

# Socially Aware option

31 March 2024

Exclusions are applied to the Australian shares and international shares asset classes and the corporate securities component of the fixed interest asset class based on environmental, social and governance screens. The option also invests in a range of other asset classes that are not screened. Asset classes that are not screened include private equity, unlisted and listed infrastructure, unlisted and listed property, credit, cash and other assets. Designed to have medium- to long-term growth with possible short-term fluctuations.

AustralianSuper's ESG and Stewardship program applies to the Socially Aware option. In addition, the Socially Aware option applies screening to the following asset classes, which covers around 56% of the option<sup>1</sup>: Australian shares, international shares and the corporate securities component of fixed interest. The screens aim to remove the shares or corporate securities of companies in these asset classes that:

- directly own thermal coal, oil or gas reserves<sup>2</sup>
- directly manufacture tobacco products, cluster munitions or land mines
- have single gender boards (for S&P/ASX 200 companies)
- have received the highest severity rating on a labour rights, human rights, environmental or governance controversy from the relevant ESG research provider

<sup>1</sup> The percentage of the option covered by the screens is based on the strategic asset allocation to Australian shares, international shares and fixed interest (which is adjusted for the percentage invested in corporate securities). During the year we can move toward or away from this percentage based on our outlook for the economy and investment markets. As at 30 June 2023, approximately 30% of the fixed interest asset class was invested in corporate securities. The corporate securities exposure can vary over time.

<sup>2</sup> Reserves, in this context, are thermal coal, oil, gas or uranium that can be extracted from known fields at an economical cost.

- directly own uranium reserves in the case of the Australian shares and international shares asset classes.<sup>2</sup>

The option may use derivatives which could result in a small exposure to companies that are normally excluded by the option's environmental, social and governance screens (up to 5% of the total assets at any time).

The option can still invest in companies that:

- lend to, or have managed funds with shareholdings in, the excluded companies
- buy, sell or process products from the excluded companies, such as petrol refiners and distributors
- provide products and services to the excluded companies, such as security, catering and office suppliers.

## Investment objectives

- To beat CPI by more than 4% pa over the medium to longer term.
- To beat the median balanced fund over the medium to longer term.



## Performance

For period to 31 March 2024

	3 months	1 year	3 years (pa)	5 years (pa)	10 years (pa)	15 years (pa)	20 years (pa)	Since inception (pa)	Inception date
Super and TTR Income	5.07%	10.17%	6.21%	6.57%	7.37%	8.55%	7.41%	6.93%	1/10/2001
Benchmark <sup>3</sup>	4.91%	11.22%	6.49%	6.90%	7.21%	8.17%	7.42%		
Choice Income	5.51%	11.36%	6.76%	7.24%	8.21%	9.46%	n/a	7.00%	1/1/2008
Benchmark <sup>4</sup>	5.40%	12.54%	7.11%	7.66%	7.95%	9.15%	n/a		

<sup>3</sup> SR50 Balanced (60-76) Index <sup>4</sup> SRP50 Balanced (60-76) Index

Minimum investment timeframe is at least 10 years.

## Risk level for the time invested

Short-term Under 5 years	Medium-term 5-20 years	Long-term Over 20 years
High	Medium	Low

## Member assets (millions in AUD)

Super and TTR Income	Choice Income	Total
\$2,945.1	\$815.0	\$3,760.0

Estimated number of negative annual returns over any 20 year period: About 5 in every 20 years.

## Investment fees and costs<sup>5</sup>

Financial year ending 30 June 2023

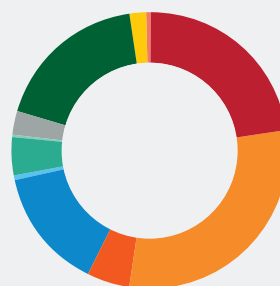
	Investment fees and costs (excluding performance fees)	Performance fee	Total investment fees and costs	Transaction costs
Super and TTR Income	0.43%	0.11%	0.54%	0.05%
Choice Income	0.49%	0.10%	0.59%	0.05%

<sup>5</sup> Calculated based on the actual Investment fees and costs (excluding performance fees) incurred for the year ended 30 June 2023 and are expressed as a ratio to the average value of all the assets in the investment option over the year. Performance fees are based on an average of the actual fees incurred over the last five financial years. Transaction costs are calculated based on the actual costs incurred for the year ended 30 June 2023 and are expressed as a ratio to the average value of all the assets in the investment option over the year. These fees and costs are variable and are likely to change from year to year. Visit [australiansuper.com/fees](https://australiansuper.com/fees) for more details.

## Asset allocation

Asset class	Actual allocation	Strategic allocation	Strategic range
Australian shares	22.7%	23.5%	10-45%
International shares	29.6%	28.5%	10-45%
Private equity	5.0%	4.0%	0-15%
Unlisted infrastructure	14.3%	9.0%	0-30%
Listed infrastructure	0.5%	1.0%	0-10%
Unlisted property	4.5%	8.0%	0-30%
Listed property	0.3%	1.5%	0-10%
Credit	2.9%	4.5%	0-20%
Fixed interest	17.9%	14.0%	0-25%
Cash	2.0%	6.0%	0-20%
Other assets	0.4%	0.0%	0-5%

## Actual allocation



- Australian shares
- International shares
- Private equity
- Unlisted infrastructure
- Listed infrastructure
- Unlisted property
- Listed property
- Credit
- Fixed interest
- Cash
- Other assets

Strategic allocation and range effective from 1 July 2023. The regional allocation for the fixed interest asset class is 100% international fixed interest securities. Actual allocation is the effective exposure to each asset class. The percentage may differ from the top 10 investment manager positions due to manager cash holdings and overlay strategies.

## Currency management

Returns for international assets can be affected by the ups and downs of the exchange rate as well as changes in investment values. To help protect investment options that include international assets from adverse currency movements, a target currency exposure is set for investment options. Currency exposure is actively managed.

	Actual currency exposure	Target currency exposure
Foreign currency exposure	18.8%	20.5%

## Top 10 investment managers

Manager	Asset classes	Option weight
AustralianSuper	International shares	29.9%
AustralianSuper	Australian shares	21.7%
AXA	Fixed interest	18.1%
AustralianSuper	Infrastructure	7.0%
IFM	Infrastructure	5.1%
AustralianSuper	Property	2.8%
AustralianSuper	Credit	1.5%
IFM	Australian shares	1.5%
ISPT	Property	1.2%
IFM	Cash	0.9%

## Top 10 Australian share holdings<sup>1</sup>

Company	Asset class weight
Commonwealth Bank of Australia	10.9%
CSL Ltd	7.6%
National Australia Bank Ltd	6.3%
Wesfarmers Ltd	5.4%
Westpac Banking Corp	3.9%
QBE Insurance Group Ltd	3.8%
ANZ Group Holdings Ltd	3.6%
Woolworths Group Ltd	3.5%
Aristocrat Leisure Ltd	2.8%
Transurban Group	2.8%

## Top 10 international share holdings<sup>1</sup>

Company	Location	Asset class weight
Microsoft Corp	United States	3.9%
Alphabet Inc	United States	2.3%
NVIDIA Corp	United States	2.0%
Meta Platforms Inc	United States	1.8%
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	1.8%
Visa Inc	United States	1.6%
Amazon.com Inc	United States	1.4%
Linde PLC	United Kingdom	1.2%
Apple Inc	United States	1.2%
Samsung Electronics Co Ltd	South Korea	1.1%

 <sup>1</sup> For a full listing of investment holdings, go to [australiansuper.com/what-we-invest-in](https://australiansuper.com/what-we-invest-in)



## Find out more

Call **1300 300 273** (8am to 8pm AEST/AEDT weekdays)

Web [australiansuper.com/investments](https://australiansuper.com/investments)



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For TTR Income accounts, the investment return is based on the crediting rate for super (accumulation) options. From 1 April 2020 to 2 September 2022 the crediting rate includes an administration fee of up to 0.04% pa that only applies to super (accumulation) accounts. TTR Income accounts will be adjusted to refund the administration fee deducted from investment returns. All TTR Income account administration fees are deducted from account balances. Asset allocations and other investment information are current as at the dates listed. Asset allocations, the composition of individual asset classes and other investment information may change from time to time. Asset allocation, currency exposure, holdings and investment manager data are for the Super option. Choice Income option may have small differences. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for. Find the TMDs at [australiansuper.com/tmd](https://australiansuper.com/tmd)