

# Netwealth Superannuation Master Fund Annual Financial Report

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Netwealth Superannuation Services Pty Ltd

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For the year ended 30 June 2024

ABN 94 573 747 704

## Directors' report

The directors of Netwealth Superannuation Services Pty Limited (the Trustee), as trustee for the Netwealth Superannuation Master Fund (the Fund), present their 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:

### Directors

The Directors (unless stated otherwise) that were in office since the start of the financial year to date of this report are:

#### Non-Executive Directors

Rita Harris (Chair)

Lewis Bearman

Sally Freeman

Sarah Brennan (appointed 29 February 2024)

Michael Heine (transitioned from Executive Director to Non-Executive Director from 29 June 2024)

Davyd Lewis (resigned on 30 June 2024)

### Principal activities

The Netwealth Superannuation Master Fund ("the Fund") is a superannuation fund domiciled in Australia. The Fund provides retirement and insurance benefits to its members and beneficiaries. The Fund has both accumulation members and pension members and offers a broad range of investment options across a range of investment types, including managed funds, shares, managed accounts, fixed interests and more.

### Significant changes in the state affairs

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

#### Acknowledgement of Country

We acknowledge the traditional owners of the lands that we work and live on. Our offices are on the lands of the traditional owners of the Wurundjeri people of the Kulin Nation in Melbourne, the Turrbal and Jagera people in Brisbane, the Gadigal people of the Eora Nation in Sydney, the Kurna people of the Adelaide Plains and the Whadjuk Nyoongar people in Perth. We celebrate the stories, culture and traditions of the Aboriginal and Torres Strait Islander people of all nations and pay our respects to the Elders past and present.

This statement is made by Netwealth Superannuation Master Fund for the financial year ending 30 June 2024.

## Operating and Financial Review

### Overview

The Fund experienced robust growth during the financial year, driven by positive investment performance and increased member contributions resulting in the fund's total assets growing by 26.2% to \$30.25 billion (FY2023: \$23.97 billion).

The fund experienced a 21.90% increase in net contribution flows, totalling \$3.96 billion (FY2023: \$3.25 billion).

### Member Services and Administration

The fund continued to enhance its member services by introducing new digital tools for easier account management and providing comprehensive resources for financial advisers. The ongoing use of SuperStream for electronic contributions and rollovers provides operational efficiency and compliance with industry standards, resulting in reduced processing times for contributions and withdrawals. The evaluation of new retirement income products and decision tools, including longevity products, aligns with the fund's strategic objectives and regulatory requirements.

New IT developments, including implementation of multi-factor authentication, use of advanced malware protection, enhancements to the Mobile App and integration with the bank for real-time notification has improved IT security. These steps help safeguard member information and prevent identify theft and fraud.

The Fund also maintained compliance with all regulatory requirements and continues to prioritise a high standard of governance and transparency.

## Likely Developments and Expected Results of Operations

Likely developments in the operations of the Fund and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice.

### External outlook

The outlook for Australian Superannuation Master Funds continues to face ongoing challenges due to higher volatility in investment markets, a higher interest rate environment and evolving regulatory requirements and prudential standards. The Trustee places significant emphasis on improving operational capabilities and the strengthening of compliance and risk management to provide excellent member outcomes and meet member expectations. The Trustee proactively monitors external events, continuously assess their potential impacts on the Fund, and implement suitable measures and takes appropriate actions as necessary.

### Subsequent events

There are no matters or circumstances that have arisen between 30 June 2024 and the date of this Report that have significantly affected, or may significantly affect, the operations of the Fund, the results of those operations, or the state of affairs of the Fund.

## Environmental regulations

The Trustee does not believe that the Fund's operations are subject to any particular and significant environmental regulation under a law of the Commonwealth of Australia or of an Australian State or Territory. To the best of the Directors' knowledge, the Fund has not incurred any material environmental liability during the year.

The Trustee recognises the increasing importance of sustainability-related disclosures and supports the efforts of regulators and governments to advance disclosure requirements for consistent industry-wide reporting. During the year, the International Sustainability Standards Board (ISSB) introduced two key sustainability reporting standards:

**IFRS S1 General Requirements of Sustainability-related Financial Information:** Establishes the overall requirements for sustainability-related financial disclosures.

**IFRS S2 Climate-related Disclosures:** Mandates the disclosure of information to help users of financial statements understand the reporting entity's governance, strategy, risk management, and metrics and targets concerning climate-related risks and opportunities.

The Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Bill 2024 has now passed the Australian Parliament and brings into effect mandatory climate-related financial disclosures for the Fund commencing from 1 July 2026.

The Australian Accounting Standards Board released the Australian Sustainability Reporting Standards on 20 September 2024 which includes the mandatory AASB S2 Climate-related disclosures standard, which is closely aligned to IFRS S2 which will be applied by the Fund for its 2027 financial year.

The Trustee has commenced its preparation to meet the upcoming sustainability and climate-related reporting obligations and will continue to assess their impacts on the Fund's reporting, governance, assurance, and stakeholder engagement.

## Indemnification of Directors, Officers and Auditors

A related body corporate of the Trustee has paid premiums to insure each Director and officer under a Directors and Officers Insurance policy. In accordance with common commercial practice, the insurance prohibits disclosure of the nature of the liability insured against and the amount of the premium.

The Trustee has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify the auditor of the Fund against a liability incurred as such by auditor.

## Non-audit services

There was no non-audit services provided by the Fund's auditors to the Fund during the year.

## Information on Directors:

Name and title	Profile
<b>Rita Harris</b> Chair & Independent Non-Executive Director	<ul style="list-style-type: none"><li>• Rita was appointed as an independent non-executive director and the Chair of the Trustee since 1 September 2020.</li><li>• Rita has extensive experience in the financial services industry having worked in a number of key senior roles within the Marsh &amp; McLennan subsidiary, Mercer. In addition, she has extensive experience as a trustee director.</li><li>• Rita has a Bachelor of Laws and a Bachelor of Economics from Monash University and is a Graduate Member of the Australian Institute of Company Directors.</li><li>• Rita is a member of the Trustee's Audit Risk and Compliance Committee, the Superannuation Investment Committee and attends the Group Remuneration Committee for matters relating to NSS.</li></ul>
<b>Michael Heine</b> Executive Director	<ul style="list-style-type: none"><li>• Michael was appointed as an executive director of the Trustee since 10 September 2020.</li><li>• Michael was instrumental in the establishment of Netwealth in 1999. Michael acted as sole Managing Director from 1999 to 2014 and acted as Joint Managing Director together with his son Matthew from January 2015 until October 2022.</li><li>• Michael transitioned from Executive Director to Non-Executive Director at 29 June 2024.</li><li>• Michael has experience in Australian and European financial markets, including commodity trading, international financing, mortgage lending and property development. Michael was instrumental in the establishment of the Heine Brothers funds management business in 1982 and was its Managing Director from 1982 to 1999 when the company was acquired by ING (then Mercantile Mutual).</li><li>• Michael is a member of the Trustee's Audit Risk and Compliance Committee and the Superannuation Investment Committee.</li></ul>
<b>Davyd Lewis</b> Independent Non-Executive Director	<ul style="list-style-type: none"><li>• Davyd was appointed as a Non-Executive Director of the Trustee since its incorporation on 21 October 2019. He has resigned as a director of NSS on 30 June 2024.</li><li>• Davyd has been a Non-Executive Independent Director of Netwealth Group since July 2009.</li><li>• Davyd was a partner of Mallesons Stephen Jaques for 20 years until his retirement in 2008. Davyd's role included Partner in Charge of the Melbourne centre, Managing Partner Practice of Mergers &amp; Acquisitions, Property and Construction, Dispute Resolution and Intellectual Property, National Practice Team Leader of the Mergers &amp; Acquisitions Group and was responsible for supervising the relationship with 50 of the firm's biggest clients.</li><li>• Davyd holds a Bachelor of Economics, a Bachelor of Laws and a Master of Laws (majoring in securities markets and takeovers).</li><li>• Davyd is the Chair of the Trustee's Audit Risk and Compliance Committee.</li></ul>

## Information on Directors:

Name and title	Profile
<p><b>Sally Freeman</b> Independent Non-Executive Director</p>	<ul style="list-style-type: none"> <li>Sally joined Netwealth Group as a Director in October 2019.</li> <li>Sally is a Director and Chair of the Audit Committee of Regis Healthcare Limited (ASX:REG). Sally was a partner at KPMG for 15 years and her executive career focussed on accounting, governance and risk consultancy culminating in a number of leadership roles with KPMG: Global Executive— Risk Consulting Services, Australia Managing Partner Risk Consulting, Partner in Charge Board Advisory and Managing Partner Internal Audit.</li> <li>Sally is currently a Director of Regis Healthcare Limited (ASX:REG), Regis Aged Care, Regional Investment Corporation, Eastern Health, Melbourne Football Club, Suburban Rail Link Authority and Aioi Nissay Dowa Insurance Company Australia.</li> <li>Sally holds a Bachelor of Commerce, is a graduate of the Australian Institute of Company Directors, a Fellow of Chartered Accountants Australia &amp; New Zealand and a member of Chief Executive Women.</li> <li>Sally is a member of the Trustee’s Audit Risk and Compliance Committee and the Superannuation Investment Committee.</li> </ul>
<p><b>Lewis Bearman</b> Independent Non-Executive Director</p>	<ul style="list-style-type: none"> <li>Lewis was appointed as a non-executive director of the Trustee since 1 March 2022.</li> <li>Lewis is currently the Non-Executive Chair of Qualitas Securities.</li> <li>Lewis was the Chief Operating Officer for Blue Orbit Asset Management and a Responsible Manager at Koda Capital. Prior to these, he held senior management and board positions with major Australian fund managers including Invesco Australia Limited, Perennial Investment Partners and Prodigy Investment Partners.</li> <li>Lewis has a Bachelor of Business, is a CPA and a fellow of FINSIA.</li> <li>Lewis is the Chair for the Trustee’s Superannuation Investment Committee, and a member of the Trustee’s Audit, Risk and Compliance Committee.</li> </ul>
<p><b>Sarah Brennan</b> Independent Non-Executive Director</p>	<ul style="list-style-type: none"> <li>Sarah joined Netwealth Group as a Director in February 2024.</li> <li>Sarah is a non-executive director at Noble Oak Life Insurance Limited (ASX:NOL), Argo Global Infrastructure Limited (ASX:ALI) and Managing Director of BMFS Consulting.</li> <li>Sarah was formerly a non-executive director at AMP Superannuation, ASX-listed Mortgage Choice, BLSSR (NAB Subsidiary), the Financial Advice Centre Pty Ltd, Old Mutual Australia/Skandia Australia, and Van Eyk Research Pty Ltd. Sarah was also Director and Founder of The Private Collection Australia and a past Deputy Chair and Director of the Financial Planning Association of Australia.</li> <li>Sarah was the Founder and Managing Partner of Comparator Business Benchmarking, a leading provider of benchmarking to Australian financial services market.</li> <li>Sarah holds a Bachelor of Arts, a Graduate Management Diploma from the Australian Graduate School of Management, is a graduate of the Australian Institute of Company Directors and a member of Chief Executive Women.</li> <li>Sarah was appointed as a member of Audit Risk and Compliance Committee and Superannuation Investment Committee from February 2024.</li> <li>From 1 July 2024, Sarah was appointed Chair of the Audit, Risk and Compliance Committee and was appointed as a member of the Compliance and Risk Management Committee.</li> </ul>

## Auditor's independence declaration

The auditor's independence declaration is included on page 53.

## Rounding off of amounts

Netwealth Superannuation Master Fund is an entity of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191 an, 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 thousand dollars unless otherwise indicated.

## Remuneration report

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of the key management personnel of Netwealth Superannuation Master Fund for the financial year ended 30 June 2024. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing, and controlling the activities of the Fund, directly or indirectly, including any director (whether executive or otherwise) of the Trustee of the Fund. The prescribed details for each person covered by this report are detailed below:

### 1. Key management personnel

The key management personnel of the trustee during the financial year were:

#### Directors of the Trustee

Directors of the Trustee	Position
Rita Harris	Chair and Independent Non-Executive Director
Lewis Bearman	Independent Non-Executive Director
Sally Freeman	Independent Non-Executive Director
Sarah Brennan#	Independent Non-Executive Director
Michael Heine^	Executive director
Davyd Lewis*	Independent Non-Executive Director

#### Other key management personnel

Matthew Heine	Netwealth Group CEO & Managing Director (CEO)
Grant Boyle	Netwealth Group Chief Financial Officer

# Sarah Brennan was appointed as Non-Executive Director on 28 February 2024.

^ Michael Heine transitioned from Executive Director to Non-Executive Director at the end of the FY2024 financial year. For the Remuneration Report, Michael Heine is disclosed as an Executive Director.

\* Davyd Lewis has resigned as a director of NSS on 30 June 2024.

Except for Sarah Brennan, all other KMP held office for the full year.

## Remuneration report *continued*

### 2. Netwealth Group Remuneration Objectives, Governance and Framework

Netwealth Group Services Pty Ltd (NGS) is the employer of all Group employees, including the directors, key management personnel (KMP) and other personnel seconded to Netwealth Superannuation Services Pty Ltd (NSS), the Trustee of the Netwealth Superannuation Master Fund (the Fund). Employees for NSS seconded from NGS operate exclusively for NSS as Office of the Trustee. This arrangement ensures a high level of independence and robust governance, as these employees are dedicated solely to trustee functions to prevent conflicting interests.

Netwealth has adopted a pro-rata approach to variable remuneration for individuals responsible for multiple, separate entities. This approach was applied to Key Management Personnel (KMPs), where a pro-rata assessment was conducted based on the number of accounts, total revenue, and funds under administration. The assessment determined that 53% of their role responsibilities are relevant to NSS and NSMF. Consequently, the variable remuneration disclosed in this report reflects this allocation.

The Netwealth Group Limited, trading as NWL on the ASX, manages its remuneration objectives, governance, and framework at the group level under the supervision of the NWL Board. Rita Harris, in her capacity as Chair of NSS, holds an open invitation to attend all Remuneration Committee meetings as a guest. This invitation facilitates oversight and alignment between the Board of Trustees and the Group Remuneration Committee. While Ms. Harris does not possess voting rights, she provides valuable insights and guidance with a focus on member interests.

The Remuneration Committee is composed of NWL Non-Executive Board members who are responsible for reviewing and making recommendations on executive compensation. These recommendations consider regulatory requirements and are aligned with the long-term interests of Netwealth and its stakeholders.

#### a. Remuneration Objectives

The Board is committed to a remuneration framework that aligns employees' performance and remuneration outcomes to Netwealth's business plan, strategic objectives and risk management. Netwealth's objectives in relation to employees' remuneration include the following:

- frameworks must comply with applicable legal requirements;
- remuneration frameworks are designed to align with the achievement of Netwealth's strategic objective over the short, medium and long-term;
- remuneration is designed to promote and reward individual and NWL performance whilst also supporting the prevention and mitigation of conduct risk, the effective management of both financial and non-financial risks and the protection of the interests of Netwealth's stakeholders;
- remuneration structure is to be consistent with and promote behaviour aligned to Netwealth's values;
- remuneration is set at a fair, reasonable and consistent level in order to attract and retain top talent and balance market and community expectations; and
- remuneration is not biased towards gender or other inappropriate personal attribute.

Netwealth's objectives for remuneration of Non-Executive Directors include:

- remuneration must be sufficient to attract and retain high quality Non-Executive Directors;
- remuneration for Non-Executive Directors must not create a conflict with their obligation to bring an independent judgement to matters before the Board;
- remuneration for each Non-Executive Director should be appropriate based on their role and responsibilities, including the time commitment involved; and
- remuneration is not biased towards gender or other inappropriate personal attribute.



## Remuneration report *continued*

### 2. Netwealth Group Remuneration Objectives, Governance and Framework *continued*

#### b. Remuneration Governance

The Board is responsible for establishing Netwealth's remuneration policy (the Remuneration Policy) and determining Non-Executive Director remuneration, Senior Executive remuneration and Netwealth's incentive structures. The Board is assisted by the Remuneration Committee (the Committee). The Committee is comprised of Netwealth's four independent Non-Executive Directors. The Committee's responsibilities include:

- reviewing and making recommendations to the Board on the remuneration framework and Remuneration Policy;
- annually reviewing the performance of the Chief Executive Officer (CEO) and the CEO's direct reports;
- determining whether the CEO has met the conditions for payment of STIs and LTIs under the terms of his contract and/or under the terms of relevant STI and LTI schemes;
- annually reviewing and recommending remuneration arrangements for the CEO, the CEO's direct reports, other persons determined by APRA to be 'responsible persons' and the Non-Executive Directors;
- approving remuneration packages over a threshold amount;
- approving major changes in remuneration-related policies;
- reviewing and recommending changes and developments in relation to the STI and LTI schemes;
- overseeing the operation of the LTI schemes and recommending whether offers are to be made under the schemes;
- reviewing and recommending bonuses, including bonuses for other employees, bonuses for sales and distribution staff and STIs for senior executives;
- reviewing and making recommendations on remuneration by gender and addressing any pay gap;
- reviewing and recommending changes to board remuneration;
- reviewing and recommending the Remuneration Report;
- consulting with the Chief Risk Legal and Governance Officer on risk gateway measures and outcomes;
- ensuring remuneration for Non-Executive Directors does not create a conflict with their obligations; and
- where applicable, approving the appointment of remuneration advisers for the purposes of the Corporations Act.

## Remuneration report *continued*

### 2. Netwealth Group Remuneration Objectives, Governance and Framework *continued*

#### c. Remuneration Framework

The Board reviews the structure and the effectiveness of Netwealth’s remuneration arrangements annually to ensure the alignment with business performance, values and strategy. The Board monitors changing market conditions as well as any regulatory and corporate governance developments and alters remuneration arrangements if appropriate to respond to changing conditions. The remuneration framework is structured at a group level to use fixed remuneration, a cash bonus pool, Short Term Incentives (STIs) and Long Term Incentives (LTIs) to promote the effective management of both financial and non-financial strategies and risk management.

#### Purpose of each remuneration component in promoting Netwealth’s performance

Fixed remuneration	STIs and bonus pool (at risk)	LTIs (at risk)
<ul style="list-style-type: none"> <li>Attract and retain high-quality employees, who will enable Netwealth to achieve its strategic objectives, by providing market competitive base remuneration commensurate with the employee’s individual skills, complexity of role and experience.</li> </ul>	<ul style="list-style-type: none"> <li>STIs reward senior executives for their role in achieving earnings growth, the effective execution of Netwealth’s business plan and achievement of financial targets, consistent with the promotion of Netwealth’s ethics, values and controls.</li> <li>STIs reward sales and distribution staff for net sales performance.</li> <li>A bonus pool, the size of which is based on Netwealth’s financial performance, is allocated to staff at all levels as a reward for superior personal performance that has contributed to Netwealth’s success.</li> </ul>	<ul style="list-style-type: none"> <li>Motivate and reward senior executives for their role in achieving earnings growth and contributing to the effective execution of Netwealth’s business plan consistent with the Board’s risk appetite, the protection of the interests of all of Netwealth’s stakeholders and the promotion of Netwealth’s ethics, values and controls.</li> <li>Motivate and reward employees for their role in achieving earnings growth while promoting Netwealth’s ethics, values and controls.</li> </ul>

## Remuneration report *continued*

### 2. Netwealth Group Remuneration Objectives, Governance and Framework continued

#### c. Remuneration Framework continued

The table below summarises the elements of Netwealth’s remuneration framework in FY2024 and is not applicable to non-executive directors.

##### Fixed remuneration

<b>Fixed</b>	Each employee’s fixed remuneration is set having regard to their individual responsibilities, skills and experience and with consideration to the remuneration paid to employees of comparable companies, particularly companies within the financial services industry. To be market competitive remuneration, roles are benchmarked at least annually with reference to peer companies within the industry. Remuneration reviews normally occur annually and apply from 1 July.
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##### Performance-based remuneration

STIs	Purpose & Execution	FY2024 Outcomes	
<b>STIs for CEO (At risk)</b>	<b>Maximum target amount</b> <ul style="list-style-type: none"> <li>75% of fixed remuneration</li> </ul> <b>Form and time of payment</b> <ul style="list-style-type: none"> <li>Cash bonus – STI earned is paid over 2 years:                             <ul style="list-style-type: none"> <li>50% within 30 days after the release of the FY2024 annual report; and</li> <li>50% within 30 days after the release of the FY2025 annual report, subject to continuously being employed and subject to a malus clawback condition.</li> </ul> </li> </ul> <b>Gateway conditions</b> <ul style="list-style-type: none"> <li>Achieve rating of ‘Aligned’ or above for personal behaviour and performance measured against our values.</li> <li>Netwealth must achieve at least 95% of budget NPAT.</li> </ul>	<ul style="list-style-type: none"> <li>93.2% of maximum target amount was achieved.</li> </ul>	
	<b>Performance metrics</b>	<b>Weighting</b>	<b>% Outcomes</b>
	<b>NPAT metric</b> <ul style="list-style-type: none"> <li>Based on Netwealth’s FY2024 NPAT relative to budget NPAT.</li> <li>Between 95% and 105% of budget, a proportionate amount is paid.</li> <li>NPAT is determined net of the bonus expense.</li> </ul>	65%	65%
	<b>Contribution to effective execution of business plan metric</b> <ul style="list-style-type: none"> <li>Based on individual contribution to effective execution of Board approved annual strategic initiatives in FY2024 which are assessed by the Board on a quarterly basis.</li> </ul>	25%	18.2%
	<b>Individual values rating metric</b> <ul style="list-style-type: none"> <li>Based on individual values ratings in FY2024.</li> </ul>	10%	10.0%

STIs for CFO (Executive) (At risk)	<p><b>Maximum target amount</b></p> <ul style="list-style-type: none"> <li>35% of fixed remuneration</li> </ul> <p><b>Form and time of payment</b></p> <ul style="list-style-type: none"> <li>Cash bonus – STI earned is paid over 2 years: 50% within 30 days after the release of the FY2024 annual report; and             <ul style="list-style-type: none"> <li>50% within 30 days after the release of the FY2025 annual report, subject to continuously being employed and subject to a malus clawback condition.</li> </ul> </li> </ul> <p><b>Gateway conditions</b></p> <ul style="list-style-type: none"> <li>Achieve rating of 'Aligned' or above for personal behaviour and performance measured against our values.</li> <li>Netwealth must achieve at least 95% of budget NPAT.</li> </ul>	<ul style="list-style-type: none"> <li>For the CFO, 90.7% of maximum target amount was achieved.</li> <li>Michael Heine waived his STI payments for FY2024.</li> </ul>	
<b>Performance metrics</b>		<b>Weighting</b>	<b>% Outcomes</b>
<p><b>NPAT metric</b></p> <ul style="list-style-type: none"> <li>Based on Netwealth's FY2024 NPAT relative to budget NPAT.</li> <li>Between 95% and 105% of budget, a proportionate amount is paid.</li> <li>NPAT is determined net of the bonus expense.</li> </ul>		65%	For the CFO, 65% was achieved
<p><b>Contribution to effective execution of business plan metric</b></p> <ul style="list-style-type: none"> <li>Based on individual contribution to effective execution of board approved annual strategic initiatives in FY2024 which are assessed by the Board on a quarterly basis.</li> </ul>		25%	For the CFO, 18.2% was achieved.
<p><b>Individual values rating metric</b></p> <ul style="list-style-type: none"> <li>Based on individual values ratings in FY2024.</li> </ul>		10%	For the CFO, 7.5% was achieved

LTIs	Purpose & Execution	FY2024 position	
<b>Options (At risk)</b>	<p><b>Offers of options</b></p> <ul style="list-style-type: none"> <li>The Netwealth Employee Incentive Plan (NEIP), under which all LTIs are offered, provides that incentive securities may be in the form of NWL options.</li> <li>To date there have been two offers of options under NEIP, referred to here as the 'FY2020 Options' and the 'FY2022 Options'.</li> </ul> <p><b>Vesting Period</b></p> <ul style="list-style-type: none"> <li>The vesting conditions are tested over a 3 financial year vesting period.</li> <li>Upon exercise, the NWL options convert to NWL ordinary shares on a one for one basis.</li> </ul> <p><b>Gateway conditions</b></p> <ul style="list-style-type: none"> <li>The holder must be either continuously employed or hold office with Netwealth until the vesting date.</li> <li>The options are subject to a 'gateway' condition based on personal behaviour and performance measured against our values.</li> <li>If the employee does not meet the personal and behavioural gateway condition, all their options lapse, unless the Board determines otherwise.</li> </ul> <p><b>Conditions</b></p> <ul style="list-style-type: none"> <li>Options must be exercised within 15 years of date of grant.</li> <li>Options do not confer the right to attend and vote at meetings, and do not confer the right to participate in dividends.</li> <li>Should a liquidity event or change of control event occur, the Board has a discretion to automatically exercise all vested and unvested options.</li> <li>Options held by senior executives and the CEO have corporate performance metrics – see below. Options held by others are not subject to the corporate performance metrics.</li> </ul>	<p><b>FY2020 Options</b></p> <ul style="list-style-type: none"> <li>An offer of options was made to selected senior and key employees in FY2020.</li> <li>The exercise price of the FY2020 Options is \$7.5544.</li> <li>The FY2020 Options vested on 30 June 2022.</li> <li>For KMPs, 117,632 FY2020 Options vested and are outstanding at 30 June 2024.</li> </ul> <p><b>FY2022 Options</b></p> <ul style="list-style-type: none"> <li>An offer of options was made to selected senior and key employees in FY2022.</li> <li>The exercise price of the FY2022 Options is \$15.74.</li> <li>The FY2022 Options vested on 30 June 2024.</li> <li>For KMP's 150,000 FY2022 Options vested and are outstanding as at 30 June 2024.</li> </ul> <p><b>Current Year</b></p> <ul style="list-style-type: none"> <li>There were no new options issued during FY2024.</li> </ul>	
	<p><b>Corporate performance metrics</b></p>	<p><b>Weighting</b></p>	<p><b>% Outcome on FY2022 Option</b></p>
	<p><b>Total Shareholder Return (TSR) Metric</b></p> <ul style="list-style-type: none"> <li>Subject to Netwealth's TSR Ranking in the S&amp;P/ASX 300 Diversified Financials over the Vesting Period calculated on a proportionate basis, where: <ul style="list-style-type: none"> <li>0% of the options will vest if TSR ranking is below the 50th percentile</li> <li>The full 50% of the TSR vesting condition will vest if TSR ranking is at or above 75th percentile.</li> </ul> </li> </ul>	<p>50%</p>	<p>50% Netwealth ranked 7<sup>th</sup> out of 27 companies and ranked above the 75<sup>th</sup> percentile</p>
	<p><b>Earnings Per Share (EPS) Metric</b></p> <ul style="list-style-type: none"> <li>Subject to simple average EPS annual growth over the Vesting Period calculated on a proportionate basis, where: <ul style="list-style-type: none"> <li>0% of options vest if simple average EPS growth rate is 12.5% or less</li> <li>The full 50% of options vest if simple average EPS growth rate is 15.0% or more.</li> </ul> </li> </ul>	<p>50%</p>	<p>50% Netwealth achieved average EPS growth of 16.6%</p>

Rights for previous periods (At risk)	<p><b>Offers of rights</b></p> <ul style="list-style-type: none"> <li>The NEIP also provides that incentive securities may be in the form of NWL rights (zero exercise price options).</li> <li>To date there have been two offers of rights under the NEIP, referred to here as the 'FY2022 Rights' and the 'FY2023 Rights'</li> </ul> <p><b>Maximum target amount</b></p> <ul style="list-style-type: none"> <li>CEO - 50% of fixed remuneration.</li> <li>Senior executives – 25% of fixed remuneration.</li> <li>Target amount is based on value of shares at the time of issue.</li> </ul> <p><b>Vesting Period</b></p> <ul style="list-style-type: none"> <li>The vesting conditions are tested over 3 financial years.</li> <li>Upon exercise, the NWL rights convert to NWL ordinary shares on a one for one basis.</li> </ul> <p><b>Gateway conditions</b></p> <ul style="list-style-type: none"> <li>The holder must be either continuously employed or hold office with Netwealth until vesting date.</li> <li>The Rights are subject to a 'gateway' condition based on personal behaviour and performance measured against our values.</li> <li>If the employee does not meet the personal and behavioural gateway condition, all their rights lapse, unless the Board determines otherwise.</li> </ul>	<p><b>FY2022 Rights</b></p> <ul style="list-style-type: none"> <li>Performance rights issued to the CEO and members of the Executive in FY2022 vested on 30 June 2024.</li> <li>KMP's 27,899 FY2022 Rights vested and are outstanding as at 30 June 2024.</li> </ul> <p><b>FY2023 Rights</b></p> <ul style="list-style-type: none"> <li>Performance rights issued to the CEO and members of the Executive in FY2023 that will potentially vest on 30 June 2025.</li> </ul>	
	Performance metrics	Weighting	% Outcome on FY2022 Rights
	<p><b>EPS metric</b></p> <ul style="list-style-type: none"> <li>Subject to Netwealth's simple average EPS annual growth over the vesting period calculated on a proportionate basis, where: <ul style="list-style-type: none"> <li>0% of options vest if simple average EPS growth rate is 12.5% or less</li> <li>The full 50% of options vest if simple average EPS growth rate is 15.0% or more.</li> </ul> </li> </ul>	50%	CEO: 50% CFO: 50% Netwealth achieved average EPS growth of 16.6%
	<p><b>Individual value rating metric</b></p> <ul style="list-style-type: none"> <li>Based on individual ratings over the vesting period.</li> </ul>	25%	CEO: 25% CEO achieved average 100% for all 3 financial years. CFO: 22.9% CFO achieved average 91.7% for all 3 financial years.
	<p><b>Contribution to effective execution of business plan metric</b></p> <ul style="list-style-type: none"> <li>Based on individual contribution to effective execution of the Board approved business plans over the vesting period.</li> </ul>	25%	CEO: 17.9% CFO: 17.9% Achieved average 71.6% for all 3 financial years.

<b>Rights for FY2024 (At risk)</b>	<p><b>Offers of rights</b></p> <ul style="list-style-type: none"> <li>There was one offer of rights under the revised NEIP in FY2024, referred to here as the 'FY2024 Rights'</li> </ul> <p><b>Maximum target amount</b></p> <ul style="list-style-type: none"> <li>CEO - 75% of fixed remuneration.</li> <li>Senior executives – 35% of fixed remuneration.</li> <li>Target amount is based on value of shares at the time of issue.</li> </ul> <p><b>Vesting Period</b></p> <ul style="list-style-type: none"> <li>The vesting conditions are tested over 3 financial years.</li> <li>Upon exercise, the rights convert to ordinary shares on a one for one basis.</li> </ul> <p><b>Gateway conditions</b></p> <ul style="list-style-type: none"> <li>The holder must be either continuously employed or hold office with Netwealth until vesting date.</li> <li>The Rights are subject to a 'gateway' condition based on personal behaviour and performance measured against our values.</li> <li>If the employee does not meet the personal and behavioural gateway condition, all their rights lapse, unless the Board determines otherwise.</li> </ul>	<p><b>FY2024 Rights</b></p> <ul style="list-style-type: none"> <li>Performance rights issued to CEO and members of the Executive in FY2024 Rights that will potentially vest on 30 June 2026.</li> </ul>
	<p><b>Performance metrics</b></p> <p><b>EPS metric</b></p> <ul style="list-style-type: none"> <li>Based on Netwealth's EPS compound annual growth rate (CAGR) over the vesting period.</li> <li>Between 12.5% and 15.0%, a proportionate amount of rights vest.</li> </ul> <p><b>TSR metric</b></p> <ul style="list-style-type: none"> <li>Based on Netwealth's TSR Rank in the relevant comparator group (S&amp;P/ASX 300 Diversified Financials Index) over the Vesting Period.</li> <li>Between 50th percentile and 75th percentile, a proportionate amount of rights vest.</li> <li>TSR must be positive for rights to vest under this metric.</li> </ul> <p><b>Contribution to effective execution of business plan metric</b></p> <ul style="list-style-type: none"> <li>Based on individual contribution to effective execution of the Board approved business plan over the vesting period which is assessed by the Board quarterly.</li> </ul>	<p><b>Weighting</b></p> <p>35%</p> <p>35%</p> <p>30%</p>
<b>Reduction of benefits</b>	<ul style="list-style-type: none"> <li>Under the NEIP, the Board may reduce benefits in a range of circumstances such as where an employee participant has acted fraudulently or dishonestly or engaged in gross misconduct, has brought Netwealth into disrepute, has breached their duties or obligations to Netwealth or is convicted of an offence in connection with the affairs of Netwealth.</li> <li>The reduction of benefits may be implemented through various means, including the forfeiture of unvested or vested rights, options, or shares. Additionally, participants may be required to repay or treat as a debt any dividends received on, or proceeds from the sale of, performance securities granted under the NEIP.</li> </ul>	

Effective from 1 July 2024 the Board has revised part of the STI and LTI framework. The changes relevant to KMPs are:

**Performance-based remuneration**

STIs	Purpose & Execution
<b>STIs for FY2025 (At risk)</b>	<p><b>Maximum target amount</b></p> <ul style="list-style-type: none"> <li>CEO: 80% of fixed remuneration (previously 75%);</li> <li>CFO: no change (35% of fixed remuneration);</li> </ul> <p><b>Form and time of payment</b></p> <p>Cash bonus – STI earned is paid over 2 years (subject to continuously being employed and subject to a malus clawback condition):</p> <ul style="list-style-type: none"> <li>50% within 30 days after the release of the FY2025 annual report; and</li> <li>50% within 30 days after the release of the FY2026 annual report.</li> </ul>
LTIs	Purpose & Execution
<b>Rights for FY2025 (At risk)</b>	<p><b>Maximum target amount</b></p> <ul style="list-style-type: none"> <li>CEO: 120% of fixed remuneration (previously 75%);</li> <li>CFO: no change (35% of fixed remuneration)</li> </ul> <p><b>Form of payment</b></p> <ul style="list-style-type: none"> <li>Performance rights (zero exercise price options) valued based on the market value of shares at the time of offer.</li> </ul> <p><b>Vesting Period</b></p> <ul style="list-style-type: none"> <li>The vesting conditions are tested over 3 financial years, FY2025, FY2026 and FY2027;</li> </ul> <p><b>Gateway conditions</b></p> <ul style="list-style-type: none"> <li>The holder must be either continuously employed or hold office with Netwealth until vesting date.</li> <li>The Rights are subject to a 'gateway' condition based on personal behaviour and performance measured against our values.</li> <li>If the holder does not meet the personal and behavioural gateway condition, all their rights lapse, unless the Board determines otherwise.</li> </ul> <p><b>Deferral of vesting</b></p> <ul style="list-style-type: none"> <li>A proportion of the holder's Rights (the Deferred Rights) are subject to deferral of vesting based on the Board's assessment of the proportion of holder's duties and responsibilities that is related to Netwealth Superannuation Services Pty Ltd as an APRA-related registerable superannuation entity.</li> <li>The deferral is required because of the deferral of performance-based remuneration requirements of CPS 511 and, in future, FAR.</li> </ul> <p>For the CEO:</p> <ul style="list-style-type: none"> <li>One third of the Deferred Rights will vest after FY2028;</li> <li>One third of the Deferred Rights will vest after FY2029;</li> <li>One third of the Deferred Rights will vest after FY2030.</li> </ul> <p>For the CFO:</p> <ul style="list-style-type: none"> <li>One half of the Deferred Rights will vest after FY2028;</li> <li>One half of the Deferred Rights will vest after FY2029.</li> </ul>



## Remuneration report *continued*

### d. Remuneration Mix of KMPs

Remuneration mix refers to the proportion of total KMP remuneration that is made up of each remuneration component. The 'Fixed' component is base salary plus superannuation. The 'At Risk' component is the amount of the maximum STI payable to the KMP and the value of the LTIs options and rights issued to the KMP expensed for the year. The table provided pertains to the Key Management Personnel (KMPs).

CEO Matthew Heine	Fixed, 35%	At Risk, 65%
ED Michael Heine*	Fixed, 100%	
CFO Grant Boyle	Fixed, 53%	At Risk, 47%

\*The remuneration mix for Michael Heine is 100% fixed as he has elected not to participate in the STI or LTI, due to his substantial shareholding in Netwealth.

### 3. Proportion of KMPs duties and responsibilities in relation to Superannuation

Within the Netwealth Group, the remuneration packages for Key Management Personnel (KMPs) do not distinctly separate the duties and responsibilities attributable to Netwealth Superannuation Services (NSS), an APRA-regulated superannuation entity. Consequently, the Board has assessed and determined the portion of their duties and responsibilities related to NSS.

For FY2024, the Board has determined that, on average, of the KMPs' duties pertain to superannuation. Their remuneration has been disclosed on this basis in this remuneration report.

For non-executive directors, remuneration is based on the Board and/or committees they serve on, with only the fees directly related to NSS included.

### 4. Non-executive directors' remuneration

The table below sets out the total Non-Executive Director benefits paid for FY2024 and FY2023.

		Fees and allowances		Post-employment benefits	Total
		Board and Committee fees		Superannuation	
		\$	\$	\$	
Rita Harris	2024	144,144	15,856	160,000	
	2023	126,697	13,303	140,000	
Lewis Bearman	2024	90,090	9,910	100,000	
	2023	90,000	-	90,000	
Sally Freeman	2024	17,800	2,200	20,000	
	2023	17,800	2,200	20,000	
Sarah Brennan <sup>1</sup>	2024	6,006	661	6,667	
	2023	-	-	-	
Davyd Lewis <sup>2</sup>	2024	31,150	3,850	35,000	
	2023	31,150	3,850	35,000	

<sup>1</sup> Sarah Brennan was appointed as a Non-Executive Director of NSS on 28 February 2024 and received fees on a pro-rate basis.

<sup>2</sup> Davyd Lewis has resigned as a director of NSS on 30 June 2024.

The non-executive directors are not eligible to participate in the NEIP.

## Remuneration report *continued*

### 5. Executive Remuneration

The table below sets out details of the remuneration of the three KMP who are employee executives for FY2024 and FY2023.

	Executive Director		Netwealth Group CEO & Managing Director		CFO			
	Michael Heine <sup>7</sup>		Matthew Heine		Grant Boyle		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Short term benefits:</b>								
Cash salary <sup>1</sup>	24,913	23,562	437,465	411,743	265,167	225,193	727,545	660,497
STI <sup>2</sup>	-	-	316,682	183,832	88,831	51,703	405,513	235,534
Employee share gift <sup>3</sup>	-	-	-	-	531	529	531	529
Other	-	-	-	-	-	-	-	-
<b>Long term benefits:</b>								
Leave <sup>4</sup>	2,524	410	(24,793)	15,658	(7,254)	6,045	(29,523)	22,114
<b>Post-employment benefits:</b>								
Superannuation <sup>5</sup>	2,740	2,474	14,657	14,658	14,657	14,658	32,054	31,789
<b>Share-based payments:</b>								
FY2022 Options <sup>6</sup>	-	-	56,162	60,189	34,642	37,024	90,804	97,213
FY2022 Rights <sup>6</sup>	-	-	69,255	69,066	15,554	15,512	84,809	84,578
FY2023 Rights <sup>6</sup>	-	-	63,345	63,172	16,875	15,105	80,220	78,277
FY2024 Rights	-	-	84,313	-	-	-	84,313	-
<b>Termination benefits:</b>								
Termination payments	-	-	-	-	-	-	-	-
<b>Total</b>	<b>30,181</b>	<b>26,447</b>	<b>1,017,086</b>	<b>818,316</b>	<b>429,003</b>	<b>365,768</b>	<b>1,476,266</b>	<b>1,210,530</b>
<b>% Performance related</b>	<b>0%</b>	<b>0%</b>	<b>58%</b>	<b>46%</b>	<b>36%</b>	<b>33%</b>	<b>51%</b>	<b>41%</b>

- Following the Netwealth Group's Remuneration Committee's review, the Board approved increases in Matthew Heine's and Grant Boyle's cash salaries to better align with comparable companies.
- Matthew Heine's maximum STI and LTI entitlements were each 75% of his fixed remuneration for FY24 (refer section c). Michael Heine waived his STI payments for FY2023 and FY2024. Grant Boyle's maximum STI and LTI entitlements were each 35% of his fixed remuneration for FY24 (refer section c).
- Under its Employee Gift Plan, Netwealth made an offer to grant \$1,000 worth of ordinary shares to all eligible employees including Grant Boyle.
- Long term benefits related to annual leave and long service leave entitlements accrued for the year, net of leave taken.
- Superannuation payments are made in accordance with the relevant statutory requirements.
- Options or Rights on ordinary shares issued during FY2022, FY2023 and FY2024 are subject to vesting conditions (refer section c).
- Michael Heine transitioned from Executive Director to Non-Executive Director at the end of the FY2024.

## Remuneration report *continued*

### 6. Key terms of employment contracts

The remuneration and other terms of employment for the executive KMPs are formalised in employment contracts, which are reviewed annually. The CEO, ED and CFO are entitled to receive pay in lieu of notice of resignation, in addition to any leave entitlements upon cessation of employment. All services agreements are for unlimited duration but may be terminated immediately in the event of serious misconduct, in which case the executive is not entitled to any payment in lieu of notice. The following table outlines the key contractual arrangement for the CEO, ED and CFO.

Position	Contractual term	Employer Notice period	Employee Notice period	Post-employment restraints
CEO	Ongoing	Six months	Six months	Twelve-month non-competition period
ED	Ongoing	Six months	Six months	Twelve-month non-competition period
CFO	Ongoing	Six months	Six months	Twelve-month non-competition period
How unvested equity is treated on leaving Netwealth	Executive KMPs who resign or are terminated will forfeit all their unvested equity, unless the Board determines otherwise. If the executive KMP is terminated due to redundancy or they are classified as a 'good leaver', unvested equity will not be forfeited unless the Board determines otherwise. On an executive KMP's death or total and permanent disability, their unvested equity will vest unless the Board determines otherwise.			

### 7. Non-executive directors' remuneration

The table below sets out details of the annual fees and the remuneration of Non-Executive Directors for FY2024.

Board Fees	
Trustee Board -Chair	\$160,000
-Members	\$90,000
-Directors of NWL Members*	\$20,000
Superannuation & Investment Committee - Chair	\$10,000
Audit, Risk & Compliance Committee – Chair	\$15,000
Superannuation	The fees set out above include superannuation payment in accordance with the relevant statutory requirements. Superannuation is paid up to the relevant concessional contributions cap, with the remainder paid in cash.
Other benefits	Non-Executive Directors are entitled to reimbursement for business-related expenses, including travel expenses and all receive the benefit of coverage under a Director and Officers insurance policy. Netwealth has paid premiums to insure each Director and officer under a Directors and Officers Insurance policy. Further disclosure of information relating to this policy is not permitted under the contract of insurance.

\*NSS, a subsidiary of NWL is the trustee of Netwealth Superannuation Master Fund. Directors of NWL who also serve on the NSS board receive an additional annual fee of \$20,000.

## Remuneration report *continued*

### 8. Other information

KMP share movements

The table below sets out the holdings and changes of holdings of NWL ordinary shares for each KMP in FY2024.

	Ordinary shares				
	Balance at beginning of financial period	Purchase of shares	Sale of shares	Other changes during the year	Balance at end of financial period
FY2024	Number	Number	Number	Number	Number
<b>Non-Executive Directors</b>					
Rita Harris	-	-	-	-	-
Lewis Bearman	-	-	-	-	-
Sally Freeman	9,500	-	-	-	9,500
Sarah Brennan <sup>1</sup>	-	-	-	-	-
Davyd Lewis <sup>2</sup>	159,161	-	(25,453)	-	133,708
<b>Executive Directors</b>					
Michael Heine <sup>3</sup>	106,944,990	-	(4,800,000)	-	102,144,989
<b>Other key management personnel</b>					
Matthew Heine	3,736,405	-	-	-	3,736,405
Grant Boyle <sup>4</sup>	65,164	-	(65,000)	69	233

<sup>1</sup> Sarah Brennan was appointed as Non-Executive Director on 28 February 2024.

<sup>2</sup> Davyd Lewis has resigned as a director of NSS on 30 June 2024.

<sup>3</sup> Michael Heine transitioned from Executive Director to Non-Executive Director as at the end of FY2024.

<sup>4</sup> During the financial year, the Group, under its Employee Gift Plan made an offer to all eligible employees including Grant Boyle to grant \$1,000 worth of ordinary shares.

## Remuneration report *continued*

### 9. KMP options and rights holdings

The table below sets out the holdings of NWL options and NWL rights issued under the NEIP to each KMP.

	Type of equity	Balance at 1 July 2023	Equity granted during the year	Lapsed/ Forfeited	Exercised/S old	Balance at 30 June 2024	Vested during the year	Vested as at 30 June 2024	Vested and exercisable	Vested but non-exercisable
FY2024		Number	Number	Number	Number	Number	Number	Number	Number	Number
<b>Executive Directors</b>										
Michael Heine	Options/ Rights	-	-	-	-	-	-	-	-	-
<b>Other Key Management Personnel</b>										
Matthew Heine	FY2020 Options	78,232	-	-	-	78,232	-	78,232	78,232	-
	FY2022 Options	75,000	-	-	-	75,000	75,000	75,000	75,000	-
	FY2022 Rights	23,825	-	(1,693)	-	22,132	22,132	22,132	22,132	-
	FY2023 Rights	30,257	-	-	-	30,257	-	-	-	-
	FY2024 Rights	-	41,450*	-	-	41,450	-	-	-	-
Grant Boyle	FY2020 Options	39,400	-	-	-	39,400	-	39,400	39,400	-
	FY2022 Options	75,000	-	-	-	75,000	75,000	75,000	75,000	-
	FY2022 Rights	6,353	-	(586)	-	5,767	5,767	5,767	5,767	-
	FY2023 Rights	8,510	-	-	-	8,510	-	-	-	-
	FY2024 Rights	-	11,947#	-	-	11,947	-	-	-	-

\* Equity fair value at grant date of 22/11/2023 was \$13.47.

# Equity fair value at grant date of 15/09/2023 was \$14.31.

Non-Executive Directors are not entitled to options and rights under the NEIP.

## Remuneration report *continued*

### 10. Overview of unvested equity awards

All awards are subjected to the employee's continued employment, individual values ratings and malus and clawback provisions.

Equity plan	Grant Date	Vesting Period		Vesting Conditions
		Start Date	End Date	
FY2023 Rights	11 Oct 2022	01 Jul 2022	30 Jun 2025	<ul style="list-style-type: none"> <li>Personal and behavioural performance gateway which must be met.</li> </ul> Proportions vesting: <ul style="list-style-type: none"> <li>50% based on Netwealth's EPS growth over the vesting period.</li> <li>25% based on individual values ratings.</li> <li>25% based on individual contribution to delivery of their strategic initiatives.</li> </ul>
FY2023 Rights - CEO	23 Nov 2022	01 Jul 2022	30 Jun 2025	Same as above FY2023 Rights
FY2024 Rights	28 Sep 2023	01 Jul 2023	30 Jun 2026	<ul style="list-style-type: none"> <li>Personal and behavioural performance gateway which must be met.</li> </ul> Proportions vesting: <ul style="list-style-type: none"> <li>35% based on Netwealth's EPS growth over the vesting period.</li> <li>35% based on Netwealth's TSR Rank in the relevant comparator group during the vesting period; and</li> <li>30% based on effective execution of business plan.</li> </ul>
FY2024 Rights - CEO	22 Nov 2023	01 Jul 2023	30 Jun 2026	Same as above FY2024 Rights

### 11. Remuneration consultant

During the year, the Board engaged an external adviser, KPMG, to review and make recommendations to the remuneration framework in preparation for regulatory requirements - FAR and CPS 511. KPMG provided recommendations on the design elements which included participation, reward mix, deferral periods and performance measures necessary to meet these regulatory requirements. The Board considered the recommendations and made changes to the remuneration framework for senior executives, with implementation from FY2025 onwards.

The Board is satisfied that the remuneration framework recommendations were made free from undue influence by the KMP to whom the recommendations relate, as they had minimal involvement in the remuneration framework review.

KPMG were paid \$34,000 for their remuneration framework review. During the year, KPMG provided other consulting services in relation to taxation, totalling \$35,000.

### 12. Previous comments or resolutions in relation to Remuneration Reports

The Trustee of the Fund has not previously issued a Remuneration Report and therefore there have been no previous comments or resolutions in relation to its Remuneration Reports.

This directors' report is signed in accordance with a resolution of directors of the Trustee made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors of the Trustee

A handwritten signature in black ink, appearing to read 'Rita Harris', written in a cursive style.

Rita Harris  
Chair  
25 September 2024

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## Statement of Financial Position

As at 30 June 2024

	Note	2024 (\$'000)	2023 (\$'000)
<b>Assets</b>			
<b>Cash and receivables</b>			
Cash at bank	12	2,314,922	2,015,612
Receivables	13	756,524	468,771
<b>Total cash and receivables</b>		<b>3,071,446</b>	<b>2,484,383</b>
<b>Investments</b>			
Interest-bearing investments*	4	743,922	582,244
Equities	4	6,880,529	5,237,834
Units in Managed Funds	4	19,540,974	15,652,108
Warrants	4	13,400	11,429
<b>Total Investments</b>		<b>27,178,825</b>	<b>21,483,615</b>
<b>Total Assets</b>		<b>30,250,271</b>	<b>23,967,998</b>
<b>Liabilities</b>			
Payables	14	125,001	87,734
Current Tax Liabilities	7b	91,523	46,697
Deferred Tax Liabilities	7e	92,275	13,973
<b>Total liabilities excluding member liabilities</b>		<b>308,799</b>	<b>148,404</b>
<b>Net assets available for member benefits</b>		<b>29,941,472</b>	<b>23,819,594</b>
<b>Defined contribution member liabilities</b>	8	<b>29,939,816</b>	<b>23,818,146</b>
<b>Total member liabilities</b>		<b>29,939,816</b>	<b>23,818,146</b>
<b>Total net assets / (liabilities)</b>		<b>1,656</b>	<b>1,448</b>
<b>Equity</b>			
Fund reserve	10	263	107
Operational risk reserve	11	1,393	1,341
<b>Total Equity</b>		<b>1,656</b>	<b>1,448</b>

\*Cash and Short-Term Deposits are renamed as Interest-bearing investments in FY2024.

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the financial statements.

## Income Statement

For the year ended 30 June 2024

Superannuation activities	Note	2024 (\$'000)	2023 (\$'000)
Interest		186,580	113,781
Distributions and dividends		1,009,489	631,258
Changes in fair value of investments	6	1,471,584	1,226,379
<b>Total revenue</b>		<b>2,667,653</b>	<b>1,971,418</b>
Administration and investment expenses		(111,409)	(90,347)
Adviser fees		(181,934)	(145,484)
Other Expenses	17	(3,388)	(2,831)
<b>Total expenses</b>		<b>(296,731)</b>	<b>(238,662)</b>
<b>Operating results</b>		<b>2,370,922</b>	<b>1,732,756</b>
Net benefits allocated to:			
Defined contribution member accounts		(2,301,216)	(1,659,677)
<b>Operating results before income tax expense</b>		<b>69,706</b>	<b>73,079</b>
Less Income tax expense / (benefit)	7c	69,498	74,467
<b>Operating result after income tax</b>		<b>208</b>	<b>(1,388)</b>

The Income Statement is to be read in conjunction with the notes to and forming part of the financial statements.

## Statement of Changes in Equity / Reserves

For the year ended 30 June 2024

	Fund Reserves (\$'000)	Operational Risk Reserve (\$'000)	Total Equity / Reserves (\$'000)
<b>Opening balance as of 1 July 2022</b>	1,531	1,305	2,836
Operating result	(1,424)	36	(1,388)
<b>Closing balance as of 30 June 2023</b>	107	1,341	1,448
Operating result	156	52	208
<b>Closing balance as of 30 June 2024</b>	263	1,393	1,656

The Statement of Changes in Changes in Equity / Reserves is to be read in conjunction with the notes to and forming part of the financial statements.

## Statement of Changes in Member Benefits

For the year ended 30 June 2024

	Note	2024 (\$'000)	2023 (\$'000)
<b>Opening balance as at 1 July 2023</b>		<b>23,818,146</b>	<b>19,032,905</b>
Employer contributions		526,254	441,756
Member contributions		1,626,022	1,447,475
Superannuation co-contributions		617	615
Transfers from other superannuation entities		4,538,235	3,472,987
Income tax on contributions	7d	(128,411)	(104,887)
<b>Net after tax contributions</b>		<b>6,562,717</b>	<b>5,257,946</b>
Benefits to members	15	(2,730,197)	(2,113,405)
Insurance benefits credited to members		22,166	14,257
Insurance premiums charged to members' accounts		(40,273)	(39,099)
Tax on Insurance premiums		6,041	5,865
<b>Net changes before income and administration expenses</b>		<b>3,820,454</b>	<b>3,125,564</b>
<b>Net benefits allocated, comprising:</b>			
Total Investment Income		2,667,558	1,971,062
Total Taxes on Investment Income		(100,602)	(100,123)
<b>Net investment income</b>		<b>2,566,956</b>	<b>1,870,939</b>
Total Administration and other expenses		(295,215)	(235,834)
Total Tax effect on Administration and other expenses		29,475	24,571
Net administration fees		(265,740)	(211,263)
<b>Net benefits allocated</b>		<b>2,301,216</b>	<b>1,659,676</b>
<b>Closing balance as at 30 June 2024</b>		<b>29,939,816</b>	<b>23,818,146</b>

The Statement of Changes in Member Benefits is to be read in conjunction with the notes to and forming part of the financial statements.

## Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 (\$'000)	2023 (\$'000)
<b>Cash flows from operating activities</b>			
Dividends and trust distributions received		771,832	781,223
Interest received		186,579	113,781
Administration and investment expenses		(111,254)	(94,230)
Adviser fees		(178,631)	(142,771)
Group life proceeds received		22,166	14,257
Insurance premiums paid to insurers		(40,187)	(38,863)
Income tax received		36,220	9,452
<b>Net cash inflows from operating activities</b>	<b>12a</b>	<b>686,725</b>	<b>642,849</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments		8,298,644	6,278,502
Purchase of investments		(12,540,822)	(9,958,994)
<b>Net cash outflows from investing activities</b>		<b>(4,242,178)</b>	<b>(3,680,492)</b>
<b>Cash flows from financing activities</b>			
Employer contributions received		526,254	441,757
Member contributions received		1,619,934	1,445,601
Superannuation co-contributions		617	615
Transfers from other superannuation entities		4,530,062	3,460,789
Transfers to other superannuation funds		(1,007,804)	(853,665)
Benefits paid		(825,707)	(687,624)
Pension payments		(883,634)	(564,367)
Taxes paid on contributions		(104,959)	(80,370)
<b>Net cash inflows from financing activities</b>		<b>3,854,763</b>	<b>3,162,736</b>
<b>Net increase in cash held</b>		<b>299,310</b>	<b>125,093</b>
Cash at beginning of the financial year		2,015,612	1,890,519
<b>Cash at the End of the Financial Year</b>	<b>12</b>	<b>2,314,922</b>	<b>2,015,612</b>

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the financial statements.

# Notes to the Financial Statements

## 1. General information

The Netwealth Superannuation Master Fund (ABN 94 573 747 704) is a defined contribution fund and is registered with the Australian Prudential Regulation Authority (APRA) as a registrable superannuation entity (RSE), Registration Number R1000184. The Fund is an investment vehicle established in accordance with certain legislative requirements in which superannuation savings and certain lump sums can be accumulated primarily for the benefit of members on their retirement. The Fund also provides for the payment of a standard income stream, a transition to retirement income stream, and a term allocated pension which provides regular pension payments in retirement. During the financial year ended 30 June 2024, the Netwealth Superannuation Master Fund offered superannuation products through Product Disclosure Statements (PDSs).

The Trustee of the Fund is Netwealth Superannuation Services Pty Limited (ABN 80 636 951 310, AFSL 528032, RSE Licensee L0003483), a proprietary company incorporated and operating in Australia. The registered office and principal place of business is Level 6, 180 Flinders Street, Melbourne, Victoria 3000.

Netwealth Investments Limited (ABN 85 090 569 109, AFSL 230975) is responsible for the administration of the Fund and custody of the assets of the Fund under a *Platform provider, custody and administration services agreement*.

## 2. Basis of preparation

### 2.1. Statement of Compliance

This financial report for the year ended 30 June 2024:

- has been prepared on a going concern basis using fair value measurement of assets and liabilities except where otherwise stated, in accordance with Australian Accounting Standard AASB 1056 Superannuation Entities, other applicable Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, the provisions of the Fund's Trust Deed and the Corporations Act 2001; and
- has accounting policies and methods of computation which are consistent for all periods presented, unless stated.

### 2.2. Rounding off of amounts

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are presented in Australian Dollars, being the functional currency of the Fund. The Fund's financial statements are presented in Australian dollars, with all values rounded to the nearest thousand dollars, or in certain cases, the nearest dollar, in accordance with the Australian Securities and Investments Commission Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191.

## 2. Basis of preparation *continued*

### 2.3. Critical Accounting Estimates and key sources of estimation uncertainty

In the application of Accounting Standards, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities where they are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors, including reasonable expectations of future events. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is made or revised if the revision affects only the period, or on the period of the revision and future periods if the revision affects both current and future periods. The key estimate and assumption that has a significant risk of causing a material adjustment to the values of assets and liabilities is the valuation of investments which is set out in Note 4. Consequently, any revaluations at year end, which result in a taxable capital gain, the tax payable upon realisation is also an estimate.

### 2.4. Adoption of new and revised Standards and Interpretations

The Fund has adopted the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Fund is:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

There has been no material impact of adopting the Standard listed above.

### 2.5. New and revised Australian Accounting Standards and Interpretation on issue but not yet adopted

New and revised Standards and Interpretations issued by the AASB which are not mandatory for the 30 June 2024 reporting period have not yet been applied in these financial statements. The Fund has assessed the relevant new Standards and Interpretations and none of these are expected to have a material effect on the financial statements of the Fund.

### 3. Summary of Material Accounting Policies

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2024 and the comparative information presented in these financial statements for the year ended 30 June 2023.

#### 3.1. Revenue

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised to the extent in which it is probable that economic benefits will flow to the Fund and the amount of revenue can be reliably measured. The following recognition criteria relates to the different items of revenue the Fund receives:

##### 1. Interest revenue

Revenue on money market and fixed interest securities is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimate future cash receipts through the expected life of the financial asset to that asset's net carrying amount. If interest is not received during the financial year, it is reflected in the Statement of Financial Position as a receivable.

##### 2. Dividend revenue

Revenue from dividends is recognised on the date the shares are quoted ex-dividend. If the dividend is not received at reporting date, the balance is reflected in the Statement of Financial Position as a receivable.

##### 3. Distributions from unit trusts

Distribution income is recognised on a receivable basis on the date the unit value is quoted ex- distribution. Where the distribution is not received at reporting date, the balance is reflected in the Statement of Financial Position.

##### 4. Changes in fair value of investments

Changes in the fair value of investments (refer to Note 5) are recognised as revenue (or expense) and are determined as the difference between the fair value at year end or consideration paid (if settled during the year) and the fair value as at the prior year end or amount originally incurred (if the financial assets or liabilities were incurred during the financial year). All changes are recognised in the income statement.

#### 3.2. Contributions and transfers in

Contributions and transfers in are recognised when control of the asset has been attained and are recorded, gross of any tax, in the period to which they relate. Member and employer contributions are recognised on an accrual basis.

#### 3.3. Group life insurance proceeds

Insurance claim amounts are recognised where the insurer has agreed to pay the claim lodged and has transferred the claim amount to the Fund.



### 3. Summary of Material Accounting Policies *continued*

#### 3.4. Income taxes

The Fund is a complying superannuation entity for Australian income tax purposes. Accordingly, the earnings of the Fund are taxed at a 15% rate (2023: 15%). However, in respect of capital gains, the Fund is entitled to a capital gains tax discount of 33 1/3% for investments held for greater than 12 months, resulting in a tax rate of 10% on the disposal of investments and other items held on capital account for tax purposes. Furthermore, in respect of members' accounts that are in the pension phase, there is no tax on income earned, including capital gains.

In calculating deferred taxes, the Fund uses the rate that reflects the current status of members' accounts and the nature of the underlying investments. The transition to a pension account is treated as a change in tax status, and the impact of the reversal of deferred taxes previously recognised while in the accumulation phase is reflected at that time.

In addition, contributions such as employer contributions, salary sacrifice contributions, and personal contributions for which a member claim a tax deduction to the Fund are generally taxed at a rate of 15%. These taxes are not reflected in income tax expense but are instead included in the statement of changes in member benefits and impact on the benefits allocated to members.

Income tax expense reported in the income statement for the year comprises current and deferred tax.

##### **Current Tax**

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable). Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation, and settlement of the respective asset and liability will occur.

##### **Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the cost base amount of the assets or liabilities used for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Fund expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets are recognised only if it is probable that future taxable amounts will become available to utilise those losses.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Fund intends to settle its current tax assets and liabilities on a net basis.

### 3. Summary of Material Accounting Policies *continued*

#### 3.5. Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of goods and services tax (GST), except:

1. Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
2. For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### 3.6. Excess Contribution Tax

The Australian Taxation Office 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. Where a member receives an excess contributions tax release authority, the member:

1. may give the release authority relating to the member's concessional contributions to a fund for payment; and
2. must give the release authority relating to the member's non-concessional contributions to a fund for payment.

The liability for the excess contribution tax is recognised when the relevant release authorities are received from the members, as the Trustee considers this is when it can be reliably measured. The excess contributions tax liability recognised by the Fund will be charged to the relevant members' accounts.

#### 3.7. No TFN Contributions Tax

Where a member does not provide their tax file number to a fund, the Fund may be required to pay no-TFN contributions tax at a rate prescribed by the relevant taxation authority which is in addition to the concessional tax rate which applies to the Fund's taxable income.

The no-TFN contributions tax liability recognised by the Fund will be charged to the relevant members' accounts. 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.

#### 3.8. Foreign currency

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in the Income Statement in the period in which they arise.

#### 3.9. Cash and cash equivalents

Cash and cash equivalents include deposits held at call with financial institutions and highly liquid investments with short periods to maturity which are readily convertible to cash, and which are subject to insignificant risk of changes in value. Deposit balances are shown at their amortised cost, which is equivalent to their face value. Interest is accrued over the term of deposits and is paid periodically or at maturity.

Interest-bearing investments in the Statement of Financial Position comprise term deposits, annuities and bonds with an original maturity between three months and five years that are readily convertible to cash.

For the purposes of the Statement of Cash Flows, cash and cash equivalents as defined above, net of outstanding bank overdrafts.

## 3. Summary of Material Accounting Policies *continued*

### 3.10. Receivables and Payables

#### 1. Receivables

Receivables include amounts for members' rollovers and members' contributions, tax refund arising from goods and services taxes (GST), dividends, interest, and trust distributions. These are accrued when the right to receive payment is established. These are carried at nominal amounts due which approximate fair value. Receivables are normally settled within 30 days.

#### 2. Payables

Payables include trustee administration and custodial fees, adviser fees and commissions and members' benefit payable at the end of the reporting period. These are recognised at the amounts to be paid in the future for goods and services received, whether billed to the Fund and are carried at nominal amounts which approximate fair value. Other liabilities are normally settled on 30-day terms.

#### 3. Receivables/Payables for investments sold/purchased

Receivables for investments sold and payables for investments purchased represent managed funds and trades that have been contracted for but not yet delivered at the end of the year. Trades are recorded on trade date and normally settled within two business days.

### 3.11. Investments

#### Recognition and measurement

The investments, including derivatives of the Fund are recognised at fair value and changes in the fair value are recognised in the income statement in the year they occur. These financial instruments are recognised on the date the Fund becomes party to the contractual provisions of the instrument, that is, at trade date.

Transaction costs, including brokerage and stamp duty, that are incurred to acquire investment securities are recognised in the income statement as an expense when incurred.

#### Fair value measurement

The Fund measures all investments, including derivatives at fair value through profit and loss.

Fair values of financial assets are determined as follows:

1. Listed securities, foreign securities quoted on a recognised stock exchange, derivative financial instruments and government and other fixed interest securities are stated at market quotations as at the reporting date.
2. Unit trust and managed fund investments are stated at the redemption price quoted by the trust managers as at the reporting date.
3. Unlisted securities are stated at the trustee's valuation based on the advice of the Fund's investment managers as at the reporting date.

Other fixed and variable income securities are stated at the present value based on market rates.

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

The Trustee has concluded that the above measurement bases are appropriate. The nature of the assets and liabilities is that measurement amounts may change over time.

### 3. Summary of Material Accounting Policies *continued*

#### 3.12. Financial Assets and Financial Liabilities at 'fair value through profit or loss' (FVTPL)

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

Financial assets at FVTPL are stated at fair value in the Statement of Financial Position, with any gains or losses arising on re-measurement are recognised in the Income Statement in the periods in which they occur. A financial asset is derecognised when the right to receive cash flows from the investments have expired or the Fund has transferred substantially all the risks and rewards of ownership.

Financial liabilities at FVTPL, which are all current in nature, are stated at fair value in the Statement of Financial Position, with any gains or losses arising on re-measurement are recognised in the Income Statement in the periods in which they occur. A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires.

#### 3.13. Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### 4. Investments

#### Classes and categories of financial instruments and their fair values

The classes of financial assets are determined based on their nature and characteristics. Below are the fund's investments and derivatives:

	2024 (\$'000)	2023 (\$'000)
<b>Interest-bearing investments*</b>	<b>743,922</b>	582,244
<b>Equities</b>		
Listed equities – domestic**	6,106,435	4,721,170
Listed equities – international**	773,862	516,458
Unlisted equities	232	206
<b>Total Equities</b>	<b>6,880,529</b>	5,237,834
<b>Units in Managed Funds</b>		
Unlisted Trusts	19,332,808	15,475,289
Unlisted Property Trusts	208,166	176,819
<b>Total Managed Funds</b>	<b>19,540,974</b>	15,652,108
<b>Warrants</b>	<b>13,400</b>	11,429
<b>Total Investments</b>	<b>27,178,825</b>	21,483,615

\* Cash and Short-Term Deposits are renamed as Interest-bearing investments in FY2024.

\*\*Listed equities are split into domestic and international in FY2024.

Netwealth Investments Limited, being the Custodian, holds all Australian securities, while overseas securities are managed by a sub-custodian.

## 4. Investments *continued*

### Fair value measurement

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The tables below set out the level of the fair value hierarchy within which the fair value measurements of the Fund are categorised:

2024 (\$)	Fair Value Hierarchy			
	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)
<b>Financial assets</b>				
<b>At fair value through profit and loss</b>				
<b>Interest-bearing investments*</b>	<b>9,485</b>	<b>734,437</b>	<b>-</b>	<b>743,922</b>
Listed Equities - domestic	6,100,032	-	6,403	6,106,435
Listed Equities - international	773,842	-	20	773,862
Unlisted Equities	-	-	232	232
<b>Equities</b>	<b>6,873,874</b>	<b>-</b>	<b>6,655</b>	<b>6,880,529</b>
Unlisted Trusts	-	19,098,126	234,682	19,332,808
Unlisted Property Trusts	-	204,978	3,188	208,166
<b>Units in Managed Funds</b>	<b>-</b>	<b>19,303,104</b>	<b>237,870</b>	<b>19,540,974</b>
<b>Warrants</b>	<b>13,400</b>	<b>-</b>	<b>-</b>	<b>13,400</b>
<b>Total Investments</b>	<b>6,896,759</b>	<b>20,037,541</b>	<b>244,525</b>	<b>27,178,825</b>

2023 (\$)	Fair Value Hierarchy			
	Level 1 (\$'000)	Level 2 (\$'000)	Level 3 (\$'000)	Total (\$'000)
<b>Financial assets</b>				
<b>At fair value through profit and loss</b>				
<b>Interest-bearing investments*</b>	<b>20,411</b>	<b>561,833</b>	<b>-</b>	<b>582,244</b>
Listed Equities - domestic	4,719,396	-	1,774	4,721,170
Listed Equities - international	513,179	3,236	43	516,458
Unlisted Equities	-	-	206	206
<b>Equities</b>	<b>5,232,575</b>	<b>3,236</b>	<b>2,023</b>	<b>5,237,834</b>
Unlisted Trusts	-	15,381,401	93,888	15,475,289
Unlisted Property Trusts	-	172,524	4,295	176,819
<b>Units in Managed Funds</b>	<b>-</b>	<b>15,553,925</b>	<b>98,183</b>	<b>15,652,108</b>
<b>Warrants</b>	<b>11,429</b>	<b>-</b>	<b>-</b>	<b>11,429</b>
<b>Total Investments</b>	<b>5,264,415</b>	<b>16,118,994</b>	<b>100,206</b>	<b>21,483,615</b>

\*Cash and Short-Term Deposits are renamed as Interest-bearing investments in FY2024.

## 4. Investments *continued*

### Fair value measurement (continued)

The following table shows the movement of transfers between the levels:

#### 2024 (\$'000)

	Level 1	Level 2	Level 3
Transfers from Level 1	(5,854)	-	5,854
Transfers from Level 2	-	(189,934)	189,934
Transfers from Level 3	517	5,963	(6,480)
<b>Totals</b>	<b>(5,337)</b>	<b>(183,971)</b>	<b>189,308</b>

#### 2023 (\$'000)

	Level 1	Level 2	Level 3
Transfers from Level 1	(999)	-	999
Transfers from Level 2	-	(19,483)	19,483
Transfers from Level 3	178	68	(246)
<b>Totals</b>	<b>(820)</b>	<b>(19,416)</b>	<b>20,236</b>

### Reconciliation of level 3 fair value measurements of financial assets

The following table shows the movement in the fair value of investments in Level 3:

	2024 (\$'000)	RESTATED* 2023 (\$'000)
<b>Opening balance</b>	100,206	76,449
Purchases	30,532	25,454
Redemptions/disposal	(75,521)	(21,933)
Transfers into Level 3	189,308	20,236
<b>Closing balance</b>	<b>244,525</b>	<b>100,206</b>

\*FY2023 has been reclassified to align with the new FY2024 disclosure requirement on the movement of transfers between levels. The changes do not affect the total closing balance in the reconciliation of level 3 fair value measurements. The details of the changes are shown in the table below:

	FY2023 FS 2023 (\$'000)	REALLOCATION 2023 (\$'000)	RESTATED 2023 (\$'000)
<b>Opening balance</b>	76,449	-	76,449
Purchases	-	25,454	25,454
Redemptions/disposal	(13,735)	(8,198)	(21,933)
Transfers into Level 3	37,492	(17,256)	20,236
<b>Closing balance</b>	<b>100,206</b>	<b>-</b>	<b>100,206</b>

## 5. Financial Risk Management

The Fund is exposed to a variety of financial risks as a result of its activities. These risks include market risk (including currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. These are managed through a process of ongoing identification, measurement, and monitoring.

It is ultimately the responsibility of the Trustee to ensure that there is an effective risk management control framework in place. Consistent with regulatory requirements the Trustee has the function of overseeing the establishment and maintenance of risk-based systems and controls for the Fund. The trustee has developed, implemented, and maintains a Risk Management Framework ("RMF").

The RMF identifies the Trustee's policies and procedures, processes and controls that comprise its risk management and control systems. These systems address all material risks, financial and nonfinancial, likely to be faced by the Fund. The risk framework is documented in the Fund's Risk Management Strategy which is subject to regular review both by management and the Board and an annual audit of compliance.

Annually, the Trustee certifies to APRA that adequate strategies have been put in place to monitor those risks, that the Trustee has systems in place to ensure compliance with legislative and prudential requirements and that the Trustee has satisfied itself as to the compliance with the RMF.

The Trustee's Audit, Risk and Compliance Committee oversees how management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund.

### a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties to perform contractual obligations resulting in financial loss to the Fund. The Fund's exposure and the credit ratings of its counterparties are continuously monitored. The Fund invests only in accredited investment managers approved by the Trustee.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Fund does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. It is the opinion of the Trustee that the carrying amounts of these financial assets represent the maximum credit risk exposure at the balance sheet date. There were no significant concentrations of credit risk to counterparties. No individual investment exceeds 5% of net assets at either 30 June 2024 or 30 June 2023.

### b. Liquidity Risk

Liquidity risk is the risk that the Fund might not be able to meet its financial obligations as they fall due in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. The Fund's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities. This risk is controlled through the Fund's investment in financial instruments, in accordance with the overall investment strategy and within approved limits, which under normal market conditions are readily convertible to cash. The Fund maintains sufficient cash and cash equivalents to meet normal operating requirements. The Fund's significant financial liabilities are members' liabilities (refer Note 8) that are equivalent to members vested benefits. Members' benefits are payable to members on demand, but the Fund considers it is highly unlikely that all defined contribution members will request to roll over their superannuation fund account at the same time.

## 5. Financial Risk Management *continued*

### b. Liquidity Risk *continued*

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities based on the earliest contracted settlement dates. While amounts vested are included as immediately payable, it is unlikely that material amounts will be withdrawn in the short term by members given the member retirement profile of the Fund.

#### Financial liability maturity analysis

Maturity	Financial liabilities due for payment					
	Current tax liabilities		Other liabilities		Defined Contribution member liabilities	
	2024 (\$'000)	2023 (\$'000)	2024 (\$'000)	2023 (\$'000)	2024 (\$'000)	2023 (\$'000)
0–6 Months	91,523	46,697	125,001	87,734	29,939,816	23,818,146
<b>Total</b>	<b>91,523</b>	<b>46,697</b>	<b>125,001</b>	<b>87,734</b>	<b>29,939,816</b>	<b>23,818,146</b>

### c. Interest Rate Risk management

The Fund's activities expose it to the financial risk of changes in interest rates. Floating rate instruments expose the Fund to cash flow risk, whereas fixed interest rate instruments expose the fund to fair value interest rate risk. The Trustee monitors its exposures to interest rate risk.

The Fund's exposure to interest rate risk and the effective weighted average interest rates on those financial assets and financial liabilities are as follows:

2024	Floating interest rate (%)	Fixed interest rate (%)	Total (\$'000)
<b>Floating interest rate securities</b>			
Cash at bank	3.61		2,314,922
<b>Total Floating interest rate securities</b>			<b>2,314,922</b>
<b>Fixed interest securities by maturity</b>			
Less than 1 year		4.93	385,480
1 to 5 years		4.87	348,957
<b>Total Fixed interest rate securities</b>			<b>734,437</b>
<b>Total exposure to interest rate risk</b>			<b>3,049,359</b>
<b>2023</b>	<b>Floating interest rate (%)</b>	<b>Fixed interest rate (%)</b>	<b>Total (\$'000)</b>
<b>Floating interest rate securities</b>			
Cash at bank	2.27		2,015,612
<b>Total Floating interest rate securities</b>			<b>2,015,612</b>
<b>Fixed interest securities by maturity</b>			
Less than 1 year		3.54	349,817
1 to 5 years		3.71	197,145
<b>Total Fixed interest rate securities</b>			<b>546,962</b>
<b>Total exposure to interest rate risk</b>			<b>2,562,574</b>

Equities, managed funds, and derivatives have been excluded from this analysis, as they are exposed to market risks other than interest.



## 5. Financial Risk Management *continued*

### d. Interest Rate sensitivity analysis

The following analysis evaluates the potential impact of changes in interest rates on the interest income earned on cash and cash equivalents based on expected future movements over the next 12 months. An increase/(decrease) of 0.5% (2023: 0.5%) in interest rates at the reporting date would have increased/(decreased) interest income by the amounts shown below:

2024	Carrying amount \$ '000	Effect on Interest income	
		+ 0.5% \$ '000	- 0.5% \$ '000
Cash at bank	2,314,922	9,129	(14,021)

2023	Carrying amount \$ '000	Effect on Interest income	
		+ 0.5% \$ '000	- 0.5% \$ '000
Cash at bank	2,015,612	6,853	(13,303)

There were no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

### e. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange (currency risk), market interest rates (interest rate risk) and market prices (price risk). The Fund's policies and procedures put in place to mitigate the Fund's exposure to market risk are detailed in the Trustee's investment policies and the Fund's risk management framework. There has been no change to the Fund's exposure to market risks or the manner in which it manages and measures the risk.

### f. Foreign currency risk

The Fund holds assets denominated in currencies other than the Australian dollar, the functional currency, hence, is exposed to the effects of exchange rate fluctuations. This exchange rate exposure is managed in line with the Trustee's investment policies and Risk Management Framework. The overall strategy in foreign currency risk management remains unchanged from 2023. The Fund's total exposure to fluctuations in foreign currency exchange at the reporting date was as follows:

Assets Fair Value	2024 (\$'000)	2023 (\$'000)
United States Dollars (USD)	493,272	279,432
Great Britain Pound (GBP)	115,248	106,448
Euro Member countries (EUR)	61,441	38,940
Japanese Yen (JPY)	49,258	48,464
Hong Kong Dollar (HKD)	39,500	35,673
Swiss franc (CHF)	9,526	4,929
Canadian Dollar (CAD)	2,574	1,971
Sweden Krona (SEK)	2,511	980
Singapore Dollar (SGD)	1,644	952
Danish Krone (DKK)	194	250

## 5. Financial Risk Management *continued*

### g. Foreign currency sensitivity

A 10% rate is used for internal reporting to the Trustee to assess potential foreign exchange rate changes. This analysis includes only outstanding foreign currency monetary items, adjusting their period-end translation for a 10% rate change. The Fund's foreign currency sensitivity to a 10% (2023: 10%) increase and decrease in the Australian Dollar against the following foreign currencies would have increased/(decreased) the net assets available to pay benefits by the amounts shown below:

	2024 (\$'000)		2023 (\$'000)	
	Effect on net assets available to pay benefits			
	10%	-10%	10%	-10%
United States Dollars (USD)	49,327	(49,327)	27,943	(27,943)
Great Britain Pound (GBP)	11,525	(11,525)	10,645	(10,645)
Euro Member countries (EUR)	6,144	(6,144)	3,894	(3,894)
Japanese Yen (JPY)	4,926	(4,926)	4,846	(4,846)
Hong Kong Dollar (HKD)	3,950	(3,950)	3,567	(3,567)
Swiss franc (CHF)	953	(953)	493	(493)
Canadian Dollar (CAD)	257	(257)	197	(197)
Sweden Krona (SEK)	251	(251)	98	(98)
Singapore Dollar (SGD)	164	(164)	95	(95)
Danish Krone (DKK)	19	(19)	25	(25)

### h. Price risk

The Fund has investments which expose it to price risk. In addition, the Fund holds equity instruments which expose it to equity price risk. Equity price risk is the risk that the fair value of investments in equities decreases or increases as a result of changes in market prices, whether those changes are caused by factors specific to the individual share price or factors affecting all equity instruments in the market. The following table illustrates the fair value of financial assets and derivatives exposed to price risk:

	2024 (\$'000)	2023 (\$'000)
<b>Equities</b>		
Listed securities - domestic	6,106,435	4,721,170
Listed securities - international	773,862	516,458
Unlisted equities	232	206
<b>Total Equities</b>	<b>6,880,529</b>	<b>5,237,834</b>
<b>Units in Managed Funds</b>		
Unlisted Trusts	19,332,808	15,475,289
Unlisted Property Trusts	208,166	176,819
<b>Total Managed Funds</b>	<b>19,540,974</b>	<b>15,652,108</b>
<b>Warrants</b>	<b>13,400</b>	<b>11,429</b>
<b>Total exposure to price risk</b>	<b>26,434,903</b>	<b>20,901,371</b>

## 5. Financial Risk Management *continued*

### h. Price risk *continued*

As the financial instruments of the Fund are carried at fair value with changes in fair value recognised in the income statement, all changes in market conditions will directly affect investment income.

#### Sensitivity Analysis

The Trustee considers the following movements in price risk are reasonably possible. The increase/(decrease) in the market prices would have affected the Fund's net assets available to pay benefits and its investment returns by the amounts shown below, classified by asset class, assuming all other variables, in particular interest rates and foreign exchange rates, remain constant.

2024	Effect on net assets / Investment returns	
	+10 % (\$ '000)	-20% (\$ '000)
Equities	688	(1,376)
Units in Managed Funds	1,954	(3,908)

  

2023	Effect on net assets / Investment returns	
	+10 % (\$ '000)	-20% (\$ '000)
Equities	524	(1,048)
Units in Managed Funds	1,565	(3,130)

### i. Financial instruments management

The Fund's principal financial instruments comprise listed equities, unlisted securities, fixed income securities and cash. The main purpose of these financial instruments is to generate a return on investment. The Fund also has various other financial instruments such as sundry receivables and payables, which arise directly from its operations that are current in nature. Netwealth Investments Limited, a related entity of the Trustee, has been appointed as master custodian on behalf of the Trustee. The Trustee has implemented appropriate processes to obtain assurance over the custodian's internal control framework. The custodian provides services such as the custody and safeguarding of assets including settlement of trades, collection of dividends and accounting for investment transactions.

## 6. Changes in fair value of investments

The table below shows the changes in the fair value of investments:

	2024 (\$'000)	2023 (\$'000)
<b>Investments Held at the end of the financial year</b>		
Interest-bearing investments*	(20)	(62)
Equities	640,020	372,603
Units in Managed Funds	530,995	699,205
Warrants	1,134	1,089
<b>Change in Investments Held</b>	<b>1,172,129</b>	<b>1,072,835</b>
<b>Investments realised during the financial year</b>		
Interest-bearing investments*	158	38
Equities	114,978	71,273
Units in Managed Funds	184,087	82,071
Warrants	232	162
<b>Change in investments realised</b>	<b>299,455</b>	<b>153,544</b>
<b>Changes in the fair value of investments</b>	<b>1,471,584</b>	<b>1,226,379</b>

\*Cash and Short-Term Deposits are renamed as Interest-bearing investments in FY2024.

## 7. Income taxes

### a. Current Tax and deferred tax for the period

The income tax expense in the Income Statement represents the tax on the benefits accrued before income tax adjusted for permanent differences. Income tax paid during the financial year amounted to \$68,739,632 (2023: \$70,918,098).

Income tax expense/(benefit) comprises:

	2024 (\$'000)	2023 (\$'000)
<b>Current tax expense/(benefit)</b>		
Current year	(8,445)	(12,005)
Prior period adjustments related to current year	(359)	(644)
	(8,804)	(12,649)
<b>Deferred tax expense (income) relating to:</b>		
Movement in temporary differences	75,989	86,625
Prior period adjustments related to deferred taxes	2,313	491
	78,302	87,116
<b>Total Income Tax Expense/(Benefit)</b>	<b>69,498</b>	<b>74,467</b>

### b. Income tax liabilities

Current tax liabilities are attributable to the following:

	2024 (\$'000)	2023 (\$'000)
Income tax payable	91,523	46,697
Current tax liabilities	91,523	46,697

## 7. Income taxes *continued*

c. The income tax expense provided in the accounts is reconciled with the prima facie income tax expense as follows:

	2024 (\$'000)	2023 (\$'000)
Operating result before income tax	69,706	73,079
Benefits allocation	2,301,216	1,659,677
	2,370,922	1,732,756
Income tax expense/(benefit) calculated at 15% (2023: 15%)	355,638	259,913
Add/(deduct):		
Exempt pension income	(92,731)	(53,790)
Non-deductible general administration expenses	18,290	14,321
Unrealised income/(loss)	(96,973)	(72,870)
Realised income/(loss)	(36,368)	(33,303)
Imputation credits and other tax credits	(77,968)	(39,047)
Prior year over provision	(359)	(644)
Other	(31)	(113)
<b>Total Income Tax Expense/(Benefit)</b>	<b>69,498</b>	<b>74,467</b>

d. Reconciliation of taxes on contributions recognised in statement of changes in members' benefits

	2024 (\$'000)	2023 (\$'000)
Contributions and transfer in recognised in statement of changes in members benefits	6,691,128	5,362,833
Income tax calculated at 15% (2023: 15%)	1,003,669	804,425
Tax effect of non-concessional contributions received and transfers from other superannuation funds	(875,452)	(699,311)
Other adjustments:		
- No TFN tax withheld	202	(221)
- Other	(8)	(6)
Income tax recognised in statement of changes in members' benefits	128,411	104,887

e. Recognised deferred tax assets and liabilities

	2024 (\$'000)	2023 (\$'000)
Deferred tax liabilities are attributable to the following:		
Temporary differences	92,275	13,973
Deferred tax liabilities	92,275	13,973

f. Deferred tax liabilities reconciliations

The movements in Deferred tax (assets) / liabilities are as follows:

	2024 (\$'000)	2023 (\$'000)
Opening balance	13,973	(73,143)
Realised gains / (losses)	7,872	16,547
Unrealised gains / (losses)	70,430	70,569
<b>Closing balance</b>	<b>92,275</b>	<b>13,973</b>

## 8. Defined contribution member liabilities

Obligations relating to members' benefits are recognised as liabilities. Defined contribution member liabilities are measured at the amount of member account balances as the reporting date.

Defined contribution members bear the investment risk relating to the underlying assets and unit prices used to measure defined contribution member liabilities. Unit prices are updated on daily basis for movements in investment markets. The Fund's management of the investment market risks is as disclosed within Note 4. Defined contribution members liabilities are fully vested as at 30 June 2024 and 30 June 2023.

## 9. Insurance arrangements

The Fund offers income protection, death, and disability insurance benefits to members. The insurance policy is taken out by the Trustee specifically on behalf of the members and is held by the Trustee and covers all members of the Fund who elect to take out insurance under this policy. The policy must remain in the name and under the control of the Trustee and is subject to the provisions of the Trust Deed. The policy may be an individual policy in respect of the beneficiary or may be a part of a group policy issued to the Trustee or any combination of an individual or group policy.

The Fund collects premiums from members on behalf of the insurer. Therefore, insurance premiums are not an expense of the Fund and do not give rise to insurance liabilities. Insurance premiums are paid from cash available in the member's account. It is the member's responsibility to maintain a sufficient cash balance to pay the insurance premiums. Similarly, insurance claim amounts are not income of the Fund. Insurance benefits may be paid to the Trustee of the Fund. These insurance benefits received by the Trustee, which may be greater than the member's vested benefits, will be credited to the member's account or paid to the member or their beneficiaries, subject to the Trust Deed and superannuation law.

Insurance premiums charged to members and insurance claims paid by the insurer are recognised in the statement of changes in members' benefits.

## 10. Fund Reserve

The Trustee maintains a Fund reserve, from which certain approved Fund expenses are paid. These expenses include but are not limited to audit fees, legal fees, tax advisory fees, custody fees and fees or levies imposed by regulators of the Fund or Trustee. These expenses were paid from the Fund reserve and not deducted from member accounts. The Fund reserve is comprised of tax credits, interest, and other income attributable to the Fund. The Fund reserve is retained in cash and cash equivalents.

## 11. Operational risk reserve

The Trustee has assessed an operational risk reserve equivalent to 0.25% of the funds under management appropriately addresses the Fund's operational needs.

The operational risk financial requirement (ORFR) reserve is operated in accordance with the Trustee's ORFR policy. The purpose of the reserve is to provide funding for incidents where material losses may arise from operational risk (as opposed to investment risk) relating to the Fund.

To fund the operational risk reserve within the trustee capital, capital is allocated from the Trustee's parent company (Netwealth Holdings Limited), whilst the member reserve was integrated into the Fund via a successor fund transfers on 1 April 2018. During the financial year, and between 30 June 2024 and the date of this financial report, the requirements of the Fund's ORFR policy were satisfied at all times.

	Held within	2024 (\$'000)	2023 (\$'000)
Operational risk reserve	The Trustee	74,000	58,500
Trustee Capital	The Fund	1,393	1,341
Member reserve			
<b>Total Operational risk reserve</b>		<b>75,393</b>	<b>59,841</b>

## 12. Cash and cash equivalents

Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the Statement of Financial Position as follows:

	2024 (\$'000)	2023 (\$'000)
<b>Cash at Bank</b>	<b>2,314,922</b>	<b>2,015,612</b>

a) Reconciliation of net inflows of cash from operating activities to operating result after income tax

	2024 (\$'000)	2023 (\$'000)
<b>Operating result after income tax</b>	208	(1,388)
Net change in DC member accounts	2,368,003	1,659,677
(Increase)/Decrease in fair value of investments	(1,546,795)	(1,226,380)
Insurance benefits credited to members	22,166	14,257
Insurance premiums	(40,272)	(39,099)
Tax on insurance premiums	6,041	5,865
(Increase)/Decrease in receivables:		
Other Receivables	(1,028)	(62)
Distribution Receivables	(237,657)	149,965
Increase in other liabilities	7,959	1,681
Increase/(decrease) in provision for income tax	22,277	(8,783)
Increase/(decrease) in provision for deferred income tax	85,823	87,116
<b>Net inflows from of cash from operating activities</b>	<b>686,725</b>	<b>642,849</b>



## 13. Receivables

Below are the receivables carried at nominal amounts which approximate fair value. There are no significant terms or conditions applicable to these receivables, and all amounts are expected to be fully recoverable within the next 12 months. No interest is charged on these receivables. We assessed the expected credit loss (ECL) for these receivables using the simplified approach and determined that the ECL is not material.

	2024 (\$'000)	2023 (\$'000)
Investment income receivable	556,573	318,916
Receivables for investments sold	117,397	82,591
Rollovers receivable	68,500	60,327
Contributions receivable	11,291	5,203
GST receivable	825	1,713
Other receivables	1,938	21
<b>Total receivables</b>	<b>756,524</b>	<b>468,771</b>

## 14. Payables

	2024 (\$'000)	2023 (\$'000)
Payable within 30 days		
Pensions payable	436	335
Group Life premiums payable	3,141	3,055
Trustee fees payable	8,885	7,656
Adviser fees payable	17,664	14,361
Benefits payable	34,712	21,760
Payables for purchased investments	55,350	39,096
Other payables	4,813	1,471
<b>Total Payables</b>	<b>125,001</b>	<b>87,734</b>

## 15. Benefits paid and payable

	2024 (\$'000)	2023 (\$'000)
Disablement	43,299	22,534
Death	81,851	68,792
Unrestricted non-preserved benefits	321,228	254,157
Retirement	375,888	339,213
Pension	883,734	564,475
Transfers to other funds	1,007,804	853,665
Other benefit payments	16,393	10,569
<b>Total benefits paid and payable</b>	<b>2,730,197</b>	<b>2,113,405</b>

## 16. Funding Arrangements

During the financial year 2024, employers must make the compulsory super contribution to the Fund at a rate of 11% (2023: 10.5%) on the notional earnings of employees who are members of the Fund. Employees are also able to make additional voluntary contributions.

## 17. Other expenses

The table below sets out the details of other expenses in the Income Statement's Administration and other expenses:

	2024 (\$'000)	2023 (\$'000)
Legal Fees	16	11
Tax advisory fees	101	47
Audit fees	220	118
Custodian fees	1,000	1,027
APRA Levy	1,554	1,369
Sundry Expenses	497	259
<b>Total other expenses</b>	<b>3,388</b>	<b>2,831</b>

## 18. Remuneration of auditors

The auditor of the Fund and the Trustee is Deloitte Touché Tohmatsu. Audit fees paid or payable to Deloitte Australia for the year ended 30 June 2024 are as follows:

	2024 (\$)	2023 (\$)
<b>Audit services</b>		
<b>Audit and review of financial reports</b>		
- NSS, the trustee	44,527	42,406
- NSMF	131,300	106,000
<b>Audit and review of APRA forms</b>	<b>34,221</b>	<b>33,207</b>
<b>Total remuneration of auditors</b>	<b>210,048</b>	<b>181,613</b>

## 19. Remuneration of key management personnel

The remuneration of key management personnel in relation to services to the Fund, is set out below in aggregate for each of the categories specified in AASB 124 Related Party Disclosures.

	2024 (\$)	2023 (\$)
Short-term employee benefits	1,422,248	681,209
Post-employment benefits	35,009	62,302
Other long-term benefits	340,678	-
<b>Key Management Personnel Remuneration</b>	<b>1,797,935</b>	<b>743,511</b>

The key management personnel of the Trustee received no remuneration from the Fund or their employers in connection with the management of the Fund.

The amounts represent remuneration paid to key management personnel (KMP) of the Trustee by Netwealth Group Services Pty Ltd (NGS), a related entity of the Trustee. In FY2023, the KMP are the directors, Chief Operating Officer and General Manager of the Trustee. In FY2024, the KMP are the directors of the Trustee, NWL's Chief Financial Officer (CFO) and NWL's CEO and Managing Director (CEO). Only a portion of the CEO and CFO remuneration are reflected in the above amount. In FY2024, it has been determined on average, 53% of the CEO and CFO duties and responsibilities are in relation to the Fund. The Trustee paid a fee to NGS as a recharge for the services rendered by these KMP. For more details on amounts paid to related parties, refer to Note 20.

## 20. Related parties

Transactions with related parties have taken place at arm's length and in the ordinary course of business.

### a. Trustee

The trustee of the Netwealth Superannuation Master Fund is Netwealth Superannuation Services Pty Limited.

Netwealth Superannuation Master Fund pays administration and investment fees to its trustee, Netwealth Superannuation Services Pty. Ltd.

	2024 (\$)	2023 (\$)
<b>Fees paid or payable</b>		
Administration and investment expenses	97,615,513	80,530,161

### b. Key management personnel

Directors and other key management personnel are remunerated by a related company of the Trustee (refer to Directors' Report on Remuneration and Note 19). The directors and other key management personnel of the Trustee received no remuneration from the Fund or their employers in connection with the management of the Fund.

### c. Contributions and retirement benefits of key management personnel

Certain key management personnel of the Trustee paid member contributions into the Fund. These were in accordance with the normal terms and conditions of the Trust Deed.

### d. Other related party disclosure

During the financial year, there were no retirement benefits paid to directors or relatives of key management personnel (including their related parties) who were members of the Fund (2023: nil).

### e. Transactions with Other Entities

Netwealth Superannuation Master Fund pays custodian fees and other fund expenses to its related party, Netwealth Investments Limited:

	2024 (\$)	2023 (\$)
<b>Fees paid or payable</b>		
Custodian fees and other fund expenses	1,000,072	1,026,870

## 21. Contingent liabilities and contingent assets

The Fund does not have any contingent liabilities or contingent assets.

## 22. Events after the reporting period

Apart from the continuing market volatility, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction, or event of a material and unusual nature likely to significantly affect the operations of the Fund, the results of those operations, or the state affairs of the Fund, in future financial years.

## Directors' Declaration

In the opinion of the directors of Netwealth Superannuation Services Pty Limited, being the trustee of the Netwealth Superannuation Master Fund:

1. There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
2. In the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Fund; and
3. The accompanying financial statements have been drawn up in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and the provision of the Fund's Trust Deed; and
4. The operations of the superannuation fund have been carried out in accordance with its Trust Deed, and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 and Regulations; applicable sections of the Corporations Act 2001 and Regulations; and the requirements under section 13 of the Financial Sector (Collection of Data) Act 2001 for the year ended 30 June 2024.

Signed in accordance with a resolution of the directors of Netwealth Superannuation Services Pty Limited made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the directors of the Trustee



**Rita Harris**  
Chair  
25 September 2024