



 **legalsuper**

**Annual Report**

2022–23

Some of the images featured in our Annual Report are of our members.

## **About this Annual Report**

Unless otherwise specified, all investment returns in this Annual Report are for periods ended 30 June 2023 and are net of all fees and tax except the direct Administration fee (\$1.30 per week). Past performance is not a guide to future performance.

The information contained in this Annual Report is of a general nature and does not take into account your objectives, financial situation or needs. It should not be relied on as advice, nor take the place of professional advice. Before making any decision in relation to legalsuper, you should consider your own financial position, objectives and requirements, and also obtain and read the relevant Product Disclosure Statement (PDS) and Target Market Determination (TMD). The relevant PDS and TMD is available by contacting legalsuper or at [legalsuper.com.au](https://legalsuper.com.au).

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**Welcome**



# Who we are

legalsuper is the industry super fund for Australia's legal community.

We are a high performing fund delivering strong investment returns, with our flagship MySuper Balanced Option<sup>1</sup> consistently outperforming median fund performance over 3, 5, and 10 years. We offer a wide range of tailored products to suit the professional circumstances and life stages of all members and a deep commitment to excellent member service.

For more than three decades, we have dedicated ourselves to empowering the legal community to build wealth for their life in retirement. This long-term commitment means we have a strong understanding and deep empathy for the needs of the community we serve. Our unique insight allows us to focus on the retirement outcomes for those who work in the law.



As an Industry Super Fund,

**we are run only to benefit our members.**

We don't pay dividends to shareholders and, aside from the costs of managing legalsuper, profits are shared with members through net investment returns.

**Our fees and costs are competitive.**

We do not spend our members' money on mass advertising. Our fee structure is designed to provide value, but not at the expense of personalised service, tailored products and competitive returns on your super balance.

1. Our team of Member Service Manager offer personalised, in-person or virtual support to our members and their employers. They work in the best financial interests of our members and are paid a salary. They don't receive commissions.
2. Our investment strategy and insurance design reflect the needs and preferences of members of the legal community.
3. Our Board is made up of professionals from across the legal community. We maintain the highest standards of corporate governance and ethical conduct.

<sup>1</sup> According to SuperRatings' survey of all the Balanced super funds based on certain criteria and compiled by 'SuperRatings', an independent research provider for the superannuation industry. SuperRatings medians are calculated by SuperRatings. Its research helps super funds monitor and improve their performance and benchmark themselves against their peers. legalsuper uses this as our peer comparison benchmark.

# Chair & Chief Executive report

## Welcome from the Independent Chair

I commend the 2022-23 Annual Report to members. It provides a comprehensive view of legalsuper's performance and development through 2022-23.

In addition to continued solid investment performance during ongoing market volatility and important enhancements to member services and outcomes, we welcomed Luke Symons as our new Chief Executive late in the year under report, in April 2023.

Whilst only in the role for three months of FY 22/23, Luke has now been leading our organisation with energy and vision for six months and on behalf of the Board I commend the commitment and capacity he shows to delivering benefits to all legalsuper members, stakeholders and staff as our Chief Executive Officer.

## Sustained strong investment performance

legalsuper's MySuper balanced option, where the majority of our members are invested, recorded a return of 7.92% for the year.

This result means legalsuper's MySuper option has delivered top quartile performance when measured over the past two years combined<sup>1</sup> and recorded a solid return of 7.7% over the last three years, outperforming the SuperRatings<sup>2</sup> median of 7.4% by 0.3% through an economic cycle which saw significant investment market volatility.

Importantly, this continues a longer-term trend of outperformance, with legalsuper's MySuper option delivering returns higher than the SuperRatings median over 3, 5, 7 and 10 years.

## Changes in Board Members

We thank Carita Kazakoff, Nikhil Mishra and Anastasia Polites who retired from the Board this year and we welcome three new directors, Kamal Farouque, Daniel Papps and Mary Macken. The professional details of all legalsuper directors are provided in this report and show the collective breadth and depth of legal sector and financial services experience and expertise the Board possesses.

## Pertinent Superannuation Reforms

On 1 July 2023 the Superannuation Guarantee Contribution (SGC) increased from 10.5% to 11.0% and the COVID-19 minimum drawdown relief scheme ended for account-based pensions and annuities introduced for four years in 2019-20.

## From the Chief Executive

I am pleased to join Kirsten in commending this Annual Report to members and to provide additional information on FY 22/23 with a particular focus on member services and outcomes, which in addition to achieving strong and sustainable investment returns, are fundamental to legalsuper's mission.

During the 2022-23 financial year, our Member Services team delivered 41% more appointments with members compared to the prior year, with the notable addition of a new online booking system.

A new webinar series was also implemented catering to members at different life stages. From the commencement of these webinars in October 2022 through to June 2023 attendance numbers were more than 150% above the target set, demonstrating a strong appetite from our members to learn more about their superannuation options and reflecting the success of our targeted approach.

Other digital programs included the upgraded MemberAccess portal which has delivered increased security through multi-factor authentication, a simpler method for password re-setting and enhanced functionality to make it easier for members to engage with their super online.

For members connecting by phone, our improved Interactive Voice Recognition (IVR) functionality streamlined the process for members connecting with a Customer Service Consultant or those wanting to self-service by phone.

Whilst not introduced to members in the current financial year, legalsuper is also working to deliver members a mobile app to enable them to access details about their super in a faster, more efficient way. We look forward to this launching towards the end of 2023.

### Awards and recognition

We are pleased to note that in 2022–23 legalsuper was recognised via the following ratings and awards:

- AA Quality Rating from Rainmaker
- 5 Stars from The Heron Partnership
- Platinum rating for our pension product from SuperRatings
- Customer Experience award for best use of data and insights to improve customer experience from Ashton Media.
- Great Place to Work for our unwavering commitment to creating a positive and fulfilling workplace for our team.

### In closing

All members receive their member statement in October 2023 showing their balance at 30 June 2023 and transactions for the year then ended. Abridged financial statements for legalsuper are included in the other important information section of this report.

The entire legalsuper team will continue to work diligently to serve our members' financial interests first, providing the highest levels of personal service and creating long-term value.

Lastly, I would like to thank our members, Chair, Kirsten Mander, Board and broader team for the warm welcome I have received over these past six months. I look forward to continuing to deliver exceptional outcomes to our members in all that we do throughout the 2023–24 financial year.

<sup>1</sup> Across SuperRatings' SR50 MySuper Balanced Index.

<sup>2</sup> SuperRatings is an independent research provider for the super industry which issues a survey of the performance of 'Balanced' investment options based on criteria formulated by SuperRatings.



**Kirsten Mander**  
INDEPENDENT CHAIR



**Luke Symons**  
CHIEF EXECUTIVE



# Strong investment performance

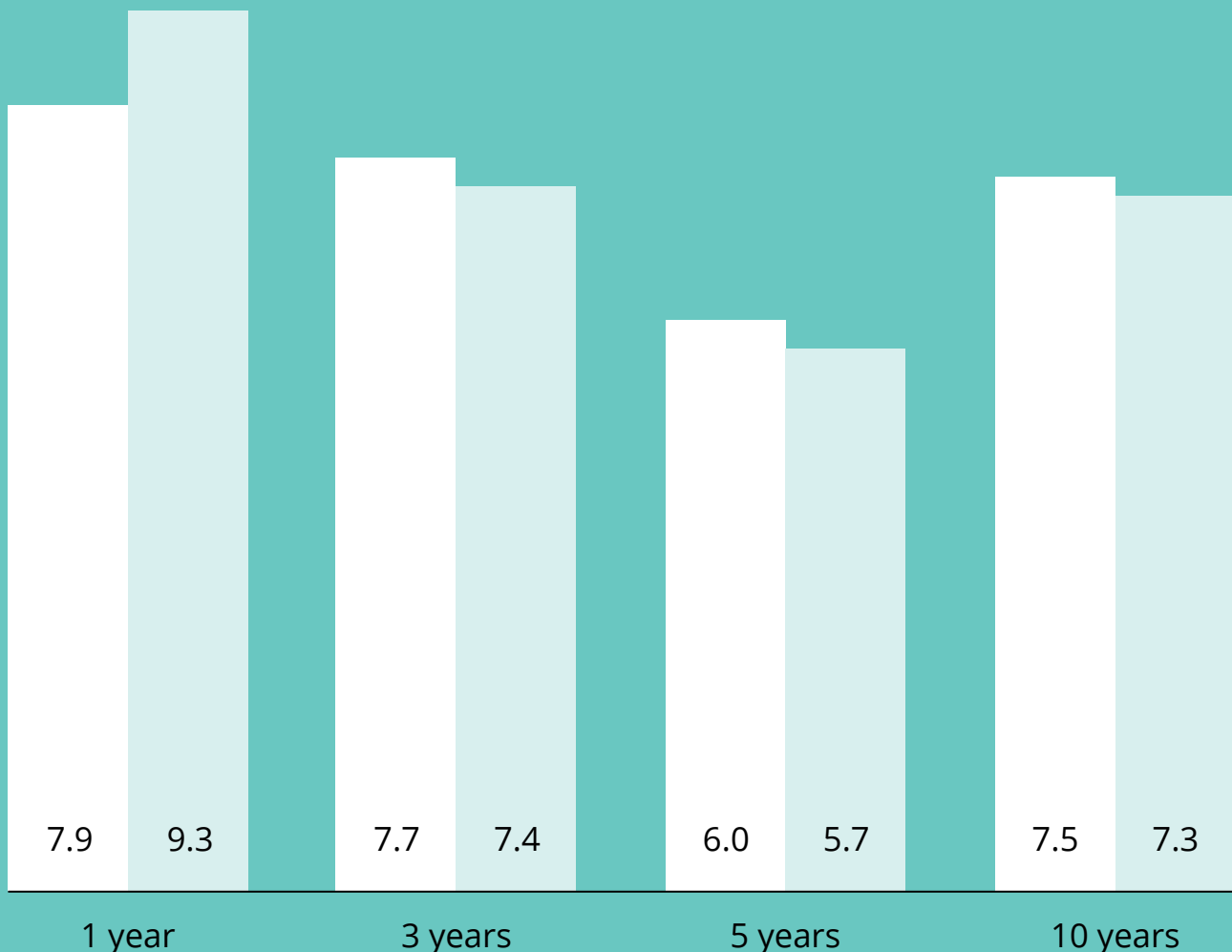
Superannuation is a long-term investment and legalsuper has a history of strong performance with our MySuper Balanced option, where the majority of our members are invested, outperforming the SuperRatings median over the past 3, 5 and 10 years.

For the period to 30 June 2023, our MySuper Balanced investment option delivered a solid annual net return of 7.92%.

This result means legalsuper's MySuper option has delivered top quartile performance when measured over the past two years combined and recorded a solid return of 7.7% over the last three years, to 30 June 2023, outperforming the SuperRatings median of 7.4% by 0.3% through an economic cycle which saw continued significant investment market volatility.

Importantly, this continues a longer-term trend of outperformance, with legalsuper's MySuper option delivering returns higher than the SuperRatings median over 3, 5 and 10 years.

Investment returns for all investment options are presented on page 15 of this report.



■ legalsuper MySuper Balanced (%)<sup>2</sup>

■ SuperRatings Balanced option median (%)<sup>1</sup>

<sup>1</sup> According to SuperRatings' survey of all the Balanced super funds based on certain criteria and compiled by 'SuperRatings', an independent research provider for the superannuation industry. SuperRatings medians are calculated by SuperRatings. Its research helps super funds monitor and improve their performance and benchmark themselves against their peers. legalsuper uses this as our peer comparison benchmark.

<sup>2</sup> The legalsuper performance shown here is net of all fees and tax except the direct Administration fee (\$1.30 per week). Past performance is not a guide to future performance.

# Rewards and recognition

## SuperRatings – Gold and Platinum

SuperRatings is a leading research, consulting and ratings firm in the superannuation industry, encouraging the pursuit of greater transparency.

legalsuper Pension was awarded Platinum.

legalsuper was awarded Gold in 2023 for:

MySuper Balanced

Personal Super

Employer Sponsored Super



## Chant West – 4 Apple rating

Chant West is a leading research, data and analytics provider offering a suite of premium services, insights and tools to the financial advice and super sectors, empowering Australians to make more informed financial decisions and achieve their retirement goals.

legalsuper was awarded a 4 Apple rating in 2023 for:

Employer Sponsored & Personal Super

Pension



## The Heron Partnership – 5 Star

The Heron Partnership is a leading independent superannuation and actuarial consultancy.

5 Stars is the highest rating available, judged as 'Outstanding'.

legalsuper was awarded 5 Stars in 2023 for:

Employer Sponsored & Personal Super

Pension



## Rainmaker Information – AAA

Rainmaker Information is a leading provider of research and information about the Australian financial services industry.

To achieve the Rainmaker AAA Quality Rating, each superannuation product is reviewed and rated across a range of benchmarks including organisational strength, administration, communications, investment mix, investment performance, fees, charges, investment processes, insurances and extra services offered.

legalsuper was awarded the Rainmaker AAA Quality Rating in 2023 for:

Employer Sponsored Super

Personal Super

Pension



## Money Magazine – Winner 2022

Money Magazine is Australia's longest-running and most-read personal finance magazine, providing easy-to-understand financial news, advice, reviews and awards.

legalsuper is proud to be awarded Money Magazine's Best Member Direct Investment Choice for its broad range of investments and flexibility.



# In partnership with the legal community

We're committed to the success of our members and the legal community from which we were founded.

We partner with Australia's law societies and other organisations which we believe benefit our members.

## **Supporting professional development**

We're invested in the ongoing professional development of members. We support continuing professional development (CPD) programs across Australia for various law societies, the Australasian Legal Practice Management Association (ALPMA), Leo Cussen Centre for Law and law student associations. Through supporting professional development we help members to progress their careers and build greater wealth for their life in retirement.

## **Supporting wellbeing in the legal community**

We're passionate and active when it comes to the wellbeing of the legal community. We believe that maintaining health, wealth and wellbeing are all part of a prosperous life in retirement.

legalsuper has supported the development of Mental Health First Aid (MHFA) training specifically designed for the legal industry. MHFA training is designed to enable non-health professionals to assist a person experiencing mental health challenges through education, practical tools and strategies until appropriate professional help is received.

From inception, and in partnership with Mental Health First Aid Australia and our legal community partners, legalsuper has assisted more than 900 individuals to become accredited Mental Health First Aiders.

## **The future of law**

We understand that accessing super is some time off for students, and so we work closely with university law societies and student bodies to ensure today's students and tomorrow's members are well equipped for the future.

Some of these initiatives have included partnering with the Australian Law Students Association, the Leo Cussen Centre for Law, The College of Law and student university law associations to support education programs, mental health first aid training and career fairs.





**Our partners include but are not limited to:**



# Putting members first

Our members are at the heart of everything we do. We are driven to deliver tailored and personal solutions with a constant focus on better retirement outcomes for the legal community. Our highly personalised service means our members get the assistance they need where and when they need it.

## **Our Member Services team – in-depth support to help members achieve their retirement goals**

Everyone's path through their working lives and retirement is unique. Our National Member Services team is here to help members understand their super and the options available to them throughout their working life and beyond.

Our Member Services team provides a range of services including seminars and webinars, personal appointments about super, support to employers to effectively manage their super obligations and workplace engagement plans to support employees to understand and manage their super.

legalsuper members have access to super consultations via video call, over the phone or in-person at workplaces where possible.

Our team is not paid commissions, there's no cost and no obligation; simply personalised super support when members need it, providing factual information, general advice and limited personal advice in relation to legalsuper's Transition to Retirement product.

All Member Service Managers are registered on the Australian Securities and Investment Commission Financial Adviser Register. This register shows where a financial adviser has worked, their qualifications, training, memberships of professional bodies, and the products they can advise on.

In October 2022, we introduced a new webinar series presenting on topics relevant to members at different life stages. Members are able to book to attend webinars online and attendance numbers for the webinars held during the financial year exceeded the targets set by 150%.

In addition we implemented online bookings and video conferencing for members who would like to meet with a Member Service Manager online and we held 41% more member meetings than the prior year across all channels including phone, face-to-face and video call.

## **Our Member Service Managers can help members:**

1. Understand super and retirement options
2. Boost super and retirement savings
3. Choose an investment strategy
4. Tailor insurance
5. Search for lost super and consolidate accounts
6. Plan and implement retirement strategies

## Customer Service Centre – Australian-based phone and chat support when further information and assistance is needed

Our skilled and dedicated Australian-based customer service team supports our members and employers over the phone, via email and online chat.

As part of our continuous improvement program we enhanced our Interactive Voice Response (IVR) functionality to provide members with the opportunity to easily access digital content after discussions with their Customer Service Consultant about accessing their super.

In addition we enabled the use of SMS messages to inform members about the status of requests such as transfers from other funds, claims and missing information.

### Our Member Services Team

Our members can meet a Member Service Manager from the comfort of their own home via video call or over the phone, providing members with greater access to this service and option to involve their spouse.

#### Key activities during the 2022–2023 year

520	Meetings with law firms and key industry partners across Australia
2,767	1:1 consultations with members
5,596	Phone calls with members and employers
41	Seminars and Webinars
455	Members attending webinars

### Customer Satisfaction Score (average)

97%

### What our members are saying about our Member Service Managers

“The MSM is always a pleasure to speak with. Informative, interested and is more than happy to speak about investments.”

“The MSM was very helpful and knowledgeable and courteous and sent me the information in a timely manner.”

“He provides a down to earth approach to super information which is easy to understand. I look forward to speaking to him each year so he can give me an update on super regulations and how it relates to me.”

“The MSM was very nice, friendly and helpful, loved that she showed me the system in person and she would be a sort of contact for myself and people in my area.”

### Our Customer Service Centre

Our skilled and dedicated Australian-based customer service team is on hand to support our members and employers with general information and administration assistance over the phone, via email or live chat.

#### Key activities during the 2022–2023 year

18,462	Phone conversations
83%	Answered within 20 seconds
17,893	Emails answered
2,840	Live chat conversations

### Customer Satisfaction Score (average)

83%

### What our members are saying about our Customer Service Centre

“Promptly provided information and guidance going forward.”

“Spokesperson was helpful and provided the assistance sought promptly.”

“Each time I have spoken to anyone at legalsuper I have had nothing but excellent assistance and answers to my queries.”

“The service centre staff member was courteous, respectful and thoroughly professional.”



## **MemberAccess – our secure online portal to access personal super details**

Our online MemberAccess portal enables members to view their current super details and make changes to their account from any device, anytime they like.

Members can check their balance, change their investment options, update their personal details and beneficiaries, increase their insurance and search for and consolidate super.

Through MemberAccess, members also have access to Adviser Online, our online advice tool. Adviser Online takes a personalised approach to delivering advice on topics such as investment choice, insurance and projected retirement needs. Adviser Online can be used directly by members or can be discussed in a super consultation with a legalsuper Member Service Manager.

Our new Member Access was launched in August 2022 and delivers increased security with multi-factor authentication, a modern design that is fully responsive regardless of the device being used, meets accessibility standards and features enhanced navigation to make it easier for members to find the information they need quickly and easily.

## **legalsuper.com.au – a great place to start for information about super**

Our website is a great place to start for general information about super, accessing publications and forms as well as useful calculators. From salary sacrificing to retirement income needs, we have some great tools to help members understand how the choices they make will affect them now and in retirement.

A full review of the current website has commenced to improve accessibility, usability and information provided. Improvements are planned to be launched during FY 23/24.

## **Partnering with employers**

We work as a trusted partner with firms across the legal industry to help make managing super administration as easy as possible and to support employees to maximise their super savings.

We assist firms with:

- Super contribution and administration responsibilities
- Choice of fund and super stapling
- Joining new employees
- Clearing house including free access and ongoing support
- Super updates on legislative and regulatory changes
- Resources to support employees with their super
- Customised super education programs tailored to the needs of employees, to help employees get the most out of their super and contribute towards an enhanced value proposition for the firm.

During the 2022–23 year we enhanced the new employer onboarding experience to streamline the process for law firms choosing legalsuper as their new default super provider. In addition, we have been building out employee engagement plans to better support law firms to deliver on their employer value proposition and improve the superannuation outcomes for their employees.







# Investment performance & governance

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# Year in review

Investment markets again experienced high levels of volatility during the 2022–23 financial year with the most prominent influences on financial markets and society more generally being persistently high inflation and the resultant increases to interest rates around the globe.

In Australia, the Reserve Bank of Australia increased interest rates in 10 of the 11 meetings held during the financial year 2023, resulting in the cash rate rising from 0.85% to 4.1%. The US Federal Reserve increased interest rates by 3.5% after raising rates in 7 of the 8 meetings held over the one-year period ending 30 June 2023 with the Federal Funds Rate sitting in the range of 5.00%–5.25% as of 30 June 2023.

Within this context – and following on from the prior year where equities markets produced negative returns – a rebound into positive territory was the main driver for the positive investment results being delivered in the year under report.

The Australian share market produced solid positive returns with the broader index (the S&P/ASX 300 Accumulation Index) returning 14.4%, whilst the small cap index (the S&P/ASX Small Ordinaries Index) returned 8.4% over the financial year. The broader US markets increased by 17.6% with the technology-heavy NASDAQ index increasing by 32.0%.

legalsuper's portfolios benefited from the stronger performing equity markets as the key driver of positive returns, with our MySuper balanced option, where the majority of our members are invested, recording a solid return of 7.92%.

This result means legalsuper's MySuper option has delivered top quartile performance over the past two years combined and achieved a three year return of 7.69% p.a. (encompassing the covid-impacted period) outperforming the SuperRatings median by 0.3% p.a.

Importantly, this continues a longer-term trend of outperformance, with legalsuper's MySuper balanced returns having been higher than the SuperRatings all fund median over 3, 5, 7 and 10 years.\*

\* Past performance is not a guide to future performance.

# Investment returns

## Superannuation and Transition to Retirement Pension

Investment returns<sup>1</sup> for superannuation and for all Transition to Retirement investment options for one, five and ten years to 30 June 2023 are set out below, excluding the Direct Investment Option.<sup>2</sup>

Investment option	1 year (% p.a.)	5 years (% p.a.)	10 years (% p.a.)
MySuper Balanced	7.9	5.9	7.5
Cash	2.2	0.9	1.4
Enhanced Cash	2.9	1.2	1.6
Conservative	4.2	3.2	4.3
Conservative Balanced	6.0	4.3	5.8
Balanced	8.0	5.9	7.4
Balanced Index	8.7	5.1	6.7
Balanced Socially Responsible	6.8	5.0	6.3
Growth	9.6	6.5	8.3
High Growth	11.5	7.0	9.0
Overseas Shares	15.5	8.7	10.1
Australian Shares	11.3	5.7	8.3

Past performance is not a guide to future performance

<sup>1</sup> The returns shown here are net of all fees and tax except the direct Administration fee (\$1.30 per week).

<sup>2</sup> Investment returns for the DIO reflect the net earnings from the individual securities in which the member has chosen to be invested.

## Pension

Investment returns<sup>1</sup> for all Pension investment options for one, five and ten years to 30 June 2023 are set out below, excluding the Direct Investment Option.<sup>2</sup>

Investment option	1 year (% p.a.)	5 years (% p.a.)	10 years (% p.a.)
Cash	2.7	0.9	1.6
Enhanced Cash	3.5	1.3	1.9
Conservative	4.7	3.4	4.8
Conservative Balanced	6.8	4.9	6.5
Balanced	9.0	6.5	8.2
Balanced Index	10.8	5.8	7.4
Balanced Socially Responsible	8.5	5.6	7.0
Growth	10.7	7.1	9.1
High Growth	12.7	7.7	9.9
Overseas Shares	16.8	9.3	11.0
Australian Shares	12.9	6.8	9.3

Past performance is not a guide to future performance

<sup>1</sup> The returns shown here are net of all fees and tax except the direct Administration fee (\$1.30 per week).

<sup>2</sup> Investment returns for the DIO reflect the net earnings from the individual securities in which the member has chosen to be invested.

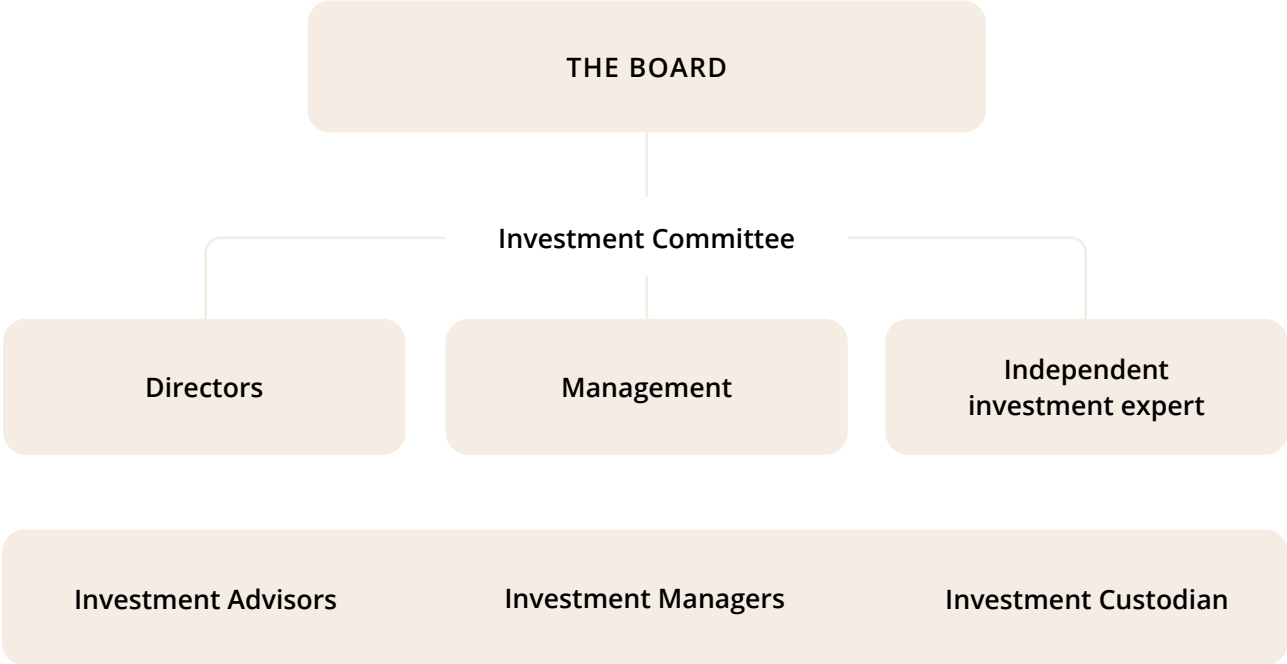
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# Our approach to investments

We adopt a rigorous internal governance framework and appoint expert independent investment advisors to provide industry leading advice.



**Board**

The Board of Legal Super Pty Ltd is responsible for the governance of legalsuper, including approving the investment strategy for legalsuper in addition to individual investment strategies (investment options) made available to members.

**Investment Committee**

The Investment Committee comprises the Chief Investment Officer, Chief Executive, three Directors and investment experts who are appointed to provide additional assistance to the Committee.

The Investment Committee makes recommendations to the Board on matters of strategy, appoints and reviews underlying investment managers, and formulates policies that guide investment arrangements and processes.

**Executive management**

The Chief Investment Officer is responsible for managing, evaluating performance and reporting on legalsuper’s investments.

**Custodians, advisors and managers**

The appointment of specialist investment advisors and managers provides our members with access to some of the most experienced leaders in the market.

# Investment goal and beliefs



By investing the savings of our members, we are guided by the following investment goal and core investment beliefs.

## Investment goal

The investment goal of legalsuper is to produce investment products that consistently deliver competitive long-term, risk-adjusted returns for members.

## Investment beliefs

1. We believe that optimal decision-making leads to strong member outcomes and is facilitated by appropriate governance structures.
2. We believe that rigorous research of both the expected benefits and potential risks of investment opportunities leads to strong member outcomes.
3. We believe our key comparative advantages are a long-term mindset and our size, and that we can improve member outcomes by exploiting these.
4. We believe that real long-term returns are most important. However, we recognise members have choices, and returns relative to peers are also important.
5. We recognise the need to take risks in order for the Fund to achieve its return objectives. Risk is only taken when we think we will be appropriately rewarded for it, and is managed through asset allocation, manager selection, overlays and portfolio construction.
6. We aim to capture most of the upside in strong markets, and to minimise losses.
7. We believe that asset allocation dictates most of the return and volatility of returns, and that the expected long-term returns and risks are best established through strategic asset allocation.
8. We believe that markets move through cycles, and by taking a dynamic approach to managing asset allocation, where we have high conviction, we aim to improve the probability of achieving the Fund's return and risk objectives.
9. We outsource our asset management to appropriately qualified investment managers. We employ passive managers and also active managers where we have a high level of conviction in their ability to add value net of fees and costs.
10. We believe that environmental (including climate change), social and governance opportunities and risks exist and should be taken into consideration to the extent we can practically do so and within the context of optimising net risk-adjusted returns.

# Niche investment opportunities

## Specialised Investments

As uncertainty continues to exert a major influence across the world, and investment markets in particular, legalsuper continues to strategically review and seek out bespoke investment opportunities in an ever-evolving investment landscape.

Super funds are often invested in the same or similar stocks, bonds and other alternatives. Guided by our usual thorough due diligence of such opportunities, legalsuper can invest in more specialised and capacity-constrained asset classes that exhibit either additional complexity, a high level of innovation or strong growth prospects. We expect that these investments can add an edge to the future returns delivered by legalsuper to its members.

These niche investments further diversify and broaden our investment portfolio.

## Case study: Community Capital Credit Fund (CCCF)

Community Capital Credit Fund (CCCF) invests in global private assets and seeks to generate strong risk adjusted returns while simultaneously creating meaningful social impact at the community level.

CCCF fees are significantly below market rates with the fund established primarily as a philanthropic vehicle where investment fees received (after cost recovery) are donated to Australian-based social purpose organisations.

As investors in CCCF, legalsuper is able to participate in supporting impactful early-stage social purpose organisations whilst generating strong investment returns.

The first four organisations receiving support via CCCF's inaugural grant round represent a diverse cross-section of Australian social enterprises, including *Eat Up*, which provides free lunches to more than 12,000 vulnerable children every week, and *ID. Know Yourself* which is an Aboriginal-led mentoring service for First Nations children.

*Save our Supplies* collects useable medical items that would otherwise be disposed of and redistributes them through aid packages to developing nations and *This is a Conversation Starter* (TIACS) is a free phone and text counselling service for tradespeople, truck drivers, rural and blue collar workers and their families.

# Investment managers, advisors & custodian

## Custodian

### BNP Paribas\*

BNP Paribas Securities Services (BNP Paribas), a wholly-owned subsidiary of the BNP Paribas Group, has been legalsuper's custodian since November 2010. BNP Paribas is a leading global custodian and securities services provider. They provide multi-asset post-trade and asset servicing solutions for buy and sell-side market participants, corporates and issuers.

\* legalsuper is currently in the process of transitioning custodian services from BNP Paribas to Northern Trust Company. The transition is expected to be completed during financial year 2024.

## Investment advisors

legalsuper engages a range of investment advisors to provide the Investment Committee and the Board of legalsuper with advice and guidance on investments.

### BCA Research

### bfinance

### Frontier Advisors

BCA Research, Zenith Investment Partners and Absolute Strategy Research provide asset allocation advice. BCA Research is an independent provider of global investment research and investment strategy advice. Zenith Investment Partners provides investment strategy and asset allocation research and analysis. Absolute Strategy Research is an independent research house, covering global markets and a comprehensive range of asset classes.

Frontier Advisors and Willis Towers Watson provide general investment advice. Frontier Advisors has been advising Australian institutional investors as a trusted advisor for over twenty-five years. Frontier Advisors' technology provides access to tools and research to power investment analysis and decision-making.

### Zenith Investment Partners

### Willis Towers Watson

### Absolute Strategy Research

Willis Towers Watson is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets.

bfinance provides manager research and selection advice. bfinance works for asset owners around the globe on the implementation of investment strategy, from fund manager research and selection to portfolio design and monitoring. Established in 1999, bfinance has worked for more than 390 institutional clients across 38 countries, operating out of ten international offices.

## Investment managers

legalsuper have appointed 33 specialist investment managers to manage the assets invested with legalsuper. In making these appointments, the Board has regard to the advice of its asset consultants and advisors.

Investment manager appointments change periodically at the discretion of the Trustee. This listing is as at 30 June 2023 and excludes investments that are made by members in the Direct Investment Option.

Acorn	Macquarie
Aikya	Mesirow
Alliance Bernstein	Ninety One
Ancala	Partners Group
Artesian	Pendal
Barwon	Resolution Capital
Bluebay	Sanders Capital
ClearBridge Investments	Scale Investors
Community Capital	Siguler Guff
Dexus	Spheria
First Sentier	State Street Global Advisors
Goodman	T. Rowe Price
GPT Group	Touchstone
ICG	Wavestone
IFM Investors	WCM
Lendlease	Wellington Management
Lighthouse	

## Changes in investment managers and advisors in 2022-23

legalsuper's investment team conducts research and provides recommendations to our Investment Committee throughout the year to improve long-term performance and manage risks.

The Investment Committee appoints and reviews investment managers and advisors, and formulates policies that guide investment arrangements and processes.

### APPOINTMENTS

Community Capital  
Touchstone  
Wavestone  
WCM

### TERMINATIONS

American Century  
GQG Partners  
Hyperion  
Solaris



# How we invest your money

## Top 20 security holdings

The following table sets out legalsuper's 20 largest security holdings and its percentage of asset class for Australian shares, International shares and Property, as at 30 June 2023.

	<b>Australian Shares</b>	<b>%</b>	<b>International Shares</b>	<b>%</b>	<b>Property</b>	<b>%</b>
1	CSL	5.1%	Apple	2.9%	Gosford Private Hospital, NSW	3.7%
2	Telstra	4.2%	Microsoft	2.9%	1 Farrer Place, NSW	2.9%
3	Transurban	3.9%	Amazon	2.4%	SGCH Keys Westmead, NSW	2.9%
4	Woodside Energy	3.8%	Azenta	2.1%	Westfield Carindale, QLD	2.9%
5	National Australia Bank	3.7%	Facebook	1.9%	SGCH Keys Lennox, NSW	2.8%
6	Rio Tinto	3.7%	Alphabet	1.6%	Sunshine Plaza, QLD	2.3%
7	South32	3.4%	Datadog	1.5%	Calvary John James Hospital, ACT	2.2%
8	Westpac Banking Corporation	3.4%	Taiwan Semiconductor	1.5%	Gateway, 1 Macquarie Place, NSW	2.1%
9	Coles	3.3%	Adyen	1.5%	Macarthur Square, NSW	1.8%
10	Wesfarmers	3.1%	Samsung	1.5%	Lakeside Joondalup, WA	1.8%
11	QBE Insurance	2.9%	LPL Financial Holdings	1.3%	Erina Fair, NSW	1.7%
12	BHP	2.7%	Tetra Tech	1.3%	Cairns Central, QLD	1.6%
13	Macquarie	2.6%	Moncler	1.3%	Westfield Miranda, NSW	1.6%
14	Aristocrat Leisure	2.5%	Entegris	1.3%	International Towers – Tower One, NSW	1.5%
15	Goodman Group	2.2%	Unilever	1.3%	Darling Park 1 and 2, NSW	1.5%
16	Insurance Australia Group	2.2%	United Health	1.3%	Quay Quarter Tower, NSW	1.4%
17	Evolution Mining	2.0%	HCA Healthcare	1.2%	25 Martin Place, NSW	1.4%
18	Auckland International Airport	1.6%	Mercedes Benz	1.2%	International Towers – Tower Two, NSW	1.3%
19	Australia and New Zealand Banking Group	1.4%	Bill.com Holdings	1.1%	Darling Quarter, NSW	1.3%
20	Commonwealth Bank of Australia	1.4%	Advanced Micro Devices	1.1%	PA Central Buranda, QLD	1.2%



# Investment options in detail

Investment Option	MySuper Balanced Available to Employer-sponsored members only	Cash	Enhanced Cash*																				
<b>Return objective**</b>	To outperform an average annual return (***) of CPI + 3.0% pa over rolling 10-year periods.	To at least match Bloomberg Ausbond Bank Bill Index over rolling 5-year periods (before administration fees but after investment fees and costs).	To outperform Bloomberg Ausbond Bank Bill Index over rolling 5-year periods (before administration fees but after investment fees and costs).																				
<b>Risk profile</b>	This option is likely to produce a negative return in 3 to 4 years in every 20 years.	Likely to produce the lowest long-term investment returns with the fewest fluctuations from year to year. Capital invested in this option is not guaranteed. This option is likely to produce a negative return less than 6 months in every 20 years.	This option seeks to outperform the benchmark through taking on a number of risks, principally credit risk, in a process of active management. Capital invested in this option is not guaranteed. This option is likely to produce a negative return in 6 months to one year in every 20 years.																				
<b>Risk level</b>	Medium to High	Very low	Low																				
<b>Investor profile</b>	Will suit investors looking for moderate to high returns over the medium to long-term, but who are prepared to accept some fluctuations in investment performance over shorter periods.  Minimum suggested time frame for holding the investment is 5 years.  The Trustee may adjust the asset mix or vary the investment strategy from time to time.	Will suit investors looking for stability, but long-term investment returns are likely to be the lowest of all investment options.  Minimum suggested time frame for holding the investment is 1 year.  Please note: If you choose this option, you may need to consider whether medium and long-term returns with this option are likely to be high enough to ensure your superannuation grows adequately to meet your retirement income goals.	Will suit investors looking for stability, but long-term investment returns are likely to be among the lowest of all investment options.  Minimum suggested time frame for holding the investment is 3 years.  Please note: If you choose this option, you may need to consider whether medium and long-term returns with this option are likely to be high enough to ensure your superannuation grows adequately to meet your retirement income goals.																				
<b>Target Asset mix (%)****</b>	<table border="0"> <tr><td>Australian shares</td><td>25.5</td></tr> <tr><td>Overseas shares</td><td>27.5</td></tr> <tr><td>Infrastructure</td><td>8</td></tr> <tr><td>Private markets</td><td>6</td></tr> <tr><td>Property</td><td>12</td></tr> <tr><td>Fixed interest</td><td>9</td></tr> <tr><td>Credit</td><td>7</td></tr> <tr><td>Cash</td><td>5</td></tr> </table>	Australian shares	25.5	Overseas shares	27.5	Infrastructure	8	Private markets	6	Property	12	Fixed interest	9	Credit	7	Cash	5	Cash 100	<table border="0"> <tr><td>Enhanced cash</td><td>97</td></tr> <tr><td>Cash</td><td>3</td></tr> </table>	Enhanced cash	97	Cash	3
Australian shares	25.5																						
Overseas shares	27.5																						
Infrastructure	8																						
Private markets	6																						
Property	12																						
Fixed interest	9																						
Credit	7																						
Cash	5																						
Enhanced cash	97																						
Cash	3																						

\* Enhanced Cash will close to new member investments from 15 August 2023. From this day, no new applications will be accepted into the option. The option will cease on 31 August 2023.

\*\* This is an objective only and not guaranteed return.

\*\*\* The annual return is net of all tax and fees except the weekly \$1.30 Administration fee.

\*\*\*\* The actual asset mix may differ from the target asset mix due to various reasons including market movements over time and deliberate dynamic asset allocation tilts.

Investment Option	Conservative	Conservative Balanced	Balanced Index																																						
<b>Return objective*</b>	To outperform an average annual return (**) of CPI +2.0% pa over rolling 10-year periods.	To outperform an average annual return (**) of CPI +2.5% pa over rolling 10-year periods.	To outperform an average annual return (**) of CPI +3.0% pa over rolling 10-year periods.																																						
<b>Risk profile</b>	Offers the likelihood of higher long-term investment returns than cash with greater fluctuations from year to year. Capital invested in this option is not guaranteed. This option is likely to produce a negative return in 1 to 2 years in every 20 years.	Invests in a mix of assets to achieve higher returns, while reducing short-term risks. This option is likely to produce a negative return in 2 to 3 years in every 20 years.	Offers an emphasis on shares and property to achieve higher returns, but includes some lower-risk assets to reduce short-term risks. The strategy is passively invested, which is lower-cost but provides diversified exposures to selected listed asset classes like Australian shares, international shares, Australian property securities and Australian cash. This option is likely to produce a negative return in 4 to 6 years in every 20 years.																																						
<b>Risk level</b>	Low to Medium	Medium	High																																						
<b>Investor profile</b>	<p>Will suit investors looking for lower volatility in returns, but who are prepared to accept some exposure to growth assets.</p> <p>Minimum suggested time frame for holding the investment is 3 years. The Trustee may adjust the asset mix or vary the investment strategy from time to time.</p> <p>Please note: If you choose this option, you may need to consider whether medium and long-term returns with this option are likely to be high enough to ensure your superannuation grows adequately to meet your retirement income goals.</p>	<p>Will suit investors looking for moderate returns over the medium to long-term but who are prepared to accept some fluctuations in investment performance over shorter periods.</p> <p>Minimum suggested time frame for holding the investment is 3 years.</p> <p>The Trustee may adjust the asset mix or vary the investment strategy from time to time.</p>	<p>Will suit investors looking for moderate to high returns over the long-term, but who are prepared to accept fluctuations in investment performance over shorter periods. The strategy is suited to investors seeking to minimise costs, although without utilising active managers seeking to achieve outperformance above market benchmarks.</p> <p>Minimum suggested time frame for holding the investment is 5 years.</p> <p>The Trustee may adjust the asset mix or vary the investment strategy from time to time.</p>																																						
<b>Target Asset mix (%)</b>	<table border="0"> <tr><td>Australian shares</td><td>11.5</td></tr> <tr><td>Overseas shares</td><td>12.5</td></tr> <tr><td>Infrastructure</td><td>7</td></tr> <tr><td>Property</td><td>9</td></tr> <tr><td>Fixed interest</td><td>20</td></tr> <tr><td>Credit</td><td>9</td></tr> <tr><td>Cash</td><td>31</td></tr> </table>	Australian shares	11.5	Overseas shares	12.5	Infrastructure	7	Property	9	Fixed interest	20	Credit	9	Cash	31	<table border="0"> <tr><td>Australian shares</td><td>18</td></tr> <tr><td>Overseas shares</td><td>20</td></tr> <tr><td>Infrastructure</td><td>8</td></tr> <tr><td>Property</td><td>11</td></tr> <tr><td>Fixed interest</td><td>16</td></tr> <tr><td>Credit</td><td>9</td></tr> <tr><td>Cash</td><td>18</td></tr> </table>	Australian shares	18	Overseas shares	20	Infrastructure	8	Property	11	Fixed interest	16	Credit	9	Cash	18	<table border="0"> <tr><td>Australian shares</td><td>35</td></tr> <tr><td>Overseas shares</td><td>25</td></tr> <tr><td>Property</td><td>10</td></tr> <tr><td>Fixed interest</td><td>25</td></tr> <tr><td>Cash</td><td>5</td></tr> </table>	Australian shares	35	Overseas shares	25	Property	10	Fixed interest	25	Cash	5
Australian shares	11.5																																								
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Cash	5																																								

\* This is an objective only and not guaranteed return.

\*\* The annual return is net of all tax and fees except the weekly \$1.30 Administration fee.

Investment Option	Balanced	Growth	High Growth																																												
<b>Return objective*</b>	To outperform an average annual return (**) of CPI +3.0% pa over rolling 10-year periods.	To outperform an average annual return (**) of CPI +3.5% pa over rolling 10-year periods.	To outperform an average annual return (**) of CPI +4.0% over rolling 10-year periods.																																												
<b>Risk profile</b>	Offers a greater emphasis on shares and property to achieve higher returns, but includes some lower-risk assets to reduce short-term risks. This option is likely to produce a negative return in 3 to 4 years in every 20 years.	Offers a greater emphasis on shares and property, and therefore carries a higher level of investment risk. Short-term fluctuations will occur, but higher investment returns are expected over longer periods. This option is likely to produce a negative return in 4 to 6 years in every 20 years.	Offers the strongest emphasis on shares and property and therefore carries the highest level of investment risk out of all the diversified portfolios. Short-term fluctuations will occur, but higher investment returns are expected over longer periods. This option is likely to produce a negative return in 4 to 6 years in every 20 years.																																												
<b>Risk level</b>	Medium to High	High	High																																												
<b>Investor profile</b>	<p>Will suit investors looking for moderate to high returns over the medium to long-term, but who are prepared to accept fluctuations in investment performance over shorter periods.</p> <p>Minimum suggested time frame for holding the investment is 5 years.</p> <p>The Trustee may adjust the asset mix or vary the investment strategy from time to time.</p>	<p>Will suit investors looking for higher returns over the long-term, but who are prepared to accept large fluctuations in investment performance.</p> <p>Minimum suggested time frame for holding the investment is 10 years.</p> <p>The Trustee may adjust the asset mix or vary the investment strategy from time to time.</p>	<p>Will suit investors looking for the highest investment returns over the long-term, but who are prepared to accept very large fluctuations in investment performance.</p> <p>Minimum suggested time frame for holding the investment is 10 years.</p> <p>The Trustee may adjust the asset mix or vary the investment strategy from time to time.</p>																																												
<b>Target Asset mix (%)</b>	<table border="1"> <tr><td>Australian shares</td><td>25.5</td></tr> <tr><td>Overseas shares</td><td>27.5</td></tr> <tr><td>Infrastructure</td><td>8</td></tr> <tr><td>Private markets</td><td>6</td></tr> <tr><td>Property</td><td>12</td></tr> <tr><td>Fixed interest</td><td>9</td></tr> <tr><td>Credit</td><td>7</td></tr> <tr><td>Cash</td><td>5</td></tr> </table>	Australian shares	25.5	Overseas shares	27.5	Infrastructure	8	Private markets	6	Property	12	Fixed interest	9	Credit	7	Cash	5	<table border="1"> <tr><td>Australian shares</td><td>31.5</td></tr> <tr><td>Overseas shares</td><td>34.5</td></tr> <tr><td>Infrastructure</td><td>6</td></tr> <tr><td>Private markets</td><td>6</td></tr> <tr><td>Property</td><td>11</td></tr> <tr><td>Fixed interest</td><td>5</td></tr> <tr><td>Credit</td><td>3</td></tr> <tr><td>Cash</td><td>3</td></tr> </table>	Australian shares	31.5	Overseas shares	34.5	Infrastructure	6	Private markets	6	Property	11	Fixed interest	5	Credit	3	Cash	3	<table border="1"> <tr><td>Australian shares</td><td>38</td></tr> <tr><td>Overseas shares</td><td>41</td></tr> <tr><td>Infrastructure</td><td>4</td></tr> <tr><td>Private markets</td><td>6</td></tr> <tr><td>Property</td><td>8</td></tr> <tr><td>Cash</td><td>3</td></tr> </table>	Australian shares	38	Overseas shares	41	Infrastructure	4	Private markets	6	Property	8	Cash	3
Australian shares	25.5																																														
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\*\* The annual return is net of all tax and fees except the weekly \$1.30 Administration fee.

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Investment Option	Australian Shares	Overseas Shares	Balanced Socially Responsible
<b>Return objective*</b>	To outperform the return of the S&P/ASX300 Accumulation index, net of fees, over rolling 10-year periods.	To outperform the MSCI All Country World (ACWI) ex Australia Index, 50% unhedged and 50% hedged into Australian dollars, net of fees, over rolling 10-year periods.	To outperform an average annual return of CPI +3.0% pa over rolling 10-year periods (net all fees and tax except the weekly \$1.30 administration fee).
<b>Risk profile</b>	100% invested in Australian shares and therefore carries very high investment risk. Short-term fluctuations will occur, but the highest investment returns are expected over longer periods. This option is likely to produce a negative return approximately 6 years in every 20 years.	100% invested in overseas shares and therefore carries a high level of investment risk. Short-term fluctuations will occur, but the highest investment returns are expected over longer periods. This option is likely to produce a negative return approximately 5 years in every 20 years.	Offers greater emphasis on shares and property to achieve higher returns, but includes some lower-risk assets to moderate short-term risks. Investments are made with a focus on managing sustainability and environmental, social and governance (ESG) risks. This option is likely to produce a negative return in 4 to 6 years in every 20 years.
<b>Risk level</b>	Very high	High	High
<b>Investor profile</b>	Will suit investors looking for the highest investment returns over the long-term, but who are prepared to accept very large fluctuations in investment performance  Minimum suggested time frame for holding the investment is 10 years.	Will suit investors looking for the highest investment returns over the long-term, but who are prepared to accept extreme fluctuations in investment performance.  Exposure includes emerging market equities, and currency hedging will be applied to part of the portfolio.  Minimum suggested time frame for holding the investment is 10 years.	Will suit investors looking for moderate to high returns over the medium to long-term, but who are prepared to accept fluctuations in investment performance over shorter periods.
<b>Target Asset mix (%)</b>	Australian shares 97 Cash 3	Overseas shares 97 Cash 3	Australian shares 26 Overseas shares 34 Alternatives 16 Property 4 Fixed interest 16 Cash 4

\* This is an objective only and not guaranteed return.

\*\* The annual return is net of all tax and fees except the weekly \$1.30 Administration fee.

# Direct Investment Option



Our Direct Investment Option gives members greater choice and control over how their super is invested.

This investment option suits those who want to actively be involved in choosing the securities in which their super is invested. Members in the DIO have the flexibility to select and manage their own securities and term deposits from the following options:

**1. Shares in the S&P/ASX 300 Index**

The securities listed on the S&P/ASX300 Index are the 300 largest Australian securities according to market capitalisation and make up approximately 80% of the Australian equity market.

**2. Listed Investment Companies (LICs)**

Choose from over 30 LICs. LICs manage an investment portfolio on behalf, and for the benefit of shareholders.

**3. Exchange-Traded Funds (ETFs)**

ETFs are professionally managed investment pools that are listed on the Australian Securities Exchange (ASX). DIO members get access to over 100 ETFs.

**4. Term deposits**

Issued by ANZ and ME Bank.

Features of legalsuper's Direct Investment platform include:

- Obtain research information at no cost as a Free Access User;
- Extensive range of permitted investments;
- Extensive reporting and investment tools; and
- Attractive fee and brokerage structure;

Terms, conditions, fees and costs apply for investing in the DIO. For more information please refer to the DIO page on the legalsuper website.

# Other investment information

## Overall asset allocation

The overall asset allocation across legalsuper at 30 June 2023 and the preceding year was as follows:

<b>Asset Class</b>	<b>30-Jun-22</b>	<b>30-Jun-23</b>
Australian shares	25.9%	25.5%
Overseas shares	28.5%	29.4%
Property	10.4%	9.5%
Infrastructure	8.6%	7.2%
Private markets	3.4%	4.0%
Credit	5.2%	5.0%
Fixed interest	7.0%	7.5%
Cash/Enhanced cash	8.3%	9.3%
Diversified	2.6%	2.6%

## Investments greater than 5% of total assets

As at 30 June 2023, the following investment managers invested more than 5% of legalsuper's total assets:

<b>Investment manager</b>	<b>Total assets</b>
IFM Investors	12.3%
State Street Global Advisors	9.9%
Sanders	8.7%
WCM	8.3%
Alliance Bernstein	7.1%
Wavestone	7.1%
Touchstone	7.0%



# Fund governance

# Our structure

The Trustee of legalsuper is Legal Super Pty Ltd. Its shareholders are, in equal proportion, the Law Institute of Victoria and Law Society of New South Wales.

### Stewardship

Our leadership comes from within the legal community, with a Board consisting of professionals from across the legal community. Rigorous processes and strength of stewardship ensure sound governance, accountability and reliability. We operate with full transparency and are committed to increasing the quality of our offering.

Our Board has 10 Directors including an Independent Chair who is appointed by the Board. The other nine Directors are nominated by the following organisations:

### Independent Chair

Required to be an independent Director and is nominated by the Board

5 Member Directors	Nominated by	4 Employer Directors	Nominated by
○ ○	Australian Services Union (Victorian Private Sector branch)	○ ○	Law Society of New South Wales
○ ○	United Services Union	○ ○	Law Institute of Victoria
○	Victorian Bar Inc.		

### Committees

The Board has established four Committees with specialised responsibilities. Directors are delegated to the Board-appointed committees, who then report to the full Board. The four committees are:

**Administration & Insurance**

**Audit, Risk & Governance**

**Investment**

**Remuneration & Nomination**

### Executive management

The Executive team is responsible for the management of legalsuper.

The Board has appointed a Chief Executive, Luke Symons, who is assisted by the Executive team. Together, they oversee the operations of legalsuper, monitor service providers, and advise and support the Board and its Committees.



# Our Board

Our Board is responsible for the overall strategic direction and governing operations of the Fund. Our Board consists of respected members of the legal community, whose in-depth knowledge of the Fund, together with their industry experience add value to our operations.



## Kirsten Mander

**INDEPENDENT CHAIR OF THE BOARD**

### **APPOINTMENT DATE**

15 December 2017

### **QUALIFICATIONS**

LLM, FAICD, FCG

Master of Laws, University of Melbourne  
Fellow, Australian Institute of Company  
Directors

Fellow, Governance Institute of Australia

### **EXPERIENCE**

Non-Executive Director & Chair, Audit &  
Risk Committee and MePACS Committee,  
Peninsula Health, (2017–current)

Chair, International Women's Development  
Agency, (2013–2021)

Non-Executive Director, Swinburne University  
of Technology, (2014–2019)

Chair, Victorian Assisted Reproductive  
Treatment Authority, (2010–2018)

Non-Executive Director, Australian Centre  
for Health Research, (2014–2017)

Non-Executive Director, Consultative Council  
for Clinical Trial Research, (2008–2016)

Non-Executive Director & Chair,  
Strategic Planning Committee, MEGT  
(Australia) Limited, (2007–2014)

Deputy Chair, Women's Circus Limited,  
(2008–2011)

Non-Executive Director, Alternative  
Technology Association, (2008–2009)

President (Victoria), (2004–2006), Australian  
Corporate Lawyers Association, Non-Executive  
Director, (2001–2007)

Non-Executive Director, Energy Retailers  
Association of Australia, (2005–2006)

Non-Executive Director & Chair,  
Ethics Committee, Law Institute of Victoria  
Limited, (2001–2004)

Group Executive Governance /General  
Counsel & Company Secretary/ Legal Manager  
Australian Unity & ors, (1990–2014)

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## Adam Awty

EMPLOYER DIRECTOR

### APPOINTMENT DATE

31 March 2021

### NOMINATING ORGANISATION

Law Institute of Victoria

### QUALIFICATIONS

BBus(Acc) Certified Practising Accountant, CPA Australia  
Bachelor of Business (Accounting), Monash University

### EXPERIENCE

Chief Executive Officer, Law Institute of Victoria,, (2018–current)  
Chair, Audit Committee, Victorian Ombudsman, (2013–current)  
Law Council of Australia Finance & Risk Committee, (2022–current)  
Interim Chief Executive, CPA Australia , (2017–2018)  
Chief Operating Officer Commercial, Company Secretary and CFO, CPA Australia, (2012–2017)  
CFO & Company Secretary, CPA Australia, (2007–2012)  
Financial Controller, CPA Australia , (2005–2007)  
Director Public Sector, CPA Australia , (2003–2005)  
Public Sector Policy Adviser CPA Australia, (2000–2003)  
Senior Project Officer, Victorian Department of Treasury and Finance, (1998–2000)  
Graduate, Victorian Departments of Human Services & Treasury & Finance, (1996–1998)  
Director, Solicitors Mortgage Fidelity Fund, (2018–2022)  
Director, Melbourne Commercial Arbitration and Mediation Centre, (2018–2020)  
Director, Pillars of Strength, (2013–2020)  
Director & Chair, CPA Australia SDN BHD, CPA Australia's Malaysia Subsidiary, (2007–2018)  
Director, Professions Australia , (2015–2017) Vice President (2017)  
Member, Audit Committee, Commonwealth Department of Education, (2013–2017)  
Member, Audit Committee, Commonwealth Department of Employment, (2013–2017)  
Member, Audit Committee, Commonwealth Department of Employment and Workplace Relations, (2005–2007)



## Andrew Boog

EMPLOYER DIRECTOR

### APPOINTMENT DATE

28 April 2017

### NOMINATING ORGANISATION

Law Society of New South Wales

### QUALIFICATIONS

FCPA, FAICD  
Bachelor of Economics, Australian National University  
Bachelor of Laws, Australian National University  
Accredited Specialist, Business Law  
Master of Laws (College of Law)  
Fellow, CPA Australia  
Fellow, Australian Institute of Company Directors  
Nationally Accredited Mediator  
Master of Business Administration, Henley Business School  
Master of Arts, Biola University  
Certificate IV in Workplace Training and Assessment, NSW TAFE

### EXPERIENCE

Secretary, Orana Broadcasters Inc , (2019–current)  
Chair, Professional Standards Committee, Anglican Diocese of Bathurst, (2018–current)  
Co-chair, NSW Law Society Rural Issues Committee, (2016–2019)  
Chair, Wellington Christian Parent Controlled School Ltd, (2017–current)  
Chair, Berakah Christian Education Ltd , (2017–current)  
Co-chair, Revenue NSW/NSW Law Society Liaison Committee, (2017–2022)  
Member, Legal Practitioners Board Examinations Committee, (2016–2022)  
Member, AICD Western Region Committee, (2015–current)  
Adjunct Lecturer, College of Law , (2015–current)  
Member, Finance Committee, Verto (2015–2020, 2023–current)  
Member, Governance Committee, Verto , (2014–2022)  
Councillor, Law Society of New South Wales, (2014–2020)  
Director, Verto, (2014–current)  
Member, NSW Law Society Fidelity Fund Management Committee, (2012–2022)  
Member, Business Law Specialist Accreditation Committee, (2012–2022)  
Conduct Panel Member, CPA Australia (2010–2015; 2022–current)  
President, Orana Law Society Inc (2003–2006; 2009–2022)  
Mediator, Centacare, (2008–current)  
Managing Partner, Austen Brown Boog , (1985–current)  
Consultant, Silkman Austen Brown, (2021–2022)  
Consultant, Bricknell Legal, (2022–current)



## Richard Fleming

EMPLOYER DIRECTOR

### APPOINTMENT DATE

27 May 2016

### NOMINATING ORGANISATION

Law Institute of Victoria

### QUALIFICATIONS

GAICD  
Bachelor of Science (Hons), Monash University  
Bachelor of Laws, Monash University

### EXPERIENCE

Chair, Law Institute of Victoria Ethics Committee, (2005–current)  
Member, Law Institute of Victoria Ethics Committee, (2002–current)  
Director, Benelex Pty Ltd., (2007–current)  
Board member, Legal Services Board, (2010–2014)  
Board member, Law Institute of Victoria, (2002–2005)  
Lawyer/Partner, Dunhill Madden Butler/ Deacons (now Norton Rose Fulbright), (1992–2007)

\*Reappointed to the Board on 31 March 2023



## Richard Flitcroft

**EMPLOYER DIRECTOR**

**APPOINTMENT DATE**

31 March 2019

**NOMINATING ORGANISATION**

Law Society of New South Wales

**QUALIFICATIONS**

BComm, LLB

Bachelor of Laws,  
University of New South Wales

Bachelor of Commerce,  
University of New South Wales

**EXPERIENCE**

Member, Law Society of New South Wales  
Fidelity Fund Management Committee,  
(2017–2022)

Member, Law Society of New South Wales  
Licencing Committee, (2017–current)

Alternate Director, Law Firms Australia  
Limited, (2010–current)

Member, Legal Practitioners Admissions  
Board, Practical Legal Training Exemptions  
Sub-Committee, (2018–2022)

Partner, Corrs Chambers Westgarth,  
(2000–current)

Professional Standards Partner,  
Corrs Chambers Westgarth, (2009–2016)

Lawyer, Corrs Chambers Westgarth,  
(1990–2000)

Councillor, Law Society of New South Wales,  
(2017–2020)



## Daniel Papps

**MEMBER DIRECTOR**

**APPOINTMENT DATE**

11 October 2022

**NOMINATING ORGANISATION**

United Services Union

**QUALIFICATIONS**

LLB, LLM

Aspiring Trustee Director Course, Australian  
Institute of Superannuation Trustees

Master of Laws (LLM), University of Sydney

Bachelor of Laws (LLB), University of  
Technology Sydney

**EXPERIENCE**

Manager of Industrial, Rules, Governance, and  
Compliance, United Services Union,  
(2020–current)

Legal Special Projects Officer, United Services  
Union, (2016–2019)

Assistant Industrial Officer, United Services  
Union, (2015–2016)

Solicitor, Lighthouse Law Group, (2014–2015)



## Mary Macken

**MEMBER DIRECTOR**

**APPOINTMENT DATE**

17 October 2022

**NOMINATING ORGANISATION**

United Services Union

**QUALIFICATIONS**

M.A./L.L.M USyd, GAICD

Accredited Specialist Property Law  
(Law Society of NSW)

Solicitor of the Supreme Court of New  
South Wales

Solicitor of the Supreme Court, in England  
and Wales

Master of Arts (French) & Master of Laws,  
University of Sydney

**EXPERIENCE**

Executive Corporate Counsel, Blacktown City  
Council, (2015–current)

Corporate Counsel, State Transit Authority  
New South Wales, (2011–2015)

President, Law Society of New South Wales,  
(2010)

Corporate Counsel, State Transit Authority  
New South Wales, (2004–2010)

Manager, Legal Services, Landcom,  
(1994–2004)

Solicitor, New South Wales Police Service,  
(1992–1994)

Solicitor, Property Services Group,  
(1991–1992)

Solicitor, Cowley Hearne, (1989–1991)

Solicitor, Mallesons Stephen Jaques,  
(1988–1989)

Associate, Patrick Grimes and Co, (1986–1988)

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## Kamal Farouque

MEMBER DIRECTOR

### APPOINTMENT DATE

21 September 2022

### NOMINATING ORGANISATION

Australian Services Union

### QUALIFICATIONS

LLB, BA, GCLP

University of Adelaide, Bachelor of Laws and Bachelor of Arts

### EXPERIENCE

Principal Lawyer, Maurice Blackburn, (2010–current)

Senior Associate, Maurice Blackburn, (2008–2010)

In-house Counsel, Maurice Blackburn, (2004–2008)

Barrister, Victorian Bar, (1999–2004)

National Industrial Officer, Finance Sector Union, (1998–1999)

Associate, Federal Court of Australia, (1997–1998)

Prosecutions Officer, Liquor Hospitality and Miscellaneous Workers' Union, (1997–1998)

Trainee Industrial Advocate, Australian Council of Trade Unions, (1996–1997)

Graduate, Commissioner of Public Employment, South Australia, (1995–1996)



## James W S Peters AM KC

MEMBER DIRECTOR

### APPOINTMENT DATE

30 June 2021

### NOMINATING ORGANISATION

Victorian Bar

### COMMITTEE MEMBERSHIP

Investment Committee

### QUALIFICATIONS

AM, KC

Bachelor of Law, University of Melbourne

Bachelor of Arts, University of Melbourne

### EXPERIENCE

Director, Victoria Law Foundation, Law Institute Victoria, (2009–2013)

Member, Ethics Committee, Victorian Bar, (2009–2014)

Chairman of Victorian Bar, Audit & Finance Committee, Victorian Bar, (2012–2014)

Member, Counsel Committee, Victorian Bar, (2014–2015)

Member, Indictable Crimes Certificate Committee, Victorian Bar, (2014–2015)

Chairman, Victorian Bar Council, Victorian Bar, (2014–2015)

Permanent Chair, Selection Appeals Board, Rowing Australia, (2017–2021)

Member, AOC Appeals Tribunal, Australian Olympic Team, (2020–2021)

\* Reappointed to the Board on 31 March 2023



## Imogen Sturni

MEMBER DIRECTOR

### APPOINTMENT DATE

31 March 2019

### NOMINATING ORGANISATION

Australian Services Union

### QUALIFICATIONS

Bachelor of Arts, Major in Politics and International Studies, Monash University

### EXPERIENCE

Branch Secretary, Australian Services Union, (2022–current)

Assistant Secretary, Australian Services Union Private Sector Branch, (2018–current)

Monash University Councillor, Undergraduate Representative, (2011–2012)

President, Monash Student Association, (2011)

There were three Director resignations from the Fund during the year:

- Anastasia Polites – 29 July 2022
- Carita Kazakoff – 2 September 2022
- Nikhil Mishra – 13 October 2022

# Board Committees

At 30 June 2023

Name	About	Chair	Members
Administration & Insurance Committee	Responsible for overseeing the fund administrator, member insurance arrangements and the operating cost budget.	Adam Awty	Imogen Sturni Daniel Papps
Audit, Risk & Governance Committee	Responsible for the oversight of the financial reporting framework, both internal and external audit, the Risk Management Framework, the Governance Framework and compliance with the legislative, prudential and regulatory obligations of the Trustee.	Richard Flitcroft	Andrew Boog Mary Macken
Investment Committee	Responsible for overseeing implementation of the investment strategy, advising the Board on the design of investment options including the risk and return objectives and strategic asset allocation, investment policy, and the appointment or termination of the Custodian or Asset Consultant.	Richard Fleming	Kamal Farouque James Peters AM KC Joe Fernandes*
Remuneration & Nomination Committee	Responsible for making annual recommendations to the Board on the remuneration of the executives in accordance with the Board's Remuneration Policy, and determining the processes for the interview of nominees for the role of Director and making a recommendation to the Board. The Committee meets at least 3 times per financial year. It is also responsible for reviewing the nomination of directors to the Board.	Kirsten Mander	Andrew Boog Adam Awty

\* Independent investment expert

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# Board & Committee meeting attendance

A: Number of meetings held during the time the Director held office or was a member of the Board/Committee\*  
B: Number of meetings attended

Director	Board meeting		Administration & Insurance		Audit, Risk & Governance		Investment		Remuneration & Nomination	
	A	B	A	B	A	B	A	B	A	B
Kirsten Mander	8	8	-	-	-	-	-	-	4	4
Adam Awty	8	7	4	3	-	-	-	-	2	2
Andrew Boog	8	8	-	-	4	4	-	-	4	4
Richard Fleming	8	8	-	-	-	-	7	7	-	-
Richard Flitcroft	8	7	-	-	4	4	-	-	-	-
Kamal Farouque	7	7	-	-	-	-	6	5	-	-
Imogen Sturni	8	8	4	4	-	-	-	-	-	-
Daniel Papps	6	6	3	3	-	-	-	-	-	-
Mary Macken	6	5	-	-	3	3	-	-	-	-
James Peters AM KC	8	8	-	-	-	-	7	7	-	-
Anastasia Polites <sup>1</sup>	-	-	-	-	-	-	-	-	-	-
Carita Kazakoff <sup>2</sup>	1	1	2	2	-	-	-	-	-	-
Nikhil Mishra <sup>3</sup>	2	2	-	-	-	-	1	1	-	-

\* attendance at out of schedule meetings are not included in this table

<sup>1</sup> Date of resignation: 29 July 2022

<sup>2</sup> Date of resignation: 2 September 2022

<sup>3</sup> Date of resignation: 13 October 2022



# Board appointments, governance & remuneration

## **Board performance review**

Each year the Board and each Committee undertake a formal assessment process. An external consultant is also retained periodically to independently review the performance of the Board.

## **Professional development**

Directors undertake ongoing professional development to keep abreast of regulatory change and industry best practice.

## **Directors' and officers' insurance policy**

The Board has a Directors' and officers' insurance policy that provides cover for liabilities that may arise from claims against Directors or officers. Directors also have a right of indemnity under the Constitution of the Trustee.

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## **Board appointments**

Directors are appointed for a four year term. The Constitution of Legal Super Pty Ltd requires Directors to retire after serving four years. A retiring Director is eligible for re-appointment or re-election up to a maximum term of 12 years.

The nomination of appointed representative Directors is undertaken in consultation with the nominating bodies and is subject to fit and proper requirements.

Richard Fleming and James Peters AM KC were reappointed on 31 March 2023.

Carita Kazakoff, Nikhil Mishra and Anastasia Polites retired from the Board during 2022-23.

Mary Macken, Daniel Papps and Kamal Farouque were appointed to the Board during 2022-23.

## **Committees**

The Board and each of the Committees established by the Board has a Charter that sets out its composition, responsibilities, and any delegated powers.

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## Director remuneration

The Independent Chair's remuneration is determined by the Board. All other Directors' remuneration is adjusted each year effective 1 July for a cost-of-living adjustment. Any other increase in Directors' remuneration requires approval by

the organisations that nominate Directors for the Board. Costs incurred by the Directors in the performance of their duties as Directors are paid by legalsuper.

## Director remuneration

Aggregate remuneration paid to each Director for the past two financial years.

Director	2021-22 (\$)	2022-23 (\$)	Remuneration paid to
Kirsten Mander	108,168	115,287	Kirsten Mander
Adam Awty	43,266	56,290	Adam Awty
Andrew Boog	43,266	46,114	Andrew Boog
Richard Fleming	59,491	63,407	Richard Fleming
Richard Flitcroft	54,084	57,644	Richard Flitcroft
Carita Kazakoff <sup>1</sup>	54,084	10,044	Australian Services Union
Nikhil Mishra <sup>2</sup>	48,675	14,823	Nikhil Mishra
Anastasia Polites <sup>3</sup>	43,266	3,843	Anastasia Polites
Imogen Sturni	43,266	46,114	Australian Services Union
James Peters AM KC	48,675	51,879	James Peters AM KC
Kamal Farouque (21.9.22)		40,481	Kamal Farouque
Daniel Papps (11.10.22)		33,488	United Services Union
Mary Macken (17.10.22)		32,756	United Services Union (\$4,173.24) and Mary Macken (\$28,582.76)
<b>Total</b>		<b>572,169</b>	

<sup>1</sup> Resigned 2 September 2022

<sup>2</sup> Resigned 19 October 2022

<sup>3</sup> Resigned 29 July 2022

## Governance

Our Board has a robust governance framework and is subject to compliance with the Australian Prudential Regulation Authority's prudential standards.



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# The Executive

Our Executive team is responsible for the management of legalsuper. By engaging passionate and experienced professionals, we've built a team that is driven to deliver exceptional outcomes for our members.



## Luke Symons

CHIEF EXECUTIVE OFFICER

Luke was appointed in April 2023. He reports directly to the Board and is a highly experienced wealth industry executive.

### QUALIFICATIONS

- Bachelor of Commerce, University of Melbourne
- MBA, Charles Sturt University
- Member of the Australian Institute of Company Directors

### EXPERIENCE

Luke brings strong commercial and wealth industry experience to the CEO role, built up over more than 25 years, leading and managing end-to-end businesses across both traditional and start up environments within Financial Services. This includes senior leadership roles at ANZ Banking Group and at AMP.

In superannuation he has had a particular focus on strategy, product innovation, member engagement and digital transformation, whilst in the advice business his key priorities were around digital advice solutions, regulatory change, client engagement and M&A of advice firms.

Luke's unique combination of professional experience and technical skills, combined with a strong energy and enthusiasm, will further support legalsuper's purpose of empowering Australia's legal community to build retirement wealth.





## Jessica Lancashire

EXECUTIVE MANAGER, PEOPLE & CULTURE

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Jessica was appointed in November 2019. She reports to the Chief Executive and is responsible for the management of people and culture. Jessica has more than 20 years of human resources/people and culture experience.

### QUALIFICATIONS

- Bachelor of Social Science, Human Resource Management and Psychology, Swinburne University, Melbourne
- Masters, Human Resource Management, Griffith University, Brisbane
- Professional member of Australian Human Resources Institute

### EXPERIENCE

Jessica has experience working as a generalist human resources/people and culture professional in a range of organisations across a breadth of industries, including manufacturing, not for profit, professional services, technology, property and financial. Jessica's strengths lie in coaching, recruitment, culture identification, training, wellbeing, research, HR compliance and consulting on practical day-to-day people issues and strategic planning for business success.



## Carrie Norman

CHIEF MEMBER OFFICER

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Carrie was appointed in September 2020 as Executive Manager, Member Experience, and moved into the newly created Chief Member Officer role in April 2022. Reporting to the Chief Executive, she is responsible for overseeing legalsuper's member and employer service and experience. Carrie has more than 15 years of experience in the superannuation industry.

### QUALIFICATIONS

- Graduate Diploma in Organisational Leadership, Melbourne Business School
- Graduate Certificate in Communication & Professional Writing, Victoria University
- Advanced Diploma of Business, RMIT

### EXPERIENCE

Carrie's career spans over 23 years, starting in the financial and legal services and energy industries in a range of marketing and communications roles. For the past 15 years she has worked in the superannuation industry, gaining broad experience leading teams across marketing, member and employer services and business transformation with ESSSuper and Cbus before joining legalsuper.



## Kaye Wheatley-Brown

EXECUTIVE MANAGER, LEGAL, RISK & COMPLIANCE AND  
COMPANY SECRETARY

Kaye was appointed in January 2017. She reports to the Chief Executive and is responsible for monitoring, managing and reporting in respect of regulatory and compliance requirements. As the Company Secretary, responsibilities include overseeing timely preparation and dispatch of Board and Committee meeting papers, advising the Board and its Committees on governance matters, monitoring ongoing review of, and compliance with, Board policies and procedures, and facilitating induction and ongoing professional development for directors. Kaye has more than 25 years of experience in the superannuation industry.

### QUALIFICATIONS

- Bachelor of Business (Accountancy), RMIT
- Graduate Diploma Applied Corporate Governance, Governance Institute of Australia
- Diploma of Financial Services (Financial Planning)
- Associate, CPA
- Fellow, Governance Institute of Australia
- Member, Australian Institute of Company Directors

### EXPERIENCE

Kaye commenced her career at the Insurance and Superannuation Commission (now APRA). She has since gained broad experience in the superannuation industry including Associate Director in the superannuation audit and advisory team with KPMG and leading roles in governance, risk and compliance with Mercer, VicSuper and the Australian Retirement Fund (now AustralianSuper).



## Norman Zhang

CHIEF INVESTMENT OFFICER

Norman was appointed in March 2020 and is responsible for managing legalsuper's investment program. He has more than 14 years of financial services experience.

Norman was the 2018 winner of the Investment Rising Star Award, given by the Australian Institute of Superannuation Trustees (AIST).

### QUALIFICATIONS

- Bachelor of Commerce, University of Melbourne
- Chartered Financial Analyst (CFA) Charterholder, CFA Institute
- Graduate Diploma of Chartered Accounting, Institute of Chartered Accountants Australia and New Zealand
- Executive Education Program, University of Cambridge, Judge Business School, United Kingdom

### EXPERIENCE

Norman was most recently the Chief Investment Officer at Media Super where he led the investment strategy. Prior to Media Super, he had experience in investment consulting with Frontier Advisors and in corporate finance with Ernst & Young.

# Executive performance, professional development & remuneration

## Performance and remuneration review

Clear key performance indicators are set for all executives. Performance is regularly evaluated against the performance indicators. The Remuneration & Nomination Committee considers an annual evaluation of performance and makes recommendations to the Board.

The Board considers the Remuneration & Nomination Committee's recommendations and approves the remuneration of the following responsible officers:

Chief Executive

Chief Operations Officer

Chief Member Officer

Executive Manager, Legal, Risk & Compliance and Company Secretary

Chief Investment Officer

Executive Manager, People & Culture

## Executive Leadership

The executive team experienced ongoing change during the year under report, with two notable events including Andrew Proebstl's decision to leave his position as Chief Executive of legalsuper in November 2022, after almost 20 years in the role, followed by the appointment of Luke Symons to the role of Chief Executive in April 2023.

Whilst only in the role for three months of FY 22/23, Luke has applied his unique combination of professional experience and technical skills in the areas of high-performance team leadership, service and product innovation, digital transformation, and member engagement to further capitalise on the strategic benefits presented by legalsuper's legal profession specialisation and the associated opportunities for innovation, agile decision-making and personalised member engagement.

## Executive remuneration

Remuneration paid to each responsible officer for the past two financial years was as follows:

Role	Name	Date appointed	Date ceased employment	2021–22 (\$)	2022–23 (\$)
Chief Executive Officer	Luke Symons	April 2023			128,800
Chief Executive <sup>1</sup>	Andrew Proebstl		November 2022	516,820	778,900 <sup>2</sup>
Chief Operating Officer <sup>3</sup>	Trevin Erichsen	September 2022			295,292 <sup>2</sup>
Chief Member Officer <sup>4</sup>	Carrie Norman			295,957	330,267
Executive Manager, Legal, Risk & Compliance and Company Secretary	Kaye Wheatley-Brown			257,634	301,187
Chief Investment Officer	Norman Zhang			354,947	401,571
Executive Manager, People & Culture	Jessica Lancashire <sup>5</sup>			160,222	171,520

<sup>1</sup> Andrew Proebstl ceased employment with legalsuper effective 23 November 2022.

<sup>2</sup> Includes eligible termination payment.

<sup>3</sup> Trevin Erichsen ceased employment with legalsuper effective 16 August 2023.

<sup>4</sup> Title changed from Executive Manager, Member Experience in April 2022.

<sup>5</sup> 0.8 FTE (part-time) and in Executive role since 1 July 2021.

# Identifying and managing risk

An integral part of legalsuper's business planning process is the active management of risk.

The Board has a commitment to a high standard of corporate governance practice, and promotion of a strong risk culture.

The Trustee has approved a Risk Management Framework that sets out how the Board manages risks that could have a material impact on the operations of Legal Super Pty Ltd, legalsuper and/or the interests of its beneficiaries.

The Framework includes systems, structures, policies, processes and people that identify, assess, monitor, report on, mitigate and manage all internal and external sources of risk, including the failure to implement and maintain an effective governance framework. Risks are monitored and a quarterly risk report is provided to the Audit, Risk & Governance Committee and the Board.

## **Cyber risk review and management**

Managing and mitigating cyber risk is an ongoing operational priority for all businesses.

As part of this process, legalsuper engages a leading cyber risk management company to perform regular penetration testing, vulnerability assessments and phishing attack simulation exercises.

We also comply with APRA's CPS234 Standard, which establishes how Australian financial services organisations should govern, manage and operate their information security capability. In addition, we implemented a requirement for all material outsource providers to provide an annual information security attestation.



# Third-party advisers

**Legal adviser**



**Legal adviser**



**Legal adviser**



**Tax adviser**



**Internal auditor**



**External auditor**



**Fund administration**



**Member insurance**



**Custodian**



## **Investment advisors & managers**

legalsuper has appointed 6 investment advisors and 33 third party investment managers (see pages 19–20) to manage the assets invested with legalsuper.



# Our culture and values

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# Transparency, Prudence, Integrity and Excellence

We exist to foster a thriving legal community where members attain financial empowerment and wellbeing through their working life and in retirement.

## Our culture

We foster a culture that is committed to going above and beyond to deliver outstanding service to our members. Our rigorous hiring process ensures that our employees are not just smart and capable, also passionate and dedicated – with a growth mindset and aligned values.

## Professional development

To provide service beyond member expectations, legalsuper recognises the need to nurture and retain its employees and ensure they have access to the most up to date information and are provided with opportunities to upgrade their skills. All employees participate in annual discussions to identify development opportunities and aspirations. Individual development plans form part of performance and succession planning process and are supported by regular 1-on-1 coaching. legalsuper's online learning hub provides all employees with compliance, risk, health & safety and HR training to ensure staff are kept up to date with relevant laws and responsibilities.

Team members undertake ongoing training to keep abreast of changes in superannuation. During the year, all employees are involved in strategic planning and have further opportunities for professional development where expert speakers are invited to brief the team on current industry trends and developments. legalsuper also encourages and supports staff to undertake further professional and personal development.

## Wellbeing

legalsuper prioritises the health and wellbeing of its staff. All staff and their families have access to an Employee Assistance Program and are encouraged to attend confidential counselling, wellbeing coaching, people management advice and additional support services as required. legalsuper is committed to providing a healthy workplace for all employees and are proactive in promoting a healthy and safe work environment, physically, mentally and emotionally. legalsuper again partnered with 'The Resilience Project'\* over the last year to continue our wellbeing program. The workshops focused on authentic connection and importance of 'Looking after ourselves and each other'. Endeavours such as these have continued to be important as we focus on our people's wellbeing as a whole.

legalsuper attained a 'Great Place to Work' accreditation, this is a testament to our unwavering commitment to creating a positive and fulfilling workplace environment for our exceptional team. At legalsuper, we firmly believe that a happy and engaged team translates into exceptional service for our valued members. Being certified as a Great Place To Work® showcases our dedication to fostering a culture of trust, collaboration, and growth. It is a reflection of the strong relationships we nurture, the opportunities we provide for professional development, and the supportive community we've built together.

\* The Resilience Project deliver emotionally engaging programs and provide evidence-based, practical wellbeing strategies to build resilience.



## Flexibility

We understand the real need for employees to have the flexibility to work in our offices and elsewhere to unleash a greater level of productivity. We are committed to retaining our skilled and dedicated staff and actively support employees by providing flexible workplace arrangements. Going beyond this, we conduct home ergonomic assessments and provide equipment and support for home office setup.

## Diverse thought, shared values

We place immense value on diversity of thought across the organisation and work collaboratively towards shared goals, with shared values, striving to provide products and services that are beyond expected.

## Our team

### Gender

	Female	Male
Board (%)	30%	70%
All Staff (%)	43%	57%

### Tenure (years)

	Less than 1	1	2 to 5	6 to 10	11+
Board	3	1	4	2	-
All Staff	9	11	16	5	3

### Age

	Under 30	30 to 39	40 to 49	50 to 59	60 to 69	70+
Board	0	1	2	3	4	-
All Staff	4	11	12	16	-	1

### Staff statistics

Full time	Part time	Parental leave	Resignations	New hires	Contractors
35	6	0	12	12	0

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A middle-aged man with a beard and mustache, wearing a dark suit, white shirt, and patterned tie. He is gesturing with his right hand, pointing towards the camera. The background is a solid teal color.

# Other important information

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[legalsuper.com.au](http://legalsuper.com.au)

# Abridged financial statements

The following is a summary of legalsuper's audited financial statements.

legalsuper's full audited financial statements and auditor's report are available at [legalsuper.com.au](https://legalsuper.com.au).  
Hard copies are also available on request.

Statement of financial position		30 June 2022 (\$)	30 June 2023 (\$)
Assets	Investments	5,003,958,934	5,550,845,993
	Other	598,481	2,320,455
	Tax	956,777	928,147
	<b>Total assets</b>	<b>5,005,514,192</b>	<b>5,554,094,595</b>
Liabilities	Tax	57,242,150	83,920,105
	Other	7,954,512	9,261,749
	<b>Total liabilities</b>	<b>65,196,662</b>	<b>93,181,854</b>
	<b>Net assets</b>	<b>4,940,317,530</b>	<b>5,460,912,741</b>
Liability For Accrued Benefits	Member benefits	4,925,195,052	5,443,572,377
	Reserves	15,122,478	17,340,364
	<b>Total liability for accrued benefits</b>	<b>4,940,317,530</b>	<b>5,460,912,741</b>

Operating Statement		30 June 2022 (\$)	30 June 2023 (\$)
Revenue	Investment	(101,925,387)	484,071,178
	Contributions and transfers	414,842,748	431,168,996
	<b>Total revenue</b>	<b>312,917,361</b>	<b>915,240,174</b>
Expenditure	Insurance premiums	21,011,319	21,369,418
	Operating	22,225,972	40,296,483
	Tax	7,765,186	68,527,280
	<b>Total expenditure</b>	<b>51,002,477</b>	<b>130,193,181</b>
	<b>Net revenue</b>	<b>261,914,884</b>	<b>785,046,993</b>

# Other member information

## Allocation of net earnings

Daily unit prices are determined for each investment option. Each National Business Day (i.e. a weekday that is not a national public holiday or the NSW Queen's Birthday weekend or another day at Trustee discretion), legalsuper values the assets of each investment option\* to determine the unit price of the option. Allowance is made for the costs of acquiring and disposing of assets. For the Direct Investment Option (DIO), earnings include income received (e.g. interest or dividends) and any gains or losses on securities held. The value of a member's investment in the DIO is determined by multiplying the number of securities held by the applicable security price.

\* With the exception of the DIO.

## Reserves

The Board has established two reserves:

- an operational risk reserve pursuant to Prudential Standard SPS 114 Operational Risk Financial Requirement. It is invested in the Balanced Index investment option
- a general reserve. This is invested in the MySuper Balanced option.

These reserves make provision for unexpected or unforeseen operational risk, or other events that the Board determines should be met from a reserve rather than directly deducted from member accounts.

Total reserves at 30 June 2023 for the past three years and change each year are shown below:

Year	Reserve balance	Change in balance
2023	\$17,340,364	\$2,217,886
2022	\$15,122,478	-\$1,770,353
2021	\$16,892,831	\$2,515,839

## Complaints

A complaint process has been implemented to ensure timely and fair resolution of complaints.

In the first instance, members should call legalsuper on 1800 060 312 to try to resolve a complaint. Members can also check the progress of a complaint by calling the same number. If it is not resolved, the complaint should be put in writing either by email at [mail@legalsuper.com.au](mailto:mail@legalsuper.com.au) or post, addressed to legalsuper, Complaints Officer, Locked Bag 5081, Parramatta NSW 2124. Complaints will be dealt with within the time required by law. If a member is not satisfied with the response to a complaint, they can ask for it to be reviewed.

From 5 October 2021, changes applied to how superannuation trustees treat complaints. The key changes include:

- expanding the definition of a 'complaint' to certain dissatisfactions made 'to or about' the trustee where a response or resolution is (explicitly or implicitly) expected or legally required
- the time to resolve superannuation complaints was reduced from 90 to 45 days subject to exceptions (such as, for death benefit distribution complaints, a response may be within 90 days after the objection period).

## External complaints body

If a member is not satisfied with the legalsuper internal complaints process or has not received a response within the prescribed time, they may have the right to take their complaint to the Australian Financial Complaints Authority (AFCA) (ABN 38 620 494 340):

GPO Box 3  
Melbourne VIC 3001

info@afca.org.au  
1800 931 678  
afca.org.au

Consumers have a right to access the AFCA scheme without charge. Please note there may be time limits in relation to making certain complaints.

## Derivatives

legalsuper invests directly in derivatives by entering into hedging contracts as a risk mitigation measure for movements in foreign currency. Derivatives may also be used to enhance operational efficiency and to protect portfolios. There may also be indirect exposure to derivatives via the unit trusts in which legalsuper invests.

## Surcharge

Whilst the surcharge has been abolished, the Australian Taxation Office (ATO) may provide an assessment for contributions paid before 30 June 2005 that includes a surcharge to be deducted from the member's account and paid to the ATO.

## Temporary residents

By law, legalsuper must pay to the ATO the benefit of any temporary resident who has departed Australia (and whose visa has expired or been cancelled) if it is not claimed within six months of departure. On request, legalsuper will provide an exit statement to a non-resident. Visit [ato.gov.au](http://ato.gov.au) for more information.

## Your account may be transferred to the ATO

Under the Protecting Your Super Package legislation, inactive accumulation accounts (i.e. no contributions or rollovers have been received in the past 16 months) with a balance of less than \$6,000 will be transferred to the ATO in April and October each year, unless within the past 16 months you have:

- provided written notice declaring that you are not a member of an inactive low-balance account
- changed investment options
- made changes to your insurance cover
- made or amended a binding beneficiary nomination.

Other accounts that fall within the definition of 'unclaimed' or 'lost' must also be transferred to the ATO.

Refer to the ATO website [ato.gov.au](http://ato.gov.au) for further details.

## Trustee determinations

For the year ended 30 June 2022, the Trustee published:

- a Member Outcomes Assessment that compared factors such as investment returns, investment risks, and fees and costs of legalsuper's MySuper, Choice and Pension investment options with products offered by other funds.
- a Modern Slavery Statement detailing its activities in relation to modern slavery risks in its operations and supply chains.

The Trustee also held online the Annual Member Meeting in December 2022 for the year ended 30 June 2022, giving members an opportunity to hear about legalsuper's performance and other important matters, and have their questions answered.

## Regulators' assessments

legalsuper achieved positive results in the APRA-based heat map assessment released in December 2022. legalsuper's MySuper product also passed APRA's annual performance test that considered net investment returns up to 30 June 2023 against benchmarks.

## Superannuation reforms\*

### RETIREMENT INCOME STRATEGY

From 1 July 2022, trustees of Registrable Superannuation Entities are required to develop a Retirement Income Strategy for retired members and those approaching retirement.

The strategy must address how the trustee will assist those members to achieve and balance three key retirement income objectives as follows:

- maximise expected retirement income over the period of retirement,
- manage expected risks to the sustainability and stability of retirement income over the period of retirement, and
- allow members flexible access to funds over the period of retirement.

Please refer to legalsuper's website for a copy of the Retirement Income Strategy at [legalsuper.com.au](https://legalsuper.com.au)

### REDUCED TAX CONCESSIONS ABOVE \$3 MILLION THRESHOLD

From 1 July 2023, individuals with balances over this threshold will be subject to an additional tax of 15 per cent on the earnings on any balance that exceeds the \$3 million threshold. Individuals with Total Superannuation Balances (TSBs) over \$3 million at the end of a financial year will be subject to an additional tax of 15 per cent on earnings. This tax is in addition to any tax their superannuation funds pay on earnings in accumulation.

### EMPLOYER SUPERANNUATION PAYMENTS

The legislated superannuation guarantee increase of 0.5% to 11% applied from 1 July 2023.

### SUPERANNUATION THRESHOLDS FOR 2023/2024

The key super rates and thresholds for 2023–24 are:

- the concessional contributions cap is \$27,500
- the non-concessional contributions cap is \$110,000 (or \$330,000 under the bring-forward rule over three years)
- the capital gains tax cap amount for non-concessional contributions is \$1,705 million, up from \$1,650 million
- the general transfer balance cap is \$1.9 million.



#### **BRING-FORWARD ARRANGEMENT**

From 1 July 2022, if you are aged under age 75 you may be eligible to use the bring forward provisions which allow you to contribute up to \$330,000 into your super.

This allows more people to contribute more to super. However, eligibility to benefit from the bring-forward rule is dependent on the contributor's total superannuation balance at 30 June of the previous year and the total of personal contributions over the past two financial years.

For 2023/2024, to access the non-concessional bring forward arrangement, you must:

- be under 75 years of age for one day during the triggering year (the first year); and
- have a Total Superannuation Balance of less than \$1.9 million at the end of 30 June 2023.

#### **AGE THRESHOLD FOR DOWNSIZER CONTRIBUTION LOWERED**

The Downsizer contribution change now allows those aged 55 (changed from age 60) to utilise the downsizer contribution rule to contribute \$300,000 per person from the sale of the family home. This contribution will not affect your contribution cap and is a payment made into super after selling your home. Eligibility criteria does apply.

#### **MINIMUM PENSION DRAWDOWN**

From 1 July 2023, the temporary 50% reduction in minimum drawdown rates will be removed and revert back to the levels they were at before COVID-19 emerged in early 2020.

#### **CHANGES TO FINANCIAL REPORTING REQUIREMENTS (FY23 DISCLOSURE)**

legalsuper is a registrable superannuation entity that is subject to amendments made to the Corporations Act 2001 by the Treasury Laws Amendment (2002 Measures No.4) Act 2022. These amendments are effective for financial years beginning on or after 1 July 2023 and bring registrable superannuation entities such as legalsuper into the financial reporting provisions of the Corporations Act 2001.

Accordingly, for our income year ending 30 June 2024, legalsuper will be required to prepare an annual report, consisting of a financial report (including financial statements, notes and a directors' declaration), a directors' report (including a remuneration report) and an attached auditor's report and auditor's independence declaration.

The annual report will be made available on the website within three months of the end of our income year (i.e. by 30 September 2024).

\* You should seek independent advice on these Superannuation reforms. More information can be found on the ATO website.

#### Contact us

 [legalsuper.com.au](https://legalsuper.com.au)  1800 060 312  Locked Bag 5081, Parramatta NSW 2124

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Legal Super Pty Ltd is the issuer of this Annual Report. This Annual Report was issued in December 2023 by Legal Super Pty Ltd ABN 37 004 455 789, AFSL 246315, as Trustee of legalsuper ABN 60 346 078 879, Level 9, 627 Chapel Street South Yarra, Vic, 3141.

This Annual Report includes general information only. This information is of a general nature and does not take into account your specific needs. You should consider your own financial position, objectives and requirements and read the legalsuper Product Disclosure Statement (PDS) and Target Market Determination (TMD) before making any decision in relation to legalsuper. The PDS can be obtained at [legalsuper.com.au](https://legalsuper.com.au). Past performance is not necessarily a guide to future performance.