

# Socially Aware option

31 December 2022

Exclusions are applied to the Australian shares, international shares and fixed interest asset classes based on environmental, social and governance screens. The option also invests in a wide 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 Australian shares, international shares and fixed interest asset classes, which covers around 61.5% of the option<sup>†</sup>, to remove securities or companies that:

- directly own fossil fuel or uranium reserves\*
- produce tobacco, cluster munitions or land mines
- have single gender boards (for ASX 200 companies)
- have received a red flag rating on labour rights, human rights, environmental or governance controversies by our external ESG research provider.

This investment option may use derivatives to efficiently manage cash flows and ensure this option is invested within the targeted asset allocation. This could result in a small economic exposure to companies that are normally excluded by the option's investment screens (up to 5% of the total assets at any time).

\* Reserves, in this context, are thermal coal, oil, gas or uranium that can be extracted from known fields at an economical cost.

† The percent of the option covered by the screens is based on the target strategic asset allocation. During the year we can move towards or away from this percentage based on our outlook for the economy and investment markets.

## 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 December 2022

	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	2.92%	-6.47%	3.47%	5.08%	8.00%	6.03%	7.07%	6.68%	1/10/2001
Benchmark*	3.66%	-4.76%	3.96%	5.38%	7.47%	5.59%	7.41%		
Choice Income	3.06%	-7.18%	3.80%	5.58%	8.91%	n/a	n/a	6.56%	1/1/2008
Benchmark†	4.17%	-5.32%	4.20%	5.81%	8.25%	n/a	n/a		

\* SR50 Balanced (60-76) Index † 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
\$2,686.6	\$741.0	\$3,427.6

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

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

Financial year ending 30 June 2022

	Investment fees and costs (excluding performance fees)	Performance fee	Total investment fees and costs	Transaction costs
Super and TTR Income	0.37%	0.12%	0.49%	0.20%
Choice Income	0.40%	0.12%	0.52%	0.19%

<sup>‡</sup> Calculated based on the actual Investment fees and costs (excluding performance fees) incurred for the year ended 30 June 2022 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 2022 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.

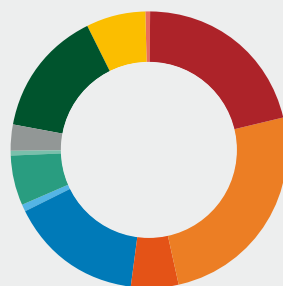
## Asset allocation

Asset class	Actual allocation	Strategic allocation	Strategic range
Australian shares	21.3%	21.00%	10-45%
International shares	25.3%	31.50%	10-45%
Private equity	5.4%	5.50%	0-15%
Unlisted Infrastructure	15.7%	14.00%	0-30%
Listed Infrastructure	0.8%	0.75%	0-10%
Unlisted Property	5.8%	5.50%	0-30%
Listed Property	0.7%	1.25%	0-10%
Credit	3.1%	7.00%	0-20%
Fixed Interest	14.6%	9.00%	0-25%
Cash	6.9%	4.50%	0-20%
Other assets	0.5%	0.00%	0-5%

Strategic allocation and range effective from 1 July 2022.

The regional allocation for the Fixed Interest asset class is 100% international fixed interest securities.

## Sector allocation



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

## 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	20.4%	20.5%

## Top 10 Investment managers

Manager	Asset classes	Option weight
AustralianSuper	International shares	25.3%
AustralianSuper	Australian shares	19.0%
AXA	Fixed Interest	13.2%
AustralianSuper	Unlisted Infrastructure	8.3%
IFM	Unlisted Infrastructure	5.6%
AustralianSuper	Unlisted Property	3.1%
IFM	Cash	3.1%
AustralianSuper	Credit	2.5%
IFM	Australian shares	2.3%
ISPT	Unlisted Property	1.7%

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

Company	Asset class weight
Commonwealth Bank of Australia	10.3%
CSL Ltd	8.2%
National Australia Bank Ltd	6.1%
Wesfarmers Ltd	4.2%
ANZ Group Holdings Ltd	4.1%
Westpac Banking Corp	3.9%
Woolworths Group Ltd	3.7%
Computershare Ltd	3.4%
QBE Insurance Group Ltd	3.3%
Transurban Group	3.0%

## Top 10 International share holdings<sup>†</sup>

Company	Location	Asset class weight
Microsoft Corp	United States	3.5%
UnitedHealth Group Inc	United States	2.0%
Visa Inc	United States	2.0%
LyondellBasell Industries NV	United States	1.8%
Safran SA	France	1.6%
L'Oreal SA	France	1.6%
Diageo PLC	United Kingdom	1.5%
Procter & Gamble Co/The	United States	1.5%
Northrop Grumman Corp	United States	1.5%
LVMH Moët Hennessy Louis Vuitton SE	France	1.5%



<sup>†</sup> For a full listing of investment holdings, go to [australiansuper.com/what-we-invest-in](https://australiansuper.com/what-we-invest-in) or by calling 1300 300 273. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns. Returns from equivalent investment options of ARF and STA are used in calculating returns for periods that begin before 1 July 2006.



## 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)