fund has both accumulation and pension members. Where assets are held to support pension liabilities, the income earned on those assets does not form part of the Fund's assessable income, thus incurring an effective tax rate of 0%.

Income tax in the income statement for the year includes current and deferred tax.

Current tax expense is the expected tax payable on the taxable income for the year using the tax rates enacted or substantively enacted at the reporting date and any adjustments to tax payable in respect of previous years. Taxable income includes gains and losses on disposals of investments and the calculation switched from the first-in-first-out method to tax optimisation method on 1 April 2023.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation of the asset or settlement of the liability, using tax rates enacted or substantively enacted at reporting 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.

(g) Goods and services tax

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except where the amount of GST incurred is not recoverable from the ATO as a Reduced Input Tax Credit (RITC). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of other receivables or payables, in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(h) No-TFN contributions tax

Where a member does not provide their tax file number (TFN), the Fund may be required to pay no-TFN contributions tax at a rate of 32% which is in addition to the concessional tax rate of 15% which applies to the Fund's taxable income.

The no-TFN contributions tax liability recognised by the Fund will be charged to the relevant member's account. Where a tax offset is obtained by the Fund in relation to members' no-TFN contributions tax, the tax offset will be included in the relevant members' accounts.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

4. Material accounting policies (continued)

(i) Excess contributions tax

The ATO may issue release authorities to members of the Fund relating to the relevant member's excess contributions tax that is payable in respect of the member's concessional and/or non-concessional contributions for a particular year and the concessional and/or non-concessional contributions received in the prior year. The liability for the excess contributions tax will be recognised when the relevant release authorities are received from the members, as the Trustee considers this is when it can be reliably measured.

(j) Change in comparatives

During the year ended 30 June 2024, the Fund reclassified certain types of rollovers as member contributions to align more accurately with the ATO's classification of these transactions. Consequently, for the year ended 30 June 2023, \$243m is reclassified from transfer from other superannuation funds to member contribution in both statement of member benefits and statement of cashflow.

5. Member liabilities and funding arrangements

(a) Defined contribution member liabilities and funding arrangements:

Defined contribution member account balances are determined by unit prices that are based on the underlying investment assets or the surrender value of policies at the end of the financial year. As at reporting date, the Fund had a net total of \$63,891m (2023: \$34,715m) defined contribution member liabilities.

Defined contribution members bear the investment risk relating to the underlying assets and unit prices used to measure the member liabilities. Unit prices are updated daily for movements in investment markets. The Fund's management of the investment market risks is disclosed within note 15.

For defined contribution members, employers are expected to contribute at a minimum rate as determined by the Industrial Awards or Superannuation Guarantee Legislation together with any additional salary sacrifice contributions. The Superannuation Guarantee for the year ending 30 June 2024 was 11% (2023: 10.5%) of salary for superannuation purposes. Members' contributions were made in accordance with the requirements of the Trust Deed pursuant to applications contained in the Product Disclosure Statements and Supplements on issue by the Trustee during the year.

(b) Defined benefit member liabilities and funding arrangements:

The Fund engages qualified actuaries to measure the defined benefit members' liabilities in each of its defined benefit sub-plans as required by superannuation regulations. The actuaries also conduct regular (at least every three years, or more frequently as required) actuarial investigations of the defined benefit sub-plans as required by the regulations and at the Trustee's request. Taking into account the Trustee's Defined Benefit Funding Policy on funding objectives and the sub-plan's circumstances, the actuaries advise the employers' required contribution levels. The Fund has no information that would lead to adjustments to the actuaries' assumptions in addition to what has already been discussed above.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

5. Member liabilities and funding arrangements (continued)

(b) Defined benefit member liabilities and funding arrangements: (continued)

The actuarial valuation of member liabilities reflects the actuarial assessment of the benefits accrued up to the most recent valuation date. This value is then rolled up to the current reporting date using an approach based on the estimated growth in vested benefits over the period since the last actuarial calculation. The net assets of each of the defined benefit employer sub-plans are quarantined from the other assets of the Fund. In an event that the assets of a particular sub-plan are not adequate to provide for member liabilities, or if the employer contributions are insufficient, the member liabilities are limited to the assets of the particular sub-plan.

The key assumptions used to determine the actuarial value of the accrued benefits for each defined benefit sub-plans were:

	2024	2023
The future rate of investment return of investments forecasted	3% - 6%	3% - 7%
The future rate of salary increase forecasted	3% - 7%	3% - 4%

(i) Sensitivity analysis of defined benefit member liabilities

The following are sensitivity calculations of a reasonably possible change in the investment return and salary adjustment rate assumptions for defined benefit member liabilities.

Alsco Pty Limited Superannuation Fund

	Key assumptions at reporting date	Reasonably possible change		Amount of change in member benefit liability	
		%	%	\$000	\$000
		+	-	+	-
Year ended 30 June 2024					
Investment return	5.5%	1	1	(66)	87
Salary adjustment rate	3.5%	1	1	70	(52)
Year ended 30 June 2023					
Investment return	6.3%	1	1	(76)	84
Salary adjustment rate	3.5%	1	1	69	(66)

ISIS Central Sugar Mill Company Limited Superannuation Fund

	Key assumptions at reporting date	Reasonably possible change		Amount of change in member benefit liability	
		%	%	\$000	\$000
		+	-	+	-
Year ended 30 June 2024					
Investment return	5.0%	1	1	(79)	86
Salary adjustment rate	3.0%	1	1	76	(69)
Year ended 30 June 2023					
Investment return	5.0%	1	1	(103)	113
Salary adjustment rate	3.0%	1	1	99	(92)

Monroe Australia Superannuation Fund

	Key assumptions at reporting date	Reasonably possible change		Amount of change in member benefit liability	
		%	%	\$000	\$000
		+	-	+	-
Year ended 30 June 2024					
Investment return	5.3%	1	1	(12)	18
Salary adjustment rate	3.5%	1	1	12	(6)
Year ended 30 June 2023					
Investment return	5.8%	1	1	(36)	36
Salary adjustment rate	3.0%	1	1	21	(21)

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

5. Member liabilities and funding arrangements (continued)

(b) Defined benefit member liabilities and funding arrangements: (continued)

MSA Australia Pty Limited Superannuation Plan

	Key assumptions at reporting date	Reasonably possible change		Amount of change in member benefit liability	
		%	%	\$000	\$000
		+	-	+	-
Year ended 30 June 2024					
Investment return	4.5%	1	1	(34)	51
Salary adjustment rate	3.0%	1	1	43	(29)
Year ended 30 June 2023					
Investment return	4.5%	1	1	(43)	54
Salary adjustment rate	3.0%	1	1	46	(38)

Tully Sugar Superannuation Fund

	Key assumptions at reporting date	Reasonably possible change		Amount of change in member benefit liability	
		%	%	\$000	\$000
		+	-	+	-
Year ended 30 June 2024					
Investment return	3.8%	1	1	(114)	121
Salary adjustment rate	7.0%	1	1	99	(94)
Year ended 30 June 2023					
Investment return	3.5%	1	1	(121)	128
Salary adjustment rate	3.0%	1	1	107	(102)

The Trustee is provided with quarterly updates on the funding position of the defined benefit sub-plans. Where a defined benefit sub-plan is in, or is likely to enter into, an unsatisfactory financial position, the sub-plan's actuary will advise the Trustee and APRA, and remedial action will be proposed to the Trustee.

The Trustee has a number of steps in place to manage the risks associated with the defined benefit sub-plans. The Trustee has appointed external actuaries to address the risks for each defined benefit sub-plan, including establishing suitable funding objectives.

Funding requirements for the sub-plans are impacted by various financial and demographic factors. The assumptions include rates of leaving service, future investment returns, pension indexation rates, mortality rates and future salary increases. The funding arrangements are primarily dependent upon investment performance relative to salary growth and, in some cases pension growth. Each defined benefit sub-plan has its own actuary and has a current Actuarial Funding and Solvency Certificate.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

5. Member liabilities and funding arrangements (continued)

(b) Defined benefit member liabilities and funding arrangements: (continued)

(ii) Summary of actuarial investigations reports

Contribution levels are consistent with actuarial recommendations for all plans. The table below reports the actuarial investigations of the individual sub-plans as at 30 June 2024:

Sub-plan	Last Actuarial Review	Net assets as at reporting date	Estimated accrued benefits at reporting date	Over / (under) funded	Vested benefits at reporting date	Net assets less vested benefits	Investment return rate [^]	Salary adjustment rate [^]
		\$000	\$000	\$000	\$000	\$000		
AlSCO Pty Limited Superannuation Fund	30/06/2022	3,370	1,788	1,582	1,935	1,435	5.4	2.8
ISIS Central Sugar Mill Company Limited	30/06/2023	2,139	1,594	545	1,678	461	5.1	3.1
Monroe Australia Superannuation Fund	1/07/2023	6,677	6,165	512	6,152	525	6.7	3.1
MSA Australia Pty Limited Superannuation Plan	1/07/2023	2,099	1,889	210	1,931	168	5.0	3.0
Tully Sugar Superannuation Fund ^^	30/06/2021	2,619	2,539	80	2,430	189	3.6	3.8
Total as at 30 June 2024		16,904	13,975	2,929	14,126	2,778		

[^] These are based on the Key Assumptions

^{^^} Sub plan with the last actuarial review date of 30/06/2021 is currently under review and to be completed by 31 December 2024.

Contribution levels are consistent with actuarial recommendations. The table below reports the actuarial investigations of the individual sub-plans as at 30 June 2023:

Sub-plan	Last Actuarial Review	Net assets as at reporting date	Estimated accrued benefits at reporting date	Over / (under) funded	Vested benefits at reporting date	Net assets less vested benefits	Investment return rate [^]	Salary adjustment rate [^]
		\$000	\$000	\$000	\$000	\$000		
AlSCO Pty Limited Superannuation Fund	30/06/2022	3,087	1,555	1,532	1,779	1,308	6.3	3.5
Heritage Building Society Limited Superannuation Plan (closed in June 2023)		-	-	-	-	-	-	-
ISIS Central Sugar Mill Company Limited	30/06/2020	2,410	1,789	621	2,011	399	5.0	3.0
Monroe Australia Superannuation Fund	30/06/2020	7,705	7,198	507	7,155	550	5.8	3.0
MSA Australia Pty Limited Superannuation Plan	1/07/2020	1,886	1,677	209	1,677	209	4.5	3.0
Tully Sugar Superannuation Fund	30/06/2021	2,321	2,439	(118)	2,309	12	3.5	3.0
Total as at 30 June 2023		17,409	14,658	2,751	14,931	2,478		

[^] These are based on the Key Assumptions

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

5. Member liabilities and funding arrangements (continued)

(c) Explanations of over/(under) funded from Note 5 table

In accordance with Superannuation Prudential Standard 160 Defined Benefit Matters, the Trustee aims to maintain the financial position of each sub-plan so that the ratio of net assets to vested benefits is above 100%. These sub-plans all have net assets greater than 100% of vested benefits. This is generally attributable to better than expected investment returns. As a result of any particular sub-plan's surplus, employers of that sub-plan may be on a contribution holiday.

(d) Calculation of accrued benefits

Formal actuarial reviews of the sub-plans were undertaken at various dates according to the individual arrangements of the sub-plans (at least triennial). In accordance with AASB 1056, accrued benefits are to be calculated at each reporting period as opposed to at each actuarial investigation.

As a result, the Fund has utilised estimation techniques to calculate accrued benefits. Due to the individual arrangements of each sub-plan, not every sub-plan completed a formal actuarial review at reporting date. However, the actuaries of each sub-plan were engaged to confirm the use of the estimation technique employed by the Fund.

(e) Funding arrangements

There are two main sources of funding: employer contributions and member contributions.

For defined contribution members, employers are expected to contribute at a minimum rate as determined by the Industrial Awards or Superannuation Guarantee Legislation together with any additional salary sacrifice contributions. The Superannuation Guarantee for the year ending 30 June 2024 was 11% (2023: 10.5%) of salary for superannuation purposes.

For defined benefit members, employers are expected to contribute at a rate determined by the Trustee acting on the advice of the appointed actuaries.

Members are also able to make voluntary member contributions.

Members contributing to the Fund must meet eligibility requirements under the superannuation law. Given eligibility, contributions to the Fund can be in the form of lump sum contributions, regular contributions, spouse contributions and/or amounts rolled over from other superannuation funds or rollover funds. Allocated pension account contributions are restricted to members who have an eligible termination payment or who transfer eligible amounts from other complying superannuation funds.

6. Receivables

	2024	2023
	\$m	\$m
Interest receivable	49	19
Dividends receivable	13	7
Distributions receivable	1,404	519
GST receivable	4	2
Other receivables	1	2
	1,471	549

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

7. Payables and accruals

	2024	2023
	\$m	\$m
Group life premium payable	6	6
Administration expenses payable	47	26
Other payables	16	5
	69	37

8. Reserves

Operational Risk Financial Reserve (ORFR)

In accordance with Superannuation Prudential Standard 114: Operational Risk Financial Requirement, financial resources to meet the ORFR target amount is held by the Fund. The standard requires the ORFR to be separately identifiable from member accounts and provide an unrestricted commitment of financial resource to address losses arising from operational risk in a timely manner.

The Trustee has assessed a Target Amount of 0.25% of funds under management for the Fund. These reserve monies were invested in investment assets during the year, to match the investment allocation of the Fund. As part of the ORFR governance processes, the Trustee monitors the ORFR reserve on a quarterly basis as set out in the ORFR Strategy. The strategy also states that if the ORFR reserve falls below the lower Tolerance Limit of 85%, the Trustee will approve and implement a plan to replenish financial resources to bring the ORFR reserve back to Target Amount. The ORFR balance attributable to the Fund as at 30 June 2024 was \$164m and 102% of the Target Amount (2023: \$87m and 100%) and was held within the Fund. An additional \$68m was transferred to ORFR due to the MLC Successor Fund Transfer (SFT).

General reserve

The general reserve is for the benefit of the members and is used to recover costs such as the Member Office operating expenses, directors' fees, project costs, annual members' meeting, audit fees, APRA levy, Australian Financial Complaints Authority ('AFCA') levy and other expenses approved by the Board.

The general reserve represents assets generated from historical events and/or processes that are in excess of member liabilities.

Other reserves

The Other Reserve represents defined benefit pension reserve for complying pensions accounts which is used for the specific purpose of meeting defined benefit payments in accordance with the requirements of SPS160 Defined Benefit Matters.

9. Net change in fair value of investments

Investments held at the end of the financial year

	2024	2023
	\$m	\$m
Equities	270	195
Interest bearing securities	2	1
Pooled superannuation trusts	1	1
Separately managed accounts	5	-
Unlisted unit trusts	1,132	1,655
Total unrealised gains/(losses)	1,410	1,852

Investments realised during the financial year

	2024	2023
	\$m	\$m
Equities	9	23
Separately managed accounts	(1)	-
Unlisted unit trusts	76	30
Total realised gains/(losses)	84	53

Net change in fair value of investments

1,494	1,905
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IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

10. Other operating expenses

	2024	2023
	\$m	\$m
Project costs	10	5
Member office and directors' fee	2	2
APRA levies	2	2
Fund audit fee	1	1
SFT residual balance adjustment (non member)	15	-
	30	10

11. Auditor's remuneration

The principal auditor of the Fund is KPMG. The following fees were incurred by the Fund for services provided by the auditor.

	2024	2023
	\$	\$
Audit services		
<i>KPMG</i>		
Audit and review of financial statements	307,500	307,500
Audit and review of regulatory compliance and APRA returns	92,250	72,250
Total remuneration for audit services	399,750	379,750

Audit fees for the Fund were paid by the Trustee and reimbursed by the Fund for both 2024 and 2023.

The fees disclosed above are exclusive of GST.

12. Income tax benefit/(expense)

Reconciliation of accounting profit/(loss) to income tax expense

A reconciliation of accounting profit/(loss) to tax benefit, and to income tax paid/payable with identification of material temporary and non-temporary differences is included within the financial statements.

(a) Recognised in the income statement:

	2024	2023
	\$m	\$m
Current income tax		
Current income tax benefit	86	81
Under provision in the previous year	18	131
Deferred tax expense		
Movement in temporary differences	(8)	(125)
Total tax benefit as reported in the income statement	96	87

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

12. Income tax benefit/(expense) (continued)

(b) Reconciliation between income tax benefit/expenses and the accounting profit/(loss) before income tax:

	2024	2023
	\$m	\$m
Profit/(loss) from operating activities	3,322	2,630
Income tax (expense)/benefit at 15% (2023: 15%):	(498)	(395)
Adjustments in respect of current income tax:		
Deduction on Insurance premiums charged to members' accounts	16	15
Franking credits & foreign income tax offsets	241	140
Non-assessable investment revenue	185	214
Non-deductible expenditure	(25)	(18)
Under/over provision for income tax in the previous year	18	131
Deferred tax transferred due to SFT	159	-
Income tax benefit reported in the income statement	96	87

(c) Deferred income tax at 30 June relates to the following:

The balance comprises temporary differences attributable to:

	2024	2023
	\$m	\$m
Amounts recognised in changes in net assets:		
Net realised losses & unrealised gains/losses on investments subject to CGT	(57)	(49)
Fund expenses accrued but not incurred	1	1
Deferred tax transferred due to SFT	(159)	-
Gross deferred tax liability	(215)	(48)
Movements:		
Opening Balance at 1 July	(48)	77
(Credited)/charged to the changes in net assets	(167)	(125)
Closing balance	(215)	(48)

13. Cash flow statement reconciliation

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash at bank and short duration term deposits with original terms of maturity of less than three months. Cash at the end of the financial year in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2024	2023
	\$m	\$m
Cash at bank and at call deposits	3,727	2,046
Short term duration term deposits	5	2
	3,732	2,048

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

13. Cash flow statement reconciliation (continued)

	2024	2023
	\$m	\$m
(b) Reconciliation of net cash from operating activities to net profit/(loss) after income tax:		
Profit/(loss) after income tax	(2)	(6)
Adjustments for non-cash items and movements in the statement of financial position:		
Net change in fair value of investments	(1,494)	(1,905)
(Increase)/decrease in receivables	(927)	354
Increase/(decrease) in payables	38	5
Increase/(decrease) in current tax liabilities	60	(119)
(Increase)/decrease in deferred tax assets	-	77
Increase/(decrease) in deferred tax liabilities	167	48
Adjustments for items not included in profit/(loss) after tax, but included in net cash from operating activities:		
Benefits allocated to members' account	3,420	2,723
Insurance premiums charged to members	(107)	(99)
Net cash outflows from operating activities	1,155	1,078

14. Fair value of financial instruments

Investments

Investments of the Fund, other than cash held for liquidity purposes, comprise units in investment vehicles such as equities, interest bearing securities, term deposits, pooled superannuation trusts, separately managed accounts, unlisted unit trusts and annuities. The Trustee has determined that these types of investments are appropriate for the Fund and are in accordance with the Fund's published investment strategy.

The investment managers of the investment vehicles will have invested in a variety of financial instruments, including derivatives, which expose the Fund's investments to a variety of investment risks, including credit risk, liquidity risk, market risk which includes interest rate risk and currency risk. The investment manager provides a regular report on the Fund's investments to the Trustee.

The Trustee seeks information from the managers of each proposed investment vehicle so as to determine the nature and extent of any risks, and the expected returns, associated with each investment prior to determining its suitability as an investment for the Fund.

Investments held in suspended unlisted unit trusts and stale price or thinly traded securities

As at 30 June 2024, the Fund held approximately \$2.23m (2023: \$7.88m) of its investments in suspended unlisted unit trusts (unlisted unit trusts suspended to applications and redemptions) and stale price or thinly traded securities. For the suspended unlisted unit trusts, the prices used to value investments are the last available sale prices published by the relevant Fund Manager. For stale price or thinly traded securities, the last price available is used to value these investments.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

14. Fair value of financial instruments (continued)

Suspended unlisted unit trusts and stale price or thinly traded securities held as at 30 June 2024 and 30 June 2023:

Investment Name	2024	2023
	\$	\$
AngloGold Ashanti Limited	-	4,375
Arbortech Industries Limited	215,157	-
Asset Resolution Limited	123	123
Audio Pixels Holdings Limited	97,433	-
Aurora Dividend Income Trust (Managed Fund)	1,422	1,319
Aurora Global Income Trust	137	350
AusCann Group Holdings Ltd	533	-
Australian Unity Healthcare Property Trust Wholesale Units*	-	5,240,956
Calidus Resources Limited	1,150	-
Charter Hall Wholesale Direct Property Fund*	-	484,568
Firefinch Limited	-	73,969
Great Panther Silver Limited	3,184	3,184
HHY Fund	-	2,601
Hills Limited	-	1,266
KAL Energy Inc	-	2,217
Leo Lithium Limited	418,058	-
LM Wholesale First Mortgage Income Fund	1,048,521	673,596
LM Wholesale Mortgage Income Fund	342,326	309,698
Logitech International	-	20,687
Macarthur National Limited	11	11
Magnis Energy Technologies Limited	4,112	-
Mariner Corporation Limited	-	412
Molopo Energy Limited	-	788
Moly Mines Limited	-	2,148
Panoramic Resources Limited	45,027	-
Phoslock Environmental Technologies Limited	4,095	-
PPK Mining Equipment Group Limited	-	936
Redcape Hotel Group*	-	1,038,362
Strandline Resources Limited	27,003	-
Ten Sixty Four Limited	25,634	15,089
Troy Resources Limited	-	561
	<u>2,233,926</u>	<u>7,877,216</u>

* The Fund has reclassified these illiquid investments as non-suspended unlisted unit trust.

The Trustee is continuing to monitor distressed unit trusts where it has been notified by the Fund Manager that the unit trust is closed to applications and redemptions.

Estimation of fair value

The Fund's financial assets and liabilities included in the statement of financial position are carried at fair value. The major methods and assumptions used in determining fair value of financial instruments are disclosed in note 4(a) financial assets.

The Fund measures fair value using the following fair value hierarchy that reflect the significance of the inputs used in making the measurements:

Level 1 - Quoted prices (unadjusted) in active markets for financial assets or liabilities;

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

14. Fair value of financial instruments (continued)

Estimation of fair value (continued)

Level 2 - Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all material inputs are directly or indirectly observable from market data.

Level 3 - Valuation techniques using material unobservable inputs. This category includes all instruments that use a valuation technique which includes inputs not based on observable data and the unobservable inputs have a material effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which material unobservable adjustments or assumptions are required to reflect differences between the instruments.

The following table details how the fair values of the Fund's financial instruments have been determined, and the valuation technique applied.

Financial Instruments	Fair Value Hierarchy	Valuation Techniques and Inputs
Equities	1	Valued based on quoted sale prices in an active market.
Interest bearing securities	1	Valued based on quoted sale prices in an active market.
Separately managed accounts	2	Valued based on quoted sale prices in an active market or by the investment managers.
Unlisted unit trusts	2	Valued using prices as quoted by the investment managers.
Derivatives	2	Valued based on observable market data i.e. broker quoted prices.
Unlisted/Delisted equities	3	Valued based on last available price. The investment is transferred to Level 3 where the stale price/suspension/delisting event has happened, with positions reviewed periodically for material events that might impact upon fair value.
Unlisted unit trusts (suspended/stale price)	3	Valued based on last available sale price. The investment is transferred to Level 3 where the stale price/suspension event has happened, with positions reviewed periodically for material events that might impact upon fair value.

The Trustee has implemented a Valuation Policy to ensure that management proactively manages valuation risks and ensures an effective governance structures is in place to produce equitable distribution of investment earnings to members. The valuation policy outlines the guiding principles in managing valuation risks and includes valuation methodologies and frequencies for superannuation investments.

To assist the Trustee in its fiduciary duties, a Trustee Valuation Forum (VF) is in place to review, oversee and monitor valuations. Key observations and outcomes of the forum are reported to the Superannuation Trustee Investment Committee (STIC) in line with APRA's prudential requirements. The VF reviews key valuation metrics and information to monitor the appropriateness, effectiveness and adequacy of valuations of investments and considers whether valuations are equitable and align with the required valuation methods and frequency as set out in the Trustee Valuation Policy. Additionally, the Insignia Financial Limited group has established a Unit Pricing Forum (UPF) to promote good unit pricing practices, and manage unit pricing risks and controls. The UPF oversees unit pricing operations including policies and standards, outsourced arrangements, incident and remediation methodologies, identifying systematic issues, tax related matters and unit pricing principles and practices.

When third party information, such as custodian valuations, broker quotes or pricing services, is used to measure fair value, the UPF and VF assess the evidence from these third parties to support the conclusion that these valuations meet the fair value requirements. This may include: information and inputs from the Fund, verifying that the custodian valuation, broker or pricing service, is appropriate to use in pricing the relevant type of financial instruments, understanding how the fair value has been arrived and the extent at which it represents actual market transactions, and whether it represents a quoted price in an active market for an identical asset.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

14. Fair value of financial instruments (continued)

Recurring fair value measurements

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

2024	Level 1	Level 2	Level 3	Total
	\$m	\$m	\$m	\$m
Equities	6,317	-	1	6,318
Interest bearing securities	349	-	-	349
Pooled superannuation trusts	-	1	-	1
Separately managed accounts	-	2,315	-	2,315
Unlisted unit trusts	-	48,688	1	48,689
	6,666	51,004	2	57,672

2023	Level 1	Level 2	Level 3	Total
	\$m	\$m	\$m	\$m
Equities	2,860	-	-	2,860
Interest bearing securities	196	-	-	196
Pooled superannuation trusts	-	5	-	5
Separately managed accounts	-	-	-	-
Units in unlisted unit trusts	-	28,632	7	28,639
	3,056	28,637	7	31,700

Non - recurring fair value measurements

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

Level 3 financial instruments

Movements of Level 3 investments

The disclosure in the following table shows a reconciliation of the movement in the fair value of financial instruments categorised within Level 3 at the beginning and the end of the reporting year for the investments held directly by the Fund.

	Unlisted unit trusts		Total	
	2024	2023	2024	2023
	\$m	\$m	\$m	\$m
<i>Financial assets</i>				
Opening balance	7	5	7	5
Change in fair value*	-	1	-	1
Purchases/applications/SFT	-	1	1	1
(Sales)/(redemptions)	-	-	-	-
Movement from/to Level 3	(6)	-	(6)	-
Closing balance	1	7	2	7

*These amounts are included in 'Net change in fair value of investments' within the income statement.

The fair value of Level 3 units in unlisted unit trusts are based on the sale prices published by the relevant Fund Manager. These unlisted unit trusts have been classified as Level 3 as they are suspended. The fair value of Level 3 Unlisted/Delisted equities are based on last available sale price 2024: \$843k; (2023: \$84k). These unlisted/delisted equities have been classified as Level 3 as they are suspended, stale price or thinly traded securities. Transfers into/(out of) Level 3 comprise investments whose status has changed during the reporting period. Transfers into Level 3 comprise unlisted unit trusts that became suspended and equities whose prices became stale, were suspended or that were thinly traded during the reporting period. Transfers out of Level 3 comprise unlisted unit trusts that lost their suspended status and equities whose prices or trading levels became active during the reporting period.

During the year there has been a movement of securities between Level 3, Level 2 and Level 1 of the fair value hierarchy. The Fund has reclassified certain illiquid, but not suspended, unlisted unit trust investments from Level 3 to Level 2.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

14. Fair value of financial instruments (continued)

Level 3 fair value measurement of unobservable inputs and sensitivity analysis

The following table summarises the quantitative information about the material unobservable inputs used in Level 3 investments. These Level 3 assets are often infrequently traded and the valuation can be subjective. As observable prices are not available for these assets, the Fund has used valuation techniques to derive fair value. These unobservable inputs may include discounts for the lack of marketability or restrictions on redemptions, liquidity market adjustments using comparable trading, and benchmarking to similar assets. Changes in assumptions about these factors could affect the reported fair value.

Type	Valuation Approach	Key unobservable input	Range	2024 Fair Value \$m	2023 Fair Value \$m
Unlisted/Delisted equities with stale price	Latest available trade price less appropriate discounts	Valuation of underlying assets of company and liquidity used to derive the price	0-100%	1	-
Holdings in suspended unlisted unit trusts	Last available sale prices published by the relevant Fund Manager	Valuation of underlying assets, liquidity & suspension of redemption	0-100%	1	7

There were no material inter-relationships between unobservable inputs that materially affect fair value.

Level 3 sensitivity analysis of unobservable inputs

Although the Trustee of the Fund believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used as reasonably possible alternative assumptions upwards or downwards (% are disclosed in the table) would have the following effects on profit or loss:

	Favourable \$000		Unfavourable \$000	
	2024	2023	2024	2023
	10%	10%	10%	10%
Input on fair value of Level 3 sensitivities				
Unlisted/Delisted equities with stale price	84	8	(84)	(8)
Holdings in suspended unlisted unit trusts	139	671	(139)	(671)
	223	679	(223)	(679)

15. Financial Management Framework

Risk Management

The Fund's assets principally consist of financial instruments which include equities (comprising listed shares, units in listed unit trusts, exchange traded funds and stapled securities), interest bearing securities (comprising floating rate notes and hybrid securities), term deposits, units in unlisted unit trusts, separately managed accounts, annuities and derivatives (comprising listed options). The Trustee has determined that these types of investments are appropriate for the Fund and are in accordance with the Fund's published investment strategy.

Overview

The Trustee seeks to ensure the appropriateness of investments offered through an approval process before making them available to members and also through ongoing monitoring. The allocation of assets between the various types of investments described above is determined by members of the Fund as they or their financial adviser instruct the Trustee to invest into financial instruments on their behalf.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

15. Financial Management Framework (continued)

Overview (continued)

The Trustee has a Superannuation Trustee Investment Committee, (STIC), which is delegated with certain responsibilities through its Trustee approved Charter. The STIC monitors and approves all investment options of the Fund on a regular basis to ensure they still meet the investment guidelines of the Fund. This monitoring is done on a regular basis and any investment option that no longer meets the investment guidelines is tabled with the STIC.

The Fund is exposed to a variety of financial risks: credit risk, liquidity risk, market risk (including price risk, foreign exchange risk and interest rate risk) arising from the financial instruments it holds. The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The financial risks are discussed in more detail in the sections below and are disclosed on a direct basis only.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The controls around this risk are assessed at the approval stage of a new investment option being made available to members of the Fund.

The Fund's financial assets that are exposed to credit risk include cash and cash equivalents, interest bearing securities, term deposits, annuities and receivables as reported in the statement of financial position. The carrying amounts of financial assets that are exposed to credit risk best represent the maximum credit risk exposure at the reporting date. No collateral is held as security nor do other credit enhancements exist for all financial assets held. No financial assets are considered past due as all payments are considered recoverable when contractually due.

Credit quality

The following table details the credit risk for the Fund in relation to cash and cash equivalents, interest bearing securities, term deposits and annuities held. The rating table excludes any rating categories applicable to the underlying assets of the unlisted unit trusts. The source of the ratings are Standards and Pools (S&P).

Institution	Rating	
	2024	2023
Commonwealth Bank of Australia	AA-	AA-
Australia and New Zealand Banking Group Limited	AA-	AA-
National Australia Bank Limited	AA-	AA-
Westpac Banking Corporation	AA-	AA-
Bendigo and Adelaide Bank	A-	BBB+
Challenger Life Company Limited	A	A
Macquarie Group Ltd	BBB+	BBB+
Other institutions	A+ to BBB+	A+ to BBB+

The credit quality of interest bearing securities held by the Fund at 30 June 2024 and 30 June 2023 are analysed below:

	AAA to AA-		BBB+ to B+		Total	
	2024	2023	2024	2023	2024	2023
	\$m	\$m	\$m	\$m	\$m	\$m
Cash and cash equivalents	3,732	2,048	-	-	3,732	2,048
Interest bearing securities	289	154	60	42	349	196
Term deposits	1,563	398	60	159	1,623	557
Annuities	5,584	122	60	-	5,644	122
	11,168	2,722	180	201	11,348	2,923

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

15. Financial Management Framework (continued)

Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations to members or counterparties in full as they fall due or can only do so on terms that are disadvantageous. The Fund's liquidity policy is designed to ensure it will meet its obligations as and when they fall due by ensuring it has sufficient cash and liquid assets to sell without adversely affecting the Fund's net asset value. The Fund's liquidity policy is designed to ensure it maintains sufficient cash and liquid investments to meet its obligations to members and counterparties in both orderly markets and in periods of stress.

The Fund's cash and cash equivalents and term deposits are held by the financial institutions disclosed in the credit risk note above. Bankruptcy or insolvency of these Australian Authorised Deposit Taking Institutions may cause the Fund's rights, with respect to the cash held, to be delayed or limited. The Fund's liquidity risk is mitigated because Trustee considers liquidity risk in line with the Trustee's Superannuation Liquidity Management Policy prior to approving any new investment option.

The Fund's equities are considered to be readily realisable as they are all listed on the Australian Stock Exchange (ASX), except for stale price and thinly traded securities. The Fund holds investments in unlisted unit trusts, which may be subject to redemption restrictions. As a result, the Fund may not be able to liquidate some of its investments in these instruments in due time in order to meet their liquidity requirements. If the Fund is unable to meet liquidity requirements this may impact on member withdrawals. The Fund's liquidity risk is monitored at portfolio level and the investment managers' approaches are in accordance with their investment mandates.

The Fund's liabilities include accrued benefits, income tax payable, as well as payables and accruals. The liabilities are generally due within one month except for income taxes which are typically settled within statutory deadlines which is greater than one month. The liability for accrued benefits are payable on demand under normal circumstances.

	Carrying Amount		less than one month		greater than one month	
	2024	2023	2024	2023	2024	2023
	\$m	\$m	\$m	\$m	\$m	\$m
Payables and accruals	69	37	69	37	-	-
Outstanding settlements	9	3	9	3	-	-
Current tax liabilities	56	-	56	-	-	-
Deferred tax liabilities	215	48	-	-	215	48
Total member liabilities	63,978	34,832	63,978	34,832	-	-
	64,327	34,920	64,112	34,872	215	48

Market price risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as currencies, interest rates and prices. These changes might be caused by factors specific to the individual asset or its issuer or factors affecting all assets in the market. Market risk is managed by providing diversified portfolios for members to choose from the investment list. Diversification helps reduce the exposure to market risk. There has been no material change to the type of market risk to which the Fund is exposed or the manner in which it manages and measures the risk.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

15. Financial Management Framework (continued)

(a) Currency risk

Currency risk is the risk that the fair value of future cash flows of a monetary financial instrument will fluctuate due to changes in foreign exchange rates.

The Fund only invested into financial instruments denominated in Australian dollars in the current and prior financial years and therefore has no direct exposure to currency risk. However, many of the Fund's investment options in listed securities, unlisted unit trusts and separately managed accounts are indirectly exposed to currency risk. Fluctuations in currency could impact either underlying asset values of the investment option, or the underlying cash flow, and be reflected in the ongoing market value of the investment option. The indirect exposure is not material.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in interest rates. The Fund is directly exposed to interest rate risk through cash and cash equivalents, term deposits, interest bearing securities and annuities.

The Fund addresses exposure to interest rate risk through its diverse investment list. Some of the underlying investments held by the Fund in unlisted unit trusts use derivative financial instruments to provide flexibility to manage the risks arising from interest rate movements.

At the reporting date the interest rate risk exposure of the Fund's interest-bearing financial instruments was:

	2024	2023
	\$m	\$m
Cash and cash equivalents	3,732	2,048
Term Deposits	1,460	557
Annuities	103	122
Interest bearing securities	349	196
	5,644	2,923

Interest rate sensitivity analysis

The sensitivity analysis shows the effect on change in net assets and the income statement to a reasonably possible change in interest rates with all other variables held constant is indicated in the table below:

	+ change in basis points		- change in basis points		Effect on net assets available to pay benefits and benefits accrued		Effect on net assets available to pay benefits and benefits accrued	
	2024	2023	2024	2023	2024 (+) \$m	2024 (-) \$m	2023 (+) \$m	2023 (-) \$m
Cash and cash equivalents	25	50	(50)	(25)	9	(19)	10	(5)
Term deposits	25	50	(50)	(25)	4	(7)	3	(1)
Annuities	25	50	(50)	(25)	-	(1)	-	-
Interest bearing securities	25	50	(50)	(25)	1	(2)	1	-
					14	(29)	14	(6)

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

15. Financial Management Framework (continued)

(c) Other market price risk

Other market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As investments in listed securities, units in unlisted unit trusts and separately managed accounts are carried at fair value with changes recognised in the income statement, all changes in market conditions affecting fair value will be recognised under the investment income section disclosed in the income statement.

The Fund's investments in Australian listed securities, units in unlisted unit trusts and separately managed accounts directly and indirectly expose it to other market price risk.

Other market price risk is mitigated by constructing a diversified portfolio of investments. This is in accordance with the investment objective of the Fund, to provide a diversified range of investments including listed securities (comprising equities, derivatives and interest bearing securities), units in unlisted unit trusts and separately managed accounts.

The Trustee seeks information from the Trustee and/or manager of each proposed unlisted unit trusts (and may also seek independent advice from other qualified persons) so as to determine the nature and extent of any risks, and the expected returns, associated with each investment prior to determining its suitability as an investment for the Fund.

Risk is measured through the careful assessment of assets offered and through measures to facilitate appropriate diversification. The measures include:

- (i) The provision of multiple asset classes and investment strategies from which a member can choose; and
- (ii) The appointment of multiple investment managers with multiple investment strategies.

At the reporting date the other market price risk exposure of the Fund's investments is as follows:

	2024	2023
	\$m	\$m
Equities	6,318	2,860
Interest bearing securities	349	196
Pooled Superannuation Trusts	1	5
Separately managed accounts	2,315	-
Unlisted unit trusts	48,688	28,639
	57,671	31,700

Other market price risk sensitivity

Management have considered the movements for each investment asset type in the below table to be reasonable given the Fund's economic environment. The increase/(decrease) in the market price against the investments of the Fund at 30 June 2024 would have increased/(decreased) the profit from operating activities and net assets available for member benefits by the amounts shown below. This analysis assumes that all other variables, including interest rates, remain constant. The analysis was performed on the same basis in 2023.

	% Applied*		Change in profit/(loss)	
			from operating activities & change on net assets	
	2024	2023	2024	2023
			\$m	\$m
Equities	10%	10%	632	286
Interest bearing securities	10%	10%	35	20
Pooled superannuation trusts	10%	10%	-	1
Separately managed accounts	10%	10%	232	-
Units in unlisted unit trusts	10%	10%	4,869	2,864
			5,768	3,171

* A corresponding decrease in the market price would provide an equal and opposite effect on the profit from operating activities and net assets available for member benefits.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

16. Related parties

Trustee

The Trustee of the Fund is IIML (ABN 53 006 695 021) (RSE L0000406) which is a wholly owned subsidiary of Insignia Financial Limited ABN 49 100 103 722, whose ultimate parent entity is Insignia Financial Limited (ABN 49 100 103 722).

Key Management personnel

The names of the Directors of the Trustee who held office at any time during or since the end of the financial year are:

Directors	Date Appointed	Date Retired
Lindsay Smartt (Appointed Chair 15/10/2021)	06/08/2019	
Steven Schubert	17/03/2022	
Beth McConnell	17/03/2022	
Jane Harvey	19/03/2020	15/12/2023
Karen Gibson	26/11/2018	
Marianne Perkovic	03/10/2023	
Mario Pirone	03/10/2023	

The following persons had the authority and responsibility for planning, directing and controlling the major activities of the Fund, directly or indirectly, during the financial year:

Other key management personnel	Position held	Date Appointed	Date Resigned
Scott Hartley	Chief Executive Officer	01/03/2024	
David Chalmers	Chief Financial Officer	31/05/2021	
Daniel Farmer	Chief Investment Officer	19/08/2022	
Frank Lombardo	Chief Operating and Technology Officer	31/05/2021	
Mark Oliver	Chief Distribution Officer	31/05/2021	
Anvij Saxena	Chief Risk Officer	27/03/2023	
Mel Walls	Chief People Officer	01/07/2023	
Chris Weldon	Chief Transformation Officer/ Chief Client Officer	01/07/2023	
Sally Hopwood	Acting Chief Member Officer	26/02/2024	
Renato Mota	Chief Executive Officer	31/05/2021	29/02/2024
Anne Coyne	Chief Member Officer	09/01/2023	23/02/2024

Changes to other key management personnel post year end

Since the end of the financial year, the following KMPs have been retired from the Fund, Frank Lombardo, Mark Oliver, Chris Weldon and Sally Hopwood.

Key management personnel remuneration, loan disclosures and holdings

The KMPs are employed by IOOF Service Co Pty Limited or MLC Wealth Limited, related parties of the Fund. The remuneration paid by IOOF Service Co Pty Ltd and MLC Wealth Ltd to the KMPs in relation to services to the Fund amounted to \$1,744,752, refer to Note 6 Non-executive director remuneration and Note 7 Key management personnel in the Remuneration Report.

A portion of the Non-Executive Director Fees and the Chief Member Officer's remuneration is recharged to the Fund's general reserve.

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the financial year. The Directors may become members of and hold investments in the Fund. These transactions are on normal commercial, arm's length basis.

Related party transactions

The Trustee has appointed various related party service providers with all arrangements managed in accordance with the Insignia Financial Limited's Conflicts Management Framework.

The duties and obligations of each service provider are documented in contractual arrangements with each service provider required to report on their performance, including any material breaches of obligations and details of how these breaches were, or will be, resolved.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

16. Related parties (continued)

Related party transactions (continued)

Transactions between the related entities and the Fund result from normal dealings in the ordinary course of business and all transactions are conducted on normal arm's length commercial terms and conditions.

The below relationships were in place with related parties throughout the reporting period :

Related Party	Service Provided
Insignia Financial Limited	Ultimate parent entity of the Trustee
IOOF Service Co Pty Ltd	Administrator of the Fund
I.O.O.F. Investment Management Limited	Trustee of the Fund
IOOF Investment Services Limited (IISL)	1. Responsible Entity for certain unlisted unit trusts in which the Fund invests. The fees associated with these investments are reflected in the unit prices of the unit trusts. 2. Custodian for all the financial assets and cash held by the Fund since 26 September 2022.
Navigator Australia Limited (NAL)	Responsible Entity for Separately Managed Accounts
Managed Portfolio Services Limited	Responsible Entity for Managed Discretionary Account
OnePath Funds Management Limited (OnePath)	Responsible Entity for certain unlisted unit trusts in which the Fund invests. The fees associated with these investments are reflected in the unit prices of the unit trusts.
MLC Investments Limited (MLCI)	Responsible Entity for certain unlisted unit trusts in which the Fund invests. The fees associated with these investments are reflected in the unit prices of the unit trusts.
Antares Capital Partners Limited (Antares)	Responsible Entity for certain unlisted unit trusts in which the Fund invests. The fees associated with these investments are reflected in the unit prices of the unit trusts. Antares retired as a Responsible Entity on 3 October 2023.
Bridges Financial Services Pty Limited	Broker and Financial adviser to certain members
Godfrey Pembroke Group Pty Limited	Financial adviser to certain members; Godfrey Pembroke ceased to be a related party on 22 March 2024 due to its sale by the parent entity.
RI Advice Group Pty Limited	Financial adviser to certain members. RI Advice ceased to be a related party on 1 July 2024, after the parent entity divested a significant portion of its holdings.
Lonsdale Financial Group Limited	Financial adviser to certain members
Millennium 3 Financial Services Pty Limited	Financial adviser to certain members; Millennium 3 ceased to be a related party on 8 December 2023 due to its sale by the parent entity.
Shadforth Financial Group Limited	Financial adviser to certain members
Consultum Financial Advisers Pty Limited	Financial adviser to certain members. Consultum ceased to be a related party on 1 July 2024, after the parent entity divested a significant portion of its holdings.
Financial Services Partners Pty Limited	Financial adviser to certain members

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

16. Related parties (continued)

Related parties fees

The following table sets out transactions with related parties during the year and balances held at reporting date:

2024	IOOF Service Co Pty Ltd	IIML	IISL	Related party investments	Related party financial advisers	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Transactions during the reporting period						
Income						
Distribution income and gains ¹	-	-	600	282	-	882
Other income	-	1	-	-	-	1
Compensation ²	-	32	-	-	-	32
Expenses						
Administration fees (includes adviser fees) ³	146	108	-	-	77	332
Operating expenses	-	28	2	-	-	30
Total income/(expenses)	(146)	(103)	598	282	(77)	553
Balances outstanding as at end of reporting period						
Receivable / (payable)	-	(48)	496	270	-	718
Fair value of unlisted unit trusts	-	-	17,072	5,601	-	22,673
Total assets/(liabilities)	-	(48)	17,568	5,871	-	23,391
2023	IOOF Service Co Pty Ltd	IIML	IISL	Related party investments	Related party financial advisers	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Transactions during the reporting period						
Income						
Distribution income and gains ¹	-	-	324	4	-	328
Other income	-	1	-	-	-	1
Compensation ²	-	11	-	-	-	11
Expenses						
Administration fees (includes adviser fees) ³	121	59	-	-	63	243
Operating expenses	-	9	1	-	-	10
Total income/(expenses)	(121)	(57)	323	4	(63)	87
Balances outstanding as at end of reporting period						
Receivable / (payable)	-	(26)	319	6	-	299
Fair value of unlisted unit trusts	-	-	15,411	149	-	15,560
Total assets/(liabilities)	-	(26)	15,730	155	-	15,859

¹ Income includes distributed realised gains from underlying trusts, which are allocated to changes in investments measured at fair value.

² Compensation for members is funded by IIML and is included under other income within the Income Statement.

³ Administration fees include adviser fees collected from members and paid to financial advisers through IIML.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

16. Related parties (continued)

Related party investments (continued)

The Fund held investments in unlisted unit trusts whereby the Responsible Entity is a wholly owned subsidiary of Insignia Financial Limited. The following tables set out transactions with related party unit trusts during the year and balances held at reporting date.

2024

	Fair value at 30 June	Interest held	Distribution income	Number of Units Held
	\$m	%	\$m	
IISL Trusts				
IOOF Balanced Investor Trust	4,362	1.00	-	2,257,203,413
MLC Cash Management Trust ^	111	0.97	5	111,261,651
IOOF Income Trust - Class A	3	0.97	-	3,208,272
MLC MultiActive Australian Shares ^	467	0.91	38	425,858,372
MLC MultiActive Balanced ^	1,590	0.88	107	1,702,142,940
MLC MultiActive Capital Stable ^	70	0.87	2	70,571,393
MLC MultiActive Cash Enhanced ^	137	0.85	7	134,985,931
MLC MultiActive Conservative ^	445	0.83	27	485,239,636
MLC MultiActive Diversified Fixed Income ^	271	0.75	11	333,556,061
MLC MultiActive Growth ^	652	0.85	49	715,953,488
MLC MultiActive Global Shares ^	277	0.87	15	287,124,208
MLC MultiActive Moderate ^	453	0.80	19	445,178,918
MLC MultiSeries 30 ^	521	0.82	16	497,747,245
MLC MultiSeries 50 ^	1,438	0.84	54	1,291,346,620
MLC MultiSeries 70 ^	1,549	0.83	97	1,700,785,216
MLC MultiSeries 90 ^	325	0.84	22	275,557,407
MultiMix Wholesale Australian Property Trust	16	1.00	-	15,742,347
MLC Cash Management Trust - Class D ^	183	0.80	6	181,446,535
Specialist Australian Shares Fund	29	0.47	2	25,460,062
Specialist Diversified Fixed Interest Fund	48	0.33	2	60,348,557
Specialist Global Shares Fund	34	0.34	2	29,525,711
MLC MultiActive Property ^	58	0.68	-	70,603,101
Strategic Australian Equity Fund	1,049	0.40	48	50,623,773
Strategic Cash Plus Fund	159	0.55	6	157,115,001
Strategic Fixed Interest Fund	669	0.44	25	66,374,136
Strategic Global Property Fund	246	0.35	11	13,546,445
Strategic International Equity Fund	1,141	0.38	20	40,095,459
Strategic Sustainable Global Bond Fund	516	0.60	4	586,216,301
Strategic Infrastructure Fund	253	0.58	5	247,535,127
	17,072		600	12,282,353,326

^ On 30 November 2023, the MLCI and IISL renamed multiple unit trusts as part of their rebranding strategy.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

16. Related parties (continued)

Related party investments (continued)

2024

	Fair value at 30 June \$m	Interest held %	Distribution income \$m	Number of Units Held
MLC Investments Trusts:				
MLC WS Horizon 4 Balanced Portfolio	1,159	0.52	88	929,102,282
MLC MultiActive Geared ^	155	0.70	11	78,243,528
MLC Index Plus Balanced ^	803	0.84	19	650,071,819
MLC Index Plus Conservative ^	556	0.81	10	474,682,675
MLC Index Plus Growth ^	431	0.85	10	326,945,015
MLC Real Return Assertive ^	158	0.29	10	162,081,838
MLC Real Return Moderate ^	193	0.50	11	180,504,869
MLC Wholesale IncomeBuilder	63	0.19	5	39,182,834
MLC MultiActive High Growth ^	166	0.42	16	133,202,258
MLC MasterKey Unit Trust - MLC - Platinum Global Fund	1	0.00	-	364,210
MLC Wholesale Inflation Plus - Conservative Portfolio	66	0.52	2	62,212,433
MLC MasterKey Unit Trust - Australian Shares	-	0.00	-	5,058
MLC MasterKey Unit Trust Horizon 4 - Balanced	1	0.00	-	656,583
MLC Wholesale Horizon 3 Conservative Growth Portfolio	479	0.48	31	418,900,452
MLC MasterKey Unit Trust Horizon 5 - Growth	-	0.00	-	962
MLC MasterKey Unit Trust - IncomeBuilder	-	0.00	-	6,964
MLC MasterKey Unit Trust - Property Securities	-	0.00	-	48,190
MLC Wholesale Diversified Debt Fund	14	0.46	-	16,015,453
MLC Wholesale Global Share Fund	25	0.33	3	25,702,422
MLC MasterKey Unit Trust - Global Shares	-	0.00	-	1,493
MLC Wholesale Global Property Fund	10	0.52	-	14,918,985
MLC Wholesale Horizon 5 Growth Portfolio	428	0.61	37	307,879,668
MLC Wholesale Property Securities Fund	24	0.33	-	26,424,763
MLC Wholesale Australian Share Fund	28	0.19	-	29,452,513
MLC Wholesale Horizon 2 Income Portfolio	127	0.43	2	122,914,552
MLC Wholesale Horizon 1 Bond Portfolio	14	0.40	-	14,331,965
MLC Global Private Equity Fund	5	0.02	-	5,217,131
Pre Select Conservative Fund	9	0.90	-	8,619,417
Pre Select High Growth Fund	12	0.92	1	8,441,220
Access Pre Select Growth	16	0.98	-	16,869,689
Pre Select Growth Fund	45	0.89	2	40,193,891
Pre Select Balanced Fund	24	0.90	1	23,413,639
Antares Dividend Builder ^^	46	0.46	1	34,479,535
Antares High Growth Shares Fund ^^	49	0.16	2	46,802,464
Antares Income Fund ^^	66	0.34	1	66,174,642
Antares Elite Opportunities Fund ^^	32	0.20	2	25,519,178
Antares Ex-20 Australian Equities Fund ^^	2	0.04	-	1,538,764
Altrinsic Global Equities Trust ^^	47	0.27	5	33,895,955
Fairview Equity Partners Emerging Companies Fund ^^	126	0.22	3	57,655,443
Intermede Global Equities Fund ^^	50	0.15	4	26,460,355
	5,430		277	4,409,135,106

^ On 30 November 2023, the MLCI and IISL renamed multiple unit trusts as part of their rebranding strategy.

^^ On 3 October 2023, MLCI replaced Antares as Responsible Entity of the unlisted unit trusts.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

16. Related parties (continued)

Related party investments (continued)

2024

	Fair value at 30 June \$m	Interest held %	Distribution income \$m	Number of Units Held
OnePath Funds Management Limited:				
OnePath Alternatives Growth Fund	1	0.01	-	1,199,471
OnePath Wholesale Australian Share Trust	3	0.02	-	1,487,534
OnePath Wholesale Diversified Fixed Interest Trust	3	0.01	-	3,483,464
OnePath Wholesale Emerging Companies Trust	1	0.03	-	311,860
Optimix Wholesale Global Smaller Companies Share Trust - Class B	2	0.01	-	1,991,796
OnePath Australian Shares Index Pool	57	0.01	1	38,131,811
OnePath Global Shares – Large Cap (Hedged) Index Pool	12	0.00	1	8,611,959
OnePath Global Shares – Large Cap (Unhedged) Index Pool	32	0.00	2	12,367,150
OnePath Australian Bonds Index Pool	19	0.01	-	21,203,535
OnePath Global Bonds (Hedged) Index Pool	21	0.01	-	21,165,311
ANZ Australian Cash Fund	20	0.02	1	20,087,792
	171		5	130,041,682

2023

	Fair value at 30 June \$m	Interest held %	Distribution income \$m	Number of Units Held
IISL Trusts:				
IOOF Balanced Investor Trust	3,825	99.93	-	2,204,583,716
MLC Cash Management Trust ^	213	83.66	6	212,711,515
IOOF Income Trust - Class A	4	13.53	-	4,114,080
MLC MultiActive Australian Shares ^	487	90.29	13	447,890,048
MLC MultiActive Balanced ^	1,642	88.75	77	1,819,434,203
MLC MultiActive Capital Stable ^	74	85.04	2	77,452,864
MLC MultiActive Cash Enhanced ^	140	80.14	4	139,967,261
MLC MultiActive Conservative ^	455	83.11	16	502,182,549
MLC MultiActive Diversified Fixed Income ^	287	73.63	8	352,945,251
MLC MultiActive Growth ^	613	85.63	26	695,730,222
MLC MultiActive Global Shares ^	249	80.93	12	289,473,548
MLC MultiActive Moderate ^	484	80.59	22	495,932,530
MLC MultiSeries 30 ^	465	80.29	9	460,414,828
MLC MultiSeries 50 ^	1,329	84.49	24	1,254,348,319
MLC MultiSeries 70 ^	1,502	84.74	34	1,731,711,543
MLC MultiSeries 90 ^	228	85.03	15	204,784,021
MultiMix Wholesale Australian Property Trust	16	70.12	1	17,664,964
Specialist Australian Shares Fund	26	42.19	1	23,205,816
Specialist Diversified Fixed Interest Fund	52	31.58	1	65,659,259
Specialist Global Shares Fund	31	31.76	2	29,910,231
MLC MultiActive Property ^	61	66.86	-	78,850,369
Strategic Australian Equity Fund	839	36.16	44	43,700,194
Strategic Cash Plus Fund	127	51.47	4	125,145,414
Strategic Fixed Interest Fund	631	39.64	-	63,197,877
Strategic Global Property Fund	331	36.11	3	18,550,660
Strategic International Equity Fund	952	35.86	-	38,292,278
Strategic Sustainable Global Bond Fund	348	64.09	-	410,539,333
	15,411		324	11,808,392,893

^ On 30 November 2023, the MLCI and IISL renamed multiple unit trusts as part of their rebranding strategy.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

16. Related parties (continued)

Related party investments (continued)

2023

	Fair value at 30 June \$m	Interest held %	Distribution income \$m	Number of Units Held
MLC Investments Trusts:				
MLC WS Horizon 4 Balanced Portfolio	9	0.34	-	7,006,479
MLC MultiActive Geared ^	1	0.46	-	467,022
MLC Index Plus Balanced ^	6	0.81	-	4,872,747
MLC Index Plus Conservative ^	4	0.87	-	3,648,844
MLC Index Plus Growth ^	2	0.69	-	2,014,701
MLC Real Return Assertive ^	-	0.04	-	227,855
MLC Real Return Moderate ^	1	0.14	-	591,245
MLC Wholesale IncomeBuilder	2	0.44	-	971,540
Antares Dividend Builder ^^	9	8.83	-	6,876,602
Antares High Growth Shares Fund ^^	9	2.89	1	8,749,090
Antares Income Fund ^^	-	0.05	-	91,211
Fairview Equity Partners Emerging Companies Fund ^^	1	0.25	-	643,702
Intermede Global Equities Fund ^^	-	0.02	-	63,949
	44		1	36,224,987
OnePath Funds Management Limited:				
OnePath Australian Shares Index Pool	27	0.41	2	19,531,555
OnePath Global Shares – Large Cap (Hedged) Index Pool	6	0.24	-	5,031,453
OnePath Global Shares – Large Cap (Unhedged) Index Pool	17	0.25	1	7,578,217
OnePath Australian Bonds Index Pool	10	0.95	-	11,430,352
OnePath Global Bonds (Hedged) Index Pool	11	0.67	-	11,887,380
ANZ Australian Cash Fund	12	0.58	-	12,047,379
OnePath Alternatives Growth Fund Class OA Frontier	2	1.78	-	3,021,957
OnePath Multi Asset Income Trust	3	2.05	-	1,614,916
OnePath Wholesale Australian Share Trust Class	2	1.16	-	1,155,239
OnePath Wholesale Balanced Trust Class	6	2.58	-	5,939,596
OnePath Wholesale Capital Stable Trust Class	1	0.31	-	654,030
OnePath Wholesale Diversified Fixed Interest Trust Class	2	1.04	-	3,088,637
OnePath Wholesale Emerging Companies Trust Class	1	1.45	-	381,860
OnePath Wholesale Global Emerging Markets Share Trust Class	-	0.21	-	12,133
OnePath Wholesale Global Smaller Companies Share Trust	1	1.07	-	1,153,947
OnePath Wholesale Managed Growth Trust Class	3	0.85	-	4,161,102
OptiMix Wholesale Balanced Trust Class A	1	0.04	-	663,035
	105		3	89,352,788

^ On 30 November 2023, the MLCI and IISL renamed multiple unit trusts as part of their rebranding strategy.

^^ On 3 October 2023, MLCI replaced Antares as Responsible Entity of the unlisted unit trusts.

Insignia Financial Limited Securities - Related party investments

As at reporting date, the Fund's holdings in Insignia Financial Limited issued securities are set out in the table below:

	Fair Value of Investment		Dividend income received/receivable	
	2024 \$m	2023 \$m	2024 \$m	2023 \$m
Insignia Financial Limited (Listed equity)	9	9	1	1

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

17. Investment assets of unconsolidated structured entities

Investments in unlisted unit trusts and SMA, which are considered unconsolidated structured entities, are disclosed in the statement of financial position. The maximum exposure to loss in the unconsolidated structured entities is the fair value disclosed in the note. The fair value of the exposure will change on a daily basis throughout the period and in subsequent periods and will cease once the investments are disposed of.

The investments of the Fund are managed in accordance with the investment mandates with the respective underlying investment managers. The investment decisions of the Fund are based on the analysis conducted by the investment manager. The return of the Fund is exposed to the variability of the performance of the underlying investment strategies. The underlying investment managers receive a management fee for undertaking the management of these investments. The table below describes the types of the investments of the underlying assets of the unconsolidated structured entities that the Fund invests into:

Investment asset	Fair value of investment		Ownership interest	
	2024	2023	2024	2023
	\$m	\$m	%	%
Cash	3,060	1,929	6%	7%
Equity	30,300	15,709	60%	55%
Fixed income	11,117	6,512	22%	23%
Commodities	46	15	0%	0%
Property	3,031	2,121	6%	7%
Infrastructure	1,337	706	3%	2%
Other	2,113	1,647	4%	6%
	51,004	28,639	101%	100%

As at 30 June 2024 and 30 June 2023, the Fund has not imposed any material restrictions (e.g. borrowing arrangements, or contractual arrangements) on the ability of the unconsolidated structured entities to transfer funds to the Fund in the form of dividends or to repay loans or advances made to the unconsolidated structured entities by the Fund.

As at 30 June 2024 and 30 June 2023, the Fund does not have any current commitments or intentions to provide financial or other support to the unconsolidated structured entities, including commitments or intentions to assist the structured entities in obtaining financial support.

The Fund had a controlling interest in the related parties listed in note 16 with interests of greater than 50%. Unlisted unit trusts that the Fund invests in, but do not consolidate, meet the definition of structured entities because:

- (a) The voting rights in the unlisted unit trusts are not dominant rights in deciding who controls them as they relate to administrative tasks only;
- (b) The investment and other activities of the unlisted unit trusts are restricted to their investment mandates and/(or) Product Disclosure Statements (PDS); and
- (c) The unlisted unit trusts have narrow and well defined objectives to provide investment opportunities to investors.

IOOF Portfolio Service Superannuation Fund
Notes to the financial statements
For the year ended 30 June 2024

18. Indemnity

For the year ended 30 June 2024, the Trustee and its Directors are entitled to be indemnified by the Fund for certain liabilities they might incur in their capacity as Trustees of the Fund.

19. Contingent assets, liabilities and capital commitments

The ATO disallowed the Fund's objection on the deductibility method of management fees charged to the Fund. The Fund has filed an appeal to the ATO decision at the Administrative Appeals Tribunal. The potential outcomes, tax payment amount and completion date associated with this matter remain uncertain and are considered contingent until an outcome occurs.

20. Successor fund transfer

The Trustee approved the merger of the following RSEs (Collectively known as MLC Funds) to the Fund via SFT with a transfer date of 29 March 2024. The SFT was completed by 30 March 2024.

- MLC Superannuation Fund (ABN 40 022 701 955) (MLCSF)*;
- MLC Pooled Superannuation Trust (ABN 89 787 168 280) (MLCPST)*;
- PremiumChoice Retirement Service (ABN 70 479 285 132) (PCRS); and
- DPM Retirement Service (ABN 40 725 722 496) (DPMRS).

As a result, all assets and members were successor fund transferred into the Fund and recorded as a transfer in the statement of changes in member benefits effective 30 March 2024.

	MLCPST*	MLCSF*	PCRS	DPMRS	Total Successor fund transfer
	\$m	\$m	\$m	\$m	\$m
Successor fund transfer in	-	25,179	476	43	25,698
Cash	1,671	-	29	3	1,703
Investments	23,677	-	451	40	24,168
Other assets	9	-	-	-	9
Liabilities	(178)	-	(4)	-	(182)
MLCSF & PST Interfunding	(25,179)	25,179	-	-	-
Net assets available for member benefits	-	25,179	476	43	25,698
Member benefits					
Allocated to members	-	25,179	476	43	25,698
Total member liabilities	-	25,179	476	43	25,698

*MLCSF invests assets in the MLCPST. MLCSF redeemed the entire MLCPST interest held in respect of MLCSF and transferred the MLCPST assets to IPS Fund.

21. Events subsequent to reporting date

In August 2024, Chair Lindsay Smartt announced that he will be stepping down from the RSEL Board. Danielle Press will be appointed as a Non-Executive Director on Thursday, 19 September 2024 and will officially take on the position of Chair in November 2024.

No other significant events have occurred after the reporting date that affect the interpretation of the financial information contained within this report.

IOOF Portfolio Service Superannuation Fund
For the year ended 30 June 2024
Trustee Declaration

In the opinion of the Directors of I.O.O.F. Investment Management Limited being the Trustee of IOOF Portfolio Service Superannuation Fund (the Fund):

1. The financial statements, notes to the financial statements and the Remuneration Report set out in the Directors' Report, are in accordance with the *Corporations Act 2001* including:

- i giving a true and fair value of the financial position of the Fund as at 30 June 2024, the results of its operations and its cash flows for the year then ended;
- ii complying with Australian Accounting Standards, other mandatory professional reporting requirements and the provisions of the Trust Deed dated 20 June 1994, as amended, and the Corporations Regulations 2001; and

2. There are reasonable grounds to believe that the Fund will be able to pay their debts as and when they become due and payable; and

3. The operations of the Fund have been carried out in accordance with its Trust Deed dated 20 June 1994, as amended and in compliance with:

- *the requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations;*
- *applicable sections of the Corporations Act 2001 and Regulations;*
- *the requirements under Section 13 of the Financial Sector (Collection of Data) Act 2001.*

Signed in accordance with a resolution of the Board of Directors of the Trustee, I.O.O.F. Investment Management Limited:



.....
Director



.....
Director

Signed 18 September 2024



Independent Auditor's Report

To the members of IOOF Portfolio Service Superannuation Fund

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of IOOF Portfolio Service Superannuation Fund (the Fund).

In our opinion, the accompanying Financial Report of the Fund gives a true and fair view, including of the Fund's financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2024
- Income statement, Statement of changes in member benefits, Statement of changes in reserves and Statement of cash flows for the year then ended
- Notes, including material accounting policies
- Trustee Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Fund in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in the Fund's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Trustee is responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not



express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors of the Trustee for the Financial Report

The Directors of the Trustee are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Fund, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Fund, and that is free from material misstatement, whether due to fraud or error
- assessing the Fund's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our Auditor's Report.



Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of IOOF Portfolio Service Superannuation Fund for the year ended 30 June 2024, complies with *Section 300C* of the *Corporations Act 2001*.

Directors of the Trustee's 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 responsibilities

We have audited the Remuneration Report included in pages 8 to 27 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Dean Waters

Partner

Melbourne

18 September 2024