



Member outcomes assessment

Pension products
Financial year ending 30 June 2023

The information in this document is for:

- Choice Income
- Transition to retirement (TTR) Income

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 our 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 each of our 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 members¹.

¹ AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey – SRP50 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 – Our Balanced option, where most members are invested, achieved investment returns above median for 3, 5 and 10 years to 30 June 2023, but lower than the median for the one-year period². The majority of our investment options achieved above median investment returns over 5 and 10 year periods relative to comparable funds³.



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 comparable products.



Fees and costs – Our annual fees and costs (administration and investment) for a \$500,000 account balance in the Balanced option is in the lowest (best) 25% of comparable funds in the superannuation industry⁴.

Assessment factors



Investment strategy – The Fund has an investment strategy for the whole of the fund and for each investment option. Our active management approach is focused on delivering strong long-term net return performance.



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. Analysis was undertaken as part of the assessment and showed that the majority of our options, benefits and facilities continue to be well utilised across all member segments and that the administration fee that enables their provision is better than benchmark median.



Scale – We're Australia's largest super fund by both member assets of nearly \$300 billion and membership (over 3.2 million) as at 30 June 2023. Our size enables us to capture economies of scale to reduce overall costs 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.

² AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey – SRP50 Balanced (60-76) to 30 June 2023. Investment returns aren't guaranteed. Past performance is not a reliable indicator of future returns.

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

⁴ Comparison of AustralianSuper administration fees and costs for TTR Income and Choice Income accounts and the investment fees and costs for the Balanced option, to administration and investment fees and costs for the median comparable balanced option based on Chant West Member Outcomes Dashboard at 30 June 2023.

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



Comparison factors

Returns

Our Choice Income and TTR Income returns to 30 June 2023 for the Balanced option performed better than median for 3, 5 and 10 years relative to comparable balanced options.

Choice Income investment returns⁵ - Balanced option

1 year (%)		3 years (% p.a.)		5 years (% p.a.)		10 years (% p.a.)	
Return	Relative to median	Return	Relative to median	Return	Relative to median	Return	Relative to median
9.03	1.03 Below	8.95	0.51 Above	7.31	0.83 Above	9.48	1.28 Above

TTR Income investment returns⁵ - Balanced option

1 year (%)		3 years (% p.a.)		5 years (% p.a.)		10 years (% p.a.)	
Return	Relative to median	Return	Relative to median	Return	Relative to median	Return	Relative to median
8.22	0.83 Below	8.23	0.71 Above	6.72	0.84 Above	8.60	1.28 Above

While most members with a Choice Income account are invested in the Balanced option, there were 11 investment choice options as at 30 June 2023, each with different investment risk levels and return objectives. See pages 6 to 9 for the performance of all AustralianSuper investment options.

Investment risk

We carefully manage risk 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 10 for each investment option's SRM.

Fees and costs

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

The table below shows the annual administration and investment fees and costs of our account-based pension when invested in the Balanced option (where most members are invested) as at 30 June 2023. See page 11 for fees and costs when invested in other options.

Choice Income and TTR Income annual administration and investment fees and costs when invested in the Balanced option

	Account balance		
	\$50,000	\$250,000	\$500,000
Total fees and costs	\$382	\$1,702	\$3,352
% of balance	0.76%	0.68%	0.67%
Relative to median fund ⁶	0.33% Below	0.29% Below	0.27% Below

The total fees and costs you pay when invested in other Choice Income and TTR Income options vary. Learn more at australiansuper.com/fees

⁵ Investment returns for the Balanced option are for periods to 30 June 2023. AustralianSuper investment returns are based on crediting rates, which are returns less investment fees and costs, transaction costs and taxes. Choice Income returns are compared to the SuperRatings Pension Fund Crediting Rate Survey - SRP50 Balanced (60-76) Index. TTR Income returns are based on the crediting rate for super (accumulation) options and are compared to the SuperRatings Fund Crediting Rate Survey - SR50 Balanced (60-76) Index. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns. For TTR accounts, the investment return is based on the crediting rate for super (accumulation) options, which are returns less investment fees and costs, the percentage-based administration fee deducted from returns from 1 April 2020 to 2 September 2022 and taxes. 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. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

⁶ Comparison of AustralianSuper administration and investment fees and costs for TTR Income and Choice Income accounts, to administration and investment fees and costs for the median comparable balanced option based on Chant West data at 30 June 2023. 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 include non-recoverable GST. Investment fees and costs include the estimated performance fees and the investment component of the indirect cost ratio. 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 a range of 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 specific 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

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 was undertaken as part of the assessment and showed that the majority of our options, benefits and facilities are well utilised.

Our administration fees help fund these options, benefits and facilities.

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 and gives us access to attractive, large-scale investment opportunities.

The Fund's operating expense per member is better than median as at 30 June 2023⁷.

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, ranking 18 out of 50⁷ indicating that our expenses are at appropriate levels.



⁷ 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
- 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 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



PreMixed investment options

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

The following tables detail 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 compares to the median result for comparable options.

Investment returns for Choice Income (account-based pension) PreMixed options at 30 June 2023⁸

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	11.65	12.34	Below	10.67	9.88	Above	8.39	7.59	Above	10.66	9.44	Above
Balanced	9.03	10.06	Below	8.95	8.44	Above	7.31	6.48	Above	9.48	8.20	Above
Socially Aware ⁹	8.31	10.06	Below	8.17	8.44	Below	6.03	6.48	Below	8.60	8.20	Above
Conservative Balanced	6.36	8.10	Below	5.99	6.05	Below	5.60	5.14	Above	7.61	6.61	Above
Stable	3.97	5.19	Below	3.35	3.66	Below	3.90	3.45	Above	5.77	5.08	Above
Indexed Diversified ¹⁰	13.12	9.03	Above	8.28	8.33	Below	7.19	6.42	Above	8.27	6.04	Above

Option	Benchmark	Benchmark for relative to median
High Growth	SuperRatings: SRP50 Growth (77-90) Index	SRP50 Growth (77-90) Index
Balanced	SuperRatings: SRP50 Balanced (60-76) Index	SRP50 Balanced (60-76) Index
Socially Aware ⁹	SuperRatings: SRP50 Balanced (60-76) Index	SRP50 Balanced (60-76) Index
Conservative Balanced	SuperRatings: SRP50 Conservative Balanced (41-59) Index	SRP50 Conservative Balanced (41-59) Index
Stable	SuperRatings: SRP50 Capital Stable (20-40) Index	SRP50 Capital Stable (20-40) Index
Indexed Diversified ¹⁰	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

⁸ Choice Income investment returns are based on crediting rates, which are returns less investment fees and costs, transaction costs and taxes. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

⁹ Socially Aware - previously known as Sustainable Balanced before 30 May 2016.

¹⁰ The benchmark used for the Indexed Diversified option is based on the investment objective to achieve an average annual return of CPI +3% p.a. over the medium to longer term. There are no comparable funds based on SuperRatings data.

Investment returns for TTR income PreMixed options at 30 June 2023¹¹

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 ¹²	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 ¹³	11.56	9.03	Above	7.44	8.33	Below	6.44	6.42	Above	7.22	6.04	Above

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 ¹²	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 ¹³	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

¹¹ TTR Income investment returns are based on crediting rates, which are returns less investment fees and costs, transaction costs, and taxes. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

¹² Socially Aware - previously known as Sustainable Balanced before 30 May 2016.

¹³ The benchmark used for the Indexed Diversified option is based on the investment objective to achieve an average annual 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 tables detail 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 compares to the median result for comparable options.

Investment returns for Choice Income (account-based pension) DIY Mix options at 30 June 2023¹⁴

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	15.43	16.36	Above	14.40	12.53	Above	9.91	8.50	Above	10.93	9.62	Above
International Shares	19.04	20.78	Below	10.16	12.50	Below	10.76	10.58	Above	13.05	12.44	Above
Diversified Fixed Interest	-0.67	0.97	Below	-1.20	0.39	Above	0.74	0.68	Above	2.94	1.65	Above
Cash	3.03	2.89	Below	1.15	1.01	Below	1.42	1.17	Above	2.00	1.70	Above
Member Direct ¹⁵	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 credits (prior to 1 July 2020 the benchmark was S&P/ASX 300 Accumulation Index adjusted for tax credits)	SuperRatings: SRP50 Australian Shares Index
International Shares	MSCI AC World ex Australia (in \$A) Index adjusted for tax credits	SuperRatings: SRP50 International Shares Index
Diversified Fixed Interest	50% Bloomberg Global Aggregate 1-5 Year Total Return Index hedged to AUD and 50% Bloomberg AusBond Composite 0-5 Year Index, (prior to 1 October 2021 CPI +0.5%, prior to 1 July 2015 CPI +1%, prior to 1 July 2013 CPI +1.5%)	SuperRatings: SRP25 Diversified Fixed Interest Index
Cash	Bloomberg AusBond Bank Bill Index	SuperRatings: SRP50 Cash Index

¹⁴ Choice Income investment returns are based on crediting rates, which are returns less investment fees and costs, transaction costs and taxes. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

¹⁵ 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 returns for TTR Income DIY Mix options at 30 June 2023¹⁶

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

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

¹⁶ TTR Income investment returns are based on crediting rates, which are returns less investment fees and costs, transaction costs, and taxes. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

Investment risk

The calculation of the Standard Risk Measure (SRM) 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 ¹⁷
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 [†]	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 double-check 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.



¹⁷ SuperRatings Standard Risk Measure Survey and Chant West data as at 30 June 2023.

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

Administration and investment fees and costs relative to comparable options¹⁸

PreMixed investment options as at 30 June 2023	\$500,000 balance	
	\$	Rank
High Growth	3,402	6/37
Balanced	3,352	4/45
Socially Aware	3,752	7/19
Indexed Diversified	1,102	4/24
Conservative Balanced	3,202	7/39
Stable	2,752	9/46

DIY Mix investment options as at 30 June 2023	\$500,000 balance	
	\$	Rank
Australian Shares	1,652	4/30
International Shares	2,752	8/29
Diversified Fixed Interest	2,252	15/23
Cash	1,002	12/44
Member Direct ¹⁹	732	2/7

¹⁸ Fees and costs data based on Chant West Member Outcomes Dashboard. Fees and costs are based on publicly available information and discussions with each provider as at June 2023. All fees and costs include non-recoverable GST. Investment fees and costs include the estimated performance fees and the investment component of the indirect cost ratio. Other fees and costs may apply. See the Product Disclosure Statement for full details.

¹⁹ Total fees include administration fees and costs charged 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 for details.

Contact us

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

Email **australiansuper.com/email**

Mail GPO Box 1901, MELBOURNE VIC 3001



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