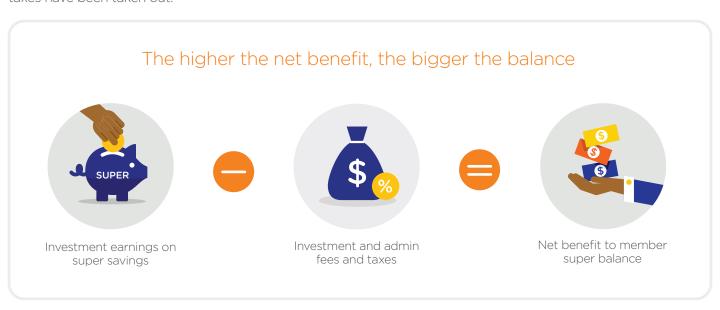


When assessing the performance of super funds, it's the net benefit that really matters. Understanding net benefit is a great way for members to see how performance, fees and costs are key factors that impact their super savings.

## What is net benefit and how is it calculated?

Net benefit is simply the investment returns delivered to members, after admin and investment fees and taxes have been taken out.



The net benefit calculation gives members an indication of the real value their super fund is adding to their retirement savings. It's the total amount that will be added to their account balance to help it grow. In its December 2018 report on superannuation, the Productivity Commission stated: "Delivering investment returns to members (net of all fees and taxes) is the most important way the system contributes to delivering the best possible retirement incomes. Persistently below par returns can lead to large foregone retirement balances. For example, the difference between a 5 and 6 per cent return, can amount to a projected 23 per cent (\$255,000) difference in retirement balances for a typical full-time worker."

# How well does Australian Super perform when it comes to net benefit?

#### Pre-retirement

Our history of strong performance and low admin fees has given members an advantage over the long term. The following table compares Australian Super's net benefit against the average of all super funds and bank-owned retail funds. This shows investment earnings to 30 June 2019 less admin and investment fees, and it's one of the best ways to see how funds stack up.

### Accumulation

	Net benefit over 5yrs	Net benefit Over 10 yrs	Net benefit Over 15yrs
Australian Super Balanced option	\$33,610	\$103,386	\$175,365
All super funds (average)	\$25,580	\$82.598	\$132,146
Australian Super advantage	+\$8,030	+\$20,789	+\$43,219

Net benefit to 30 June 2019. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns

The comparison shows what a member would have for 5, 10 and 15 years to 30 June 2019, in addition to a \$50,000 starting balance and employer contributions, assuming they started with a \$50,000 annual salary.\*

Comparisons are modelled by SuperRatings, commissioned by AustralianSuper

are not guaranteed. Past performance is not a reliable indicator of future returns

#### Retirement

Even when drawing an income from your super in retirement, our history of strong performance and low fees has given members an advantage in the long term. The following table compares Australian Super's Choice Income net benefit against others and shows how a member's balance would have grown over seven years to 30 June 2019, while still drawing a retirement income. Net benefit refers to investment earnings to 30 June 2019 (less administration and investment fees)+.

#### Choice Income - Account Based Pension

	Starting balance	Yearly income payment	Investment earnings (less fees) over 7yrs	Balance after 7yrs	
AustralianSuper Choice Income – Balanced option	\$300,000	\$22,300	\$300,800	\$444,700	
All super funds (average) AustralianSuper advantage	\$300,000	<b>\$21,200</b> +\$1,100	<b>\$239,700</b> +\$61,100	<b>\$391,100</b> +\$53,600	
Retail super funds (average) AustralianSuper advantage	\$300,000	<b>\$20,900</b> + \$1,400	<b>\$222,200</b> +\$78,600	<b>\$375,800</b> +\$68,900	

Net benefit to 30 June 2019. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns

#### Compare us

We make it easy to compare super funds and account-based pension products, so members can feel confident in their choices. Members can compare super funds side-by-side using the Super AppleCheck comparison tool. It's free to use and provided by independent superannuation research firm Chant West. Members can compare AustralianSuper with other funds on an 'apples-to-apples' basis that covers investments, fees, insurance and member services at: australiansuper.com/compare-us



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This information may be general financial advice which does not take into account your personal objectives, situation or needs. Before making a decision about AustralianSuper, consider your financial requirements and read the Product Disclosure Statement available at australiansuper.com/pds or by calling 1300 300 273. AustralianSuper Pty Ltd ABN 94 006 457 987, AFSL 233788, Trustee of Australian Super ABN 65 714 394 898.

Modelled outcome shows the average difference in 'net benefit', a measure of past investment earnings after administration and investment fees and taxes have been taken out. The results compare the AustralianSuper Balanced option and the main balanced options of funds tracked by SuperRatings that have a comparable option and performance history, for historical periods to 30 June 2019. The model uses return and fee data that is submitted to SuperRatings. Insurance premiums and other fees and costs may apply. Outcomes vary between individual funds.

Refer to the following link for more details about modelling calculations and assumptions: industrysuper.com/assumptions-australiansuper
Returns from equivalent investment options of ARF and STA are used in calculating
AustralianSuper's returns for periods that begin before 1 July 2006. Investment returns

<sup>†</sup> Comparisons are modelled by SuperRatings, commissioned by AustralianSuper. Modelled outcome shows the average difference in 'net benefit', a measure of past investment earnings after administration and investment fees have been taken out. investment earnings after administration and investment fees have been taken out. The results compare the AustralianSuper Choice Income Balanced option and the main balanced options of funds tracked by SuperRatings that have a comparable option and performance history, for historical periods to 30 June 2019. The model uses return and fee data that is submitted to SuperRatings. The model assumes: a starting age of 65 commencing I July 2012 and finishing on 30 June 2019; a starting balance of \$300,000; and a drawdown rate of 6% p.a. Capital growth will not continue throughout retirement. Insurance premiums and other fees and costs may apply. Outcomes vary between individual funds. Figures have been rounded to the nearest \$100. Refer to the following link for more details about modelling calculations and assumptions: industrysuper.com/assumptions-australiansuper Investment returns are not quaranteed. Past performance is not a reliable indicator Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.