



# Member outcomes assessment

Super products  
Financial year ending 30 June 2023

## The information in this document is for:

- AustralianSuper plan
- Personal Plan
- AustralianSuper Select
- Super Options
- GHD Superannuation Plan

## Putting members' interests first

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Driven by this purpose and our members first culture, our strategy is to deliver strong long-term performance and provide help, education and advice to members when they need it.

Each year the Fund is required to assess its performance, by product, in promoting the financial interests of members. To do this we consider various comparison and assessment factors. This year we have determined that the MySuper (our default product) and all choice products promote the best financial interests of members.



### Benefit from our size

As Australia's largest super fund our size helps us deliver better outcomes for members.



### Profit for members

As a profit-for-member fund, we don't pay profits or dividends to shareholders.



### Long-term performance

Our Balanced investment option has consistently delivered strong long-term performance for members<sup>1</sup>.

<sup>1</sup> AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey - SR50 Balanced (60-76) Index to 30 June 2023. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

# Determination summary

## Comparison factors



**Returns** – The MySuper Balanced option, where most members are invested, achieved net returns above the median for 3 and 5 years to 30 June 2023, but lower than the median for the one-year period<sup>2</sup>. The majority of our investment options achieved above median returns over 5 and 10 year periods relative to comparable funds<sup>3</sup>.



**Investment risk** – We prudently manage risk to achieve each option's investment objectives. The level of investment risk in our options is broadly consistent with the median level of risk in other MySuper and comparable choice products.



**Fees and costs** – AustralianSuper's fees and costs for the MySuper Balanced option are in the lowest 25% of comparable funds in the superannuation industry. Our annual fees and costs (administration and investment) for a \$50,000 account balance in the Balanced option are competitively ranked in the lowest (best) 25% of similar products<sup>4</sup>.

## Assessment factors



**Investment strategy** – The Fund has an investment strategy for the whole of the fund and for each investment option, including our MySuper product. Our active management approach is focused on delivering strong long-term net returns.



**Insurance strategy and fees** – We recognise how important it is to have insurance cover. As a profit-for-member fund, AustralianSuper only charges members what it costs to provide insurance cover.

Our guiding principle is that the cost of basic (default) insurance cover should be less than 1% of members' average salary over their working life and less than 10% of their ultimate retirement balance. Our insurance fees (costs) for basic cover are comfortably below these thresholds and therefore do not inappropriately erode the retirement balances of members.



**Options, benefits and facilities** – AustralianSuper strives to make sure our products and services offer good value and meet the changing needs of members now and in the long run. Our analysis showed that the majority of our options, benefits and facilities continue to be well utilised and that the administration fee that enables their provision is better than benchmark median<sup>5</sup>.



**Scale** – We're Australia's largest super fund by both member assets of nearly \$300 billion and membership (3.2 million) as at 30 June 2023. Our size enables us to capture economies of scale to reduce overall costs, provide competitive insurance cover and gives us access to attractive, large-scale investment opportunities.



**Setting fees and operating costs** – Fees are set in line with the Pricing Principles Policy which is designed to be appropriate for, and in the best interests of beneficiaries by being competitive, equitable, sustainable, simple and compliant with regulations. AustralianSuper's operating expense to asset ratio is below the median of other super funds, indicating that our expenses are at appropriate levels.

<sup>2</sup> Net return (sometimes called net benefit) is the return after administration and investment fees and costs, transaction costs and taxes for a representative member with an account balance of \$50,000. Based on APRA Quarterly Statistics, for periods to 30 June 2023, and includes life-cycle products that have the approximate ratio of 70% growth and 30% defensive assets which is the most appropriate comparison to the AustralianSuper MySuper Balanced option. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

<sup>3</sup> SuperRatings Fund Crediting Rate Survey to 30 June 2023. Investment returns aren't guaranteed. Past performance is not a reliable indicator of future returns.

<sup>4</sup> Based on APRA Quarterly Statistics at 30 June 2023. For products with approximate ratio of 70% growth and 30% defensive assets, including life-cycle products.

<sup>5</sup> 2023 APRA Annual Performance Test. The representative administration fee reflects the administration fees, costs and taxes charged to a representative member with a \$50,000 account balance over the 2022/23 financial year.

See the Appendices on **page 5** for assessment methodology.



# Comparison factors

## Returns

Our MySuper Balanced option net returns to 30 June 2023 were ranked better than median for 3 and 5 year periods when compared to other MySuper products<sup>6</sup>.

**Net return<sup>6</sup> (investment return minus administration and investment fees and costs, transaction costs and taxes) for a \$50,000 account balance invested in the Balanced option**

1 year (%)		3 years (% p.a.)		5 years (% p.a.)	
Return	Relative to median	Return	Relative to median	Return	Relative to median
8.00	0.97 below median	7.99	0.53 above median	6.50	0.89 above median

While most members are invested in the Balanced option, there were 11 investment choice options at 30 June 2023, each with different investment risk levels and return objectives. The majority of options achieved their investment objective and a return better than the SuperRatings median<sup>7</sup> over 5 and 10 year periods. See pages 6 and 7 for the performance of all AustralianSuper investment options.

## Investment risk

We manage risk carefully across all our options. The level of investment risk in our options is broadly consistent with the median level of risk in comparable products.

The Standard Risk Measure (SRM) estimated for AustralianSuper products is within the range of peer products.

The SRM is a basis to compare the risk levels of investment options across funds. The SRM is a Risk Band number and Risk Label that corresponds to an estimated number of negative annual returns over any 20-year period.

See page 8 for each investment option's SRM.

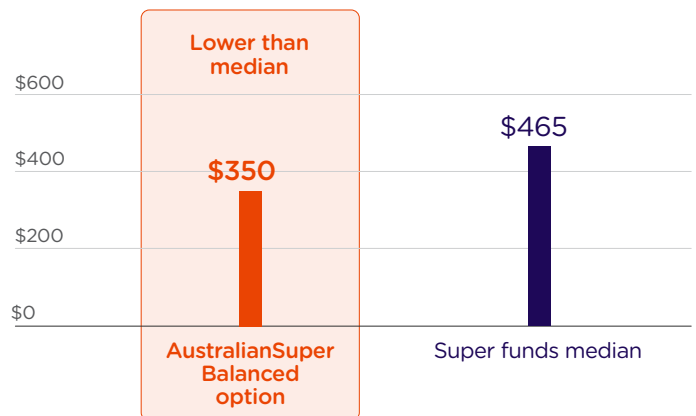
## Fees and costs

The main fees you'll pay are administration and investment fees and costs.

When invested in the Balanced option, annual administration and investment fees and costs for a \$50,000 account balance are in the lowest 25% of comparable superannuation products.

The annual administration and investment fees and costs for a \$50,000 account balance invested in the Balanced option were \$350 for the financial year ending 30 June 2023. This is lower than the median MySuper fund which has fees and costs of \$465 and ranks tenth out of 57 super funds<sup>8</sup>.

### Annual administration and investment fees and costs on a \$50,000<sup>8</sup> balance



Generally, the fees and costs you pay as a percentage of your balance will be greater for a low account balance and will decrease over time as your account balance grows. See page 9 for fees and costs when invested in other options.

<sup>6</sup> Net return (sometimes called net benefit) is the return after administration and investment fees and costs, transaction costs and taxes for a representative member with an account balance of \$50,000. Based on APRA Quarterly Statistics, for periods to 30 June 2023, and includes life-cycle products that have the approximate ratio of 70% growth and 30% defensive assets which is the most appropriate comparison to the AustralianSuper MySuper Balanced option. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

<sup>7</sup> SuperRatings Fund Crediting Rate Survey to 30 June 2023. Investment returns aren't guaranteed. Past performance is not a reliable indicator of future returns.

<sup>8</sup> Comparison of the AustralianSuper administration fees and costs for super (accumulation) accounts and the investment fees and costs for the MySuper Balanced option, to the median MySuper products, including life-cycle products, that have the approximate ratio of 70% growth and 30% defensive assets. Based on APRA Quarterly Statistics as at 30 June 2023, for a representative member with a \$50,000 account balance. Insurance premiums and other fees and costs may apply. See the Product Disclosure Statement for full details.

# Assessment factors

## Investment strategy

AustralianSuper has an investment strategy for the whole of the fund and for each investment option, including our MySuper product.

The Fund has assessed that the asset allocation (including exposure to risk) is consistent with achieving the outcomes sought by the Fund in its strategic objectives for members.

We offer investment options with different asset allocations and risk profiles to suit the different needs of members.

Our assessment confirms each investment option's strategy is consistent with its risk and return objectives and is appropriate for members.

We continually monitor a range of indicators to look for changes in the investment outlook, and select investments that we believe will outperform the broader market. This is supported by quality research, experienced investment specialists and a disciplined investment process.

This active management approach enables us to adjust our investment strategy and position portfolios to make the most of the current and future environment, with the objective of generating strong long-term investment returns. We also use index management in some options to lower overall portfolio costs or where active management opportunities are smaller.

The risk and return objectives of each of our investment options are available to view at [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide)

## Insurance strategy and fees

Our insurance strategy is to offer cover that can help members build a secure future for themselves and their families. Insurance through AustralianSuper is designed to offer members value-for-money death and disability cover.

Eligible members receive basic (default) Death, Total & Permanent Disablement (TPD) and Income Protection cover. For plans where basic cover isn't provided, members can apply any time.

The basic cover we provide automatically to members varies by product and is primarily driven by our guiding principles. The cost of insurance (premiums) for basic cover should be less than 1% of members' average salary over their working life and less than 10% of their ultimate retirement balance.

Our insurance fees (costs) for basic cover do not inappropriately erode the retirement balances of members and are comfortably below these thresholds.

Our insurance strategy remains appropriate for members and insurance through AustralianSuper is designed to be sustainable, competitive and reflect different life stages.

You can view our insurance strategy at [australiansuper.com/InsuranceStrategy](https://australiansuper.com/InsuranceStrategy)

## Options, benefits and facilities

AustralianSuper strives to make sure our products and services offer good value and meet the changing needs of members now and in the long run.

Members benefit from a range of quality services including access to a local contact centre, an online account with mobile app, web tools and articles, advice options, and access to retirement and financial planning seminars at no additional cost.

We regularly assess these services to make sure they are appropriate for members. Analysis undertaken as part of the assessment showed that the majority of our options, benefits and facilities are well utilised.

Our administration fees help fund these options, benefits and facilities. Our administration fee for a representative member in MySuper is better than the benchmark<sup>9</sup>.

## Scale

As Australia's largest super fund by both member assets (nearly \$300 billion) and membership (over 3.2 million) as at 30 June 2023, we use our industry position to maximise efficiencies to deliver high-value benefits to our members through the products and services we offer.

Our size enables us to capture economies of scale to create cost efficiencies, provide competitive insurance and gives us access to attractive, large-scale investment opportunities.

Our scale does not disadvantage the financial interests of members holding the relevant products.

The Fund's operating expense per member is better than median as at 30 June 2023<sup>10</sup>.

## Setting fees and operating costs

Fees are set in line with the Pricing Principles Policy which is designed to be appropriate for, and in the best interests of beneficiaries by being competitive, equitable, sustainable, simple and compliant with regulations. Administration fees go towards the cost of providing services like our contact centre, member seminars, member communications, and online tools to help members build their super for retirement.

For the financial year ending 30 June 2023, the Fund achieved a total operating expense to asset ratio of 0.22% per annum. This result is better than peer median, and ranked 18 out of 50<sup>10</sup> indicating that our expenses are at appropriate levels.

<sup>9</sup> 2023 APRA Annual Performance Test. The representative administration fee reflects the administration fees, costs and taxes charged to a representative member with a \$50,000 account balance over the 2022/23 financial year.

<sup>10</sup> APRA Annual Fund Statistics as at 30 June 2023.

# Appendices

## Assessment methodology

The approach used in this assessment is prescribed by regulations and Australian Prudential Regulation Authority (APRA).

The comparison to similar funds includes returns, the level of investment risk, and fees and costs.

The assessment also considers the appropriateness of our:

- investment strategy
- insurance strategy and fees
- scale
- setting of fees and operating costs; and
- options, benefits and facilities.

## Returns

Each PreMixed investment option has an investment objective with two aims:

1. to beat CPI by a determined percentage over a certain time frame; and
2. to beat the median fund over a certain time frame.

The percentage and the time frame correspond with the return and risk profile of each option. The Indexed Diversified option is an exception; its investment objective is to achieve a return of CPI +3% over the medium to longer term.

Each DIY Mix option has an investment objective to beat an index or CPI-linked performance objective relevant to the investment option.

Super is a long-term investment and we encourage members to focus on long-term returns. For more information on the investment objectives of each option visit [australiansuper.com/performance](https://australiansuper.com/performance)





## PreMixed investment options

AustralianSuper offers six PreMixed investment options, each with different investment risk levels and return objectives.

The following table details the investment option's performance, AustralianSuper's benchmark (which is the return we aim to achieve for the option) and how the performance of the option compared to the median result for comparable options.

### Investment returns for PreMixed options at 30 June 2023<sup>11</sup>

Investment option	1 year			3 years			5 years			10 years		
	Return (%)	B'mark (%)	Relative to median	Return (%)	B'mark (%)	Relative to median	Return (%)	B'mark (%)	Relative to median	Return (%)	B'mark (%)	Relative to median
High Growth	10.48	11.18	Below	9.69	9.34	Above	7.61	6.92	Above	9.62	8.64	Above
Balanced	8.22	9.05	Below	8.23	7.52	Above	6.72	5.88	Above	8.60	7.32	Above
Socially Aware <sup>12</sup>	7.44	9.05	Below	7.44	7.52	Below	5.45	5.88	Below	7.69	7.32	Above
Conservative Balanced	5.64	6.93	Below	5.41	5.33	Above	5.02	4.61	Above	6.72	6.04	Above
Stable	3.44	4.63	Below	3.02	3.15	Below	3.49	3.14	Above	5.10	4.51	Above
Indexed Diversified	11.56	9.03	Above <sup>13</sup>	7.44	8.33	Below <sup>13</sup>	6.44	6.42	Above <sup>13</sup>	7.22	6.04	Above <sup>13</sup>

Option	Benchmark	Benchmark for relative to median
High Growth	SuperRatings: SR50 Growth (77-90) Index	SR50 Growth (77-90) Index
Balanced	SuperRatings: SR50 Balanced (60-76) Index	SR50 Balanced (60-76) Index
Socially Aware <sup>12</sup>	SuperRatings: SR50 Balanced (60-76) Index	SR50 Balanced (60-76) Index
Conservative Balanced	SuperRatings: SR25 Conservative Balanced (41-59) Index	SR25 Conservative Balanced (41-59) Index
Stable	SuperRatings: SR50 Capital Stable (20-40) Index	SR50 Capital Stable (20-40) Index
Indexed Diversified	Annual CPI +3% (prior to 1 July 2018 it was CPI +3.5% and prior to 1 July 2015 it was CPI +4%)	n/a <sup>13</sup>

<sup>11</sup> AustralianSuper investment returns are based on crediting rates, which are returns less investment fees and costs, transaction costs, the percentage-based administration fee deducted from returns from 1 April 2020 to 2 September 2022 and taxes. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

<sup>12</sup> Socially Aware - previously known as Sustainable Balanced before 30 May 2016.

<sup>13</sup> The benchmark used for the Indexed Diversified option is based on the investment objective to achieve a return of CPI +3% p.a. over the medium to longer term. There are no comparable funds based on SuperRatings data.

## DIY Mix investment options

AustralianSuper offers four DIY Mix investment options, plus a direct investment option (Member Direct), each with different investment risk levels and return objectives.

The following table details the investment option's performance, AustralianSuper's benchmark (which is the return we aim to achieve for the option) and how the performance of the option compared to the median result for comparable options.

### Investment returns for DIY Mix options at 30 June 2023<sup>14</sup>

Investment option	1 year			3 years			5 years			10 years		
	Return (%)	B'mark (%)	Relative to median	Return (%)	B'mark (%)	Relative to median	Return (%)	B'mark (%)	Relative to median	Return (%)	B'mark (%)	Relative to median
Australian Shares	13.95	14.37	Above	12.92	10.98	Above	8.66	7.66	Above	9.69	8.92	Above
International Shares	17.45	18.62	Below	9.51	11.27	Below	10.02	9.58	Above	11.87	11.14	Above
Diversified Fixed Interest	-0.53	0.82	Below	-0.96	0.59	Above	0.64	0.80	Above	2.58	1.71	Above
Cash	2.59	2.45	Below	0.99	0.86	Below	1.21	0.99	Above	1.70	1.44	Above
Member Direct <sup>15</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Option	Benchmark	Benchmark for relative to median
Australian Shares	S&P/ASX 200 Accumulation Index adjusted for tax (prior to 1 July 2020 the benchmark was S&P/ASX 300 Accumulation Index adjusted for tax)	SuperRatings: SR50 Australian Shares Index
International Shares	MSCI AC World ex Australia (in \$A) Index adjusted for tax	SuperRatings: SR50 International Shares Index
Diversified Fixed Interest	50% Bloomberg Global Aggregate 1-5 Year Total Return Index hedged to AUD adjusted for tax and 50% Bloomberg AusBond Composite 0-5 Year Index adjusted for tax (prior to 1 October 2021 CPI +0.5%, prior to 1 July 2015 CPI +1%, prior to 1 July 2013 CPI +1.5%)	SuperRatings: SR25 Diversified Fixed Interest Index
Cash	Bloomberg AusBond Bank Bill Index adjusted for tax	SuperRatings: SR50 Cash Index

List of benchmarks used in investment option objectives available at [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

<sup>14</sup> AustralianSuper investment returns are based on crediting rates, which are returns less investment fees and costs, transaction costs, the percentage-based administration fee deducted from returns from 1 April 2020 to 2 September 2022 and taxes. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

<sup>15</sup> Member Direct is a self-managed option. You choose and manage your own investments. You can invest in a range of listed securities, including stocks in the S&P/ASX 300 Index, selected Exchange Traded Funds (ETFs), selected Listed Investment Companies (LICs), term deposits and cash.

## Investment risk

The calculation of the Standard Risk Measure uses complex assumptions that are not standardised between funds. Varying the assumptions could change the results, even if objectives and investments are similar.

Investment option	SRM risk label (AustralianSuper short-term risk label)	Range of comparable risk labels <sup>16</sup>
High Growth	High	Medium to high - Very High
Balanced	High	Medium - Very High
Socially Aware	High	Medium - Very High
Indexed Diversified	High	n/a
Conservative Balanced	Medium to high	Medium - High
Stable	Medium	Low - High
Australian Shares	Very High	High - Very high
International Shares	Very high	High - Very high
Diversified Fixed Interest	Medium	Low to medium - High
Cash	Very low	Very low - Low
Member Direct <sup>†</sup>	n/a	n/a

### † Important information about the risk measure for the Member Direct option

Investments made through the Member Direct investment option form part of a self-directed investment strategy. The level of risk will vary depending on an individual's portfolio. Member Direct isn't for everyone and risks can be very high, so check that it's right for you. You'll be managing your own investments and will need to know a lot about investing and the markets. It's important that you're comfortable doing this.



<sup>16</sup> SuperRatings Standard Risk Measure Survey and Chant West data as at 30 June 2023.



## Fees and costs

The annual administration and investment fees and costs is \$350 based on a \$50,000 account balance invested in the Balanced (MySuper) option for the financial year ending 30 June 2023.

### Total annual administration and investment fees and costs on \$50,000 account balance invested in Balanced option<sup>17</sup>

AustralianSuper		Median fund		AustralianSuper rank
\$350	0.70%	\$465	0.93%	10/57

## The fees and costs you pay when invested in PreMixed and DIY Mix options

The administration and investment fees and costs in the table below are before taking into account any benefit of a tax deduction relating to fees and costs that are passed on to a member and take into account the performance fees calculated on the average of the last 5 financial years. As a result, the administration and investment fees and costs for the Balanced (MySuper) option is \$350 in the table above, but \$382 in the table below.

### Administration and investment fees and costs relative to comparable options<sup>18</sup>

PreMixed investment options as at 30 June 2023	\$50,000 balance		DIY Mix investment options as at 30 June 2023	\$50,000 balance	
	\$	Rank		\$	Rank
High Growth	377	2/44	Australian Shares	212	3/39
Balanced	382	5/55	International Shares	317	5/38
Socially Aware	397	4/25	Diversified Fixed Interest	257	8/30
Indexed Diversified	157	4/31	Cash	147	12/52
Conservative Balanced	367	2/38	Member Direct <sup>19</sup>	282	1/7
Stable	322	5/50			

<sup>17</sup> Comparison of the AustralianSuper administration fees and costs for super (accumulation) accounts and the investment fees and costs for the Balanced option, to the median MySuper fund. Based on APRA Quarterly Statistics as at 30 June 2023, which consolidates fees and costs for MySuper products for a representative member with a \$50,000 account balance. The total AustralianSuper fee of 0.7% (\$350) for a \$50,000 account balance is made up of admin fees and costs of 0.21% and investment fees and costs of 0.49%. The AustralianSuper investment fees and costs are for the financial year ending 30 June 2023. Investment fees change from year to year and are different for each investment option. Insurance premiums and other fees and costs may apply.

<sup>18</sup> Fees and costs data based on Chant West Member Outcomes Dashboard. Fees are based on publicly available information and discussions with each provider as at June 2023. All fees and costs are gross of income tax and include non-recoverable GST. Investment fees and costs include the estimated performance fees and the investment component of the indirect cost ratio. Fees and costs may be grossed up from those shown in the relevant product disclosure statement to reflect the fact that some products do not pass on the benefit of tax deductions for those fees to members. Indexed Diversified and Socially Aware compared and ranked against the growth option as supplied and advised by Chant West. Other fees and costs may apply. See the Product Disclosure Statement for full details.

<sup>19</sup> Most members invested in the Member Direct option have balances greater than \$50,000. For account balances of \$100,000, Member Direct fees and costs are \$332 and rank 2/7 when invested in shares, Exchange Traded Funds (ETFs), Listed Investment Companies (LICs), term deposits and cash. In practice a minimum holding applies to your Member Direct Cash account and to amounts invested in either PreMixed or DIY Mix options. Please refer to [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect) for details.

## Contact us

Call **1300 300 273** (8am to 8pm AEST/AEDT weekdays) Web **australiansuper.com**

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