



Member outcomes assessment

Super products
Financial year ending 30 June 2022

The information in this document is for:

- AustralianSuper Plan
- Personal Plan
- AustralianSuper Select
- Super Options
- Public Sector Division
- 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 our performance in promoting the financial interests of members by each product. We do this by taking into account various comparison and assessment factors. This year we have determined that the MySuper and choice products promote the best financial interests of members.



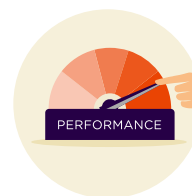
Benefit from our size

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 top long-term performance for members.*

* AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index to 30 June 2022. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

Determination summary

Comparison factors



Returns – Our MySuper Balanced option, where most members are invested, achieved net returns above the median for the 1, 3 and 5 year periods*. The majority of our other investment options also achieved above median investment returns over 1, 3, 5 and 10 year periods relative to comparable funds†.



Investment risk – We prudently manage risk with the aim 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 are lower than the median in the superannuation industry when invested in the MySuper Balanced option. Our annual fees and costs (admin and investment) for a \$50,000 account balance in the Balanced option are competitively lower than the median of products that have the approximate ratio of 70% growth and 30% defensive assets (the most appropriate comparison to the Balanced option)‡.

Assessment factors



Investment strategy – As required by regulation, the Fund does have an investment strategy for the whole of the fund and for each investment option, including our MySuper product. Our active management approach focuses on delivering strong long-term net return performance.



Insurance strategy and fees – We recognise how important it is to have insurance cover. That's why we work hard to keep costs down and provide affordable insurance cover options for members.

Our guiding principle is that the cost of basic (default) insurance cover should be no more than 1% of members' average salary over their lifetime (in super) to retirement and should not erode the ultimate retirement balance by more than 10%. Our insurance fees 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 ensure our products and services offer good value and meet the changing needs of members now and in the long run. Extensive cohort analysis was undertaken as part of the assessment and showed that our options, benefits and features are well utilised across all segments.



Scale – We're Australia's largest super fund by both member assets (\$258b) and membership (2.87m) as at 30 June 2022. Our scale does not disadvantage the financial interests of members holding the relevant products. Our size enables us to capture economies of scale to reduce overall costs and gives us access to attractive, large-scale investment opportunities.



Setting of fees and operating costs – The fees and costs we charge are designed to provide good long-term value and to be simple, sustainable, competitive and equitable. Our operating costs are not inappropriately affecting the financial interests of members. AustralianSuper's operating expense to asset ratio is well below the median of other super funds, and shows the fees are set appropriately in the best financial interests of members.

* 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 2022, 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.

† SuperRatings Fund Crediting Rate Survey to 30 June 2022. Investment returns aren't guaranteed. Past performance is not a reliable indicator of future returns.

‡ Based on APRA Quarterly Statistics at 30 June 2022.

See **page 5** for assessment methodology.



Comparison factors

Returns

Our MySuper Balanced option net returns to 30 June 2022 were above median when compared to other MySuper products over 1, 3 and 5 years.*

Net return* (investment return minus admin and investment fees and costs) for a \$50,000 account balance invested in the Balanced option

| 1 year (%) | | 3 years (% pa) | | 5 years (% pa) | |
|------------|--------------------|----------------|--------------------|----------------|--------------------|
| Return | Relative to median | Return | Relative to median | Return | Relative to median |
| -2.97 | 1.26 above median | 5.36 | 1.32 above median | 7.08 | 1.60 above median |

While most members are invested in the Balanced option, there were 11 investment choice options at 30 June 2022, each with different investment risk levels and return objectives. The majority of options achieved their investment objective and a return better than the median over 1, 3, 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 SRM.

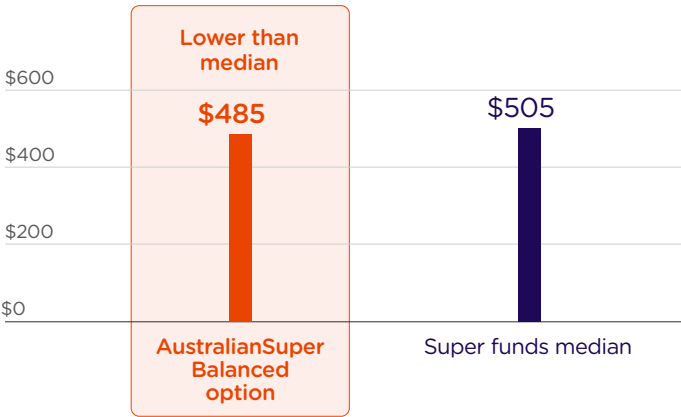
Fees and costs

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

When invested in the Balanced option, annual fees and costs (admin and investment) for a \$50,000 account balance are lower than the median of comparable superannuation products.

The annual fees and costs (admin and investment) for a \$50,000 account balance invested in the Balanced option were \$485. This is lower than the median MySuper fund of \$505, and ranks 26 out of 65 super funds.†

Annual admin and investment fees and costs on a \$50,000+ 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 it grows. See page 9 for fees and costs when invested in other options.

* 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 2022, 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.

† 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 2022, 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

As required by regulation, the Fund does have 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 to generate 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.

Our investment options' risk and return objectives are available to view at australiansuper.com/InvestmentGuide

Insurance strategy and fees

Our insurance fees for basic cover do not inappropriately erode the retirement balances of members and our insurance strategy remains appropriate to members.

We recognise how important it is to have insurance cover and focus on keeping costs down to provide affordable insurance cover options for members.

Insurance through AustralianSuper is designed to offer members affordable death, disability and income protection cover. Eligible members receive basic (default) Death, Total & Permanent Disablement (TPD) cover and Income Protection cover.

The basic cover we provide automatically to members varies by product. For plans where basic cover isn't provided, members can apply at any time.

The cover levels we provide automatically to members are primarily driven by considerations of affordability and our guiding principle that the cost of basic cover should be no more than 1% of members' average salary (in super) to retirement and should not erode the ultimate retirement balance by more than 10%.

Overall, our insurance fees for basic cover are comfortably below these thresholds and do not inappropriately erode the retirement balances of members. Our insurance strategy remains appropriate to members.

You can view AustralianSuper's insurance strategy at australiansuper.com/InsuranceStrategy

Options, benefits and facilities

AustralianSuper strives to ensure 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 ensure they are appropriate for members. These assessments include measurement of usage, member experience and cost.

Extensive cohort analysis was undertaken as part of the assessment and showed that our options, benefits and features are well utilised across all segments.

Our Fund's total operating expense to asset ratio is within the best quartile compared to other funds which reflects excellent value for money for members, allowing for better member financial outcomes.

Scale

As Australia's largest super fund by both member assets (\$258b) and membership (2.87m) as at 30 June 2022, 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. Our scale does not disadvantage the financial interests of members holding the relevant products.

The Fund's operating expense per member is within the best quartile as at 30 June 2022.*

Setting of fees and operating costs

The fees and costs we charge are designed to provide good long-term value and to be simple, sustainable, competitive and equitable. 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 2022, the Fund achieved a total operating expense to asset ratio of 0.20% per annum. This result is below the industry median of 0.31% and within the best quartile compared to other funds* and shows our operating costs are not inappropriately affecting the financial interests of members and the fees are set appropriately in the best financial interests of members.

* APRA Annual Fund Statistics as at 30 June 2022.

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



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 compares to the median result for comparable options.

Investment returns for PreMixed options at 30 June 2022*

| 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 | -3.93 | -4.14 | above | 6.32 | 5.22 | above | 7.99 | 6.74 | above | 10.28 | 9.33 | above |
| Balanced | -2.73 | -3.44 | above | 5.59 | 4.34 | above | 7.28 | 5.94 | above | 9.32 | 7.99 | above |
| Socially Aware† | -3.30 | -3.44 | above | 4.17 | 4.34 | below | 5.86 | 5.94 | below | 8.62 | 7.99 | above |
| Indexed Diversified | -5.70 | 9.14 | below‡ | 4.05 | 6.18 | below‡ | 6.03 | 5.74 | above‡ | 7.37 | 5.76 | above‡ |
| Conservative Balanced | -2.90 | -2.76 | below | 3.96 | 3.16 | above | 5.51 | 4.58 | above | 7.47 | 6.34 | above |
| Stable | -2.42 | -2.43 | above | 2.47 | 1.96 | above | 3.99 | 3.31 | above | 5.67 | 4.76 | above |

| Option | Benchmark | 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† | SuperRatings: SR50 Balanced (60-76) Index | SR50 Balanced (60-76) 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‡ |
| 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 |

* AustralianSuper investment returns are based on crediting rates. For super (accumulation) products, crediting rates are the investment return 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 don't include fees deducted from account balances. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

† Socially Aware – previously known as Sustainable Balanced before 30 May 2016.

‡ The benchmark used for the Indexed Diversified option is based on the investment objective to achieve a return of CPI +3% pa 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 compares to the median result for comparable options.

Investment returns for DIY Mix options at 30 June 2022*

| 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 | -1.01 | -4.62 | above | 6.25 | 4.30 | above | 8.61 | 7.39 | above | 10.41 | 9.51 | above |
| International Shares | -12.34 | -7.04 | below | 7.35 | 6.56 | above | 9.42 | 8.59 | above | 12.47 | 11.90 | above |
| Diversified Fixed Interest | -4.46 | -3.27 | above | -0.36 | 0.37 | above | 1.18 | 1.15 | above | 3.23 | 2.02 | above |
| Cash | 0.25 | 0.08 | above | 0.48 | 0.28 | above | 1.06 | 0.81 | above | 1.76 | 1.47 | above |
| Member Direct† | 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 | 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

* AustralianSuper investment returns are based on crediting rates. For super (accumulation) products, crediting rates are the investment return 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. Returns don't include fees deducted from account balances. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

† 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* |
|---|---|----------------------------------|
| 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 – very high |
| Cash [†] | Very low | Very low – very high |
| Member Direct [‡] | n/a | n/a |

[†] Important information about the risk measure for the Diversified Fixed Interest and Cash options

The Standard Risk Measure analysis provides an estimated number of negative returns and does not provide a useful or comparable measure of risk for these investment options in the current market environment. The potential for a negative return is higher than it has been in the past due to historically low interest rates and the interest rate risk in the options. Based on the lower volatility of these options, the potential size of any negative return is expected to be small to moderate.

The risk labels of medium for the Diversified Fixed Interest option and very low for the Cash option are appropriate for the overall level of investment risk. This determination is informed by estimated volatility, measured by standard deviation, return expectations that reflect the current market environment and consideration of the investment objective, investment horizon and risk appetite of each investment option.

[‡] 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 ensure 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.



* Source: SuperRatings Standard Risk Measure Survey and Chant West data as at 30 June 2022.

Fees and costs

The table below shows the annual administration and investment fees and costs of \$485 based on a \$50,000 account balance invested in the Balanced (MySuper) option as at 30 June 2022.

Total annual administration and investment fees and costs on \$50,000 account balance invested in Balanced option*

| AustralianSuper | | Median fund | AustralianSuper position |
|-----------------|-------|-------------|--------------------------|
| \$485 | 0.97% | 1.01% | 26/65 |

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 shown gross of income tax, before taking into account any benefit of a tax deduction relating to fees and costs that are passed on to a member and applied the investment fees and costs disclosed in the September 2022 PDS. As a result, the administration and investment fees and costs for the Balanced option is \$503 (gross of tax) compared to the administration and investment fees and costs shown in the table above for the Balanced (MySuper) option of \$485.

Administration and investment fees and costs relative to comparable options†

| PreMixed investment options as at 30 June 2022 | \$50,000 balance | | DIY Mix investment options as at 30 June 2022 | \$50,000 balance | |
|--|------------------|----------|---|------------------|----------|
| | \$ | Position | | \$ | Position |
| High Growth | 478 | 10/54 | Australian Shares | 253 | 7/57 |
| Balanced | 503 | 24/67 | International Shares | 363 | 12/54 |
| Socially Aware | 503 | 14/32 | Diversified Fixed Interest | 343 | 20/46 |
| Indexed Diversified | 228 | 10/34 | Cash | 188 | 30/76 |
| Conservative Balanced | 473 | 18/47 | Member Direct‡ | 533 | 7/7 |
| Stable | 418 | 20/47 | | | |

* 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 2022, which consolidates fees and costs for MySuper products for a representative member with a \$50,000 account balance. The total AustralianSuper fee of 0.97% (\$485) for a \$50,000 account balance is made up of admin fees and costs of 0.25% and investment fees and costs of 0.72%. The AustralianSuper investment fees and costs are for the financial year ending 30 June 2022. Investment fees change from year to year and are different for each investment option. Insurance premiums and other fees and costs may apply.

† Fees and costs data based on Chant West Fees data. Fees are based on publicly available information and discussions with each provider as at June 2022. 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. This was the case for AustralianSuper and several other profit-for-member funds at 30 June 2022. 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.

‡ 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 \$533 and the rank 4/7 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 for details.

Contact us

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

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