ZURICH MASTER SUPERANNUATION FUND
ABN 33 632 838 393

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2024

ZURICH MASTER SUPERANNUATION FUND
CONTENTS

	Page(s)
Directors Report	1 - 17
Statement of Financial Position	18
Income Statement	19
Statement of Changes in Member Benefits	20
Statement of Changes in Equity	21
Statement of Cash Flows	22
Notes to the Financial Statements	23 – 39
Trustee's Declaration to the Members	40
Auditor's Report to the Trustee	41

ZURICH MASTER SUPERANNUATION FUND
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024

The directors of Equity Trustees Superannuation Limited ("ETSL"), the Trustee of Zurich Master Superannuation Fund ("The Fund"), present their report together with the Financial Statements of the Fund for the 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:

PRINCIPLE ACTIVITIES

The Fund was established by a Trust Deed dated 2 November 1972 and is a public offer superannuation fund.

The Fund is operated for the purpose of providing members with lump sum or pension benefits upon retirement, termination of service, death, or disablement.

REVIEW OF OPERATIONS

The Fund is an Australian Superannuation Fund with assets wholly invested in capital guaranteed and investment linked insurance policies issued by Zurich Australia Limited.

The value of these investments decreased by $28,994,126 during the year ended 30 June 2024 (2023: $3,390,698).

The performance of the Fund, as represented by the results of its operations, was as follows:

	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000
Operating Results after income tax	62,865	65,705
Net benefits allocated to defined contribution member accounts	(62,759)	(65,662)

The Fund did not have any employees during the year.

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

The various service providers for the Fund are detailed below:

Service	Provider
Trustee	Equity Trustees Superannuation Limited
Administrator	Zurich Australia Limited
Insurer	Zurich Australia Limited
External Fund Auditor	Ernst & Young

ZURICH MASTER SUPERANNUATION FUND
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024

SIGNIFICANT CHANGES TO STATE OF AFFAIRS

During the reporting period Suzanne Holden was appointed as a Non-Executive Director of ETSL.

In the opinion of the Trustee no other significant changes of affairs of the Fund occurred during the year.

DIRECTORS

The following persons held office as directors of ETSL during or since the end of the year and up to the date of this report:

Name	Title	Appointed/Resigned
Mr Michael O'Brien	Managing Director and Executive Director	
Ms Susan Granville Everingham	Non-Executive Director	
Mr Paul Douglas Rogan	Non-Executive Director	Resigned on 16/11/2023
Ms Catherine Anne Robson	Non-Executive Director, Chair	
Mr Steven Thomas Carew	Non-Executive Director	
Mr David Nicholas Coogan	Non-Executive Director	
Ms Suzanne Holden	Non-Executive Director	Appointed on 13/02/2024

CLIMATE CHANGE

Climate change is a systemic risk that could have a material impact on the future financial position, performance or prospects of the Fund. The directors are cognisant that mandatory reporting will be required under the Act and Australian Sustainability Reporting Standard – Disclosure of Climate related Financial Information (Climate ED). It is expected that the climate related financial disclosures will be required from the 30 June 2026 reporting period.

MATTERS SUBSEQUENT TO END OF THE FINANCIAL YEAR

No matter or circumstance has arisen since 30 June 2024 that has significantly affected or may have a significant effect on the operations of the Fund in future financial years; or the results of those operations in future financial years; or the state of affairs of the Fund in future financial years.

FUTURE DEVELOPMENTS

The Fund will continue to be operated in accordance with the terms of the Trust Deed.

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed, and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

INDEMNIFICATION AND INSURANCE OF OFFICERS

No insurance premiums are paid for out of the assets of the Fund in regard to insurance cover provided to the officers of ETSL. So long as the officers of ETSL act in accordance with the Trust Deed and the Law, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

ROUNDING OFF OF AMOUNTS

The Fund is an entity of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, 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.

NON-AUDIT SERVICES

The Fund auditor, Ernst & Young, has not provided any non-audit services to the Fund during the reporting period.

INDEMNIFICATION OF AUDITORS

The auditor of the Fund is in no way indemnified out of the assets of the Fund.

The Trustee has not, 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 auditor.

ENVIRONMENTAL REGULATION

As at the time of reporting the operations of the Fund are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

FINANCIAL STATEMENTS PRESENTATION

The Fund is an entity of the kind referred to by *ASIC Corporations (related Scheme Reports) Instrument 2015/839* and in accordance with that Instrument, funds with a common Trustee can include their financial reports in adjacent columns in a single set of financial reports.

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Auditor's independence declaration to the directors of Equity Trustees Pty Limited as Trustee of the Zurich Master Superannuation Fund

As lead auditor for the audit of the financial report of the Zurich Master Superannuation Fund for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b. No contraventions of any applicable code of professional conduct in relation to the audit.

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Ernst & Young

Andrew Price
Partner
26 September 2024

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REMUNERATION REPORT

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of the key management personnel of the Fund for the period ended 30 June 2024. This report has been prepared in accordance with Corporations Act 2001.

This report covers Key Management Personnel ("KMP"). 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.

Key Management Personnel (KMP)

Along with the Directors noted earlier in this report, the following executives of the Trustee were considered KMP during the reporting period and to the date of this report:

Philip Gentry, Chief Financial Officer, of Equity Trustees Limited and Andrew Godfrey, Executive General Manager of ETSL are also key management personnel with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the reporting period.

The Trustee is part of the broader EQT Group. Mr O'Brien, Mr Godfrey and Mr Gentry are KMP part of the EQT Group (along with KMP of the Trustee), and as such their remuneration packages (including relevant performance KPI's) contain measures applicable to the broader EQT Group. Their remuneration is the responsibility of the Trustee Board in line with the requirements of the relevant regulatory standards and is overseen by the EQT Group and its Remuneration Committee.

Remuneration Framework

Unless otherwise stated in this section, reference to remuneration includes remuneration for the Managing Director and Executives.

Fixed Total Employment Costs (TEC)

Purpose
Provides market competitive remuneration to attract and retain high quality talent while reflecting role scope and accountabilities.

Description
Based on employee's level of responsibility, experience, skills and performance, reviewed annually against market remuneration benchmarks.

Includes
- Salary: fixed annual remuneration.
- Non-monetary: eligible salary sacrifice items and Fringe Benefits Tax ("FBT"), where applicable.
- Long-term employee benefits: long-service leave.
- Post-employment: Superannuation Guarantee Charge ("SGC").

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

Short-Term Incentive (STI)

Purpose
To reward executives for their contribution towards achieving the strategy outcomes, which will enable the achievement of long-term goals.

Description
Variable remuneration that is the 'at risk' component based on annual performance achievement. Each Executive has a unique scorecard comprising of Key Performance Indicators ("KPIs").

Executives have a maximum opportunity applied with a balanced scorecard with material weighting to financial and non-financial outcomes linked to a number of measures including client satisfaction, employee engagement, leadership, strategy execution and EQT Group shareholder measures.

Long-Term Incentive (LTI)

Purpose
To align remuneration with our long-term strategies.

Description
Delivered in equity awards (and shares at vesting) based on prescribed performance hurdles.

Aligned to long-term growth strategy.

The EQT Group Remuneration Committee considers and recommends LTI participation to the EQT Group Board.

Executive KMP continue to have a significant portion of their remuneration linked to performance and at risk. The *Executive Remuneration Incentive Plans* section below provides further details on the remuneration mix if target variable elements are fully achieved for the Managing Director and Executive KMP.

Remuneration of Key Management Personnel

The table below outlines the level of remuneration each director receives for their role with ETSL as Trustee for 13 Funds during the 2024 financial year.

Given some KMP work across the EQT Group, where applicable, the allocation of their total remuneration that is applicable to ETSL has been included in this remuneration report based on the ETSL revenue contribution as a proportion to the total EQT Group revenue. The allocation approximates 15% of the total remuneration of the relevant KMP for the year ended 30 June 2024.

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

Remuneration of Key Management Personnel (continued)

No remuneration of Directors or Key Management Personnel is directly paid out of any Fund under ETSL trusteeship.

Remuneration entitlements of the Executives during the year consist of cash components as well as an accounting-based accrual for such items as long-term employee benefits and share-based payments shown in the following table:

EXECUTIVE KMP	SHORT-TERM EMPLOYEE BENEFITS		POST EMPLOYMENT BENEFITS	TOTAL EMPLOYMENT COST (TEC)	SHORT-TERM BONUS/ INCENTIVE[6]	LONG-TERM EMPLOYEE BENEFITS	SHARE BASED PAYMENTS[3]	TOTAL ETSL KMP REMUNERATION	APPORTIONMENT*
	SALARY $	NON-MONETARY[1] $	SUPERANNUATION[2] $	$	$	LONG SERVICE LEAVE $	$	$	
DIRECTORS									
M O'Brien, Managing Director (MD)									
2024	118,799	2,341	4,110	125,250	89,475	3,942	62,010	280,677	7,157
S Everingham, Non-Executive Director									
2024	87,838	-	9,662	97,500	-	-	-	97,500	2,486
P Rogan, Non-Executive Director[4]									
2024	29,006	-	3,510	32,516	-	-	-	32,516	829
C Robson, Non-Executive Director, Chair[5]									
2024	122,599	-	9,901	132,500	-	-	-	132,500	3,379
S Carew, Non-Executive Director									
2024	97,500	-	-	97,500	-	-	-	97,500	2,486
D Coogan, Non-Executive Director									
2024	87,899	-	9,669	97,568	-	-	-	97,568	2,488
S Holden, Non-Executive Director[7]									
2024	36,411	-	4,005	40,416	-	-	-	40,416	1,031
KEY MANAGEMENT PERSONNEL									
P Gentry, Chief Financial Officer and Chief Operating Officer (CFO/COO)[8]									
2024	62,225	1,139	4,110	67,474	44,985	2,579	5,511	120,549	3,074
A Godfrey, Executive General Manager, Corporate & Superannuation Trustee Services (EGM CSTS)									
2024	472,601	-	27,399	500,000	194,600	1,996	90,314	786,910	20,066

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

Remuneration of Key Management Personnel (continued)

[*] The Corporations Regulations require KMP remuneration to be disclosed as it applies to each fund. The amounts included within the Apportionment column represent the total KMP remuneration allocated as a percentage proportion of the Fund's contribution to ETSL Trustee Fee Revenue. ZMSF contribution was 2.55% of overall ETSL Trustee Fee Revenue

[1] Non-monetary items include eligible salary sacrificed items and any FBT. This includes any sacrificed amounts into EQT shares in accordance with the EQT Salary Sacrifice Share Plan plus any sacrificed amounts into the EQT Workplace Volunteering and Giving Program.

[2] Superannuation includes the SGC and, in some cases, additional superannuation payments that have been sacrificed from salary.

[3] Share-based payments relate to the value of Long-Term Incentive (LTI) Awards. The value attributable to Awards is based on the accounting cost, using the fair value at grant date. For the EPS criterion, an assessment is made of the likely achievement of performance hurdles over the three-year measurement period and the accounting cost is adjusted accordingly. The EPS criteria for Series 17 which ended on 30 June 2024 has been partially achieved. Where an Executive ceases employment during the year, there is a write-back of some prior year accounting costs, which can result in a negative figure in the year. A negative figure can also occur where the accounting estimate of the proportion of an EPS-based award that will be earned is revised downwards.

[4] Part year – departed the Group 16 November 2023.

[5] Remuneration for Ms C Robson includes amounts relating to her appointments as Chair to Equity Trustees Superannuation Limited and HTFS Nominees Pty Ltd.

[6] Short-term incentive amounts included incentives awarded in relation to AET Strategic Incentive.

[7] Part year – joined the Group on 13 February 2024.

[8.] Part year – departed the Group on 7 June 2024.

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

Executive KMP Short-Term Incentive Plan

Purpose	Provides market competitive remuneration to attract and retain high quality talent while reflecting role scope and accountabilities.
Instrument	Cash
Participants	Executives
Opportunity	0% – 65% of TEC
Performance Measures and Weightings	Each KMP member has an individual scorecard of financial and non-financial KPI's.

	FINANCIAL	NON-FINANCIAL
MD	50%	50%
CFO	40%	60%
EGM CSTS	45%	55%

Risk and Values Assessment	All STI payments are subject to two triggers being satisfied: • Achievement of at least 91% of the budgeted NPBT for the EQT Group. • Satisfactory adherence to compliance requirements. The Compliance measure acts as a pre-requisite for any STI payment and the gate will not be achieved if there is a compliance breach that results in a material impact to profit, reputation or the risk profile of the organisation. All employees are assessed against our values.
Deferral	Deferrals of Awards may be required for specified roles to ensure adherence with APRA Prudential Standard CPS 511.

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

At the beginning of each financial year, the EQT Group Board agrees on the balanced scorecard goals for Equity Trustees' and the superannuation entity for the coming year. The scorecard is considered "balanced" because it includes a range of financial and non-financial measures. In FY24, these measures included EQT Group and superannuation entity performance measures, new business, expense control, client satisfaction, member outcomes, employee engagement, service delivery, project delivery, leadership and compliance (including trustee decision making for the revenue business units). The weightings varied according to the specific responsibilities of the Executives. Adherence to the EQT Risk Management and Compliance Framework is a gate to eligibility for a short-term performance incentive.

MEASURE	FY24 KPIs % WEIGHTING		RANGE OF RESULTS AGAINST KPIs
	MANAGING DIRECTOR	CFO/COO and EGM CSTS	Partially Met / Met / Exceeded
EQT Group PBT[1]	35	20-30	
Business unit PBT[1]	-	15-20	
New business[1]	15	15-20	
Expenses[1, 2]	-	0-10	
Staff satisfaction	10	5-10	
Service delivery (internal)	-	0-10	
Client satisfaction (external)		0-5	
Project delivery	15	0-20	
Member outcomes	-	0-15	
Leadership	15	10	
Compliance (and trustee decision making)	10	10	
	100	**100**	

[1] Measure is assessed against budget. An acceptable result for PBT (allowing for all non-operating expenses) is a gate to eligibility for a short-term performance incentive.
[2] Expense measure applies to the CFO/COO only.

Each criterion is given a threshold eligibility target for the minimum incentive and a stretch threshold representing an excellent achievement, for which the target incentive is paid. In all cases, the EQT Group Remuneration Committee confirms the appropriateness of the criteria and thresholds and, at the conclusion of the measurement period, the level of achievement. Short-term incentives are normally paid in cash through the payroll system.

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

At the end of the performance period, short-term incentive targets were assessed by the EQT Group Board in respect of the Managing Director, and the Managing Director assessed the performance of the Executives. The EQT Group Remuneration Committee (with input from the Board Risk, Board Audit and Compliance Committees) and the EQT Group Board considered and approved these incentives. The outcome of each assessment is set out below as it applies to each KMP of the Trustee:

EXECUTIVE KMP	2024 TEC $	2024 STI OPPORTUNITY $	2024 STI AWARDED $	PERCENTAGE OF OPPORTUNITY AWARDED %	AET INTEGRATION STI $	2024 TOTAL STI AWARDED $	Apportio-nment*
M O'Brien	125,250	81,413	74,445	91	15,030	89,475	2,282
P Gentry	72,000	43,200	33,825	78	11,160	44,985	1,147
A Godfrey	500,000	250,000	194,600	78	-	194,600	4,962

* The Corporations Regulations require KMP remuneration to be disclosed as it applies to each fund. The amounts included within the Apportionment column represent the Executive KMP incentive allocated as a percentage proportion of the Fund's contribution to ETSL Trustee Fee Revenue. ZMSF contribution was 2.55% of overall ETSL Trustee Fee Revenue

Executive Long-Term Performance Incentives

Long-term incentives ("LTI") provide Executives with remuneration delivered in equity if conditions are met over a three-year period. LTI awards are granted annually, which provides ongoing benefits to Executives for achieving appropriate outcomes and is a retention mechanism. The LTI awards ("Awards") confer the right to acquire shares at no cost, subject to meeting prescribed performance hurdles. The accounting cost of long-term performance incentives is spread over the measurement (or vesting) period. The structure of the Plan, approved by the EQT Group Remuneration Committee, forms part of the remuneration structure of eligible Executives, in particular the long-term incentive component of remuneration. The following is an overview of the key features of the Plan as determined by the EQT Group Remuneration Committee, approved by the EQT Group Board and communicated to EQT Group shareholders in the Annual Report.

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

Executive Long-Term Performance Incentives (continued)

Key Terms and Conditions

The following table shows the basis of measurement, hurdle(s) and vesting schedule for the LTI series ending 30 June 2024, as well as the current active series:

		TERMS OF AWARD	
	Basis of Measurement	Hurdle	Vesting schedule
Series 19 (1 July 2023 – 30 June 2026)	EPS of EQT Group	4% p.a. 4% to 10% p.a. >10% p.a.	20% Pro Rata 100%
	Relative TSR of EQT Group	<50th %ile 50th %ile 50th to 75th %ile > 75th %ile	Nil 50% Pro Rata 100%
	Customer Satisfaction (CSAT)	3 yr ave satisfaction of 80% or above	100%
Series 18 (1 July 2022 – 30 June 2025)	EPS of EQT Group	4%p.a. 4% to 10% p.a. >10% p.a.	20% Pro Rata 100%
Series 17 (1 July 2021 – 30 June 2024)	EPS of EQT Group	4%p.a. 4% to 10% p.a. >10% p.a.	20% Pro Rata 100%

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

Executive Long-Term Performance Incentives (continued)

Long-Term Incentive

Instrument	Performance Rights
Participants	Executives
Opportunity	40% – 65% Is calculated by dividing the value of the Award by the volume weighted average price of EQT Holdings Limited shares traded during the three-month period to 30 June of each year.
Performance Hurdles	Earnings Per Share (EPS) growth (60%) • 4% growth p.a. = 20% vesting • 10% growth p.a. = 100% vesting • Pro-rata between 4% p.a. and 10% p.a. Relative Total Shareholder Return of EQT Group (rTSR) 20% rTSR percentile ranking against ASX 300 Diversified Financial Industry Group with a market capitalisation below $10b. • Less than the 50th percentile = Nil vesting • Equal to the 50th percentile = 50% vesting • Between the 50th and 75th percentile = 50% to 100% vesting determined on a straight-line basis • Equal to the 75th percentile or above = 100% vesting Client Focused Customer metric (20%) • Three-year average customer satisfaction rating (of most recent experience) at 80%.
Performance Period	Three years
Additional Deferrals	Deferrals of vested Awards past three years may be required for specified roles to ensure adherence with APRA Prudential Standard CPS 511.
Calculations of Awards	The value of the Award is determined by the EQT Group Remuneration Committee, and the number of share entitlements issued to each participant for a particular Series is calculated by dividing the value of the Award by the volume weighted average price of EQT Holdings shares (EQT) traded during the three-month period to 30 June of each year.
Share Entitlements	Each share entitlement converts to one ordinary share of EQT on exercise. No amounts are paid or payable by participants on receipt of the share entitlements. The number of share entitlements on issue is adjusted for any capital reconstructions during the measurement period. Holders of share entitlements do not have a right, by virtue of the entitlements held, to participate in any new share issue of the Company.
Dividends and Voting Rights	The share entitlements carry neither rights to dividends nor voting rights. Dividends are received by participants once Awards are issued into shares.
Forfeiture and Disposal	Shares are subject to forfeiture conditions during the three-year measurement period. Participants are able to nominate a disposal restriction period of up to 12 years from the issue date of the shares following the initial three-year measurement period. The use of hedging or derivative techniques is not permitted until shares are released from the forfeiture condition. If hedging or derivative techniques are used during the period when there is still a forfeiture condition in place, then the shares are forfeited. The Group Securities Dealing Policy also makes reference to the prohibition on hedging or derivative techniques and applies to all employees.
Board Discretion	The EQT Group Board has absolute and unfettered discretion under the Plan, including in a change of control situation.
Cessation of Employment	Other than in exceptional circumstances, the participant must be employed within the entity for the duration of the measurement period to exercise any share entitlements.
Clawback and Malus	The EQT Group Board retains discretion to adjust remuneration outcomes (including to zero) to ensure that Awards are not provided where it would be inappropriate or would provide unintended outcomes. The EQT Group Board intends to exercise such discretion in a manner that is consistent with supporting sound and effective risk management, protecting Equity Trustees' reputation and aligned with the creation of long-term value. If this discretion was applied in any year, it would be clearly disclosed and explained.

In accordance with the Plan, variations to the above features may apply, where approved by the Board.

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

Executive Long-Term Performance Incentives (continued)

The following unvested share-based payment arrangements under the LTI were in existence during the period. Please note this remuneration table is the total performance right issued to KMP and this has not been apportioned to the individual RSE.

AWARD SERIES[1]	ISSUED AT GRANT DATE	EXERCISED	FORFEITED / LAPSED	NUMBER OUTSTANDING AT 30 JUNE 2024	GRANT DATE	VESTING DATE[3]	EXERCISE PRICE $	FAIR VALUE AT GRANT DATE $	MAXIMUM POTENTIAL ACCOUNTING VALUE OF GRANT[2] $
2023/24 Series 19 (MD only)[4]	20,429	-	-	**20,429**	26/10/2024	30/06/2026	Nil	16.65 to 21.65	421,858
2023/24 Series 19 (Executives)[4]	20,250	-	10,840	**9,410**	5/01/2024	30/06/2026	Nil	14.80 to 22.88	215,301
2022/23 Series 18 EPS (MD only)	18,659	-	5,598	**13,061**	31/10/2022	30/06/2025	Nil	22.66	295,970
2022/23 Series 18 EPS (Executives)	13,440	-	11,360	**2,080**	16/09/2022	30/06/2025	Nil	23.57	49,019
2021/22 Series 17 EPS (MD only)	18,750	-	9,188	**9,562**	15/11/2021	30/06/2024	Nil	22.67	216,771
2021/22 Series 17 EPS (Executives)	9,192	-	4,504	**4,688**	15/10/2021	30/06/2024	Nil	25.45	119,308
Totals	**100,720**	**-**	**41,490**	**59,230**					**1,318,227**

[1] The difference between the number of Awards outstanding at 30 June 2024 and the balance of Awards outstanding for KMP at 30 June 2024 relates to Awards issued to executives not deemed to be KMP.
[2] The potential minimum accounting value of each Grant series is nil.
[3] The expiry date is seven-years following the relevant vesting date.
[4] Series 19 awards measured using the rTSR hurdle have a fair value of $16.65 and $14.80 for the Managing Director and Executives respectively. Series 19 awards measured using EPS or non-financial hurdles are valued at $21.65 and $22.88 for the Managing Director and Executives respectively.

REMUNERATION REPORT (CONTINUED)

Remuneration Framework (continued)

Executive Long-Term Performance Incentives (continued)

The following is a summary of movements in Awards in respect of Executives.

Please note this remuneration table is the total performance right issued to KMP and this has not been apportioned to the individual RSE.

	BALANCE OF AWARDS AT 1 JULY 2023	AWARDS GRANTED AS COMPENSATION	AWARDS EXERCISED INTO SHARES	AWARDS FORFEITED/ LAPSED	BALANCE OF AWARDS AT 30 JUNE 2024	AWARDS VESTED & EXERCISABLE (EXCLUDING THOSE ALREADY EXERCISED)	BALANCE OF AWARDS NOT VESTED AT 30 JUNE 2024[1]	VESTED DURING 2024 YEAR
	NO.	NO.	NO.	NO.	NO.	NO.	NO.	NO.
CURRENT EXECUTIVE KMP								
M O'Brien	37,409	20,429	-	9,188	48,651	9,563	39,088	9,563
A Godfrey	2,971	9,410	-	-	12,381	-	12,381	-
FORMER EXECUTIVE KMP								
P Gentry	19,661	10,840	-	25,813	4,688	5,067	-	5,067
Totals	**60,041**	**40,679**	**-**	**35,001**	**65,720**	**14,630**	**51,469**	**14,630**

[1] The balance of Awards not vested at 30 June 2024 does not necessarily represent Awards that will be vested in the future. The balance will remain until the respective measurement periods have been completed and a final assessment is made.

REMUNERATION REPORT (CONTINUED)

Employment Agreements

The employment agreements for the Managing Director and Executives are ongoing, permanent, full-time agreements that do not have a stipulated fixed term.

The designated notice period for the Managing Director is six months. For the Executives, the designated notice period ranges between three and six months.

Director and Executive KMP Equity Holdings

Director and Executive relevant interests in fully paid ordinary shares of EQT Holdings Limited for the financial year are as follows:

DIRECTORS	BALANCE AT 1 JUL 2023 NO.	RECEIVED ON EXERCISE OF SHARE RIGHT NO.	NET OTHER CHANGE[1] NO.	BALANCE AT 30 JUN 2024 NO.
CURRENT DIRECTORS				
M O'Brien	119,215	-	19,596	138,811
S Everingham	-	-	-	-
P Rogan	-	-	-	-
C Robson[2]	5,153	-	3,889	9,042
S Carew	-	-	-	-
D Coogan	-	-	-	-
S Holden	-	-	-	-

REMUNERATION REPORT (CONTINUED)

Director and Executive KMP Equity Holdings (continued)

EXECUTIVE KMP	BALANCE AT 1 JUL 2023 NO.	RECEIVED ON EXERCISE OF SHARE RIGHT NO.	NET OTHER CHANGE[1] NO.	BALANCE AT 30 JUN 2024 NO.
CURRENT EXECUTIVES				
A Godfrey	-	-	-	-
FORMER EXECUTIVES				
P Gentry	26,070	-	(26,070)	-
Totals	**150,438**	**-**	**(2,585)**	**147,853**

[1] Net Other Change refers to additions or reductions in shareholdings although also includes shares held by departed Directors or Executives at the time of departure. In the current period *Net Other Change* also includes shares held by Executives deemed not to be KMP.
[2] Shares held by C Robson as at 30 June 2023 have been restated to reflect 194 shares issued under the Dividend Reinvestment Program (DRP) that were previously not included.

There were no shares granted during FY24 as compensation.

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

Catherine Robson - Chair ETSL

26 September 2024

ZURICH MASTER SUPERANNUATION FUND
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 $'000	2023 $'000
Assets			
Investments			
Investment in life insurance policies	14	**822,973**	851,967
Total assets		**822,973**	851,967
Liabilities		**-**	-
Total liabilities (excluding member benefits)		**-**	-
Net assets available for member benefits		**822,973**	851,967
Member benefits			
Defined contribution member liabilities	5(b)	**820,837**	849,087
Total member benefits		**820,837**	849,087
Total net assets		**2,136**	2,880
Equity			
Operational risk reserve	6	**2,136**	2,880
Total equity		**2,136**	2,880

The Statement of Financial Position should be read in conjunction with the accompanying Notes to the Financial Statements.

ZURICH MASTER SUPERANNUATION FUND
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		$'000	$'000
Superannuation Activities			
Revenue			
Change in fair value of investments		**72,983**	76,696
Total revenue		**72,983**	76,696
Expenses			
Management fee expenses	10	**(7,813)**	(8,593)
Total expenses		**(7,813)**	(8,593)
Operating Result before income tax expense		**65,170**	68,103
Income tax expense	7	**(2,305)**	(2,398)
Operating Result after income tax expense		**62,865**	65,705
Net benefits allocated to defined contribution member accounts		**(62,759)**	(65,662)
Transfer to Operational risk reserve	6	**(106)**	(43)
Operating Result		**-**	-

The Income Statement should be read in conjunction with the accompanying Notes to the Financial Statements.

ZURICH MASTER SUPERANNUATION FUND
STATEMENT OF CHANGES IN MEMBER BENEFITS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $'000	2023 $'000
Opening balance of Member Benefits as at 1 July		**849,087**	852,520
Contributions:			
Employer contributions		**20,937**	21,271
Member contributions		**15,044**	11,887
Government co-contributions		**69**	104
Transfers from other superannuation entities		**2,711**	1,073
Income tax on contributions		**(3,128)**	(3,334)
Net after tax contributions		**35,633**	31,001
Benefits paid to members		**(124,948)**	(101,157)
Insurance premiums charged to members account		**(11,340)**	(12,028)
Death and disability benefits paid to members		**6,490**	10,691
Reserve transfer to members		**850**	-
Net change in member defined contribution benefits before income tax comprising:			
Net investment income attributable to members		**72,878**	76,653
Management fee expenses	10	**(7,813)**	(8,593)
Closing balance of Member Benefits as at 30 June		**820,837**	849,087

The Statement of Changes in Member Benefits should be read in conjunction with the accompanying Notes to the Financial Statements.

ZURICH MASTER SUPERANNUATION FUND
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Note	**2024**	2023
		$'000	$'000
Opening balance as at 1 July		**2,880**	2,837
Net transfers to/(from) Operational risk reserve		**(744)**	43
Closing balance as at 30 June		**2,136**	2,880

The Statement of Changes in Equity should be read in conjunction with the accompanying Notes to the Financial Statements.

ZURICH MASTER SUPERANNUATION FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Management fee expenses paid		**(7,813)**	(8,593)
Insurance premiums charged to members		**(11,340)**	(12,028)
Proceeds from life risk insurance policies		**6,490**	10,691
Net cash outflow from operating activities	8	**(12,663)**	(9,930)
Cash flows from investing activities			
Payments for purchases of investments		**(45,251)**	(45,025)
Proceeds from sale of investments		**147,229**	125,111
Net cash inflow from investing activities		**101,978**	80,086
Cash flows from financing activities			
Employer contributions		**20,937**	21,271
Member contributions		**15,044**	11,887
Government co-contributions received		**69**	104
Transfers from other superannuation entities		**2,711**	1,073
Benefits paid to members		**(124,948)**	(101,157)
Tax paid on contributions		**(3,128)**	(3,334)
Net cash outflow from financing activities		**(89,315)**	(70,156)
Net movement in cash		**-**	-
Cash at beginning of the financial year		**-**	-
Cash at end of the financial year		**-**	-

The Fund does not have its own bank account. All transactions of the Fund are non-cash related as all its transactions are administered through life insurance policies held with Zurich Australia Limited. A Statement of Cash Flows has been presented to illustrate the cash flows of Fund transactions through the life insurance policies held with Zurich Australia Limited.

The Statement of Cash Flows should be read in conjunction with the accompanying Notes to the Financial Statements.

1. GENERAL INFORMATION

Zurich Master Superannuation Fund ("the Fund") is domiciled in Australia and was established by a Trust Deed dated 2 November 1972 and is a public offer superannuation fund.

The Fund is a defined contribution fund whereby contributions of the employer and the employees are made in accordance with the terms of the Trust Deed. The members' accounts are credited or debited each year with contributions and their proportionate share of the net investment income, expenses and income tax expense of the Fund.

In accordance with amendments to the *Superannuation Industry (Supervision) Act 1993*, the Fund was registered with the Australian Prudential Regulation Authority on 28 June 2006 (registration number R1067651).

The Trustee of the Fund for the reporting period is Equity Trustees Superannuation Limited (the "Trustee") (ABN 50 055 641 757, AFSL No. 229757 RSE License L0001458), domiciled in Australia and registered with the Australian Prudential Regulation Authority.

The address of the Fund's registered office is Level 1, 575 Bourke Street, Melbourne, VIC 3000.

The administrator of the Fund is Zurich Australia Limited ("ZAL") ABN 92 000 010 195.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The Financial Statements are a general-purpose financial report which have been prepared in accordance with Australian Accounting Standards, Interpretations, the *Superannuation Industry (Supervision) Act 1993* and provisions of the Trust Deed.

The Financial Statements were authorised for issue by the board and directors of the Trustee on 26 September 2024. For the purposes of the financial statements the Fund is a for-profit entity.

(b) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2. BASIS OF PREPARATION (CONTINUED)

(b) Use of Estimates and Judgements (continued)

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities.

Estimates are evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(c) Basis of Measurement

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

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

(d) New Standards and Interpretations adopted during the period

The Fund has adopted all 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 are:

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

• AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

• AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards.

There have been no material impacts of adopting the Standards listed above.

2. BASIS OF PREPARATION (CONTINUED)

(e) Accounting Standards and Interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2024 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

New or revised requirement	Title	Effective Date (annual periods beginning on or after)	30 June 2024 year end applicability
AASB 2022-5	Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback	1 January 2024	Optional
AASB 2023-X	Amendments to Australian Accounting Standards - Amendments to Australian Accounting Standards–Supplier Finance Arrangements	1 January 2024	Optional

3. SUMMARY OF SIGNIFICANT 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 period ended 30 June 2023.

(a) Cash and Cash Equivalents

Cash and short-term deposits comprise cash at bank and short-term deposits with an original maturity of three months or less.

The Fund itself does not have its own bank account as all operational cash flows of the fund are administered by ZAL.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial Instruments

(i) Classification

The Fund's investments are classified as fair value through profit or loss. These include financial assets comprising:

a. Investment in capital guaranteed insurance policies - issued by ZAL and recorded at its capital guaranteed value, which consists of contributions, plus change in fair value, less benefit payments, administration expenses, life premiums, surcharge (if any) and income tax. Change in fair value for the current year has been credited at the declared base rate of 5.0% per annum (2023: 2.0%). The actual net interest credited to the policies are commensurate with the investment returns achieved on assets backing these investments and is derived according to the base rate and the policy terms and conditions and varies between individual plans.

b. Investment in investment linked insurance policies - issued by ZAL and recorded at fair value, based on the unit redemption price and the number of units held at balance date.

(ii) Recognition / Derecognition

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

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

(iii) Measurement

At initial recognition, the Fund measures a financial asset or liability at fair value.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through Income Statement are measured at fair value. Gains and losses are presented in the Income Statement in the period in which they arise as net changes in fair value of financial instruments.

(iv) Offsetting Financial Instruments

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Benefits Payable

Benefits payable are valued at the amounts due to members at the reporting date. Benefits payable comprise benefits of members who are due a benefit but had not been paid at reporting date.

(d) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- Movement in fair value of investments

Changes in the fair value of investments are recognised as income/(losses) and are determined as the difference between the fair value at year end or consideration received (if sold during the year) and the fair value as at the prior year end or cost (if the investment was acquired during the year).

(e) Contributions and Transfers from Other Funds

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

(f) Income Tax

The Fund is a complying superannuation fund within the provisions of the Income Tax Assessment Act. Accordingly, the concessional tax rate of 15% has been applied on net investment earnings.

The Fund's investment in the insurance policies are managed by ZAL which is responsible for any income tax relating to it. Investment income from this investment is allocated to the Fund net of income tax and is disclosed as such in the Income Statement.

The income tax expense does not include taxes levied on assessable contributions, which are included in the Statement of Changes in Members Benefits. The liability for contributions tax, if any, is transferred to ZAL annually.

(g) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (“GST") recoverable from the Australian Taxation Office (ATO) as a reduced input tax credit (“RITC”), except;

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Defined Contribution Member Liabilities

The liability for defined contribution members is the Fund's present obligation to pay benefits accrued to members or their beneficiaries in the future as a result of the membership up to the end of the reporting period. This has been calculated as the difference between the carrying amount of the assets and the carrying amounts of the sundry liabilities and income tax liabilities as at balance date.

(i) Functional and Presentation Currency

The financial statements are presented in Australian dollars which is the functional and presentation currency of the Fund and have been rounded to the nearest thousand unless otherwise stated.

(j) Comparative Amounts

Certain reclassification may have been made to prior year's financial statements to enhance comparability with the current period's financial statement.

4. 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, cash flow interest rate risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Fund's risk management and investment policies, approved by the Trustee, seek to minimise the potential adverse effects of these risks on the Fund's financial performance. These policies may include the use of certain financial derivative instruments.

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 non-financial, likely to be faced by the Fund. Annually, the Trustee is required to certify to APRA whether 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.

(a) Market Risk

(i) Price Risk

Price risk is the risk of diminution in value of the Fund's investment portfolio arising from adverse movements in financial instruments. The risk is controlled by ensuring that all activities are transacted in accordance with approved strategies and limits. Market risk analysis is conducted on a regular basis and risk management controls ensure that positions are monitored against the portfolio risk limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments as at 30 June 2023 and 30 June 2024.

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market Risk (continued)

(ii) Foreign Currency Risk

Foreign currency risk arises as the value of monetary securities denominated in other currencies fluctuates due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk.

The direct investments held by the Fund do not have any direct exposure to foreign exchange risk. This disclosure has not been made on a look through basis for investments held indirectly through underlying investments.

(iii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund does not have any direct exposure to interest rate risk. This disclosure has not been made on a look through basis for investments held indirectly through underlying investments. Any interest rate risk from these investments is reported as a component of price risk for the purposes of the sensitivity analysis.

(iv) Sensitivity Analysis

The investment assets of the Fund are represented by insurance policies whilst members' benefits are set out in the Fund's Trust Deed.

The following table summarises the sensitivity of the Fund's net assets available to pay benefits to price risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to several factors, including historical correlation of the Fund's investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Fund invests. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

In determining the impact of an increase/decrease in net assets available to pay benefits arising from market risk, management have considered prior period and expected future movements of the investment information in order to determine a reasonably possible shift in assumptions.

The capital guaranteed insurance policies are issued by the insurer, ZAL. Whilst the capital guaranteed insurance policies are subject to both increases and decreases in value as a result of price risk, the downside risk is limited as the invested capital is guaranteed by ZAL.

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market Risk (continued)

(iv) Sensitivity Analysis (continued)

The following summarised sensitivity analysis is not intended to be an accurate indication of the sensitivity of each individual member's balances due to price risk, as the performance of each member's balance may vary significantly dependent of their elected portfolio allocations and exposures to the various underlying investment strategies.

30 June 2024	**Sensitivity Rate**	**Impact on net assets available to pay benefits**	
		Increase	**Decrease**
	%	**$'000**	**$'000**
Life Insurance Policies	**10**	**82,297**	**(82,297)**
		82,297	**(82,297)**

30 June 2023	Sensitivity Rate	Impact on net assets available to pay benefits	
		Increase	Decrease
	%	$'000	$'000
Life Insurance Policies	10	85,197	(85,197)
		85,197	(85,197)

(b) Fair Value of Financial Assets

The aggregate carrying values of financial assets approximate their fair values. The methods used to determine the fair value of financial assets and liabilities are included in the summary of significant accounting policies in note 3.

(c) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Fund invests all member funds into insurance policies issued by ZAL. Accordingly, there is a counterparty risk as all funds are held by ZAL. However, this risk is mitigated as ZAL is an APRA regulated entity which is required to maintain adequate prudential measures to safeguard policyholder funds. ZAL management monitors the capital adequacy of ZAL in accordance with its Prudential Capital Requirements.

The carrying amounts of financial assets included in the Statement of Financial Position represent the Fund's exposure to credit risk in relation to these assets.

These investments are not rated by any credit rating agency.

The Fund does not have any financial assets that are past due or impaired at year end.

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through the ability to close-out market positions.

To control liquidity risk, the Fund invests in insurance policies, which under normal conditions are readily convertible to cash.

The table shows expected future policies maturities values.

	2024	2023
	$'000	$'000
At call	**822,973**	851,967
	822,973	851,967

(e) Capital Risk Management

The Trustee has established an Operational Risk Reserve ("ORR") to provide funding for incidents where material losses may arise from an operational risk event (as opposed to investment risk) relating to the Fund. The level of reserve is determined by the Trustee based on an assessment of the risks faced by the Fund. The Trustee has an operational risk financial requirement strategy to manage assets held in the ORR. According to Superannuation Prudential Standard 114: Operational Risk Financial Requirement, (SPS 114) which became effective 1 July 2013, the financial resources held to meet the ORR must be held either as:

- An operational risk reserve held within an RSE;
- Operational risk trustee capital held by the RSE licensee; or
- A combination of both an operational risk reserve held within an RSE and operational risk trustee capital held by the RSE Licensee.

The target amount has been met as at the reporting date as set out in note 6.

5. MEMBER LIABILITIES AND FUNDING ARRANGEMENTS

(a) Recognition and Measurement of Member Liabilities

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

(b) Defined Contribution Member Liabilities

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

Defined contribution members bear the investment risk relating to the underlying assets of the Fund. Unit prices are updated on a daily basis for movements in investment markets.

Defined contribution members' liabilities are fully vested as at 30 June 2024 and 30 June 2023.

	2024	2023
	$'000	$'000
Defined Contribution Member Liabilities	**820,837**	849,087
	820,837	849,087

(c) Funding Arrangements

The funding policy adopted in respect of the Fund is directed at ensuring that benefits accruing to members and beneficiaries are fully funded. The employers and the members contributed to the Fund at variable rates.

6. OPERATIONAL RISK RESERVE

	2024	2023
	$'000	$'000
Balance at beginning of year	**2,880**	2,837
Transfer to the reserve during the year	**106**	43
Transfer from the reserve during the year	**(850)**	-
Balance at end of the year	**2,136**	2,880

Under APRA Prudential Standard SPS114: Operational Risk Financial Requirement (ORFR), the Trustee determined it would maintain an Operational Risk Reserve (ORR) Target Amount of 0.25% of the Fund's net assets wholly within the ORR.

The Trustee will review the funding methodology of the ORR if it falls below 80% of the Target Amount. The level and appropriateness of the ORR will be reviewed as part of the annual review of the Risk Management Strategy.

The ORR is part of the financial management of the Fund and is operated in accordance with the ORR Strategy. The ORR may be used in certain circumstances to address operational risk events or claims against the Fund arising from operational risk.

At 30 June 2024, the ORR represented 0.26% (2023: 0.34%) of the Fund's Net Asset Value which was above the ORR target amount and within the upper tolerance limit per the policy.

7. INCOME TAX

Income tax is assessable at 15% of employer contributions with deductions allowable for life risk premiums paid. A reconciliation of income tax expense with revenues and expenses for the year before income tax expense is set out below:

	2024	2023
	$'000	$'000
Operating result for the year before income tax	**65,170**	68,103
Prima Facie income tax at 15% (2023:15%)	**9,776**	10,215
Tax Effect of permanent differences:		
Non taxable changes in fair value of investment	**(10,948)**	(11,504)
Excess of non assessable contributions over premiums	**2,305**	2,398
Non taxable management fees	**1,172**	1,289
Total adjustments for permanent differences	**(7,471)**	(7,817)
Income tax expense	**2,305**	2,398

The Fund deducts from individual member accounts an amount for Contributions Tax. This charge is only made against member accounts receiving assessable contributions and is levied at 15% after allowing for any payments made on that individual account for the cost of providing death and disablement cover. No adjustment is made to individual member accounts that do not have assessable contributions. These deductions are made pursuant to the master policies between the Fund and ZAL, the financial impact of which is disclosed to Fund members in the Product Disclosure Statement and their periodic statements.

The actual tax liability of the Fund is transferred by the Trustee to ZAL under the mechanism authorized by section 295-260 of the Income Tax Assessment Act 1997. However, a difference arises between the aggregate amounts deducted from individual member accounts, and what the actual tax liability of the Fund would have been had the transfer not taken place, as more deductions are available on a pooled basis than on an individual member basis.

During the current year, $3,127,751 (2023: $3,333,891) was deducted from individual member accounts in respect of Contributions Tax. The tax paid by the Fund for 2024 was $2,305,162 (2023: $2,398,386).

Under the tax administration agreement and the master policies the Trustee has in place with ZAL, the current year difference between contributions tax deducted from individual member accounts and the tax liabilities of the Fund of $822,589 (2023: $935,505) was attributed between the Fund and ZAL in line with the allocation outlined in the agreement and the master policies.

These arrangements set out ZAL's entitlement to any excess of the total amounts of tax deducted from member's accounts over ZAL's obligations arising under Section 295-260 of the Income Tax Assessment Act 1997. ZAL guarantees administration fees will not increase until 2025 (except for those that can increase in line with CPI) in exchange for the Fund participating with ZAL in a tax agreement authorized under Section 295-260 of the 1997 Tax Act. Pursuant to these policies ZAL is entitled to 100% of any excess, provided the Fund's ORR requirements are met. ZAL received benefits of $822,589 (2023: $935,505) through its administration of the Fund's tax affairs.

8. CASH FLOW RECONCILIATION

Reconciliation of cash flows from operating activities

	2024	2023
	$'000	$'000
Operating Result	**-**	-
Adjustments for:		
Change in fair value of investments	**(72,878)**	(76,653)
Change in member defined contributions	**65,065**	68,060
Death and disability proceeds received from insurer	**6,490**	10,691
Insurance premiums paid	**(11,340)**	(12,028)
Net cash outflows from operating activities	**(12,663)**	(9,930)

9. RELATED PARTIES DISCLOSURES

(a) Trustee

The Trustee of the Fund is Equity Trustees Superannuation Limited (ABN 50 055 641 757, RSE Licensee L0001458).

(b) Directors

Key management personnel include persons who were directors of Equity Trustees Superannuation Limited at any time during the reporting period or since the end of the reporting period, as follows:

Name	Title	Appointed/Resigned
Mr Michael O'Brien	Managing Director and Executive Director	
Ms Susan Granville Everingham	Non-Executive Director	
Mr Paul Douglas Rogan	Non-Executive Director	Resigned on 16/11/2023
Ms Catherine Anne Robson	Non-Executive Director, Chair	
Mr Steven Thomas Carew	Non-Executive Director	
Mr David Nicholas Coogan	Non-Executive Director	
Ms Suzanne Holden	Non-Executive Director	Appointed on 13/02/2024

None of the above directors of the Trustee are members of the Fund.

(c) Other Key Management Personnel

Philip Gentry, Chief Financial Officer of Equity Trustees Limited and Andrew Godfrey, Executive General Manager of Equity Trustees Superannuation Limited are also key management personnel with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the reporting period.

(d) Remuneration to Directors of the Trustee

The directors of the Trustee, and other key management personnel do not receive remuneration directly from the Fund.

The Fund has not made, guaranteed, or secured, directly or indirectly, any loans to key management personnel, its directors, or their personally related entities at any time during the reporting period.

9. RELATED PARTIES DISCLOSURES (CONTINUED)

(e) Trustee Fees

	2024	2023
	$	$
Trustee Fees (ex GST) to Equity Trustees Superannuation Limited paid by Zurich Australia Limited outside of the fund	**523,518**	502,625
Total	**523,518**	502,625

There were no transactions between the Fund and the Trustee during the year (2023: $nil).

(f) Expenses incurred by and reimbursed (or to be reimbursed) to the Trustee

Along with Trustee fees already disclosed in note 9(e) there are also Fund related expenses which will be reimbursed to the Trustee by the Fund Administrator, ZAL. The expenses are detailed as below:

	2024	2023
	$	$
APRA levy	**98,547**	64,828
AFCA/ASIC reimbursements	**26,444**	31,486
Annual Member meeting costs and legal fees	**12,125**	16,266
Total	**137,116**	112,580

10. MANAGEMENT FEE EXPENSES

During the year, ZAL charged management fee expenses under insurance policies held by the Fund. The fees totaled $7,813,174 (2023: $8,592,797) and are disclosed in the Income Statement. The Fund discloses management fee expenses that include expenses charged at members' level as well as the indirect expenses charged to members embedded in the unit price of the investments in the various asset pools of the investment linked insurance policies.

11. INSURANCE ARRANGEMENTS

The Fund's assets are wholly invested in investment linked and capital guaranteed insurance policies issued by ZAL. The Fund provides death and disability benefits to members and these benefits are greater than the members' vested benefit. The Trustee has therefore taken out insurance with ZAL to cover the part of the benefit in excess of the vested benefit.

12. COMMITMENTS AND CONTINGENT LIABILITIES

There are no commitments or contingent liabilities in respect of the Fund as at 30 June 2024 (2023: $nil).

13. EXTERNAL AUDITOR'S REMUNERATION

	2024 **$**	2023 $
Remuneration for audit and review of the financial statements, regulatory reporting, and compliance*:		
Statutory audit fees – EY	**210,430**	191,300
Remuneration for Deloitte audit and review of compliance: RMF & Compliance fees	**8,979**	9,022
Total Auditor's Remuneration	**219,409**	200,322

* Auditor's remuneration is paid by Zurich Australia Limited outside the Fund.

14. FAIR VALUE MEASUREMENTS

Fair value hierarchy

The Fund classifies fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Level 1 fair value measurements are those instruments valued based on quoted prices (unadjusted) in active markets for identical assets and liabilities. These inputs are readily available in the market and are normally obtainable from multiple sources.

- Level 2 fair value measurements are those instruments valued based on 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). The Fund values fixed interest securities held by the Fund using broker quotes and units in unit trusts using the redemption price at reporting date as advised by the investment managers.

- Level 3 fair value measurements are those instruments valued based on inputs where one or more of the significant inputs are not based on observable market data, examples include discount rates and other material unobservable inputs.

14. FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value hierarchy (continued)

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

30 June 2024	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Financial Assets				
Life Insurance Policies	**-**	**822,973**	**-**	**822,973**
Total	**-**	**822,973**	**-**	**822,973**

30 June 2023	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial Assets				
Life Insurance Policies	-	851,967	-	851,967
Total	-	851,967	-	851,967

15. FUND'S RESPONSE TO MACRO-ECONOMIC EVENTS

In preparing these financial statements the Trustee considers the impact that macro-economic events can have on the Fund's performance. The Trustee's risk management framework is applied across the Fund's operations and the Trustee continues to monitor the impact events on the Fund's risk profile.

16. EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial period and the date of this financial report any item, transaction or event of an unusual nature likely to affect significantly the operations of the Fund, the result of the operations, or the state of affairs of the Fund.

ZURICH MASTER SUPERANNUATION FUND
TRUSTEE'S DECLARATION TO THE MEMBERS

In the Opinion of the Directors of the Trustee of Zurich Master Superannuation Fund:

1. The accompanying Directors' Report, Financial Statements and notes set out on pages 1 to 39 are in accordance with:

    - Australian Accounting Standards and other mandatory professional reporting requirements and;
    - present fairly the Fund's financial position as at 30 June 2024 and of its performance for the financial year ended on that date.

2. The Fund has been conducted in accordance with its constituent Trustee Deed and the requirements of the *Superannuation Industry (Supervision) Act 1993* and its accompanying Regulations; the relevant requirements of the *Corporations Act 2001* and Regulations; the requirements under section 13 of the *Financial Sector (Collection of Data) Act 2001*, during the year ended 30 June 2024.

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

Signed in accordance with a resolution of the Board of Directors of Equity Trustees Superannuation Limited (ABN 50 055 641 757) as Trustee for Zurich Master Superannuation Fund.

.....
Catherine Robson, Chair ETSL

Melbourne
26 September 2024

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Building a better working world

Independent auditor's report to the members of Zurich Master Superannuation Fund

Opinion

We have audited the financial report of Zurich Master Superannuation Fund, which comprises the statement of financial position as at 30 June 2024, the income statement, statement of changes in member benefits, statement of cash flows and statement of changes in equity for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

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

a. Giving a true and fair view of the RSE's financial position as at 30 June 2024, and of its financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material

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if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RSE's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the RSE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the RSE to cease to continue as a going concern.

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

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

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 15 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Zurich Master Superannuation Fund for the year ended 30 June 2024, complies with section 300C of the *Corporations Act 2001*.

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Responsibilities

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

Ernst & Young

Ernst & Young

Andrew Price
Partner
Sydney

26 September 2024

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