



**cath<sup>o</sup>lic<sup>™</sup>  
super**

Annual Report 2019–2020



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

Catholic Super\* is an award-winning industry superannuation fund established in 1971. Since then, we have delivered to members invested in the default Balanced option an average investment return of nearly 10% per annum.

A fund open to all Australians, Catholic Super members often work in schools, hospitals, community services and the welfare sector, educating and caring for millions of people every day.

Our approach is to deliver maximum investment returns while taking less risk than many other super funds, bringing our members financial peace of mind as they prepare for retirement.

\* Catholic Super is a division of MyLifeMyMoney Superannuation Fund which includes:

- Catholic Super
- MyLife MySuper
  - Transport Super
- MyLife MyPension.

Data provided for Catholic Super in this report is aggregated with information for other divisions of MyLifeMyMoney Superannuation Fund. For example, Fund membership numbers include all members of the MyLifeMyMoney Superannuation Fund, not only Catholic Super.

This Annual Report was issued by Togethr Trustees Pty Ltd (ABN 64 006 964 049; AFSL 246383) (the Trustee), the trustee of MyLifeMyMoney Superannuation Fund (ABN 50 237 896 957; SPIN CSF0100AU) (the Fund). It provides important details about the Fund's activities and investments for the financial year ended 30 June 2020. A summary of the benefits and features of the Fund can be found in the Product Disclosure Statements available upon request. The information contained in this Annual Report is about the Fund and is general information only. It has been prepared without taking into account your personal investment objectives, financial situation or needs. It is not intended to be, and should not be construed in any way as, investment, legal or financial advice. We recommend you assess your own financial situation before making a decision based on the information contained in this Annual Report. To help you with your decision-making you may wish to seek assistance from a qualified financial adviser before making any changes to your financial affairs. Neither the Trustee, nor any of the Trustee's service providers, guarantees the performance of the Fund or any particular rate of return. Past performance is not a reliable indicator of future performance. The Trustee does not accept any liability, either directly or indirectly, arising from any person relying, either wholly or partially, upon any information shown in, or omitted from, this Annual Report. Under no circumstances will the Trustee be liable for any loss or damage caused by a user's reliance on information obtained from reading this Annual Report. The information in this Annual Report is correct as at the date of publication. In the event of a material change occurring to any information contained in this Annual Report, the Trustee will notify existing members in writing within the timeframes required by law. Where a change to information in this Annual Report is not materially adverse, the Trustee will provide updated information online. You may request a paper copy of any change, which will be provided free of charge.

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# About Catholic Super

We're the only Australian industry fund that offers super, advice and banking all under one roof – a model designed to boost our members' wealth.

## About us

Catholic Super is part of the Togethr group of superannuation funds – a not-for-profit superannuation business focused on achieving the best possible financial outcomes for all members in retirement.

## Vision and purpose

Our Vision is for excellence in super, delivered with care.

Our Purpose is to support our members to prepare for financial freedom in retirement.

## Values



### We put members first

- We invite the member into the room
- We don't assume, we ask
- We ask if there is a better way



### We do what we say we will do

- We are happy to be judged on our results
- We measure our progress
- We communicate, empower and are accountable



### We collaborate and innovate

- We find solutions that are clever
- We are not afraid to change course



### We celebrate success

- We celebrate big and small wins
- We measure by milestone not final result

# Chair's report

Since our last annual report, members witnessed parts of Australia in crippling drought, followed by the worst bushfires we've ever faced. Then the COVID-19 pandemic arrived, sparking a local and global crisis that spanned every industry and touched each and every one of us in ways we had never imagined. As a result, many businesses have had to pivot – adjusting their strategies, making significant operational changes, and supporting their staff and customers through uncertain times.

Catholic Super is no different. The Fund immediately prioritised supporting members, including facilitating the government's Early Release of Superannuation and Minimum Pension Reduction schemes. All while adjusting to a constantly changing policy environment, a federal government Retirement Income Review, and the introduction of the Putting Members' Interests First legislation.

Change is buffeting the superannuation industry and, as a Trustee, we continue to pursue a proactive approach to our core purpose – supporting our members to prepare for financial freedom in retirement. For this reason, while other funds were talking about ways to streamline and improve their offerings, Catholic Super progressively acted – joining with Equip under a single trustee, Togethr Trustees, in October 2019.

I would like to acknowledge the dedication and hard work of the directors who vacated their positions in October due to the merging of the two Boards. Thank you to Marcia Clohesy, Paul Murphy, Sheree Press, John Connors and Greg Quinn.

By anticipating the government's imperative for superannuation funds to adapt and consolidate, Catholic Super has positioned itself at the forefront of innovation. Importantly, having more resources at our disposal makes it easier to offer the excellent support, services and investment returns our members seek and deserve.

Our industry-leading Extended Public Offer (EPO) model allows other funds to combine with us, while still keeping their unique identity and trusted relationships with members and employers. This delivers efficiencies and opportunities from economies of scale in investments, insurance, services and technology.

Our strategy will ensure Catholic Super remains at the forefront of financial success. Our vision is to see the Trustee grow to house 300,000 members and manage \$50 billion by 2025. We fundamentally believe growth and scale will drive greater member outcomes for retirement.



With our members' interests rightfully at the forefront of our plans, it is important that while we look to the future, we maintain our high governance standards. Our commitment to rigorous oversight is clear. Our skills-based board ensures extensive knowledge of the industry, to help maximise retirement outcomes for members.

Regulatory changes are slowly forcing all funds to embrace a member-first approach to governance. As an industry leader in this area, we have always focused on how best to support members' retirement outcomes. We have already adopted the revised Insurance In Superannuation Code of Practice to improve superannuation member value and protections, and early applications of Prudential Standard SPS 515 – Strategic Planning and Member Outcomes.

As always, we seek to ensure that our members have the information, advice, products and services they need now and into retirement. Earning and deserving our members' trust is the pinnacle of our achievement. We look forward to another prosperous year.

**Andrew Fairley AM**  
Chair

**Danny Casey**  
Deputy Chair



# From the CEO

Joining the Trustee in October 2019, we could not have imagined what a whirlwind it would be. Natural disasters, major policy changes and increased regulatory scrutiny for the superannuation industry, our joint venture with Equip, COVID-19, erratic financial markets ... it certainly has been a year for change. I am pleased to say, the Fund has managed these challenges well – focused on providing excellence in super delivered with care, and supporting our members to prepare for financial freedom in retirement.

Despite the worst market downturn since the global financial crisis, we delivered members positive returns for the 2019–2020 financial year. Our Balanced Option, where most members are invested, returned +0.5% in one of the most volatile share market years ever. This put our performance in the top 25% of funds in the balanced category. We were awarded a five-star rating for 'Outstanding value' from Canstar for the second year in a row – one of just six funds in a field of nearly 70 to achieve this. Providing competitive long-term investment returns and being recognised as an industry-leading trustee are two of our strategic objectives.

Our joint venture with Equip, under the banner of Togethr Trustees, has made Catholic Super part of an overall operation managing \$26 billion. In the medium term this will reduce supplier and fund administration expenses and aid strong and consistent investment returns for members. Togethr Trustees' proactive approach has already identified other growth opportunities. We'll continue to pursue scaled growth when it's in our members' best interests, and preserve our socially responsible investing values.

The pandemic has also meant record call and website traffic, increased services and support for members, and millions in early release payments and pension changes. Importantly, we continued to live our brand promise of 'here for you'. We tripled meetings (many virtual) with employers and doubled interactions with members. Members gave our Service Centre a transactional net promoter score of +79 indicating that they highly value the personalised service we offer.



With scale and long-term benefits for members in mind, we have set about integrating the funds – creating a single executive team, building a new organisational structure, preserving the best of different cultures, harmonising terms and conditions and developing a common vision, purpose and shared set of values. Added to these demands was all 200 employees working remotely for a good part of the year, due to COVID-19. I've thanked everyone in the team for an exceptional job adapting to major changes in a short period of time; all while ensuring members remained the number one priority.

Another, very special, thanks to members on the frontline – our teachers, nurses, aged care workers and others – who educate and care for millions of Australians every day. So many essential workers, put at risk, during the pandemic. We couldn't get through this without you.

As I look forward to next year and beyond – in a new 'COVID-normal', we will continue to be focused on unlocking more benefits from our joint venture with Equip, increasing our capability and capacity for growth, and reaching out further to employers. Most importantly, we'll stay committed to improving the Fund's performance, and the support and services we offer our members.

**Scott Cameron**  
Chief Executive Officer

# Our Fund



**\$9.8 billion**  
FUNDS UNDER MANAGEMENT

**70,727**  
MEMBERS



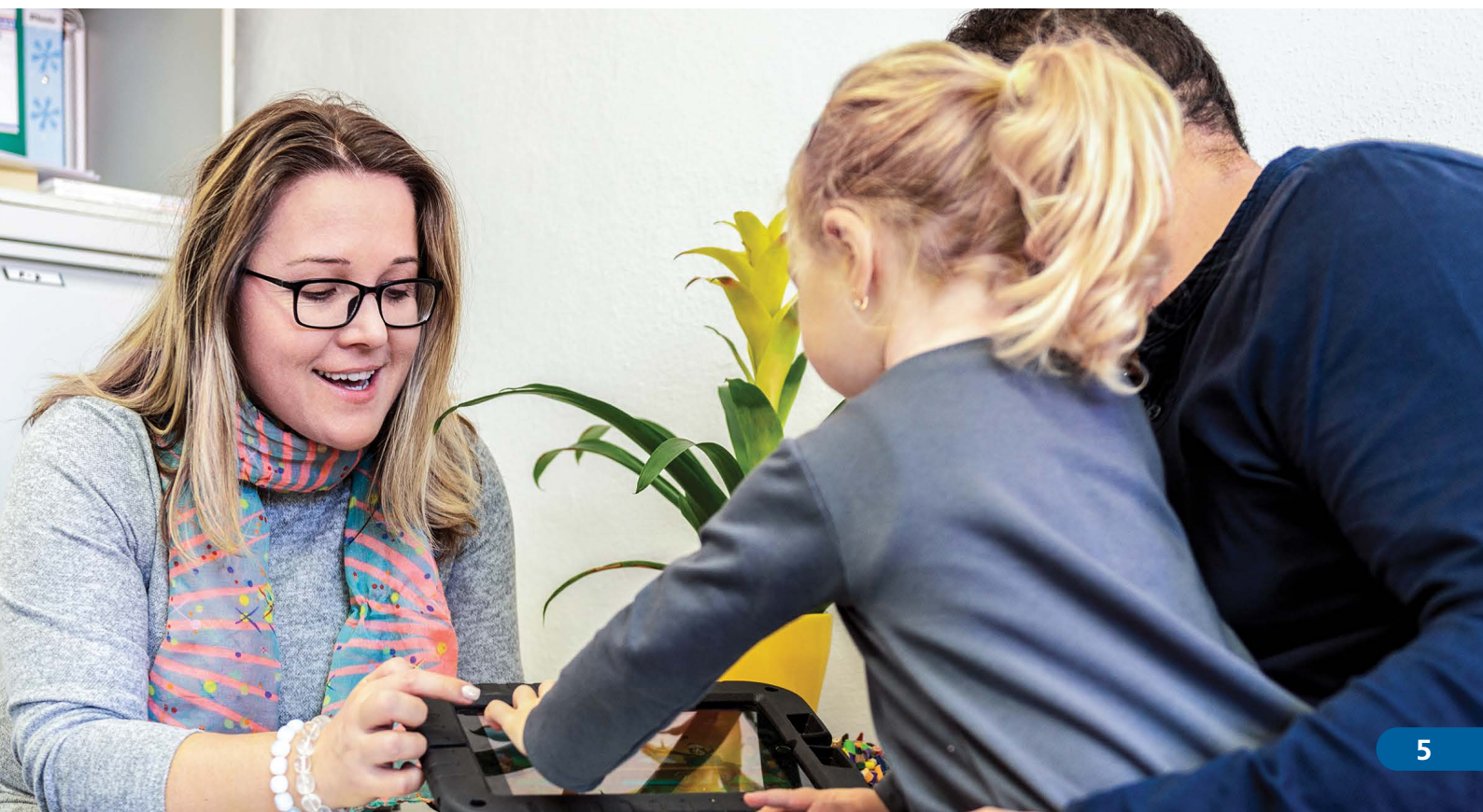
**70%**  
CONTRIBUTING  
MEMBERS\*

**\$505 million**  
IN CONTRIBUTIONS FROM MEMBERS



**13%**  
SALARY  
SACRIFICE

\* We use Superannuation Guarantee, salary sacrifice and member voluntary contributions to calculate contributing members.



# Net returns

With low fees and strong returns, you can be confident your Fund is performing over the long term.

## How we stack up

Over the 10 years to 30 June 2020 and after fees, Catholic Super's default investment option<sup>1</sup> returned \$2,343 more than the retail fund average and outperformed the industry fund average by \$1,986.<sup>2</sup>

**\$13,586**

**catholic  
super**

**Aggressive  
MySuper  
investment  
option**

**\$11,243**

**Average retail  
super fund**

**\$11,600**

**Average  
industry  
super fund**

1. The default option for members aged under 51 is Catholic Super's Aggressive MySuper option. From age 51 we gradually move your super to our Balanced MySuper investment option.

2. Source: Chant West ([chantwest.com.au](http://chantwest.com.au)).

Past performance is not a reliable indicator of future performance. Net returns are compared for a member balance of \$150,000. Net returns are calculated based on the annualised investment return (after tax and investment fees) over the 10 years to 30 June 2020 and the latest administration fees as at September 2020. The retail super category includes corporate funds, corporate master trusts and retail master trusts. Important information about the data provided by Chant West, can be found on page 32 of this report.



# Member services

## Putting members first

Our improved member portal launched in November 2019; enabling members to access information about their super, investments and insurance from any device.

Around 40% of super members have logged in to their online account over the last 12 months. Members were also kept informed through email, Facebook, LinkedIn and Twitter.

We are pleased to have supported our members by answering 70,505 calls over the year. We had 1,525 appointments with financial planning clients to discuss their retirement outcomes and many members attended our pre-retirement seminars.

## Excellence in super delivered with care

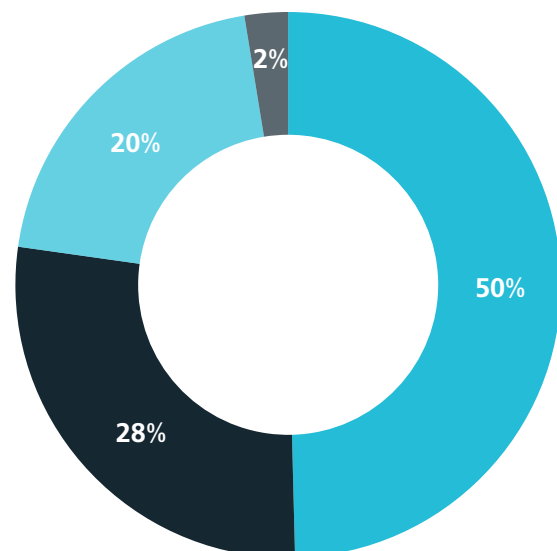
Catholic Super continues to live its brand promise of 'here for you'. Members gave our Service Centre a transactional NPS of +79<sup>3</sup> indicating that members highly value the service we provide.

## Preparing members for financial freedom

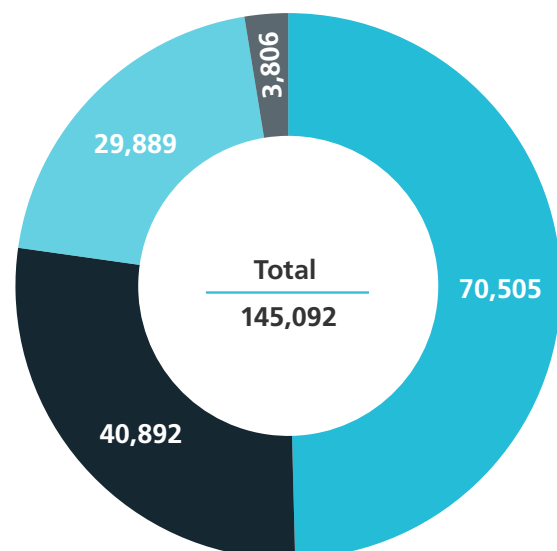
This year MyLife MyAdvice (MLMA) continued to provide affordable advice that helps to prepare members for financial freedom in retirement. After the bushfires, MLMA offered free financial advice to members who had been directly impacted. This year 67% of Catholic Super members said they were aware of the MLMA service, 1,525 met with a planner and 420 Statements of Advice were created.

## Service Centre insights

### MEMBER CONTACTS



● Inbound calls ● Outbound calls ● Emails ● Web chat



● Inbound calls ● Outbound calls ● Emails ● Web chat

3. NPS - net promoter score – a score over 70 is in the highest band, and considered excellent.



## Banking

MyLife MyFinance continued to deliver banking services to over 3,000 customers, helping members achieve their financial goals.

MyLife MyFinance offers:

- highly competitive products and services
- exceptional customer service, including personal banking with accredited, committed bankers
- fair, transparent service with no commissions or bonuses paid to staff
- real value through:
  - preferential lending rates
  - no upfront or ongoing fees
  - highly competitive term deposits
  - fee-free online savings accounts.

Our bank, MyLife MyFinance, is a challenger to Australia's big banks with more than 3,000 customers and deposits of \$151 million.

In 2020, work commenced on an online banking platform to support members with automated account opening, self-service capabilities and a new Visa debit card. The technology transformation was delivered in October 2020.

Catholic Super members continue to be highly satisfied with the bank, with an NPS of +51.<sup>4</sup>

## What members want

Our members tell us they want regular, relevant and timely communications; so we utilise our omni-channel approach to engage with them in their everyday life. Some of the topics we covered this year included:

- super and financial advice offers, particularly during the height of the COVID crisis
- helping members combine their super – \$232.3 million, including lost and unclaimed super, was rolled into the Fund this year
- transitioning to a pension product – communications to members as they approach ages 60 and 65 to provide information to support their retirement outcomes
- fee reductions – compared to the previous financial year, in 2019–2020, members with \$50,000 in the MySuper option for their respective age received an annual reduction between \$95 and \$140
- an expression of thanks to all those working on the frontline during the pandemic.

4. Sagacity Research 2020 – NPS over 50 is considered very good.

**At Catholic Super,  
we understand  
the importance  
of supporting the  
Catholic community.**

**Our members — school  
teachers, early childhood  
educators, nurses, personal  
carers and others provide  
invaluable services.**

**They deserve the trusted,  
professional advice and  
dedicated attention to their  
financial futures that we are  
always aiming to provide.**

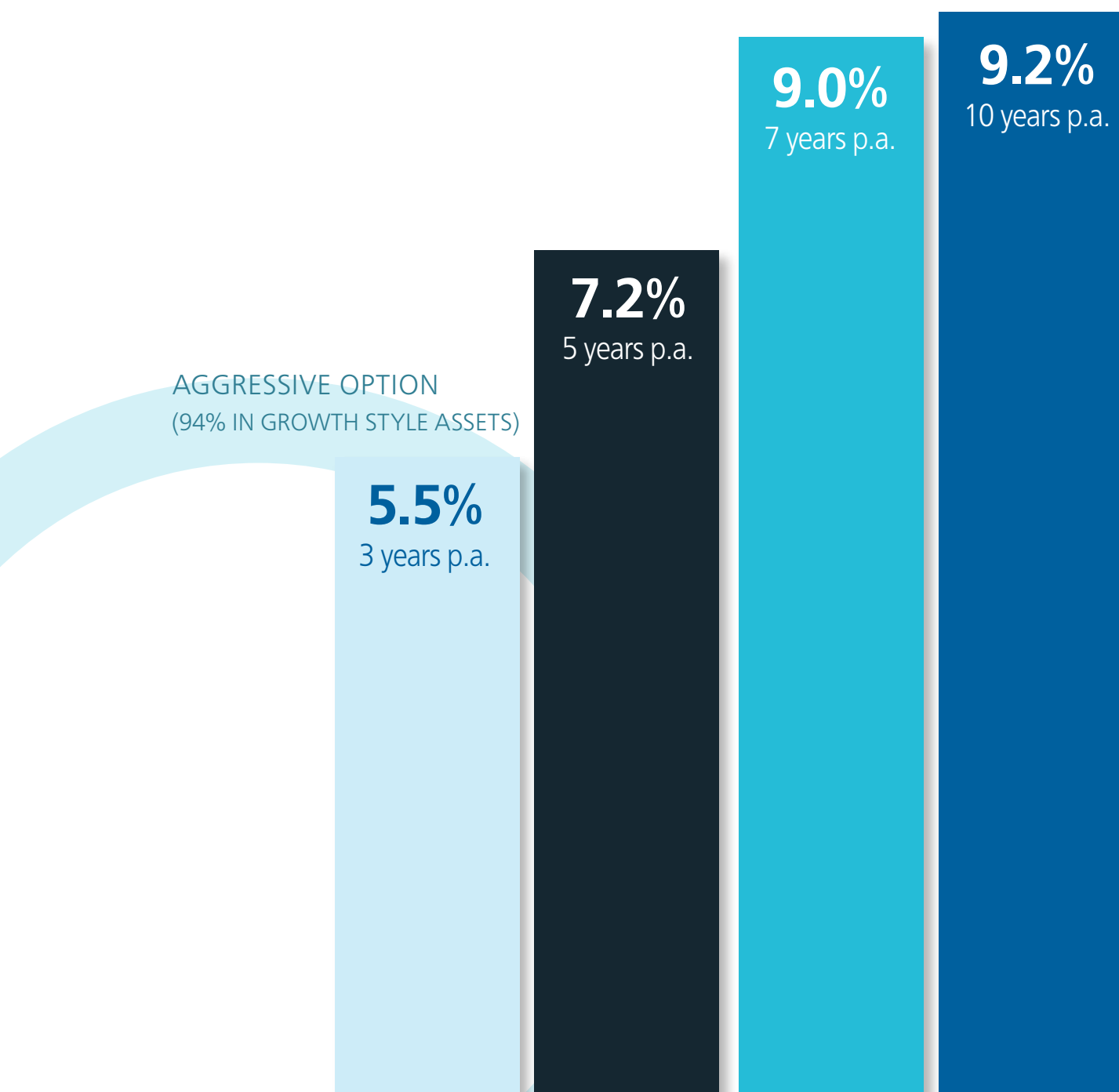
# Awards

Australia's largest financial comparison website, Canstar, named Catholic Super's 'Aggressive' option as a top performer for investment returns over seven years.



In a field of nearly 70 funds, Catholic Super was one of only six to achieve this. Catholic Super has been awarded Canstar's 5-Star Rating for Outstanding Value Superannuation two years in a row.

Independent ratings agency SuperRatings awarded Catholic Super the highest platinum performance rating as a 'Best value for money' fund – awarded to the top 15% of funds, for over 10 consecutive years.



# Growing our community connections

Strong connections to the Catholic community are highly valued by the Fund and we've been working hard to build the strength of our relationships through increased engagement with employers.

Employer engagement tripled from last financial year with over 1,300 meetings taking place nationally. These partnerships deliver workplace education to members, aimed at helping them maximise their retirement outcomes. Our super experts helped explain to employers the legislative updates and assisted payroll staff to manage superannuation payments.

Employers gave us an NPS of +59<sup>5</sup> encouraging us to further develop our national footprint within Catholic education, aged and community services, and healthcare. While our membership within Catholic education and healthcare remained relatively steady, we witnessed growth of around 5% from aged and community services.

We also doubled our interaction with individual members, meeting more than 7,000 through workplace educational programs and scheduled one-on-one member appointments. Phone and video conferencing was implemented when COVID-19 restrictions came in.

5. CoreData 2020 – An NPS over 50 is considered very good.

## MEMBERS ENGAGED THROUGH EMPLOYER SESSIONS

**34** PRE-RETIREMENT  
(FINANCIAL PLANNING)  
SEMINARS



**335**  
ATTENDEES

**202** WORKPLACE  
SEMINARS



**3,061**  
ATTENDEES

**3,712** ONE-ON-ONE  
MEETINGS



**7,108**  
MEMBERS  
REACHED



A photograph of three people in a professional setting. On the left, a young woman with dark hair in a bun smiles. In the center, a woman with light brown hair pulled back smiles. On the right, the back of an older man's head and shoulder are visible. They appear to be in a meeting or discussion. The image has a light blue overlay.

**Superannuation remains a long-term proposition** and this needs to be kept in mind as members choose their investment strategies, not short-term returns. Catholic Super will continue to build on our high-quality services to our members, many of whom provide invaluable services across the Australian healthcare and community care sectors.



## Our response to COVID-19

When the World Health Organization declared a global COVID-19 pandemic on 11 March 2020, its impact was immediately felt at Catholic Super.

We were deeply concerned for the majority of our members who work on the frontline in education and healthcare.

The fund mobilised to offer reassurance, timely support and tailored solutions as we experienced record call and website traffic and our members sought information on their investments, insurance, early release payments and pension changes.

To support a broad COVID-19 communications strategy, we developed a specific COVID-19 section on our website to keep members up to date on super-related topics during the crisis. This included FAQs, articles and videos to ensure our members had 24/7 access to information.

This section of the website is still live and regularly updated as thousands of members continue to [use this channel](#) to stay up to date.

We also developed a communications strategy specifically to support our members who accessed super early, which will provide them with tailored information and advice well into 2021.

We took the opportunity to express thanks to our members who have worked tirelessly while separated from friends and family, keeping Australia going, via our successful [#IOUahug](#) campaign.

### COVID-19 STATS – MARCH TO JUNE 2020



\* Compared to the same period in 2019.

## Members accessing super early

In early 2020, the Australian Government announced that people adversely financially impacted by COVID-19 could access up to \$10,000 of their superannuation in the 2019–2020 financial year.

The Australian Prudential Regulation Authority (APRA) states that by 28 June, 2.4 million COVID-19 early release payments had been paid from national super funds totalling \$18.1 billion. With the continuation of the scheme into the 2020–2021 financial year many members have made repeat applications.

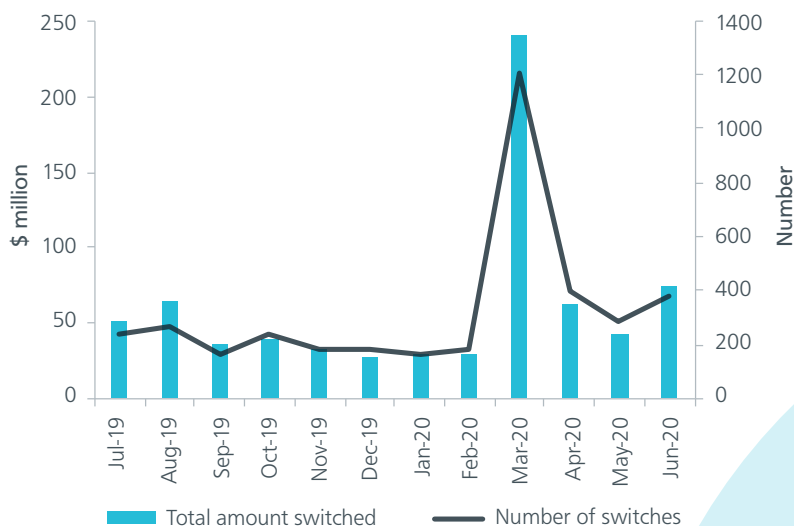
The 10 funds with the highest number of applications made 1.61 million payments, totalling \$11.87 billion.

In Round 1 (to 30 June 2020) we paid out approximately \$24 million to 2,993 Catholic Super members. We're pleased to say this process was seamlessly executed, with 90.2% of payments processed within five business days, in accordance with APRA's expectations.

## Switching behaviour of members

The graph below shows investment option switching behaviour for all members of the MyLifeMyMoney Superannuation Fund. The spike in switching activity from February to March occurred as markets tumbled due to COVID fears.

### SWITCHING BEHAVIOUR



## Our flexibility

The pandemic highlighted how capable and adaptable our workforce is. We successfully transitioned 100% of staff to working from home in March 2020. It proved the flexible capacity of the Fund and its ability to retain its single-minded focus on members' retirement outcomes.

Switching  
stats  
2019–2020

**\$59.0m**

Average monthly amount switched

# Investing

## How we invest

The Fund's primary investment focus is to achieve optimal long-term net returns. Investing for the future is a sound plan and superannuation is influenced by how well members' money performs.

We can track savings' growth over time, based on returns and fees, employers' requirements to pay into the super fund and the extra contributions members might make to top up their retirement nest egg. We aim to generate above inflation income for our super and pension members, after fees, taxes and other costs. We encourage members to focus on long-term objectives.

Across all of our investments, we seek to be a responsible investor. We work behind the scenes to minimise non-financial risks by keeping a close eye on the companies we invest in. This includes how they treat their employees, customers, consumers and suppliers, and even how they manage resources. Safeguarding our members' future by investing well makes sense.

We know some members are concerned about the environment and social economy. They want to invest with companies that care about the use of natural resources and carbon emissions, and operate well-run businesses. In 2006, Catholic Super became one of the first super funds to sign the Principles for Responsible Investment. Read our [climate change position statement](#) and learn more about our approach to [responsible investment](#).

Our [PositiveIMPACT](#) option was introduced in 2017 for members who wanted investments that aligned with their ethical and moral values. In this option, we

invest across listed equities and unlisted investments including property, infrastructure and private equity. [PositiveIMPACT](#)'s performance has been very encouraging, outperforming conventional options quite significantly so far, although that cannot be expected every year.

Investors should know that [PositiveIMPACT](#) is a relatively high risk option, with a weighting of over 50% in international listed shares, and generally growth oriented investments in infrastructure and private equity. This different portfolio and more concentrated investments mean [PositiveIMPACT](#)'s performance will often differ from conventional options with a similar risk profile.

Catholic Super believes in responsible investment. While our objective is to maximise the retirement income of our members, we recognise that Environmental, Social and Governance (ESG) issues are factors which may influence whether this objective is met. The integration of ESG issues including activities such as due diligence, manager selection, monitoring and the application of responsible investment practices into the management of our investment portfolios is consistent with our overall investment beliefs. We believe this approach will enhance the risk adjusted returns for our members over the long term. We actively promote strong ESG policies in our investee companies and the broader investment community. We are also active in exercising our voting rights in support of good governance and a sustainable economy.

Our key achievements this year include enhancements to the management of our Australian equities proxy voting practices, and a focus on aligning engagement with voting actions. We also made a commitment, as stated in our Responsible Investment Policy, to progressing the Fund towards implementing the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.





## Risk management

Catholic Super continues to focus on diversification and discipline – finding the best investments we can for members. We manage investments actively; buying more equities as the market nears its bottom and selling as it rises. This discipline is something that can be hard to do when managing your own money – buying when you’re fearful. But, because of our active approach to investing and our discipline, we’re one of the best performing funds in the country.

Last year, we cautioned that markets appeared fully valued and at risk of correcting. Of course, we couldn’t predict how or when this might happen. Our caution meant we entered into the market correction with a lower weight to equities than many other funds, and plenty of diversifying assets that added value.

The rapid recovery of the equity market in the US means the US is looking expensive again, and there are some significant economic challenges facing the world post the COVID-19 pandemic. Markets have many challenges ahead.

## Managing investments

The investment managers in the table opposite were appointed by the Fund for each asset class, as at 30 June 2020. Managers may change from time to time.

## Management fees

As a profit-to-member industry super fund, any profits made from management fees flow back to members. We keep running costs as low as possible to maintain downward pressure on your fees. More information about our Fees and Other Costs is here at [csf.com.au/pds](https://csf.com.au/pds)

## INVESTMENT MANAGERS AS AT 30 JUNE 2020

ASSET CLASS	INVESTMENT MANAGER
Overseas Shares	Acadian Asset Management Generation Investment Management GuardCap Asset Management Intermede Investment Partners Janus Henderson Investors Northcape Capital Orbis Investment Advisory Realindex Investments Stewart Investors

## INVESTMENT MANAGERS AS AT 30 JUNE 2020

ASSET CLASS	INVESTMENT MANAGER
<b>Australian Shares</b>	Allan Gray Australia Alliance Bernstein Cooper Investors Firetrail Investments L1 Capital Ophir Asset Management Paradice Investment Management Plato Investment Management Renaissance Asset Management
<b>Property</b>	AMP Capital Investors Barwon Investment Partners Goodman Australia Industrial Fund GPT Funds Management Invesco Real Estate Lend Lease Real Estate Investment Resolution Capital
<b>Infrastructure</b>	Copenhagen Infrastructure Partners Industry Funds Management Infrastructure Capital Group Lighthouse Infrastructure Macquarie Specialised Asset Management Quinbrook Infrastructure Partners
<b>Fixed Interest</b>	AMP Capital Investors Apollo Management Ardea Investment Management Industry Funds Management Members Equity Metrics Credit Partners
<b>Cash</b>	Macquarie Investment Management Global Limited
<b>Term Deposits</b>	Internally managed
<b>Growth Alternatives</b>	Apollo Management Campus Living Edelweiss Alternative Asset Advisors Generation Investment Management Macquarie Agricultural Funds Management Monroe Capital Management Oaktree Capital Management Tangency Capital
<b>Defensive Alternatives</b>	Apollo Management Ardea Investment Management Bentham Asset Management BroadRiver Asset Management Morrison and Co Resolution Life Revolution Asset Management Shenkman Capital Management
<b>Private Equity</b>	Continuity Capital Partners Global Energy Efficiency and Renewable Energy Fund HarbourVest Partners Limited LGT Capital Partners Pantheon Ventures Limited Siguler Guff
<b>Currency</b>	National Australia Bank State Street Global Advisors
<b>Inflation Aware</b>	Ardea Investment Management

# Investment highlights

## Top returns in volatile markets

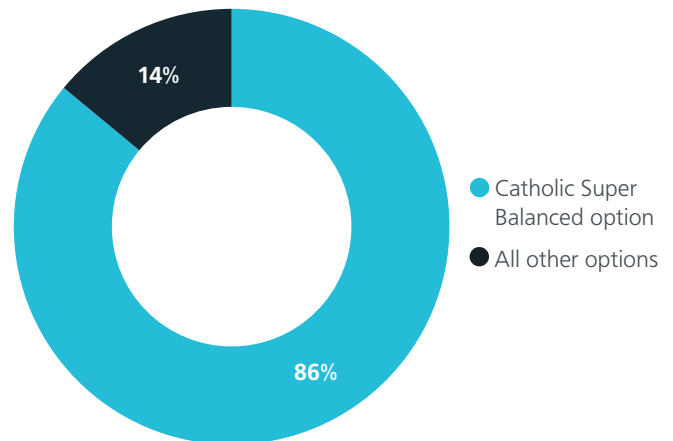
Managing your own super through ups and downs can be pretty stressful, particularly if you are close to, or already in, retirement. For most people, diversification is a fundamental building block and a way to manage that stress.

We are pleased to report that we defied the worst market downturn since the global financial crisis to deliver members positive returns for the 2019–2020 financial year. While the pandemic pushed many funds into negative territory, our Balanced option, where many members are invested, returned +0.5% for the year. This put us in the top quartile of best performing funds<sup>6</sup> in one of the most volatile years for share markets on record.

Balanced option – We diversify across thousands of investments in shares, property, infrastructure, bonds and cash. We ‘balance’ the need for long-term growth with the need for shorter-term safety when markets are rough. This ‘balance’ might feel boring when markets are booming, but diversification is just what’s needed when markets are volatile and crashing.

Investment is a long-term game and the key is consistently strong results over many years. Catholic Super has delivered an average of 8% per annum over the past 10 years for members invested in the Balanced option.

## WHERE OUR MEMBERS ARE INVESTED



## BALANCED OPTION RETURNS (70% IN GROWTH STYLE ASSETS)

**0.5%**  
1 year

**5.0%**  
3 years p.a.

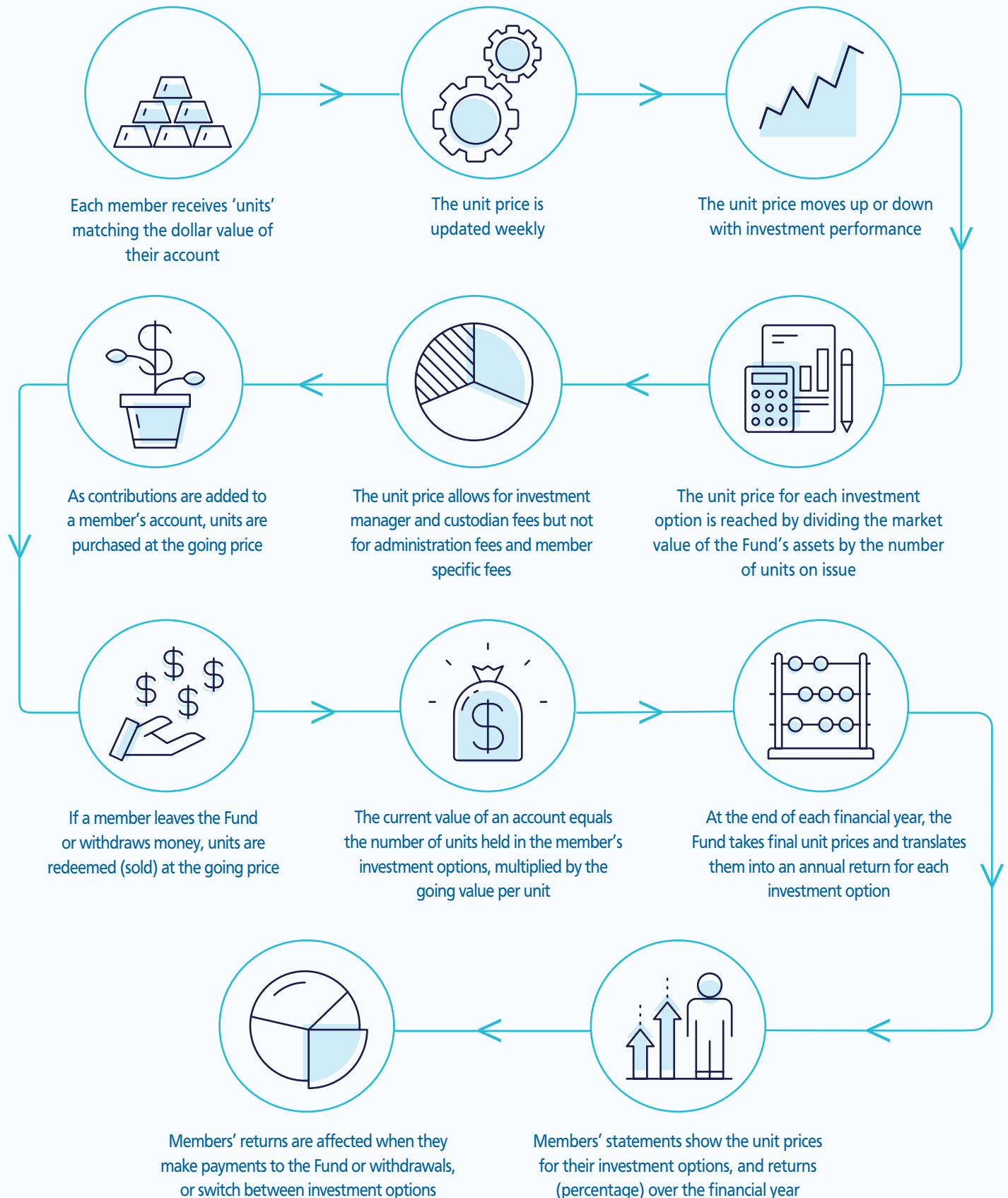
**6.5%**  
5 years p.a.

**8.0%**  
10 years p.a.

6. SuperRatings Survey 2020.

# Investment returns

## HOW RETURNS ARE ALLOCATED





The tables following show the annual returns of our investment options over the longer term and the last financial year, for both super and pension accounts.

Returns shown are after the deduction of all fees and taxes as at 30 June 2020. The actual returns credited to a member's account balance will be influenced by the timing of payments into and out of the account, allowing for contributions, taxes, fees and switches between investment options.

## INVESTMENT RETURNS AS AT 30 JUNE 2020 – SUPER

<b>OPTION NAME</b>	<b>1 YR (%)</b>	<b>3 YR (%)</b>	<b>5 YR (%)</b>	<b>7 YR (%)</b>	<b>10 YR (%)</b>
Aggressive	0.0	5.5	7.2	9.0	9.2
Moderately Aggressive	0.9	5.6	7.1	8.4	8.6
Balanced	0.5	5.0	6.5	7.8	8.0
Conservative Balanced	1.0	4.8	6.0	6.9	–
Moderately Conservative	1.3	4.3	5.3	6.1	6.5
Conservative	1.0	3.5	4.5	5.2	5.6
PositiveIMPACT	3.6	–	–	–	–
RetirePlus	1.2	4.2	5.0	6.0	–
RetireStable	1.6	3.7	4.3	–	–
Australian Shares	-7.9	3.8	7.1	8.8	8.8
Overseas Shares	4.8	8.6	8.7	10.9	10.4
Property	-0.2	6.0	7.7	8.2	8.4
Diversified Fixed Interest	1.2	3.4	3.7	3.8	4.5
FlexiTerm Deposit	1.2	1.8	2.1	2.3	–
Cash	1.0	1.6	1.9	2.1	2.7

## INVESTMENT RETURNS AS AT 30 JUNE 2020 – PENSION

OPTION NAME	1 YR (%)	3 YR (%)	5 YR (%)	7 YR (%)	10 YR (%)
Aggressive	0.7	6.3	8.0	9.9	10.2
Moderately Aggressive	1.1	6.2	7.8	9.3	9.6
Balanced	1.2	5.7	7.3	8.8	9.0
Conservative Balanced	1.4	5.5	6.8	7.8	–
Moderately Conservative	1.3	4.7	6.0	6.8	7.4
Conservative	1.2	4.1	5.2	5.9	6.5
PositiveIMPACT	4.4	–	–	–	–
RetirePlus	1.3	4.7	5.6	6.8	–
RetireStable	1.8	4.2	4.9	–	–
Australian Shares	-8.3	3.7	7.1	8.9	9.1
Overseas Shares	5.2	9.6	9.8	12.4	12.1
Property	-0.1	6.7	8.5	9.0	9.1
Diversified Fixed Interest	1.3	3.9	4.3	4.4	5.2
FlexiTerm Deposit	1.4	2.1	2.5	2.7	–
Cash	1.2	1.9	2.3	2.5	3.2

## CATHOLIC SUPER BALANCED – MID TO LONG-TERM PERFORMANCE

OVER 10 YEARS		OVER 5 YEARS	
% PER ANNUM		% PER ANNUM	
Option		Option	
<b>Catholic Super Balanced Return</b> (net of tax and investment fees)	<b>8.0</b> Investment target CPI + 3.5% p.a Outperformance relative to target <b>+2.4% p.a.</b>	<b>Catholic Super Balanced Return</b> (net of tax and investment fees)	<b>6.49</b> Investment target CPI + 3.5% p.a Outperformance relative to target <b>+1.2% p.a.</b>
SuperRatings median (all funds)	7.43	SuperRatings median (all funds)	5.61
SuperRatings top quartile threshold	8.05	SuperRatings top quartile threshold	6.42

# Investment objectives and strategies

## Choosing an investment strategy

We want to make super easy for you. If you don't want to choose your investment option, your super will automatically be invested using our Default Strategy. It's quite simple. We'll invest your super according to your age. For example, before you turn 51, we'll invest your super into our Aggressive option, then gradually move your funds to our Balanced MySuper option as set out below.

To learn more about our Default Strategy, go to the Investment guide at: [csf.com.au/news-resources/product-disclosure-statements#super](https://csf.com.au/news-resources/product-disclosure-statements#super)

### under 51

**100%** of your super would be invested in the **Aggressive** option

### at 51

$\frac{2}{3}$  of your money would be invested in the **Aggressive** option, and  $\frac{1}{3}$  in the **Balanced** option

### at 52

$\frac{1}{3}$  of your money would be invested in the **Aggressive** option, and  $\frac{2}{3}$  in the **Balanced** option

### 53 and over

**100% of your money** would be invested in the **Balanced** option



## INVESTMENT OPTIONS

### Managed Choice options

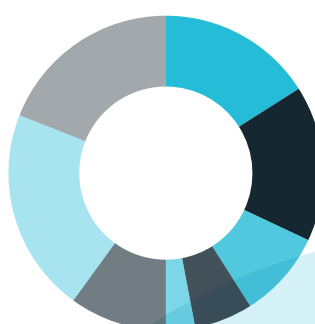
INVESTMENT OBJECTIVES	AGGRESSIVE	MODERATELY AGGRESSIVE	BALANCED
<b>Return objective</b>	CPI + 4.0% over rolling 10 years.	CPI + 3.5% over rolling 10 years.	CPI + 3.0% over rolling 10 years.
<b>Standard Risk Measure</b>	Likelihood of negative returns occurring 4.7 years in a 20-year period.	Likelihood of negative returns occurring 4.4 years in a 20-year period.	Likelihood of negative returns occurring 4.1 years in a 20-year period.
<b>Risk band and label</b>	Risk band 6, High	Risk band 6, High	Risk band 6, High
<b>Target asset allocation</b>	94% Growth assets 6% Defensive assets	80% Growth assets 20% Defensive assets	70% Growth assets 30% Defensive assets
<b>Strategic asset allocation (%)</b>	<ul style="list-style-type: none"> <li>Australian Shares 34</li> <li>Overseas Shares 34</li> <li>Property 5</li> <li>Private Equity 5</li> <li>Growth Alternatives 8</li> <li>Infrastructure 9</li> <li>Defensive Alternatives 5</li> </ul>	<ul style="list-style-type: none"> <li>Australian Shares 30</li> <li>Overseas Shares 30</li> <li>Property 6</li> <li>Private Equity 4</li> <li>Growth Alternatives 7</li> <li>Infrastructure 8</li> <li>Defensive Alternatives 6</li> <li>Fixed Interest 7</li> <li>Cash 2</li> </ul>	<ul style="list-style-type: none"> <li>Australian Shares 27</li> <li>Overseas Shares 27</li> <li>Property 8</li> <li>Private Equity 3</li> <li>Growth Alternatives 6</li> <li>Infrastructure 6</li> <li>Defensive Alternatives 7</li> <li>Fixed Interest 13</li> <li>Cash 3</li> </ul>





## Managed Choice options

INVESTMENT OBJECTIVES	CONSERVATIVE BALANCED	MODERATELY CONSERVATIVE	CONSERVATIVE
<b>Return objective</b>	CPI + 2.75% over rolling 10 years.	CPI + 2.5% over rolling 10 years.	CPI + 2.0% over rolling 10 years.
<b>Standard Risk Measure</b>	Likelihood of negative returns occurring 3.4 years in a 20-year period.	Likelihood of negative returns occurring 2.6 years in a 20-year period.	Likelihood of negative returns occurring 1.4 years in a 20-year period.
<b>Risk band and label</b>	Risk band 5, Medium to High	Risk band 4, Medium	Risk band 3, Low to Medium
<b>Target asset allocation</b>	55% Growth assets 45% Defensive assets	40% Growth assets 60% Defensive assets	25% Growth assets 75% Defensive assets
<b>Strategic asset allocation (%)</b>	<ul style="list-style-type: none"> <li>Australian Shares 21</li> <li>Overseas Shares 21</li> <li>Property 9</li> <li>Private Equity 2</li> <li>Growth alternatives 6</li> <li>Infrastructure 5</li> <li>Defensive Alternatives 8</li> <li>Fixed Interest 18</li> <li>Cash 10</li> </ul>	<ul style="list-style-type: none"> <li>Australian Shares 16</li> <li>Overseas Shares 16</li> <li>Property 9</li> <li>Growth Alternatives 6</li> <li>Infrastructure 3</li> <li>Defensive Alternatives 10</li> <li>Fixed Interest 21</li> <li>Cash 19</li> </ul>	<ul style="list-style-type: none"> <li>Australian Shares 10</li> <li>Overseas Shares 9</li> <li>Property 10</li> <li>Infrastructure 2</li> <li>Defensive Alternatives 14</li> <li>Fixed Interest 28</li> <li>Cash 27</li> </ul>



## Managed Choice options

INVESTMENT OBJECTIVES	POSITIVE IMPACT	RETIREPLUS	RETIRESTABLE
<b>Return objective</b>	CPI + 3.0% over rolling 10 years.	CPI + 2.5% over rolling 10 years.	CPI + 2.0% over rolling 10 years.
<b>Standard Risk Measure</b>	Likelihood of negative returns occurring 4.5 years in a 20-year period.	Likelihood of negative returns occurring 3.0 years in a 20-year period.	Likelihood of negative returns occurring 1.4 years in a 20-year period.
<b>Risk band and label</b>	Risk band 6, High	Risk band 5, Medium to High	Risk band 3, Low to Medium
<b>Target asset allocation</b>	75% Growth assets 25% Defensive assets	50% Growth assets 50% Defensive assets	25% Growth assets 75% Defensive assets
<b>Strategic asset allocation (%)</b>	<ul style="list-style-type: none"> <li>Overseas Shares 55</li> <li>Property 20</li> <li>Private Equity 4</li> <li>Infrastructure 12</li> <li>Defensive Alternatives 4</li> <li>Cash 5</li> </ul>	<ul style="list-style-type: none"> <li>Australian Shares 19</li> <li>Overseas Shares 18</li> <li>Property 7</li> <li>Growth Alternatives 6</li> <li>Infrastructure 6</li> <li>Defensive Alternatives 14</li> <li>Fixed Interest 12</li> <li>Cash 8</li> <li>Inflation Aware 10</li> </ul>	<ul style="list-style-type: none"> <li>Australian Shares 11</li> <li>Overseas Shares 10</li> <li>Property 7</li> <li>Growth Alternatives 5</li> <li>Infrastructure 5</li> <li>Defensive Alternatives 13</li> <li>Fixed Interest 19</li> <li>Cash 15</li> <li>Inflation Aware 15</li> </ul>



## Build your own options

INVESTMENT OBJECTIVES	AUSTRALIAN SHARES		OVERSEAS SHARES		PROPERTY	
Return objective	CPI + 4.0% over rolling 10 years.		CPI + 4.0% over rolling 10 years.		CPI + 3.0% over rolling 10 years.	
Standard Risk Measure	Likelihood of negative returns occurring 6.2 years in a 20-year period.		Likelihood of negative returns occurring 5.6 years in a 20-year period.		Likelihood of negative returns occurring 3.4 years in a 20-year period.	
Risk band and label	Risk band 7, Very High		Risk band 6, High		Risk band 5, Medium to High	
Target asset allocation	100% Growth assets		100% Growth assets		20% Growth assets 80% Defensive assets	
Strategic asset allocation (%)	<div><div></div> Australian Shares</div> 100	<div><div></div> Overseas Shares</div> 100	<div><div></div> Unlisted Property</div> 80	<div><div></div> Listed Property</div> 20		
<div><div></div><div></div><div></div></div>						
INVESTMENT OBJECTIVES	DIVERSIFIED FIXED INTEREST		CASH			
Return objective	CPI + 2.0% over rolling 10 years.		Positive returns in all monthly periods.			
Standard Risk Measure	Likelihood of negative returns occurring 1.8 years in a 20-year period.		Likelihood of negative returns occurring less than 0.5 years in a 20-year period.			
Risk band and label	Risk band 3, Low to Medium		Risk band 1, Very Low			
Target asset allocation	100% Defensive assets		100% Defensive assets			
Strategic asset allocation (%)	<div><div></div> Fixed Interest</div> 100	<div><div></div> Cash</div> 100				
<div><div></div><div></div></div>						

# Fund accounts

## Further information

The Fund's audited accounts and the auditor's report are available to members on request. The complete financial report is available at [csf.com.au/fund-governance/key-governance-documents](https://csf.com.au/fund-governance/key-governance-documents) or via the Helpline 1300 655 002.

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	2020	2019
	\$M	\$M
<b>Assets</b>		
Investments	9,749	9,710
Other assets	386	425
Deferred tax assets	1	1
<b>Total assets</b>	<b>10,136</b>	<b>10,136</b>
<b>Liabilities</b>		
Payables	(22)	(19)
Income tax payable	(24)	–
Deferred tax liabilities	(113)	(129)
<b>Total liabilities</b>	<b>(159)</b>	<b>(148)</b>
<b>Net assets available for member benefits</b>	<b>9,977</b>	<b>9,988</b>
Total member liabilities	9,892	9,923
<b>Total net assets</b>	<b>85</b>	<b>65</b>
<b>Equity</b>		
Operational risk reserve	26	24
Other reserves	59	41
<b>TOTAL EQUITY</b>	<b>85</b>	<b>65</b>

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$M	\$M
<b>Superannuation activities</b>		
Investment income	75	565
Other income	0	0
<b>Total superannuation activities income</b>	<b>75</b>	<b>565</b>
<b>Expenses</b>		
Investment expenses	(47)	(40)
Administration expenses	(29)	(32)
<b>Total expenses</b>	<b>(76)</b>	<b>(72)</b>
<b>Net result from superannuation activities</b>	<b>(1)</b>	<b>493</b>
Net benefits allocated to defined contribution member accounts	(3)	(475)
<b>Net profit/(loss) before income tax</b>	<b>(4)</b>	<b>18</b>
Income tax (expense)/benefit	24	5
<b>NET PROFIT/(LOSS) AFTER INCOME TAX</b>	<b>2</b>	<b>23</b>

## STATEMENT OF CHANGES IN MEMBER BENEFITS FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$M	\$M
<b>Opening balance of member benefits</b>	<b>9,923</b>	<b>9,452</b>
Contributions received	514	495
Transfers to/from other superannuation plans	(48)	(32)
Income tax on contributions	(52)	(49)
<b>Net after tax contributions</b>	<b>414</b>	<b>414</b>
Benefits paid to members/beneficiaries	(433)	(401)
Insurance premiums charged to members	(28)	(30)
Death and disability benefits credited to member accounts	13	13
Reserve transfer to/(from) members	–	–
Net benefits and investment income allocated to accounts	3	475
<b>CLOSING BALANCE OF MEMBER BENEFITS</b>	<b>9,892</b>	<b>9,923</b>



## INVESTMENTS AT FAIR VALUE AS AT 30 JUNE 2020

	2020	2019
	\$M	\$M
Cash Investments	1,300	1,027
Australian Shares	2,274	2,494
International Shares	2,290	2,417
Unlisted Property	714	659
Listed Property	97	150
Diversified Fixed Interest	776	793
Private Equity	247	244
Alternatives – Growth	677	696
Alternatives – Defensive	666	619
Infrastructure	708	611
<b>TOTAL INVESTMENTS AT FAIR VALUE</b>	<b>9,749</b>	<b>9,710</b>

## Derivatives

Derivatives are securities that derive their value from another security like futures or options. The Trustee does not directly use derivative instruments and does not intend to.

External investment managers may use derivatives in managing the Fund's investments. Where this is the case, the Trustee confirms with them every year that they have appropriate risk management processes in place for their use and the purposes for which they are used.

The Fund's derivative charge ratio has not exceeded 5% at any time during the 2019–2020 year.

## Superannuation surcharge

The superannuation contribution surcharge for high income earners was abolished from 1 July 2005. Occasionally, we may receive a surcharge assessment from the Australian Taxation Office (ATO) for surcharge liabilities accrued before then. To pay the ATO, we deduct the value of the surcharge assessment from the member's account.

## Reserves

The Trustee has created four categories of reserves.

### 1. Operational risk reserve

Established to meet the requirements of Superannuation Prudential Standard 114 'Operational Risk Financial Requirement', this reserve is intended to provide financial resources to address losses arising from operational risks. The target funding level for this reserve is 25 basis points (or 0.25%) of total member entitlements and is managed within a range of 23.75 to 26.25 basis points. The reserve is monitored on an ongoing basis and replenished with additional funds if the balance falls below the lower tolerance limit.

### 2. Administration and general purpose reserve

Established to facilitate the finance of current and future operational requirements of the Fund, this reserve is available to meet both day-to-day operational costs and one-off approved expenditures considered to be in the long-term interests of members. The level of the reserve is set at an amount determined by the Trustee from time to time. It is generally less than 1% of funds under management.

### 3. Investment tax timing reserve

Reflects investment tax yet to be attributed to members, due to timing differences between the reporting date of financial statements and payment dates of tax commitments and refund entitlements. The 30 June balance reverts to zero in the following financial year with members obtaining the value of the reserve via investment option unit prices.

### 4. Insurance reserve

The Insurance reserve is made up of the self-insurance and post insurance reserve.

#### Self insurance

Its purpose is to set aside an amount for liabilities that may arise from death and disabilities that occurred prior to 1 December 2004 and were not settled or reported prior to that date. The reserve is required because the Fund self-insured these benefits prior to 1 December 2004. It can also be called upon to meet liabilities arising from deaths and disabilities where the Group Life Insurer declined the claim, but the Trustee determined a claim (or part thereof) should be paid.

#### Post insurance

Its purpose is to meet claims incurred after 1 December 2004 that are not admitted by the insurer but are by the Trustee. It is also to meet the Fund's insurance operational expenses.

## Statement of reserves

### STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 30 JUNE 2020

	OPERATIONAL RISK RESERVE \$M	ADMIN & GENERAL PURPOSE RESERVE \$M	INVESTMENT TAX TIMING RESERVE \$M	INSURANCE RESERVE \$M	TOTAL \$M
<b>Opening balance</b>	<b>24</b>	<b>38</b>	<b>–</b>	<b>3</b>	<b>65</b>
Net transfers to/ from reserve	2	(2)	–	–	–
Operating result	0	(4)	24	0	<b>20</b>
<b>CLOSING BALANCE</b>	<b>26</b>	<b>32</b>	<b>24</b>	<b>3</b>	<b>85</b>

## STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 30 JUNE 2019

	OPERATIONAL RISK RESERVE \$M	ADMIN & GENERAL PURPOSE RESERVE \$M	INVESTMENT TAX TIMING RESERVE \$M	INSURANCE RESERVE \$M	ADMIN RESERVE \$M	TOTAL \$M
<b>Opening balance</b>	<b>23</b>	<b>15</b>	<b>–</b>	<b>3</b>	<b>–</b>	<b>41</b>
Net transfers to/ from reserve	–	–	–	0	(0)	<b>(0)</b>
Operating result	1	23	–	(0)	–	<b>24</b>
<b>CLOSING BALANCE</b>	<b>24</b>	<b>38</b>	<b>–</b>	<b>3</b>	<b>(0)</b>	<b>65</b>

## STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 30 JUNE 2018

	OPERATIONAL RISK RESERVE \$M	ADMIN & GENERAL PURPOSE RESERVE \$M	INVESTMENT TAX TIMING RESERVE \$M	INSURANCE RESERVE \$M	ADMIN RESERVE \$M	TOTAL \$M
<b>Opening balance</b>	<b>21</b>	<b>40</b>	<b>–</b>	<b>3</b>	<b>–</b>	<b>63</b>
Net transfers to/ from reserve	–	–	–	–	–	<b>–</b>
Operating result	2	(24)	–	–	–	<b>(22)</b>
<b>CLOSING BALANCE</b>	<b>23</b>	<b>15</b>	<b>–</b>	<b>3</b>	<b>–</b>	<b>41</b>

## Insurance indemnity

Togethr Holdings Pty Ltd has professional indemnity insurance cover to 1 July 2021. Entities in the Togethr group, including Togethr Trustees Pty Ltd, are covered under Togethr Holdings' indemnity insurance.

# Our people

We pride ourselves on embracing diversity in thought and perspective. Our people come from many different cultural backgrounds and span the age groups. Our overall staff ratio is 104 men to 80 women. Our Board has a ratio of seven men to five women and our executive team five men to four women. We're pleased Catholic Super has a workforce so reflective of the members we serve and the Australian population.

As an equal opportunity employer, we recognise the benefits of an engaged and harmonious workplace. Our people are employed under individual workplace agreements and we aim to provide a fair and flexible environment for everyone. We want to be an employer of choice. Catholic Super now reports to the Workplace Gender Equality Agency. Our gender pay gap is currently at 11%, well below the financial and insurance services benchmark of 22.2%.

People are our greatest asset and we ensure our staff maintain high levels of training and development so they can support members and employers in a compliant, professional and ethical manner.

## Our Board

The Togethr Board is proudly a skills-based board consisting of four employer, four member and four independent directors. As mandated, the Chair is a Board appointed independent director.

The mix of directors gives us the flexibility to attract and select high-calibre people with the qualifications, experience and technical skills to inform our deliberations and decisions. Directors must understand and be committed to our values and hold, as a minimum, the qualifications set out in the legislation. This ensures that our business strategies align with the expectations and aspirations of our members and employers.

There were 12 serving Board members until the resignation of Lisbeth Rasmussen on 14 April 2020. The position was filled in October 2020 by David Doolan. The maximum tenure for a Board member is 12 years (four terms).



**Chair**  
Andrew Fairley AM  
LLB (Melb) Hon Doc  
(Deakin), GAICD



**Deputy Chair**  
Danny Casey  
BComm, M. Econ., CPA



**Employer Director**  
Mark Cerche  
B. Juris LLB (Hons)



**Employer Director**  
Michael Clinch  
Grad Dip Employee and  
Industrial Relations, GAICD



**Independent Director**  
Penny Davy-Whyte  
BA (Marketing &  
Communication), GAIST



**Member Director**  
Jan Dekker  
BSc, Masters of Law  
(Environmental), Grad  
Cert Applied Finance and  
Investment, GAICD



**Employer Director**  
Carolyn Harkin  
BComm, FCPA, GAIST



**Member Director**  
Peter Haysey  
BA (Economics), Dip. Ed.,  
M.Ed.Admin, ASFA AIF



**Independent Director**  
Justine Hickey  
BComm, FFin, GAICD



**Member Director**  
Debra James  
DIPT, GradDip RE



**Employer Director**  
Simone Thompson  
BA/LLB, FAFSA, FGIA

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### Privacy statement

You can download our Privacy Collection Statement at:

[csf.com.au/privacy](https://csf.com.au/privacy)

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**cath<sup>o</sup>lic**  
**super**

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