

# How crediting rates and investment returns work

AustralianSuper calculates the investment performance of your investment options every business day. We do this through crediting rates, which are published on our website.

Crediting rates change based on movements in investment markets, and can increase your account balance if positive or reduce it if negative. Your balance is likely to change most days based on these movements and any transactions on your account.

Crediting rates are net of fees and tax, so they're shown after all fees and taxes related to managing the investment portfolio have been taken out.

## How often are crediting rates determined and published?

We value the investment options every business day. We then use these values to calculate the crediting rate for each investment option.

Crediting rates are determined the next business day, so we can include the latest market values for international securities which close overnight.

Crediting rates are published on the website every business day.

The timeline opposite shows the steps taken to produce, apply and publish the crediting rates each business day. It also shows the validation process we apply to ensure crediting rates accurately reflect market movements.

## When are crediting rates applied to my account?

Daily crediting rates are based on actual daily investment returns. These rates are applied to your account on a daily compounding basis.

Crediting rates are included in your estimated balance and earnings when you log into your account. Your actual earnings will be credited to your account:

- › at the end of the financial year
- › when you make a withdrawal or transfer out of AustralianSuper
- › when you change investment options (including into Member Direct).

## Crediting rates timeline

### Day 1

- 4pm (AEST/AEDT)  
Australian markets close. These closing prices are used in the valuation of Australian assets.

### Day 2

- 6-8am (AEST/AEDT)  
International markets (eg Europe and the USA) close with share trades and prices confirmed. The '4PM London Close' exchange rates for currency used for valuation of offshore securities.
- Morning  
Valuations and daily unit pricing prepared by our external custodian, JP Morgan. JP Morgan also undertakes sensitivity analysis to verify crediting rates are correct.
- Afternoon  
Crediting rates provided to AustralianSuper. AustralianSuper's internal investment team validates and approves the rates.
- Evening  
Once approved, rates are:
  - a) released to the administration system for our Administrator to apply them from midnight to members' accounts; and
  - b) uploaded to the AustralianSuper website. As such the crediting rate for Day 1 is available on the AustralianSuper website in the evening of Day 2.
- Overnight  
Crediting rates for Day 1 will be displayed in your online account.

Day 1 = the business day that we're determining the crediting rate for. There may be the odd occasion when the crediting rates timeframe is delayed.

## When are crediting rates applied to my account? (continued)

### End of financial year

Earnings are applied to your account on 30 June every year. This is shown as 'investment returns' in your transaction history.

### Withdrawals and transfers

If you make a full withdrawal and close your AustralianSuper account, your final account balance is calculated using the daily crediting rates since earnings were last applied up to the latest available crediting rates. Zero rates are used for the days since the last available daily crediting rates.

If you make a partial withdrawal from your account, the amount of earnings for that withdrawal is calculated using the daily crediting rates since earnings were last applied up to the latest available daily crediting rates. Zero rates are used for the days since the last available daily crediting rates.

The earnings on the remainder of your account will be applied to your account at 30 June (or when you make another withdrawal or change your investment option).

### Changing investment options

When you change investment options, the daily crediting rate will be applied to your account for your previous investment choice up to the date of the switch. Your new investment choice will be effective at the start of the next business day after you make your switch (if received before 4pm). The crediting rate for the end of the day you made your switch will be retrospectively applied to your account once it is known. This means there is a two day delay between your switch and when it is reflected in your online account.

## How are crediting rates calculated?

### 1. Daily rate

The daily rate is the investment return that will be allocated to a member's account for that day.

### 2. Monthly rate

The monthly rate is the investment return for the month, calculated from the daily rates on a compounding basis as shown below:

$$[(1 + \text{day1}/100) \times (1 + \text{day2}/100) \times (\dots) - 1] \times 100$$

### 3. Financial year-to-date rate

Financial year-to-date rates are calculated from 1 July each year through to the most recently available daily rates. This rate is calculated by compounding the daily rates up to the latest available rates.

### 4. Historical rates

We also publish historical annual rates and cumulative daily rates, which show how returns are compounded over time.

## How are returns calculated on my contributions or transfers from another fund?

If contributions and transfers from other funds (roll-ins) are credited to your account, you'll receive investment earnings (positive or negative) using the daily crediting rates from, and including, the date of receipt.

### Learn more

You can find out more about your investment options and how we invest at [australiansuper.com/investments](https://australiansuper.com/investments)



## We're here to help

**Call** **1300 300 273**  
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