



FUND REPORT 2025



CHAIR & CEO REPORT

As we reflect on the financial year ended 30 June 2025, we acknowledge this year as the second in the LeavePlus multi-year transformation journey. Building on the strong foundations established in 2023–2024, our focus remains steadfast on evolving into a modern, digital regulator. Our commitment is clear: to enable workers to easily accrue and receive their Long Service Leave (LSL) entitlements, while ensuring all employers meet their obligations under the efficiently operated compulsory scheme. This dual focus supports not only individual workers' wellbeing but also the integrity and sustainability of the Victorian construction industry.

Financial Performance and Fund Strength

We are pleased to report that LeavePlus continues to demonstrate robust financial health and resilience. Key achievements for 2024–2025 include:

- **Fund Balance:** Increased to \$2.46b, reflecting ongoing fund strength.
- **Investment Return:** Achieved an annual return of 10.35%, contributing to sustained financial growth.
- **Accrued Funding Ratio:** Increased to 131.7%, indicating a strong ability to meet future obligations.
- **Worker Registrations:** Grew to 257,738 registered workers, demonstrating increased engagement and awareness of the compulsory scheme.
- **Long Service Leave Benefits Paid:** \$241m paid to workers to fund their long service leave, supporting their wellbeing.
- **Employer LSL Charges Collected:** \$307.4m, reinforcing the scheme's sustainability.

These results affirm the effectiveness of our investment strategy and the expanding impact of the scheme across Victoria's construction industry, with record levels of benefits paid and charges collected. They also reflect prudent financial management in a challenging economic environment, ensuring LeavePlus remains well-positioned to meet its long-term commitments.

Strengthening Scheme and Regulatory Effectiveness

This year also marked significant strides in expanding and enhancing the scheme's coverage and compliance. On 1 July 2024, we incorporated offsite electrical switchboard assembly and offsite precast concrete work into the scheme, further broadening our regulatory scope and ensuring more workers in the construction industry get the benefit of portable long service leave.

To strengthen compliance by employers with their obligations under the scheme, we have expanded our enforcement capabilities, notably through the establishment of an in-house litigation team. This team has been instrumental in pursuing compliance breaches, supported by data-sharing partnerships with the Victorian Building Authority and other regulatory bodies. LeavePlus also secured two landmark rulings in the Supreme Court of Victoria: *Detector Inspector* and *EnergyAustralia*, which confirmed our interpretation of the *Construction Industry Long Service Leave Act 1997 (Vic)* and reinforced the broad definition of the 'construction industry' under Victoria's portable long service leave scheme. These decisions strengthen workers' rights, clarify employer obligations across related sectors, and reaffirm our commitment to fairness, education, and compliance within the industry.

People and Culture

Investing in our people remains a cornerstone of our transformation. Throughout 2024–2025, we have focused on building a workforce that is empowered, supported, and aligned with our organisational values. By fostering a culture of adaptability and continuous improvement, we are equipping our team to meet the evolving demands of our role as a regulator and service provider. This investment in our people is critical as we continue to drive innovation and efficiency in service delivery.



Infrastructure and Workplace Modernisation

The past year also saw the completion of a major milestone with the refurbishment of our Albert Street, East Melbourne office. This modern, collaborative workspace enhances staff wellbeing and operational effectiveness. The newly launched Member Centre provides a dedicated in-person service hub and training facility, improving accessibility and engagement for our members. These infrastructure upgrades not only add asset value but also underpin our commitment to a modern, supportive and collaborative workplace.

Looking Ahead: 2025–2026 Priorities

Looking ahead to 2025–2026, our strategic priorities centre on delivering smarter, more seamless digital solutions for both workers and employers in the construction industry.

These enhancements will make the compliance obligations of employers much easier and will simplify the payment of long service leave benefits for workers, through a more streamlined experience with LeavePlus.

We remain committed to our transformation journey, including improving our registration and quarterly returns processes for employers, providing for workers to receive their benefits more quickly, and strengthening our digital service delivery. By continuing to invest in data capability, we'll enable more informed decision-making and deliver better experiences for workers and employers.

Strengthening compliance partnerships and expanding our regulatory reach will be key to safeguarding the integrity of the compulsory portable long service leave scheme and promoting fairness across the industry.

Finally, we will continue to build our brand and foster collaborative engagement with industry stakeholders, reinforcing our vision and regulatory objectives, and supporting the long-term sustainability of the construction industry.

Our Thanks

We extend our sincere appreciation to all workers, employers, and industry stakeholders for their continued support and engagement. Our achievements in 2024–2025 would not have been possible without the dedication and resilience of our staff and leadership team. We also thank the Board of Directors for their governance and strategic guidance throughout the year. We extend our sincere appreciation to Robert Graauwmans – Worker Representative (Building Trades) for his valuable contribution and dedication during his tenure on the Board, and we warmly welcome our new Board members, Stephen Fodrocy – Worker Representative (Metal Trades) and Ivan Balta – Worker Representative (Electrical Trades), who joined in this past year.

Together, we reaffirm our commitment to the vision and purpose of LeavePlus: to support and protect the long-term wellbeing of construction workers and to ensure the vitality of the construction industry in Victoria.

Thank you for your continued support.

Jenny Acton
Chair, LeavePlus

Craig Bell
CEO, LeavePlus



INVESTMENT REPORT

Year in Review

The 2024–25 year was shaped by a mix of challenges and opportunities in the global economy. Growth slowed in many countries as trade and investment weakened, but share markets still rose strongly. This was helped by three big drivers: enthusiasm for new artificial intelligence technologies, inflation coming down from its peak, and the growing belief that interest rates had reached their high point.

Inflation eased around the world but stayed higher than central banks wanted. In the United States, interest rates were held steady, while in Australia the Reserve Bank cut rates twice, bringing the cash rate down to 3.85% by 30 June 2025. Lower interest rates supported company earnings and boosted confidence in financial markets.

For many Australian households, however, the benefits of lower inflation were slow to appear. Mortgage repayments stayed high, rents kept climbing, and the overall cost of living remained well above pre-pandemic levels. These pressures were felt across the community, including in the construction industry.

Markets were unsettled at times. New tariffs announced by the United States in March and April created uncertainty, while the continuing war in Ukraine and unrest in the Middle East added to global tensions. Despite these events, both

Australian and international share markets reached record highs. Other parts of the investment world also performed well. Infrastructure and credit remained in strong demand, while bond markets rose in value as investors became more confident that interest rates had peaked and would begin to come down.

Amid these conditions, **LeavePlus'** investment portfolio delivered strong results, supported by our diversified and risk-aware approach.

LeavePlus' investment portfolio returned 10.35% for the 2024–25 financial year. This was achieved through a diversified mix of growth and defensive assets.

This strong performance lifted the Fund's (Construction Industry Long Service Leave Fund (Fund)) accrued funding ratio to 131.7% as at 30 June 2025 (2024: 125.4%), which means the Fund has around one-third more assets than it needs today to cover all current and potential future Long Service Leave (LSL) obligations.

Looking ahead to 2025–26, **LeavePlus** will continue to build on this position of strength by implementing a refined, diversified investment approach aimed at delivering sustainable returns and continuing to protect and support long service leave benefits for workers.

Fund Performance

INVESTMENT RETURNS	RETURN FY2025	3 YRS P.A.	5 YRS P.A.	7 YRS P.A.	10 YRS P.A.
TOTAL RETURN	10.35%	8.56%	6.93%	6.76%	7.11%
RETURN OBJECTIVE	8.03%	6.22%	5.75%	5.83%	6.01%
EXCESS RETURN	2.33%	2.34%	1.18%	0.93%	1.10%

Performance is shown net of investment fees and taxes, which do not include costs relating to internal investment management. The annual return after all investment costs is disclosed below in the Investment Expense Ratio section of this report.

The Fund delivered an annual return of 10.35% for the 2024–25 financial year, net of investment fees and taxes, which do not include internal investment management costs. All asset classes contributed positively to the result, with listed equities leading with a return of 15.65%. Real assets delivered a solid result overall, with infrastructure posting strong double-digit gains, while property showed more modest positive returns. Alternatives also provided steady growth and defensive allocations to fixed income and cash added stability to the portfolio.

Strong market performance and positive cashflows lifted the Fund's value by \$234 million to \$2.46 billion at 30 June 2025.

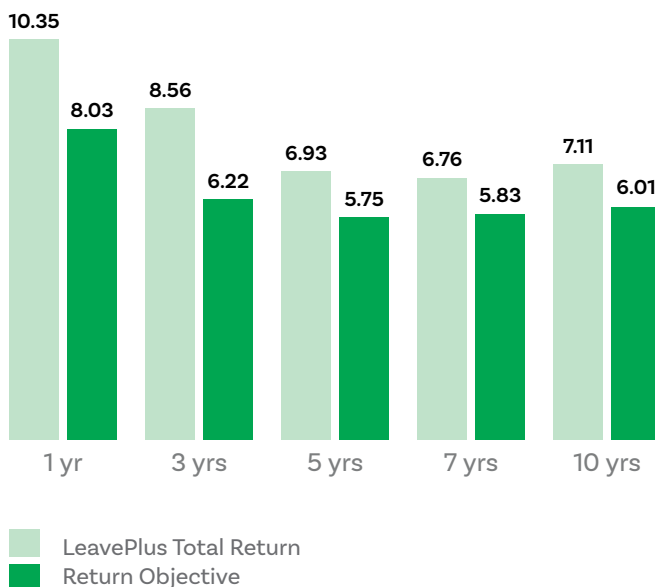
Over the past decade, the Fund has achieved an average annual return of 7.11%, exceeding its goal of outperforming Victorian construction industry wage growth by at least 2% per year (target: 6.01%).

The investment portfolio is designed with clear risk objectives, including:

- Limit the likelihood of negative returns to no more than five years in any 20-year period; and
- Limit the likelihood of an annual loss greater than 10% to no more than once in any 20-year period.

These targets have been successfully met over the past 20 years.

FUND PERFORMANCE (%)



Source: Performance returns from JP Morgan, the Fund's Master Custodian. The return objective was altered on 1 March 2023 to the Victorian Construction Wage Inflation +2%. Prior to this, the return objective was 4.9% p.a. from 1 November 2020, 5.8% p.a. from 1 July 2019, 6.25% p.a. from July 2016, 6.75% p.a. from July 2015 and 7.25% p.a. prior.

Strategic Asset Allocation

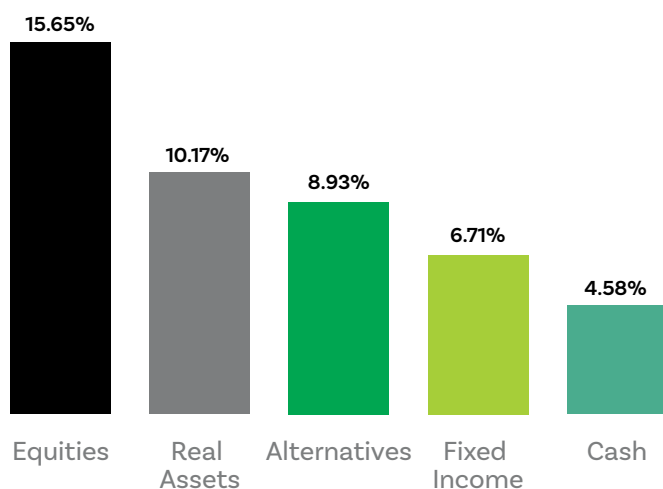
LeavePlus has defined a Strategic Asset Allocation (SAA) range that aligns with its long-term investment objective in a risk adjusted manner and maintains an SAA target, which is typically the mid-point of the SAA range. The investment portfolio is managed to attain an actual asset allocation that mirrors the SAA. A summary of the Fund's Actual Asset Allocation versus its SAA as at 30 June 2025 is as follows:

ASSET CLASS	ACTUAL ASSET ALLOCATION	SAA TARGET	SAA RANGE	
Growth	80%	80%	75%	85%
Equities	42%	40%	37%	43%
Real Assets	23%	25%	15%	35%
Alternatives	15%	15%	12%	18%
Defensive	20%	20%	15%	25%
Fixed Income	18%	18%	15%	21%
Cash	2%	2%	0%	4%
Total	100%	100%	Min	Max

Asset Class Performance Overview

The performance of the **LeavePlus** portfolio for 2024-25 reflects the diverse strategies employed across different asset classes. Growth assets, including equities, real assets, and alternatives, were the principal contributors to portfolio performance. Defensive allocations to fixed income and cash also generated positive returns, providing additional stability to overall results. This diversified approach is key to achieving the Fund's long-term objectives.

ASSET CLASS PERFORMANCE FY2025



Performance commentary

- Equities:** Domestic and international equities were the primary drivers of performance, contributing to over 60% of the Fund's total return for the financial year. After investment manager fees and taxes, the equity portfolio delivered a net return of 15.65%, with international equities leading the performance result at 16.90% and Australian equities achieving 12.54%.
- Real Assets:** After two consecutive financial years of subdued results, Real Assets delivered a strong result of 10.17%. Infrastructure assets performed strongly, and property valuations were positive following prior periods of devaluation driven by softer valuation metrics.
- Alternatives:** Alternatives delivered a solid 8.93% return for the financial year, providing valuable diversification and growth-like performance amid market volatility. Credit strategies led with a 9.97% return, while multi-asset strategies followed closely at 6.75%.
- Fixed Income:** Fixed income produced a positive result of 6.71% for the financial year, primarily due to declining yields, easing inflation, and expectations that the Reserve Bank of Australia (RBA) had reached the peak of its tightening cycle, all contributing to positive capital gains and steady income.
- Cash:** The Reserve Bank of Australia (RBA) implemented two rate cuts totalling 50 basis points during the year, lowering the cash rate to 3.85% as at 30 June 2025. These cuts were introduced early in the 2025 calendar year as inflation eased. Over the same period, **LeavePlus'** cash holdings returned 4.58%.

Investment Expense Ratio

An Investment Expense Ratio (IER) reflects the total cost of managing the Fund's investments and includes investment manager fees, custodian fees, investment consultant fees, and internal investment management costs. Internal investment management costs comprise the time spent managing the Fund's investments by **LeavePlus** management, the Investment Committee, and the Board, as well as an allocation of overheads. The IER is calculated by dividing these total expenses by the average value of the investment portfolio across the year.

The IER for 2024–25 was 0.63% (2024: 0.61%). The annual investment performance of 10.35% has been quoted as after external investment management fees and taxes, which do not include internal investment management costs. After allowing for internal investment management costs included within the IER, the annual return reduces to 10.31%.

Investment Governance

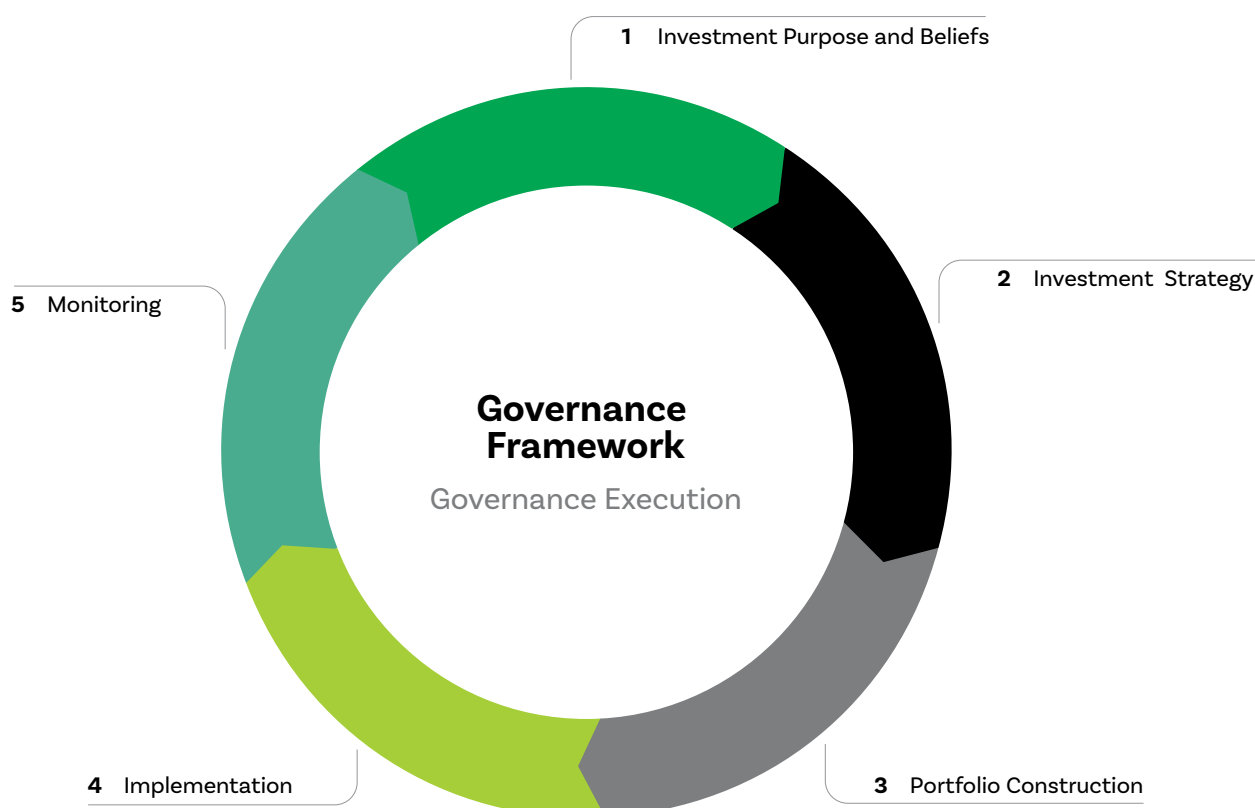
In its role as Trustee of the Fund, **LeavePlus** is responsible for the stewardship of the Fund's assets and must act in the best interests of current and future beneficiaries of the Fund. It must prudently invest and manage the assets, while retaining a liability-aware approach to liquidity and volatility risk. Liabilities include long service leave benefits for workers and operational expenses. Consistent with **LeavePlus**' core beliefs, investment decisions are guided by a comprehensive Investment Governance Framework that outlines the Board's approach to decision-making, accountability, and oversight.

The governance structure places ultimate decision-making authority with the Board, while the Investment Committee is responsible for overseeing the investment governance process.

An independent asset consultant provides advice and monitoring to support investment activities. **LeavePlus** also engages external investment managers to execute investment decisions aimed at achieving the Fund's investment objectives. Internally, **LeavePlus** manages direct property investments (with the aid of a property manager) and cash holdings.

Investment governance includes the rules and principles that guide **LeavePlus**' investment processes, ensuring decisions are responsible, transparent, aligned with the Fund's objectives and in the best interests of its members.

The investment process is designed to achieve optimal results, manage risks, and fulfill responsibilities. The key components of the investment process within the governance framework include:



1 Investment Purpose and Beliefs

The investment purpose and core beliefs underpin the governance framework, providing guiding principles for all investment decisions.

2 Investment Strategy

The investment strategy defines the Fund's objectives, risk tolerance, investment horizon, liquidity requirements, and performance expectations, and sets the long-term allocation of capital across asset classes. The Board holds responsibility for approving the investment strategy.

3 Portfolio Construction

Portfolio construction involves detailed strategic asset allocation and integrated risk management. Risk management entails setting risk limits, using risk assessment metrics, and establishing protocols for escalation when risks exceed predefined thresholds, ensuring that all exposures are thoroughly assessed and managed.

4 Implementation

The Trustee maintains a rigorous due diligence framework, incorporating both qualitative and quantitative assessments of each manager's capabilities, performance, and alignment with the Fund's investment objectives. During the year **LeavePlus** carefully planned implementation of the SAA, aiming to minimise transitional costs and align portfolio movements with anticipated cash flows. The implementation process is continuously reviewed to reflect current market valuations and respond to significant events as they arise.

5 Monitoring

The Board continues to assess investment performance relative to benchmarks and objectives. This structured process ensures accountability and transparency through performance reviews and reporting. The Investment Committee and Board regularly review these reports to identify potential issues or adjustments needed in the portfolio's construction, implementation, or strategy. Compliance monitoring ensures adherence to relevant laws, regulations, investment guidelines, and the Trustee's beliefs.

The governance framework, along with the investment process, is regularly reviewed and updated to adapt to changing circumstances. It evolves to incorporate best practice, and insights gained from research and industry developments.



FINANCIAL SUMMARY

Accounts Summary

Below is a short financial summary from the Construction Industry Long Service Leave Fund Annual Financial Statements for the last two financial years. More detailed financial information, including the audited financial statements and auditor's report, can be found online at leaveplus.com.au/about-us/publications/.

SUMMARY STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$'000	2024 \$'000
Net Investment Income	227,668	160,451
Total Revenue	227,668	160,451
Investment Expenses	6,074	5,581
Trustee expenses	45,145	33,890
Doubtful debts expense	5,512	2,571
Administration expenses	787	405
Total Operating Expenses	57,518	42,447
Total comprehensive income for the period	170,150	118,004

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	2025 \$'000	2024 \$'000
Cash and cash equivalents	94,374	96,183
Receivables	89,590	71,373
Property and equipment	11,085	2,800
Investments	2,265,118	2,054,529
Total Assets	2,460,167	2,224,885
Payables	7,166	5,971
Accrued LSL benefits liability	1,823,364	1,730,774
Working sub-contractors' accounts	50,859	48,855
Total Liabilities	1,881,389	1,785,600
Net assets available for fund participants	578,778	439,285

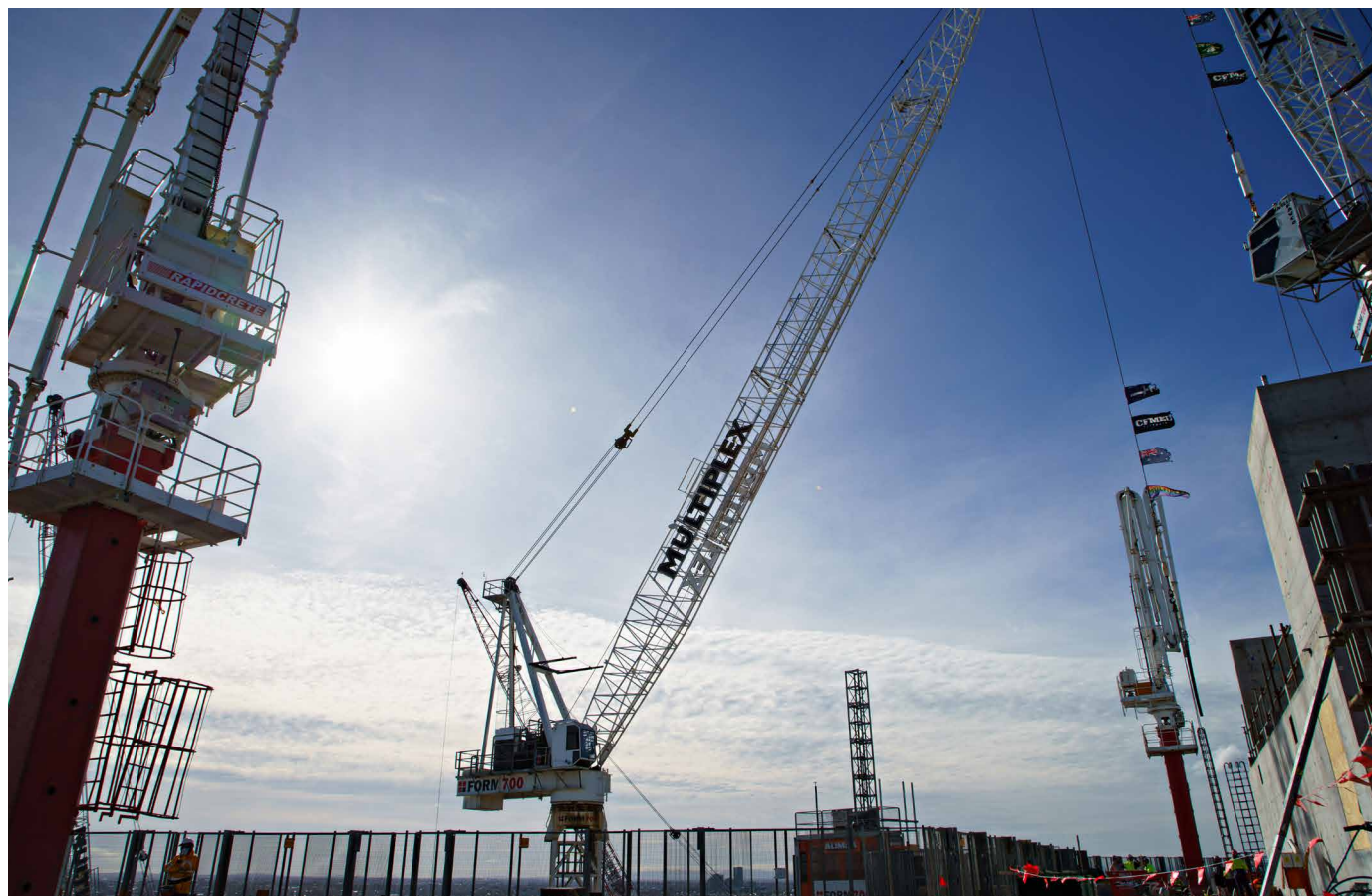
Accrued LSL Liabilities

Accrued Long Service Leave (LSL) Liabilities have been calculated based on the present value of all expected future cash outflows that arise from the service of eligible workers up to the reporting date. The stated amount has been calculated by the Fund's actuary using an actuarial model, which takes into account the following assumptions:

- Discount rate, reflects the rate used to determine the present value of future accrued LSL liabilities;
- Investment return, reflects the future expected return on the Fund's assets;
- Salary inflation, reflects the future expected increases in worker's salary;
- Departure from industry benchmarks, reflects the future expected movements in worker status from active to inactive, inactive to active, or inactive to exit; and
- Mortality rates, reflects the rates at which workers are assumed to die.

The movement in the accrued LSL liabilities for the year was as follows:

	2025 \$'000	2024 \$'000
Opening Balance as at 1 July	1,730,774	1,607,309
<i>Plus:</i>		
Long service leave charges collected	307,385	271,748
Net Future Benefits Liability Increase	26,242	71,427
<i>Less:</i>		
Benefits Paid	(241,037)	(219,710)
Closing Balance as at 30 June	1,823,364	1,730,774



Trustee Remuneration and Expenses

Trust Deed Requirements

Under the Trust Deed, the Construction Industry Long Service Leave Fund (the Fund) must disclose certain payments made by the Trustee during the financial year. These include:

- Remuneration appropriated out of the Fund by the Trustee
- Remuneration paid by the Trustee to each Board member
- Expenses reimbursed by the Trustee to each Board member

In accordance with the Trust Deed, the Fund's Auditor is required to provide a certificate to confirm whether, in their opinion, the amounts paid were true and fair.

This section outlines the basis of preparation for this disclosure and summarises the relevant payments made during the 2024-25 financial year.

Basis of preparation

CoINVEST Limited is the Trustee of the Fund and trades as **LeavePlus**.

These disclosures are intended to promote transparency and ensure that Beneficiaries, Potential Beneficiaries and Contributors (as those terms are defined in the Trust Deed) have visibility over the costs associated with managing the Fund. As a not-for-profit organisation managing a statutory entitlement on behalf of the Victorian construction industry, **LeavePlus** recognises the importance of public accountability in the way it governs and remunerates the Trustee and its Directors.

The Trustee Remuneration and Expenses disclosure has been prepared in accordance with the requirements of the Fund's Trust Deed, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Unless otherwise stated, the accounting policies used are consistent with those adopted in the previous period.

All payments and disclosures have been prepared on an accruals basis, which means income and expenses are recorded when they are earned or incurred, not when the cash is received or paid.

This disclosure also outlines the remuneration setting process, including benchmarking, external review, and industry consultation procedures. This ensures that amounts disclosed can be assessed both for factual accuracy and reasonable alignment to market practices.

LeavePlus does not carry out trading activities in its own right and is reimbursed by the Fund for all costs incurred in carrying out its Trustee fiduciary responsibilities. This includes costs associated with the administration, governance, and oversight of the Fund, including Board operations.

Overview of the Board

The **LeavePlus** Board comprises 11 Directors. Three are independent Directors appointed for their specialist expertise in law, finance or investments. The remaining eight are industry-representative Directors, including four Worker Representatives and four Employer Representatives. Industry Directors are nominated by eligible nominating organisations (as defined under **LeavePlus**' Articles of Association) and if they meet **LeavePlus**' Director Selection Criteria (as determined by the Assessment Committee), they are eligible to stand for election to the position of Director. If only one valid nomination is received, no election is required to be held, and the nominee is appointed to the position of Director. Alternatively, if no valid nomination is received from an eligible nominating organisation, the Assessment Committee (comprising a representative nominated by each of the Executive Search Organisation, the Victorian Congress of Employer Associations, and the Secretary of the Victorian Trades Hall Council) may be requested by **LeavePlus** to appoint a person who meets **LeavePlus**' Director Selection Criteria to fill the Director position.

All Directors receive remuneration for their roles on the Board. Additional fees are paid to those formally appointed to Board Committees, reflecting the extra responsibilities and time commitment required. Expenses incurred in the course of official duties are reimbursed in accordance with **LeavePlus**' policies.

Director Remuneration Framework

The Board is committed to ensuring that Director fees are fair, transparent, and proportionate to the skills and responsibilities required. Fees are designed to reflect the time and expertise involved in regulating a statutory entitlement scheme and governing the Fund, and to remain aligned with similar roles in comparable organisations.

To ensure remuneration remains market-aligned and reasonable, an independent remuneration consultant is engaged every two years to review Director fees. The consultant provides benchmarking analysis using proprietary data from relevant sectors. These findings are reviewed by the Board’s Remuneration, People and Culture Committee, which then makes recommendations to the full Board.

Following Board endorsement, any proposed changes to Director fees must be approved by a representative of the Secretary of the Victorian Trades Hall Council and the Victorian Congress of Employer Associations, as required under **LeavePlus’** Memorandum of Association. This ensures industry oversight of Director fee setting.

Changes in individual Director payments between FY2024 and FY2025 reflect a combination of factors including new appointments, resignations, and changes in Committee participation. No bonuses or incentive-based payments are made to Directors.

Trustee Management Fee

All operating expenses of CoINVEST Limited as Trustee are reimbursed by the Fund. This includes salaries, office overheads, systems and technology, legal and compliance costs, and governance expenses, including Director remuneration. The amount reimbursed is disclosed in the Fund’s financial statements under “Trustee Management Fee”.

For the year ended 30 June 2025, the following amounts were paid or payable to the Trustee:

	FY2025 \$'000	FY2024 \$'000
Trustee Management Fee Expense	45,145	33,890
Trustee Management Fee Payable	6,758	5,542



Director Remuneration and Reimbursed Expenses

The following table outlines the fees paid or payable to each Director for the 2024-25 financial year, along with any reimbursed expenses.

DIRECTOR	FY2025 DIRECTOR FEES	FY2025 EXPENSES REIMBURSED	FY2024 DIRECTOR FEES	FY2024 EXPENSES REIMBURSED
Independent				
Jenny Acton (Chair)	278,227	1,710	261,988	-
David St. John	162,152	1,475	153,146	1,449
Michelle McLean ¹	150,633	-	108,629	-
Di Fulton ²	-	-	36,210	-
Worker Representatives³				
Paddy McCrudden	92,920	-	80,486	-
Robert Graauwmans ⁴	95,224	-	84,916	-
Stephen Fodrocy ⁵	81,401	69	12,307	-
Ivan Balta ⁶	57,595	-	-	-
Chris Patterson ⁷	6,399	-	82,701	9,400
Luciano Malgeri ⁸	-	-	12,307	-
Raoul Wainwright ⁹	-	-	53,657	-
Employer Representatives				
Grant Donald	83,705	-	80,486	-
David Newnham	95,224	-	84,916	-
Michael Purnell	88,313	671	87,131	173
Michael Paynter ¹⁰	88,313	1,000	80,486	3,445
Total	1,280,105	4,925	1,219,366	14,467

¹ Appointed, 1 October 2023.

² Term finished, 30 September 2023.

³ Directors fees are paid to their nominating organisation where the representative is an employee or officer of the nominating organisation.

⁴ From 10 September 2024, Director Fees were paid directly to the individual instead of their nominating organisation.

⁵ Appointed, 20 May 2024.

⁶ Appointed, 26 September 2024.

⁷ Resigned, 26 July 2024.

⁸ Appointed, 26 February 2024; Resigned, 6 May 2024.

⁹ Appointed, 14 September 2023; Resigned, 9 February 2024.

¹⁰ Appointed, 1 July 2023.

Insurance of Directors

LeavePlus paid a premium of \$389,980 in May 2024 for directors' and officers' liability insurance. The policy covers an 18-month period ending November 2025 and does not specify premiums in respect of individual Directors or officers.

Auditor Certification

In accordance with the requirements of the Trust Deed, the Fund's external auditor, PwC, has reviewed the Trustee Remuneration and Expenses disclosures in this report. PwC has issued a certificate expressing their opinion on whether the disclosures are true and fair in accordance with the Trust Deed. The Auditor's certificate is provided below.



Independent auditor's report

To the Contributors, Beneficiaries and Potential Beneficiaries of Construction Industry Long Service Leave Fund

Our opinion

We have audited the Trustee Remuneration and Expenses (Schedule) as at 30 June 2025. In our opinion the accompanying Schedule presents a true and fair view, in all material respects, the Trustee Remuneration and Expenses of Construction Industry Long Service Leave Fund (the Fund) as at 30 June 2025 in accordance with the Trust Deed and applicable accounting standards of the Fund relevant to preparing such a Schedule.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Schedule* section of our report.

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

Independence

We are independent of the Fund in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Schedule in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

pwc.com.au

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Emphasis of matter - basis of accounting and restriction on distribution and use

We draw attention to the Basis of preparation, which describes the basis of accounting. The Schedule has been prepared to assist the Directors in complying with the financial reporting provisions of the Trust Deed. As a result, the Schedule may not be suitable for another purpose. Our report is intended solely for Construction Industry Long Service Leave Fund and its Contributors, Beneficiaries and Potential Beneficiaries and should not be distributed to or used by parties other than Construction Industry Long Service Leave Fund and its Contributors, Beneficiaries and Potential Beneficiaries. Our opinion is not modified in respect of this matter.

Responsibilities of management and the directors for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with the Trust Deed and applicable accounting standards of the Fund, and for such internal control as management determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

The directors are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Schedule.

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

- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material



misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the Schedule, including the disclosures, and whether the Schedule represent the underlying transactions and events in a manner that achieves fair presentation.

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

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script, likely belonging to Nicole Osborne.

Nicole Osborne OAM
Partner

Melbourne
30 September 2025



