Annual Report
2024

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About **PacSuper**

PacSuper ('the Trust') is Papua New Guinea's oldest private-sector superannuation fund. Formerly known as the AON Master Trust, the fund was rebranded as PacSuper in April 2024.

It is the only superannuation fund in Papua New Guinea that offers members the ability to choose their investment currency. Members may allocate their contributions to one of the following sub-funds:

Kina Sub-Fund – invested in Papua New Guinea

AUD Sub-Fund – invested in Australia

Membership is open to:

1. **Employer Superannuation** – for employees of organisations that are either mandated or choose to contribute on behalf of their staff.
2. **Voluntary Superannuation** – for self-employed individuals or employees of organisations that do not make employer contributions.

Members may change their currency selection once each year. Currency risk and exposure are borne by the individual member.

PacSuper is committed to sound governance and prudent risk management to support stable, secure outcomes for members in an evolving financial environment.

The information in this report is general in nature and does not take into account your personal objectives, financial situation, or needs. It should not be relied upon as personal advice. You should consider speaking to an independent financial adviser before making any decisions about your superannuation.

A Note From **the Chairman**

It is with pleasure that I present the 2024 PacSuper Annual report to our members.

Despite initial concerns following the January 2024 unrest, PacSuper has delivered solid performance over the past 12 months. Both the Kina Sub-Fund and the AUD Sub-Fund have achieved strong results, providing members with positive returns.

The Board of PacSuper is committed to maintaining effective corporate governance, ensuring transparency, efficiency, and fairness in management. We continue to focus on key areas such as risk management, internal controls, and succession planning to secure the fund's long-term success.

Our governance framework is functioning effectively, with enhanced cooperation and communication between the Board and the CEO. We remain focused on building a strong foundation for the future.

Looking ahead, PacSuper is well-positioned for continued growth and success, benefiting our members and all stakeholders. I would like to thank our staff and management for their dedication and perseverance through a period of transition in 2024. Their efforts will ensure that PacSuper evolves and continues to deliver on its mission.

Jason McIlvena
Chairman

Global **Economic Outlook**

The sub-funds are exposed primarily to the Papua New Guinea (PNG) and Australian economies via their investment in fixed interest securities issued in Kina (PGK) and Australian dollars (AUD).

The global economy is projected to remain resilient despite significant challenges, according to the *OECD's Economic Outlook report (Volume 2024, Issue 1)*. The Outlook projects global GDP growth of 3.3% in 2025, up from 3.2% in 2024, and 3.3% in 2026. Inflation is expected to ease further, from 5.4% in 2024 to 3.8% in 2025 and 3.0% in 2026, supported by the still restrictive stance of monetary policy in most countries. Decisive fiscal action is needed to ensure the sustainability of public finances, and provide the necessary resources for governments to tackle future shocks and future spending pressures. Stronger near-term efforts to contain spending growth, optimize revenues and enhance credible medium-term adjustment paths need to be the cornerstone of efforts to stabilize debt burdens.

Australian Economic Outlook

Economic activity remained weak throughout the year, with the fourth quarter 2024 National Accounts revealing 0.8% quarterly GDP growth, a level not seen since December 1991, excluding the COVID-19 period. GDP per capita continues its downward trend, declining 0.3% in the quarter, marking seven consecutive quarters of declines. Household consumption recorded zero growth, influenced partly by government energy subsidies.

Public sector wage growth outpaced the private sector (2.0% vs 1.2%). Labour productivity continued to fall, with GDP per hour worked down by 0.5%. Public investment rose strongly by 6.3%, driven by imports of defence equipment and investment in road and hospital projects. Business profitability weakened, with gross operating surplus falling 1.5%, led by a 3.9% decline in private non-financial corporations as the mining sector faced lower commodity prices.

Domestic Economy

The year 2024 started with huge challenges as impacts of 10 January 2024 rippled across the country. The resilience of PNG businesses, operating amidst country-specific challenges, is evident in how companies like Brian Bell and Stop and Shop swiftly recovered from the January 2024 event.

The PNG economy remains largely tied to the fortunes of the mining and resources sector, particularly gold, oil and gas. However, statistics shared through the 2025 National Budget forecast a 5.2% growth in non-resource sectors. The economy faces both volume and price risks for mining and energy commodities, as well as specific factors such as the performance of major projects. Some boost to economic growth is expected with completion of PNG LNG's Angore expansion in 2025, which will increase production volumes significantly, while the continued ramp-up of production at the Porgera gold mine will similarly help boost growth.

The Asian Development Outlook July 2024 article released at the end of 2024 is hopeful that foreign exchange restrictions, the foremost business constraint for PNG, could ease under a new International Monetary Fund-led program to be established in 2025. The reopening of the Porgera gold mine also is expected to create additional operational spending on goods and services, create employment, and boost foreign exchange inflows.

Inflation rose from 2.3% in 2023 to a projected 4.5% in 2024, and is expected to increase further to 4.8% in 2025, largely due to continued exchange rate depreciation and the impact of the recent civil unrest. Prices for many consumer goods have soared, with prices for food and non-alcoholic beverages rising by 7% in 2023.

According to the 2025 Budget, Papua New Guinea's economy is projected to grow to PGK136 billion, reflecting real GDP growth of 4.7%. Budgeted expenditure for 2025 is K28.36 billion, a 5.4% increase on the 2024 Budget, while revenue is forecast to rise by 10.8% to K25.41 billion. This includes a 13.3% increase in tax collections to K21.2 billion, driven by higher income tax and GST receipts. Public service administration costs are expected to decline by 6%, indicating early efforts toward promised efficiency reforms. The fiscal deficit is to be financed through domestic borrowing of K861.2 million and external borrowing of K2.1 billion, with a long-term domestic-to-external debt target ratio of 40:60.

Credit rating agency, Standard & Poor's has affirmed PNG's sovereign ratings at 'B-' for long-term and 'B' for short-term. The long-term ratings outlook for PNG remains stable. The stable outlook reflects our expectation that PNG will continue on its path of gradual fiscal consolidation, stabilizing the country's public debt burden over the next 12 months.

Domestic Market Overview

As seen in the last two quarters of 2024, interest rates in the domestic market have peaked, BPNG initiated a of tightening of monetary policy. This shift in the interest rate environment coincided with the receipts of significant external funding in late December. The government received financial support from the International Monetary Fund (IMF), the Asian Development Bank (ADB), and the Australian Government, which helped bolster its fiscal position. Some of the receipts were used to pay off its Temporary Advance Facility (TAF) with the Bank of Papua New Guinea (BPNG). The BPNG continues to maintain its liquidity management intervention.

On the equities trading front PNGX produced excellent returns for investors largely led by the finance sector, whilst the Cash and Fixed Interest Markets, particularly the short-term Government Treasury Bills also had a strong year netting off low prices in the front end of the year.

The aggregate market value of the core domestic listed companies on PNG's National Stock Exchange (PNGX) – excluding Santos Limited (STO) and Newmont Corporation (NEM) – increased a whopping K3.75 billion over the year. This represented a valuation increase of 41.27 per cent for the year. The total value of these domestic listed stocks has now reached K12.8 billion.

Equities Outlook

Bank South Pacific Financial Group Limited (BSP)

BSP Financial Group Limited (BSP) is pleased to announce its financial results for the first half of 2024, reporting a net profit after tax (NPAT) of K520 million [A$209 million], representing a 22% increase compared to the same period last year. Interim dividend payout of 45 toea per share, an increase of 22% compared to the 2023 interim dividend of 37 toea per share, is reflective of the BSP's strong balance sheet position, and confirms the Group's ability to deliver sustainable profits to shareholders.

Newmont Corporation Limited (NEM)

Newmont announced its fourth quarter and full year 2024 results, declared a fourth quarter dividend of $0.251 and provided guidance for the full year of 2025. Last year 2024 was a transformational year for Newmont, as the company focused on the integration of the Newcrest portfolio, divestment of non-core assets, and transitioning the business onto a stable operating and investment platform. The entity reported a net Income of $3.4 billion, Adjusted Net Income (ANI) of $3.48 per diluted share and Adjusted EBITDA of $8.7 billion for the year with notable fourth quarter ANI of $1.6 billion or $1.40 per diluted share. NEM announced its entrance into an agreement to sell Cripple Creek & Victor towards the end of 2024. The sale is part of the non-core asset divestment program announced by Newmont in February 2024. The stock closed December trading unchanged on PNGX at K150.00 per share and on ASX at $59.54 (down $5.55) per share.

Credit Corporation Limited

Credit Corporation reported an enhanced financial performance for the six months to June 2024 reporting period, with core operating profit increasing by 5.1% to K67.8m and net profit after tax up 147.2% to K183.6m compared to the previous corresponding period. The improved financial performance in the first half of 2024 was delivered on income growth across its core activities.

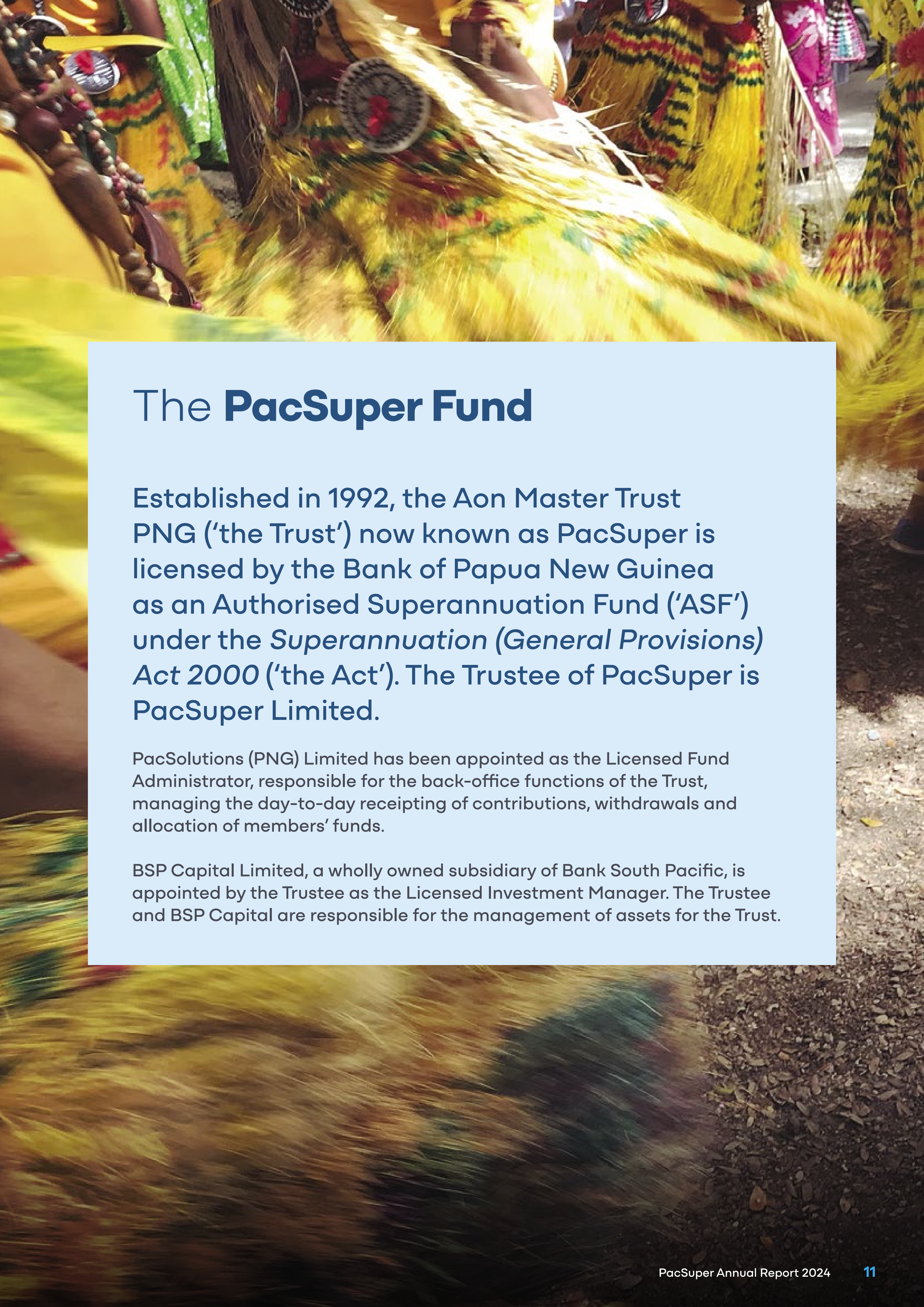
The first half of 2024 has seen an overall solid performance by the Group as key growth drivers for the Group continue to maintain an upswing performance as the company transitioned to becoming a bank during the period under review.

The company again delivered increased revenue based on a combination of higher interest income and rental yields, while investment income moderated. As at the end of December 2024, Credit Corporation announced the cancellation of the sale of its Vanuatu business. The company also published its response to the proposed Budget Corporate Income Tax rate for PNG commercial banks and advised that the Group CEO (Mr. Danny Robinson) will continue to consult with the PNG Treasury, Industry and Government authorities.

The stock closed the month of December at K2.70 per share on PNGX, up by 3 toea.

The economic commentary has been provided by PacSuper's Licensed Investment Manager BSP Capital Limited. [1]

[1] All information and advice is confidential and for the private information of the person to whom it is intended and is provided without any responsibility or liability on any account whatsoever on the part of BSP Capital or any member or employee thereof.



The **PacSuper Fund**

Established in 1992, the Aon Master Trust PNG ('the Trust') now known as PacSuper is licensed by the Bank of Papua New Guinea as an Authorised Superannuation Fund ('ASF') under the *Superannuation (General Provisions) Act 2000* ('the Act'). The Trustee of PacSuper is PacSuper Limited.

PacSolutions (PNG) Limited has been appointed as the Licensed Fund Administrator, responsible for the back-office functions of the Trust, managing the day-to-day receipting of contributions, withdrawals and allocation of members' funds.

BSP Capital Limited, a wholly owned subsidiary of Bank South Pacific, is appointed by the Trustee as the Licensed Investment Manager. The Trustee and BSP Capital are responsible for the management of assets for the Trust.

Administrator's **Report 2024**

Dear PacSuper Members and Employers,

PacSolutions Limited is proud to provide the following administration report for the PacSuper Trustees and members. 2024 was a year of transition with a new name and offices, the dedicated staff ensured members' services was maintained throughout.

The PNG SuperFund industry continues to demonstrate its resilience and robustness through tough economic times. The PacSolutions administration team completed over 360,000 individual transactions on behalf of members in 2024.

The funds under administration in the PGK Fund grew to K275,964,257 an increase of just over 8% in 2024.

In 2025 PacSolutions is focused on governance and digital improvement to enable easier engagement with the fund. With a new website and registry platform being rolled out including a mobile phone application, our aim is to make super easy.

A few highlights from 2024:

	New Members		Exiting Members		Housing	
2024	AUD Fund	PGK Fund	AUD Fund	PGK Fund	Total Transact	Amount
TOTAL	87	4,407	75	3,883	243	PGK 2,975,100

Contributions			Benefits		
AUD Fund	PGK Fund	Total transactions	AUD	PGK	Total Transactions
AUD 13,641,943	PGK 48,856,447	359,824	AUD 13,200,765	PGK 36,636,501	3817

- We have transacted nearly **8,500 new and exiting Members** for the Funds.
- We paid out close to **PGK 3m in Housing Advances**
- We received and allocated close to **PGK 49m and AUD 13.6m in Member contributions** (some 360,000 transactions in total)
- We paid out **PGK 36.6m and AUD 13.2m in benefits to Members** (over 3,800 transactions)

Furthermore, the Membership and the Total Member Assets show the following picture:

Membership	Kina	AUD
End of Dec 2024	36,794	865
End of Dec 2023	36,270	853

Assets Growth

Assets	Kina	AUD
End of Dec 2024	288.8 million	115.5 million
End of Dec 2023	267.9 million	116.9 million

Client Service Highlights

As of April 1st, 2024 business operations began under new ownership and new Chief Executive Officer (CEO).

i: Notice of the Sale
Members and employers were notified of the successful sale by Aon on March 30th, 2024 and followed by client communications on the sale.

We sincerely thank the members/employers for your understanding and support through the transition period.

ii: Client and CEO introduction
During 2024, the management team presented at many different employers' offices, including two trips to our Kimbe office. These presentations will continue in 2025 to ensure members are well informed of the successes of their fund.

Relocation of Port Moresby Head Office

On the 11th November 2024, the PacSuper office was relocated to; Level 4, Defens Haus, Cnr of Champion Parade and Hunter Street, Port Moresby 121.

Clients are welcome to call into the office should you have queries.

Beneficiary Update

Do not delay, update your beneficiaries!

It is very important for members to regularly check and update their beneficiaries, especially should personal circumstances change.

We encourage members to take the responsibility and nominate your dependents to ensure they are taken care of after the death of a member.

The Fund will continue to remind members who have not nominated beneficiaries on a quarterly basis, encouraging them to do so without delay.

Conclusion

Finally, in 2024 we embarked on a transition journey that will see our core registry platform replaced with a new state of the art platform. This is exciting news for our members and employers as it will greatly enhance our service offering to them. The Fund will keep you updated on developments in this regard throughout 2025.

On behalf of the entire PacSolutions Team, I thank the PacSuper Board and the Members and Employers of the Fund for a very productive and successful 2024 and we are looking forward to serving you even better in 2025.

Kind regards,

Eric Kramer
CEO
PacSolutions

Communications

- **Toll-free Number 180 5100**
  Members calling locally are not charged therefore can make use of this facility from 8am to 4.30pm, Monday to Friday only.

- **Member Portal**
  This facility is at your convenience to view and monitor your membership account.

  URL to access the Member Portal:
  pacsuper.online

If you are yet to register, please contact us via the toll-free number or email, and our team will be able to assist you.

- **Employer Portal**
  An authorized or designated officer from your place of employment will be given access to view its employee's superannuation accounts.

Note: Your portal access credentials must be kept safe and confidential.

Investment **Objectives**

The objectives of the Trustee relating to investment for 2024:

"To provide members with Sub-Funds appropriate for their situation"

"To achieve investment returns commensurate with the investment objectives of each investment option"

The investment objective for the Kina Sub-Fund is:

"To provide a return at least 1% p.a. above the Kina Facility Rate over rolling three-year period."

The investment objective for the AUD Sub-Fund is:

"To provide a positive annual return above the RBA Target Cash Rate."

Investment **Strategy**

Kina Sub-Fund

The Kina Sub-Fund follows a "moderate" risk investment strategy aimed at providing regular returns while preserving and potentially growing capital over the medium term.

This Sub-fund was especially designed for members expecting to remain in PNG for many years. It suits those with a long-term perspective who can withstand volatility in their superannuation fund. The kina denomination of the Sub-Fund, and the fact that it predominately invests in kina-denominated securities issued or trading in PNG, make the Sub-Fund well-suited for members retiring in PNG and seeking to reduce currency risk in their retirement savings.

Investment risks:

Members in the Kina Sub-Fund accept the long-term risks associated with market movements. Returns credited to member accounts are directly influenced by fluctuations in the investment markets, and therefore, benefits will vary in line with market performance.

The Kina Sub-Fund - Moderate Investment Profile:

Strategic Asset Allocation

Sector	Target (%)	Range (%)
Listed (POMSOX) Shares	5	0-30
Int'l Shares	0	0-30
Property	0	0-15
Alternative – Growth	0	0-15
Total Growth	**5**	**0-30**
Alternative – Defensive	0	0-20
Diversified Fixed Interest	90	30-95
Int'l Fixed Interest	0	0-30
Cash and Term Deposits	5	0 – 100
Total Defensive	**95**	**70-100**

Where are the Funds Invested?

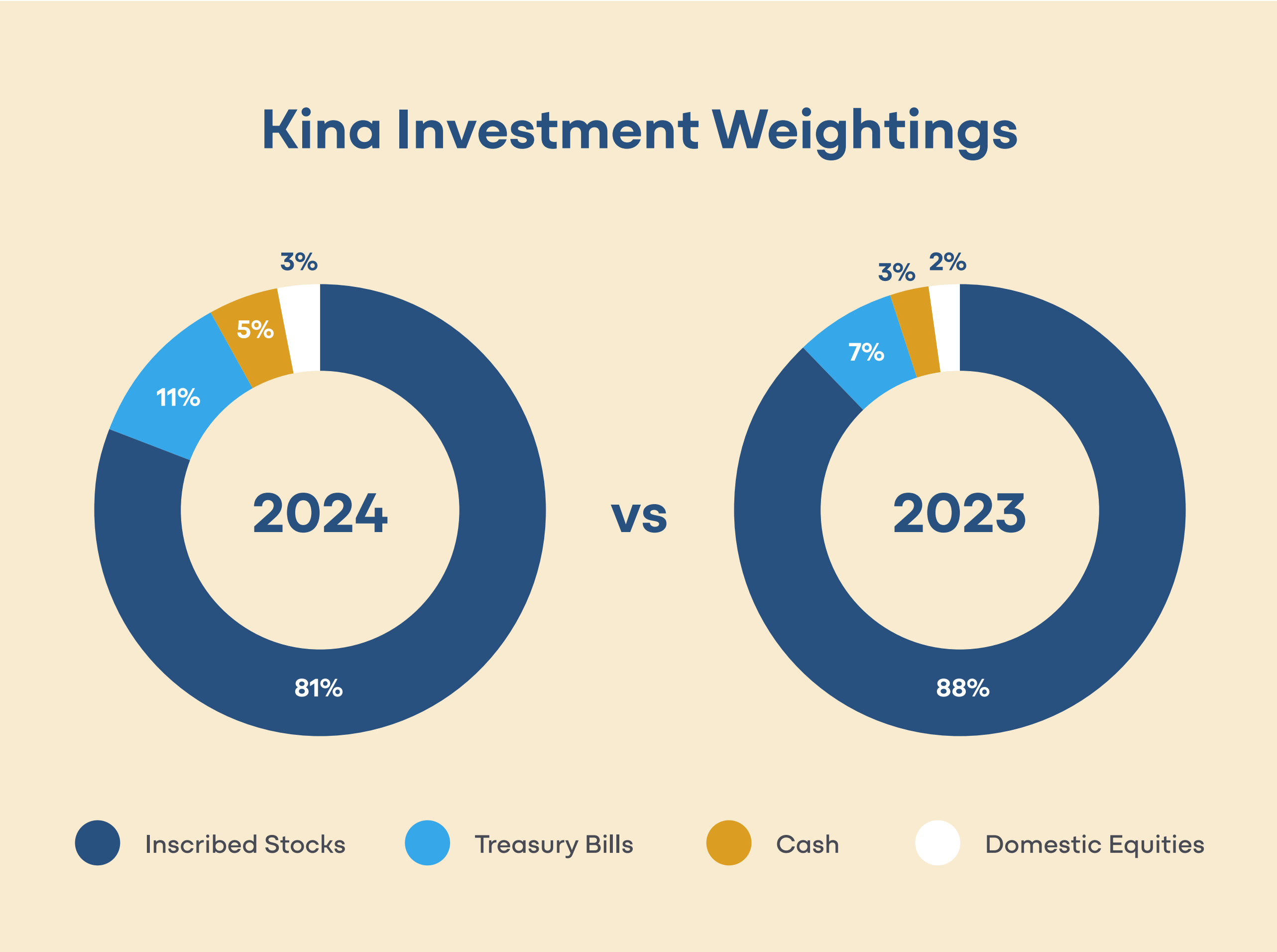
Members' funds are carefully invested in line with a strategy which meets the investment strategy of the relevant sub-fund and in accordance with the legislative requirements of the Act.

The Trust restricts its fixed interest investments to those that have a grade equal to or greater than the sovereign rating of PNG. At present, PNG is rated by Standard & Poor's at B-/B for both local currency and foreign currency.

The Kina Sub-Fund Asset Allocation as at 31 Dec 2024:

The Kina Sub-Fund invests mainly in fixed interest and listed equity. Fixed interest assets are comprised of PNG government Inscribed Stocks, T-Bills and cash, and listed equity is comprised of stocks listed on the POMSoX or ASX exchanges.

Details of the asset allocations at 31 December in the last two years are shown below.



AUD Sub-Fund

The "defensive" strategy of the AUD Sub-Fund aims to provide a positive annual return over the RBA Target Cash Rate.

This Sub-Fund was especially designed for expatriates that expect to remain in PNG for a short period of time. Therefore, the AUD Sub-Fund predominately invests in AUD-denominated securities and is denominated in Australian dollars.

Investment risks:

The AUD Sub-Fund members accept short-term investment risk. The returns credited to accounts reflect the movements in investment markets. Accordingly, fluctuations in investment returns directly affect benefits accruing to members.

The AUD Sub-Fund – Defensive Investment Profile:

Strategic Asset Allocation

Sector	Target (%)	Range (%)
Aust Shares	0	0-20
Int'l Shares	0	0-20
Property	0	0-20
Alternative – Growth	0	0-20
Total Growth	**0**	**0-20**
Alternative – Defensive	0	0-20
Diversified Fixed Interest	90	0-95
Int'l Fixed Interest	0	0-20
Cash	10	5-100
Total Defensive	**100**	**80-100**

Where are the Funds Invested?

The members' funds are carefully invested in line with its investment objectives and compliant with regulatory requirements.

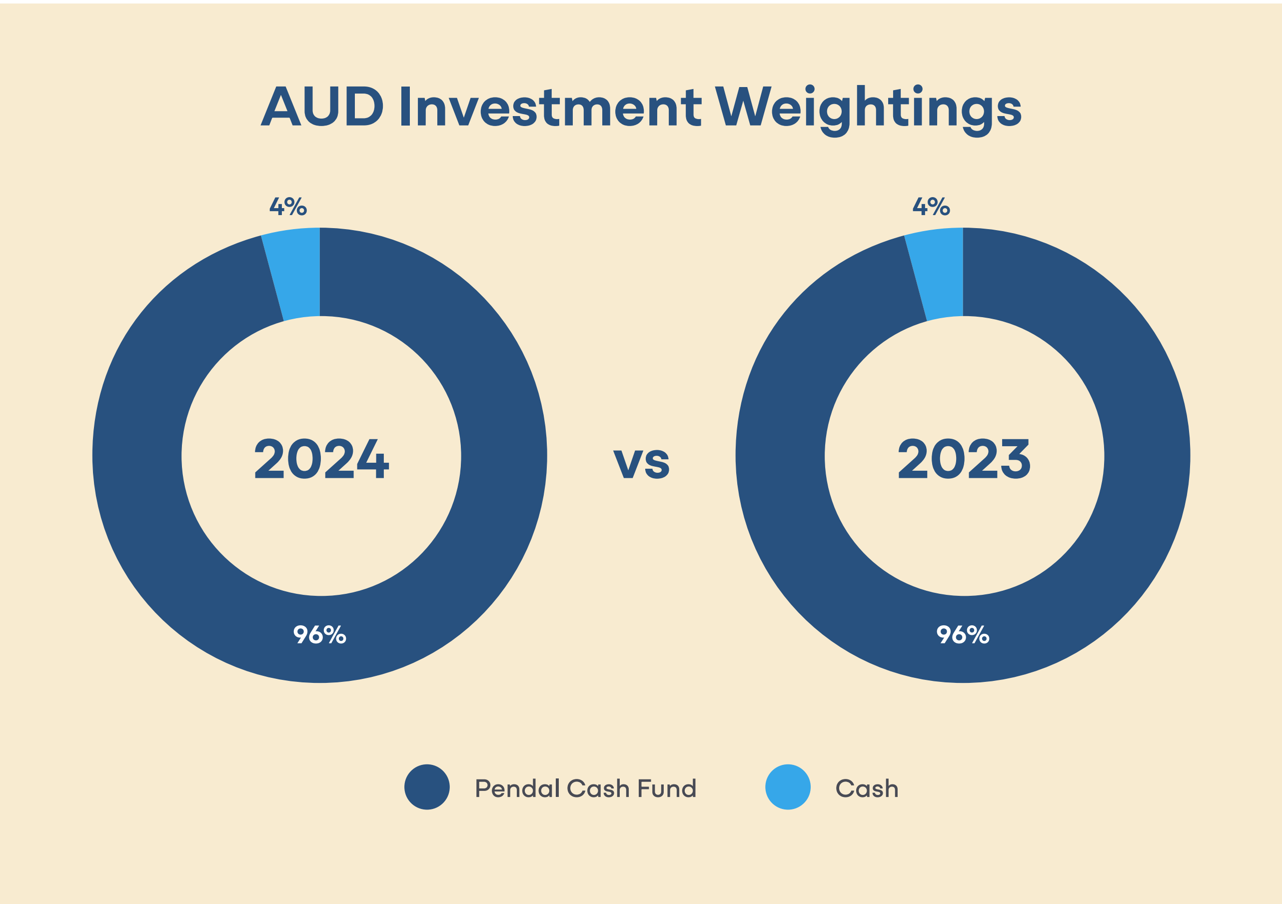
In line with its investment objectives, the AUD Sub-Fund is invested predominantly in AUD-denominated fixed income and cash assets, with strategic allocations for Global exposure to these asset classes.

The AUD Sub-Fund Asset Allocation as at 31 Dec 2024:

The AUD Sub-Fund invests in fixed interest and cash, including deposits only with commercial banking entities. Details of the asset allocations at 31 December in the last two years are shown below.

Reserves

The Trust does not maintain a reserve account for the purposes of smoothing investment fluctuations.



Investment **Performance Summary**

Each year, the Trustee declares a Net Earning Rate ('NER') for each Sub-Fund. This is a crediting rate based on the actual investment performance of the Sub-Fund less expenses and tax. Expenses include the production of the year-end accounts, audit fees, trustee fees, investment management fees and member records administration. A different NER applies to each Sub-Fund.

We are pleased to declare the following Fund NER rates for 2024:

Kina NER of 4.88%
Kina 3 Year average NER of 5.36%

AUD NER of 2.70%
AUD 3 Year average NER of 1.73%

Kina Sub-Fund **Financial Summary**

This is a summary of the Trust's audited accounts for the Kina Sub-Fund for the year ended 31 December 2024. The net assets shown are the assets available to pay members' benefits as at 31 December 2024.

The Kina Sub-Fund's Financial Movement for 2024 year		
	2024 (K)	**2023 (K)**
Opening balance at 1 January 2024	267,932,283	244,450,999
	plus	*plus*
Money received		
Revenue	24,198,803	21,617,852
Contributions	48,814,195	49,888,515
Total Income	**73,012,998**	**71,506,367**
	less	*less*
Money paid out		
Benefits paid	40,796,599	37,055,587
Audit Fees	112,734	112,624
Investment Management Fees	372,056	398,500
Asset Fees	6,020,525	5,401,660
Other	266,834	318,621
Income tax expense	4,496, 157	4,738,091
Total expenses	**52,064,905**	**48,025,083**
	equals	*equals*
Closing balance at 31 December 2024	**288,880,376**	**267,932,283**

The AUD Sub-Fund's Net Assets at 31 December 2024		
Assets		
Investments	273,285,388	259,778,762
Cash at bank	14,243,493	8,844,785
Receivables and others	9,045,970	6,321,628
Total Assets	**296,574,851**	**274,945,175**
	less	*less*
Payments due (liabilities)		
Other Creditors and Accruals	6,799,543	5,359,105
Deferred Tax Liability	894,932	1,653,787
Total payments due (liabilities)	**7,694,475**	**7,012,892**
	equals	*equals*
Net assets at 31 December 2024	**288,880,376**	**267,932,283**

AUD Sub-Fund **Financial Summary**

This is a summary of the Trust's audited accounts for the AUD Sub-Fund year ended 31 December 2024. The net assets shown are the assets available to pay members' benefits as at 31 December 2024.

The AUD Sub-Fund's Financial Movement for 2024 year		
	2024 ($)	**2023 ($)**
Opening balance at 1 January 2024	$ 116,949,899	$ 112,097,790
	plus	*plus*
Money received		
Revenue	5,856,154	5,904,081
Contributions	14,010,323	12,708,918
Total Income	**19,866,477**	**18,612,999**
	less	*less*
Money paid out		
Benefits paid	18,530,744	11,230,674
Administration Fees	42,094	42,515
Assets Fees	1,247,605	1,234,393
Audit Fees	47,929	44,340
Investment Management Fees	157,001	167,059
Other	175,192	204,709
Income tax expense	1,046,703	837,200
Total expenses	**21,247,268**	**13,760,890**
	equals	*equals*
Closing balance at 31 December 2024	**$ 115,569,108**	**$ 116,949,899**

The AUD Sub-Fund's Net Assets at 31 December 2024		
Assets		
Investments	112,879,911	112,279,065
Cash and Cash equivalent	4,309,825	4,714,808
Receivables and others	1,623,604	1,330.779
Deferred Tax asset		-
Total Assets	**118,813,340**	**118,324,652**
	less	*less*
Payments due (liabilities)		
Other Creditors and Accruals	1,530,153	486,481
Income Tax Liability	1,194,192	443,766
Deferred Tax Liability	519,887	444,506
Total payments due (liabilities)	**3,244,232**	**1,374,753**
	equals	*equals*
Net assets at 31 December 2024	**$ 115,569,108**	**$ 116,949,899**

Withdrawals from **PacSuper (The Fund)**

Withdrawing your benefits

Members may be able to withdraw some or all their superannuation benefits depending on the applicable preservation status.

Upon retirement, under current legislation a member may also transfer their benefits to another superannuation fund in Papua New Guinea.

Payments

Unless a member meets one of the specified conditions of release, they cannot withdraw any part of their benefit from the superannuation system until cessation of employment.

Specified conditions of release:

Resignation or Termination

A lump sum or partial payment benefit is payable if a member resigns from employment. This amount will be equal to the sum of both the member and employer contribution account balances. Interest is calculated to the date of payment, less tax and administration fees.

A lump sum is payable where the following circumstances arise:

- **Retirement:** a member retires on or after the age of 55 years
- **Disability:** a member retires due to permanent and or total incapacity
- **Emigration:** a member emigrates from Papua New Guinea
- **Transfer:** a member opts to transfer to another ASF subject to legislation

Specific rules govern the payment of contributions to members upon emigration. The Act deals with two situations:

Permanent emigration from PNG

Where a member permanently emigrates from PNG, his/her contributions will not be paid until one (1) year has elapsed since leaving his/her employer or the member reaches the age of 55, whichever occurs first.

Non-Citizen permanently leaving PNG

Where a non-citizen member permanently leaves PNG, his/her contributions will be paid in the following way:

- For contributions made prior to 31 December 2002: the Trust will pay out the member; and
- For contributions made from 1 January 2003: the Trust will pay out the member after one (1) year has lapsed since leaving his/her employer.

Death

When a member dies, the Trust will pay out the balance of the member's and employer's contribution accounts including the accrued interest to date less tax and administration fees.

Benefits payable upon the death of a member will be paid to beneficiaries nominated by the member or as determined by the Trustee following receipt of satisfactory identification.

- Members should ensure their beneficiary details which appear on their annual statements are up to date.

A partial withdrawal may occur for certain specified conditions of release:

Housing Scheme

The Housing Scheme is a benefit offered to members who have contributed for a minimum of five (5) years and thus qualify to withdraw part of their contributions to assist with the purchase, construction, or renovation of their homes.

Unemployment

If a member is terminated from employment, the member will become entitled to withdraw their contributions if he or she has remained unemployed for a continuous period of 12 months or more pursuant to s90(1)(g) of the Act.

Access to Benefits

When a member leaves the service of the employer, he or she should inform the Trustee how and where to pay their benefit. A member may do this by completing a Superannuation Benefit Transfer or Membership Termination form. The administrator will send this form to the last known address along with an estimate of the benefit. A member should return the completed form to the administrator in order for payment to be arranged.

When the benefit payment instructions are received, the administrator will calculate and pay the benefit. The benefit will be calculated depending on the member's contribution, the employer's contribution, investment income (or losses), taxes, fees and charges.

Additional **Superannuation Information**

Taxation

When a Member exits, the Fund will apply a withholding tax on the employer contributions part of the Members balance, and on the interest that has accrued during the time the member contributed to the fund.

The tax structure is designed to favour long-term contributors. Substantial benefits are achieved for those who remain in the Fund for a longer period.

In 2024 the tax rates were as follows:

Membership Period	Ordinary	Over 50 Years of Age
Less than 5 years	**Marginal Tax Rate**	**Marginal Tax Rate**
More than 5 years but less than 8 years	15%	15%
More than 8 years but less than 15 years	8%	2%
More than 15 years	2%	2%

(As per 1st January 2025 the 2% rates in the table have been reduced to 0%)

Important!
Updating Dependants

It is important for members to update their dependants should their personal circumstances change due to events like marriage, divorce or childbirth. A member's dependants are their spouse, children and can also include anyone financially dependent on the member.

Where there are no identifiable legal dependants, the benefit will usually be paid to the member's estate. The payment of the death benefit is at the Trustee's discretion, although the Trustee will take the deceased member's preferences into account when deciding who will receive the benefit. For this reason, it is important to keep an up to date Will.

Please contact PacSuper to obtain the necessary forms to update your details.

Additional superannuation information

Updates to Member Address

Members are required to notify the Trust whenever you change employment to ensure member statements are forwarded to the correct address.

Please contact PacSuper to update your address.

Member Portal

If you are an existing member with the Fund we encourage you to register on our member portal.

Please contact PacSuper to receive the user guide.

Member Portal:
pacsuper.online

Contributions

The Fund encourages all members or employers to make contributions via direct deposit into the Trust account (contact the fund administrator for account details). A description of the deposit must be noted on the deposit slip to allow for the Fund Administrator to identify the payment and as always remittances must always be sent to inform the Trust/Fund Administrator of the payments made, to ensure payments are processed in a timely manner.

To view your contributions and transaction history, you'll need to register for the member portal.

All contributions received in a calendar year will appear on the annual statement.

Enquiries & Complaints

The Trust has a procedure for dealing with enquiries and complaints in accordance with section s 49(3) of the Superannuation (General Provisions) Act 2000.

If you are a member of the Trust or a beneficiary of a member or an employer that contributes to the Trust we will try to respond to your enquiry or complaint as soon as possible.

Most enquiries or complaints: If you have an enquiry or complaint, please contact our administrator (see page 14 for contact details).

Normally the administrator will be able to answer quickly. If it cannot respond quickly, it will:

- ask you to make your complaint in writing;
- acknowledge in writing to you that it has received your complaint within 7 days of receipt; and
- refer it to the Trust's internal complaints resolution committee.

Our internal complaints resolution committee: this committee includes all trustee directors. If it reviews your complaint it will try to resolve it as soon as possible. It will advise you in writing of its decision within 7 days of making a decision. If it cannot make a decision to resolve the matter it will advise you within 90 days of receiving your complaint.

External complaints resolution: Under Section 49(3) of the Superannuation (General Provisions) Act 2000, the Trust must subscribe to an industry funded complaints resolution process satisfactory to the Central Bank. This is the Complaints Committee of the Association of Superannuation Funds of Papua New Guinea (ASFPNG).

If you complain to the Complaints Committee, it will normally refer you to the internal complaints resolution committee if you have not already done so. If you have already complained to the internal complaints resolution committee and are not satisfied with its decision, the Complaints Committee will act.

Actions of ASFPNG Complaints Committee: the process that the Complaints Committee will take is set out at www.asfpng.org. You can contact the Complaints Committee or ask for a copy of their guidelines by writing to ASFPNG, P.O.Box 948, Water Front, Konedobu Port Moresby, NCD, PNG or you can telephone: 320 1225.

Compliance

The Trustee has managed the Trust in accordance with the Trust Deed and relevant law. No penalties have been imposed on the Trust and/or the Trustee for non-compliance during 2024.

Prudential Standard requirements ASF 1/2014 Authorised Superannuation Fund Investments

Interim Crediting Rate Policy

At least quarterly, or more often at the request of the Trustee, calculations are made of the estimated values of each Sub-Funds assets, the investment returns achieved since the last annual review date and the expectations of the returns likely to be earned for the remainder of the year. Based on these calculations the Administrator proposes the Interim Crediting Rate that should apply for each Sub-Fund in that quarter. To view the policy please visit the PacSuper website or access the member portal.

Kina Interim Interest Rate as at Dec 2024: 4.75%

AUD Interim Interest Rate as at Dec 2024: 2.20%

Annual Crediting Rate Policy

The recommended Annual Crediting Rate for each Sub-Fund is advised to the Trustee Board, which also meets with the auditor to review the draft annual accounts for each Sub-Fund and the auditor's opinions on the accounts and any other relevant matters. The Trustee then determines to adopt and sign the accounts for each fund and approves the Annual Crediting Rate for each Sub-Fund.

Derivatives Policy

The Trustee Board will ensure that all requirements of this policy are met before approving any investment in derivatives, or an investment in a collective investment vehicle which may contain an investment in derivatives.

In 2024 the Fund did not engage in any derivatives trading. The Sub-funds may be indirectly exposed to derivatives where these are utilised in any underlying funds for currency hedging, or efficient portfolio management purposes.

Trust deed changes and significant events

During 2024, the ownership changes did not have any effect on the operation of the Fund.

The consequential amendments to the Trust Deed were the name change of:

- **Trustee –** Aon Superannuation Limited to PacSuper Limited
- **Trust –** Aon Master Trust to PacSuper
- **Manager –** Aon Solutions Limited to PacSolutions Limited

Legislative changes

In 2024, there were no new legislative changes.

Access to information

Members may contact the Administrator to access further information (including a copy of the Financial Statements of the Trust). The relevant contact details are on the back page of this report.

Directors Remuneration

Directors Fee included under Other's in the Financial Summary on Page 22 (PGK Sub-Fund) and Page 23 (AUD Sub-Fund):

- **The directors of the Trustee, PacSuper Limited, received AUD A$ 44,872 (2023: A$ 37,760) as remuneration.**
- **The directors of the Trustee, PacSuper Limited, received PGK 90,000 (2023: PGK 90,000) as remuneration.**

Directors	Position	Status	Board Sitting 2024
Jason Mcilvena	Independent Director - Chairman	Continue	4
Eima Alkheder	Executive Director - Remuneration Chairperson	Ceased 28.03.2024	1
Raymond Van Dam	Executive Director - Investment Chairman	Ceased 28.03.2024	1
George Lifu	Independent Director Remuneration Chairman 01.04.2024	Ceased 31.12.2024	4
Michael Jon Mayberry	Independent Director - Audit and Risk	Continue	3
Adam Langley Hill	Executive Director - Investment Chairman 01.04.2024 - 31.12.2024	Continue	3
Robert Kaure Nilkare	Independent Director appointed 28.03.2024	Ceased 01.11.2024	-
Chris Hagan	Independent Director	Appointed 01.12.2024	1

Trustee Board

The Trustee of PacSuper is PacSuper Limited.

The Trustee directors in the year 2024 were:

- **Jason Mcilvena**, Independent Director and Chairman
- **Eima Alkheder**, Director and Chairperson Remuneration Committee (ceased 28.03.2024)
- **Raymond Van Dam**, Director and Chairman Investment Committee (ceased 28.03.2024)
- **George Lifu**, Independent Director and Chairman Audit and Risk Committee (ceased 31.12.2024)
- **Michael Jon Mayberry**, Director and Chairman Audit and Risk Committee (appointed 28.03.2024)
- **Adam Langley Hill**, Director (appointed 28.03.2024)
- **Robert Kaure Nilkare**, Director (appointed 28.03.2024 and ceased 01.11.2024)
- **Chris Hagan**, Independent Director (appointed 01.12.2024)

Corporate **Directory**

Trustee

PacSuper Limited
Level 4 Defens Haus, Cnr Champion
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Trust Auditors

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Level 6 PwC Haus, Harbour City
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Licenced Investment Manager

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PacSuper