



FINANCIAL ADVISERS

# Your guide to AustralianSuper

September 2022



# Contents

About us	5
Why AustralianSuper?	8
Working with us	10
Our investments	14
Our investment philosophy	25
Our insurance	26
Our fees & costs	33





Our shared goal is to help people achieve their best possible retirement. And like you, everything we do is in the best interest for members.

Our joint efforts bring all of our financial advice expertise together, so your clients have the confidence and peace of mind to plan for their future.



# About us

At AustralianSuper, we're committed to helping members achieve the best possible retirement outcome.

To fulfil this commitment, we focus on delivering strong, long-term investment performance and keeping fees low.

We have consistently achieved high ratings from independent organisations that measure the overall quality of a fund according to value for money, investment performance, fees and fund services. Our history of strong long-term performance speaks for itself, earning us a place as a top performing fund over 7, 10 and 20 years,\* under a very successful model of equal Board representation.

In recent years, AustralianSuper has focused on building world-class in-house investment capabilities. This has allowed us to maximise long-term returns as well as keep costs low through direct investment.

AustralianSuper was created on 1 July 2006 through the merger of Australian Retirement Fund (ARF) and the Superannuation Trust of Australia (STA).

Today, we're a \$258 billion<sup>†</sup> plus Industry super fund, with 2.88 million members (around one in ten working Australians) across most industries – making AustralianSuper the largest super fund in Australia.<sup>‡</sup> We're run only to profit members, with no dividends paid to shareholders.

We also work with more than 412,000 businesses nationally, and more than 2,800 external advisers to support their clients' retirement objectives.<sup>‡</sup>

## Our values

At AustralianSuper, all staff are familiar with the Fund's values of *Integrity*, *Excellent Outcomes*, *Generosity of Spirit* and *Energy*. These values are central to who we are as an organisation and how we work. They help us live up to our purpose: to ensure members achieve their best possible retirement outcome. For members (and your clients), this means they experience our values when dealing with AustralianSuper.

## We value:

### Integrity

- We do what we say
- We are straight talking
- We are honest and transparent

### Generosity of spirit

- We work together and get results
- We see the member's perspective

### Excellent outcomes

- We make money for members
- We follow through
- We deliver more

### Energy

- We're passionate about our purpose
- We challenge the status quo

\* Based on the AustralianSuper Balanced option compared to the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60-76) Index, for the periods to 30 June 2022. Returns from equivalent investment options of ARF and STA are used in calculating returns for periods that begin before 1 July 2006. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

<sup>†</sup> As at 30 June 2022.

<sup>‡</sup> Source: [canstar.com.au/superannuation/largest-super-funds](https://canstar.com.au/superannuation/largest-super-funds)



## Our people

AustralianSuper employs a diverse workforce of highly-competent and motivated staff, led by the Executive Team and Board of Directors, who instil a strong member-centric culture across the Fund.

The Executive Team ensures the business strategy is implemented effectively so we can achieve our goal of providing the best possible retirement outcomes for AustralianSuper members. The team is led by Paul Schroder, who was appointed to the role of Chief Executive on 1 October 2021.

The Board of Directors is responsible for the overall governance and strategic direction of AustralianSuper. They ensure AustralianSuper meets its obligations to members, employers and stakeholders – and comply with superannuation legislation. The Chair of the AustralianSuper Board is Dr Don Russell, who joined the Board on 2 May 2019 and was appointed Chair in September 2019.

### AustralianSuper Board overview

Our Board oversees the Fund's operations and ensures it is operating efficiently and in the best interests of members, comprised of both member (union) and employer representation.

**Julia Angrisano**

Member Director

*Appointed by the ACTU*

**Gabrielle Coyne**

Employer Director

*Appointed by the Ai Group*

**Brian Daley**

Member Director

*Appointed by the ACTU*

**Janice van Reyk**

Employer Director

*Appointed by the Ai Group*

**John Dixon**

Employer Director

*Appointed by the Ai Group*

**Claire Keating**

Employer Director

*Appointed by the Ai Group*

**Philippa Kelly**

Independent Director

*Appointed by the ACTU and Ai Group*

**Michele O'Neil**

Deputy Chair, Director

*Appointed by the ACTU*

**Dr Don Russell**

Chair, Independent Director

*Appointed by the ACTU and Ai Group*

**Glenn Thompson**

Member Director

*Appointed by the ACTU*

**Daniel Walton**

Member Director

*Appointed by the ACTU*

**Innes Willox**

Deputy Chair, Employer Director

*Appointed by the Ai Group*



# Why AustralianSuper?

## Why 2.88 million Australians trust us to grow their savings

As Australia's largest super fund, we draw on our strategic advantages of size and scale to increase our investment in high quality private market assets and enhancing our investment capabilities to achieve long-term investment objectives for members.

For the 10 years to 30 June 2022, AustralianSuper's Balanced option has produced positive returns of 9.32% per annum\*, and remains a top performing fund for the 7, 10 and 20 years to 30 June 2022 in the SuperRatings† survey, giving members peace of mind that their super is in good hands.



**A top performing fund†**



**Size and scale**



**Quality insurance options**



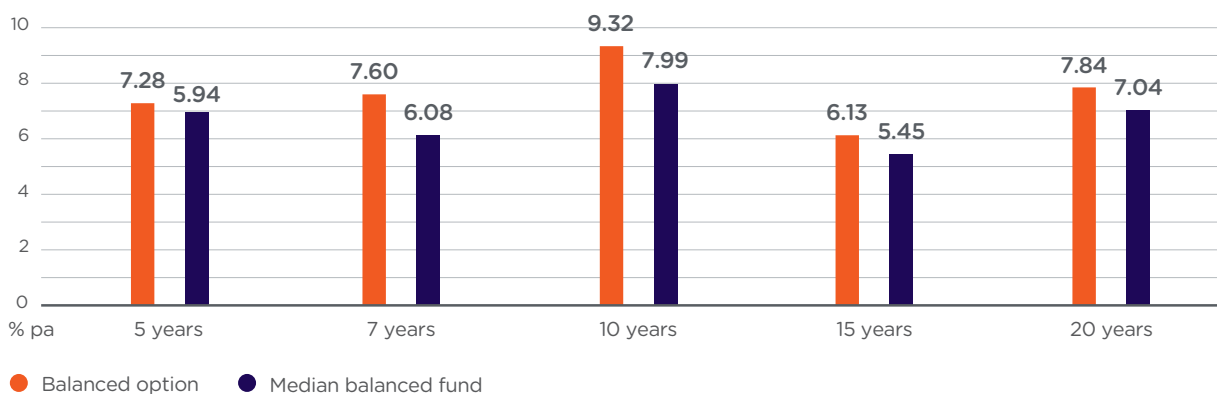
**Australia's largest super fund**

## Australia's most trusted super fund

AustralianSuper's Members First philosophy means everything we do is in the members' best interest, so we're honoured to be voted the Reader's Digest Most Trusted Brands – superannuation category winner, for 10 years running 2013–22.

### A history of strong long-term performance

The Balanced option has provided consistent outperformance compared to the median super fund in the SuperRatings Fund Crediting Rate Survey over the long term.†




Source: AustralianSuper Superannuation Investment Performance 30 June 2022 and median fund in SuperRatings Fund Crediting Rate Survey–SR50 (60–76) Index. Balanced option investment returns are net of investment fees, the percentage-based administration fee that is deducted from investment returns (applicable from 1 April 2020), and taxes. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

\* Investment returns are not guaranteed. Past performance is no guarantee of future performance.

† Based on SuperRatings Fund Crediting Rate Survey–SR50 Balanced (60–76) Index. A top performing fund for the 7, 10 and 20 years to 30 June 2022. 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.





## Benefits for your clients

Apart from the financial advice they receive from you, AustralianSuper members benefit from a range of services, including:

### Online account

Members can view their account balance and statements, add to their super and manage their investment options.

### Mobile app

Members can manage their account on the go with the mobile app.

### Calculators

Members can compare funds, plan for the future, work out how much more they can add to their super and how much insurance cover they may need.

### Education events

Retirement and financial planning seminars and webinars, available for members Australia-wide at no additional cost.

# Working with us

## Meet our national Adviser Partnership team

Our Adviser Partnership team are Fund and product experts, who are dedicated to developing and maintaining strong, long-term relationships with external licensees and financial advisers. The team make regular visits to licensees throughout the year.

They'll work with you to ensure you have the right information, tools and support to grow your clients' savings for a better future.

## Continuing Professional Development (CPD) hours

When you register with AustralianSuper and successfully complete the product training, you'll be awarded a Certificate of Competency and 4.5 CPD hours.

We also invite you to a number of webinars throughout the year, where we discuss the Fund's investment performance, economic outlook and any key product updates.



**Carson McNamara**  
National Manager,  
Adviser Partnerships

With over 20 years experience in financial services, including the last 14 years working in a number of senior leadership roles at one of Australia's largest financial institutions, Carson joined AustralianSuper in 2017. He brings to the team his broad skill set across corporate superannuation, financial advice and stakeholder management.



**Nikki Spiers**  
Adviser Partnership  
Manager (VIC & WA)

Nikki joined AustralianSuper in 2017 after working for 18 years at a major dealer group as Practice and Recruitment Manager. Prior to this, she worked as a Certified Financial Planner and is a member of CPA Australia. She's responsible for providing support on our products and services to our external advisers and licensees throughout Victoria and Western Australia.



**Tim Berkman**  
Adviser Partnership  
Manager (QLD & NT)

Joining AustralianSuper in 2010, Tim previously spent eight years with BT and Rothschild. Tim's role at the Fund involves building adviser and licensee relationships across Queensland and the Northern Territory. His focus is on growing the adviser channel and supporting licensees and advisers in their work with AustralianSuper.



**Claire Coyle**  
Adviser Partnership  
Manager (NSW)

Claire joined AustralianSuper in February 2020 and is the key contact for external advisers and licensees in the NSW North Shore, Far North Coast, Central Coast and Newcastle regions, providing support on our products and services.

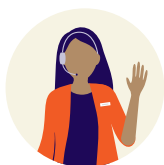
Claire has worked in financial services for 15 years in Australia and overseas and spent the past nine years working with financial planners. Prior to joining the Fund, Claire held previous Business Development roles at a number of Australia's largest financial institutions.

## Ongoing support

Our Adviser Services team includes our Adviser Services Managers, a dedicated group of experienced financial services professionals. They support you via telephone with any administrative, product or process queries you may have while working with us.



**Webinars**



**Phone support**



**CPD hours**



**Ile Petroski**  
Adviser Partnership  
Manager (NSW & ACT)

Ile joined AustralianSuper in 2018 and is the key contact for external advisers and licensees, providing support on our products and services within the East, West and South Sydney regions, and the Central West, New England, Southern Highlands, Riverina and ACT. He was previously at Vanguard Investments working in their Adviser Partnership team, and prior to that, at Colonial First State working across a number of adviser facing roles.



**Peter Reynolds**  
Adviser Partnership  
Manager (VIC, SA & TAS)

Peter has worked at AustralianSuper since 2001 (in a predecessor fund) in a number of account management and business development roles. He's a foundation member of the Fund's external advice channel, and in 2011, Peter moved from an employer BDM role to manage the growth of the external advice channel. In his current role, he's responsible for supporting Advisers throughout Victoria, Tasmania and South Australia.



**Peter Bekavac**  
Adviser Account Manager  
(Australia-wide)

Peter has over 20 years' experience in financial services. He has been with AustralianSuper since 2011 and was a foundation member of the Fund's external advice channel. Prior to joining AustralianSuper he worked for one of Australia's largest superannuation administrators, Link Group. With his broad skill set, Peter's focus is to provide quality training and support on AustralianSuper's products and services to advisers and support staff.



## Adviser resources site

The Adviser resources site is your go-to site for the latest updates, forms, fact sheets, PDSs, join forms, investment information and more.

The site is mobile responsive, so you can access it anywhere, anytime, from a laptop, tablet, mobile or desktop.

To access, simply visit  
**[australiansuper.com/AdviserResources](https://australiansuper.com/AdviserResources)**

## Adviser Portal

The Adviser Portal allows you to create a new TTR Income account or Choice Income account (pension account) online for your clients and view key information on your AustralianSuper clients' accounts (Accumulation & Choice Income) where a valid authority has been provided, including:

- current account balance (including benefit and withdrawal estimates)

- contact details
- extract member transactions and upload them to XPlan
- summary of investment balances and future investment allocations
- insurances (if applicable)
- nominated beneficiaries
- concessional/non-concessional summary
- Centrelink Schedules
- pension payment details.

You'll also be able to extract key information (e.g. transactions) into Excel for further analysis, or extract a Member Profile Report which presents all key information in a standard and professional format.

Contact the Adviser Services team for your login details. To access the portal, simply visit **[adviser.australiansuper.com](https://adviser.australiansuper.com)**





# Our investments

Choosing the right investment is important. That's why we have a range of investment options to choose from.



## Option 1

### PreMixed

PreMixed options are diversified options that invest across different combinations of asset classes such as shares, private equity, property, infrastructure, fixed interest, credit and cash.

Our PreMixed choices are:

- Balanced (MySuper default)
- High Growth
- Socially Aware
- Indexed Diversified
- Conservative Balanced
- Stable



## Option 2

### DIY Mix (single asset class)

DIY Mix options are single asset class portfolios. Your client can choose how much they want to invest in each in a mix that can also include one or more PreMixed options.

Our DIY Mix choices are:

- Australian Shares
- International Shares
- Diversified Fixed Interest
- Cash



## Option 3

### Member Direct\*

The Member Direct investment option gives your clients the greatest control of all options.

They can invest their own super in a range of listed securities, including:

- Shares in the S&P/ASX 300 Index
- Exchange Traded Funds (ETFs)
- Term Deposits
- Listed Investment Companies (LICs)



## Balanced (MySuper default) option

The default investment option for AustralianSuper members is the Balanced option.

The investment objectives for the Balanced fund is to beat the CPI by more than 4% pa and to beat the median balanced fund over the medium to long term.

The level of investment risk is classified as high (Standard Risk Measure Band 6) and expectation of a negative return is approximately five out of every 20 years.

The Balanced investment option invests in a wide range of assets, including shares, private equity, infrastructure, property, fixed interest, credit and cash. It is designed to have medium to long-term growth with possible short-term fluctuations.

## Accumulation divisions

AustralianSuper has a range of accumulation divisions tailored for different individuals, employers and employment arrangements. We also have divisions for individual larger employers.

### The main divisions include:

#### AustralianSuper Plan (Industry)

The largest AustralianSuper division is open to full-time, part-time or casual employees of any industry, who receive regular Super Guarantee (SG) contributions, and require default insurance (subject to eligibility criteria).

### Personal Plan

This division is for people who do not require default insurance, or are self-employed as sole traders or as a partner in a partnership, or who are not currently in paid employment, or are retired or won't be receiving regular Super Guarantee (SG) contributions.

### Public Sector

The Public Sector division is for people working for a Federal, State or Territory Government employer through a department, agency, government business enterprise or statutory authority.

### The following divisions can only be joined through eligible businesses:

#### Select

The Select division is for people working for medium to large employers who provide tailored insurance arrangements as part of their employment benefits.

#### Super Options

The Super Options division is for people working for employers who provide Income Protection as part of their employment benefits.

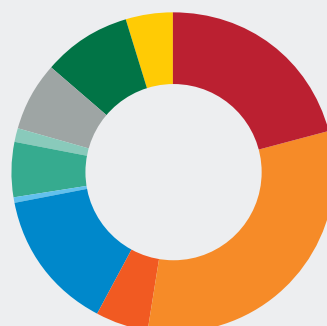
#### Super Only

The Super Only division is for people who work for eligible employers in short-term employment (under six months) and in supported workplaces. Super Only does not provide any default insurance cover.

## Balanced option

Strategic asset allocations and ranges

● Australian Shares 21% (10–45%)	● Listed Property 1.25% (0–10%)
● International Shares 31.5% (10–45%)	● Credit 7% (0–20%)
● Private Equity 5.5% (0–15%)	● Fixed Interest 9% (0–25%)
● Unlisted Infrastructure 14% (0–30%)	● Cash 4.5% (0–20%)
● Listed Infrastructure 0.75% (0–10%)	● Other assets 0% (0–5%)
● Unlisted Property 5.5% (0–30%)	



The strategic asset allocation and risk level information is effective from 1 July 2022. Allocations or the composition of individual classes and other investment information may change from time to time to suit prevailing market conditions. Investment returns aren't guaranteed as all investments carry some risk. Past performance is not a reliable indicator of future performance.

## Choice Income (retirement) account

The AustralianSuper Choice Income account is an account based pension product and part of our retirement division. It's designed to be simple and flexible for the payment of a regular income in retirement.

### When can a Choice Income account be opened?

- Your client reaches preservation age and has permanently retired
- they've changed jobs on or after turning 60
- they've reached age 65 (even if they're still working)
- they're over 18 and can access an 'unrestricted non-preserved' component of their super
- they're totally and permanently disabled.

### Smart Default

The Smart Default option is an easy way to set up your client's Choice Income account, where the investment options and payments are modelled and managed by the AustralianSuper investment team. It's designed to provide a lasting income for up to 20 years or more.

The initial investment portfolio is constructed with:

- 12% Cash
- 88% Balanced.

The Smart Default investment setting is not fixed and can be changed at any time. If your client wishes to maintain an allocation to the Cash option, they'll need to manually rebalance their investment portfolio over time.

Your client will initially receive at least 6% of their balance each year as income; and as they get older this amount will increase to meet the minimum payment limits set by the Government.

## Balance Booster

### How does Balance Booster work?

If your client is already with AustralianSuper, they could be eligible to receive an additional credit to their account balance when they move their super or TTR Income account to a Choice Income account.

Balance Booster is a credit paid from funds set aside to pay for future tax liabilities. These liabilities would be payable for capital gains tax on assets when they're sold at a profit in the accumulation phase.

As tax is not required to be paid when the assets are sold in the retirement phase, the amount that was set aside to cover a future tax liability can be passed on to the member as a credit.

Members don't need to apply for a Balance Booster – they are automatically assessed when moving to a Choice Income account.\* The Balance Booster is calculated and credited the day their Choice Income account is opened.

## How Choice Income works

1

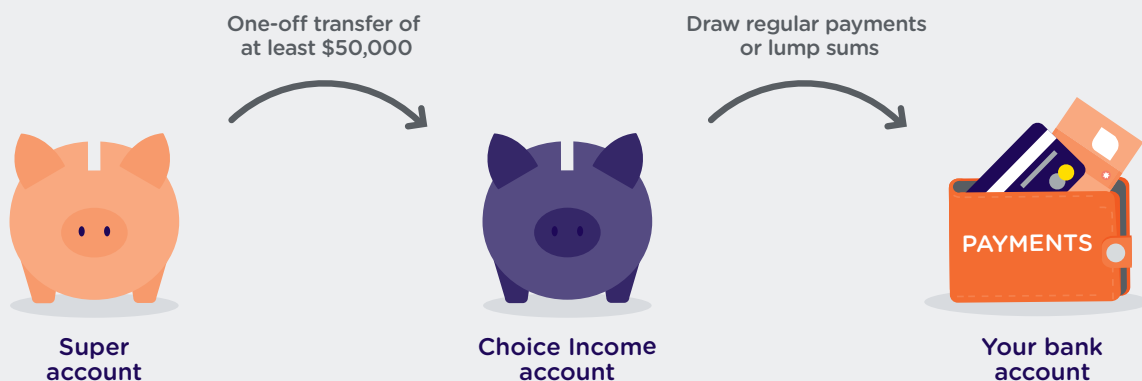
Transfer all or some funds from your super account to open your Choice Income account. Once opened, you can't add more money by law.

2

Draw regular payments or lump sums from your Choice Income account. Payments are tax free once you turn 60.

3

You can change your payment and investment options anytime, while your Choice Income balance remains invested and investment returns are tax free.



### What can affect the value of my client's Balance Booster payment?

How much Balance Booster payment your client may receive depends in part on how long they've invested in an option in their super or TTR Income account. This investment time period may impact the capital gains made and also the money set aside for applicable capital gains tax.

Staying in their chosen investment option for longer could mean their Balance Booster has a better opportunity to accrue. Some investment options may offer a greater chance to accrue a Balance Booster than others, so as their financial adviser, this is a consideration as to whether your client should invest in a different option.

When your client changes investment options prior to moving to Choice Income, their accrued Balance Booster amount may be reduced to zero. This is because some of the money that was set aside, is now used to pay the applicable capital gains tax for the assets sold during the switch.

In some cases it might be in their best interest to switch before moving to Choice Income, despite a potential reduction in their Balance Booster payment.

### Who's eligible to receive the Balance Booster?

Members may be eligible for a Balance Booster if:

1. They move their existing AustralianSuper super account or TTR Income account to a Choice Income account; and
2. They've been a super or TTR Income member for a full calendar month or more; and
3. They're invested in one of these investment options:
  - High Growth
  - Socially Aware
  - Conservative Balanced
  - Australian Shares
  - Balanced
  - Indexed Diversified
  - Stable
  - International Shares

You can find information about Balance Booster at [australiansuper.com/BalanceBooster](https://australiansuper.com/BalanceBooster) or in the *Choice Income Product Disclosure Statement* at [australiansuper.com/RetirementGuide](https://australiansuper.com/RetirementGuide)

Our Adviser Services team can also be contacted to provide a Balance Booster quote for your client.

### How Balance Booster works



Plus is invested in one of these investment options:

- High Growth
- Indexed Diversified
- Australian Shares
- Balanced
- Conservative Balanced
- International Shares
- Socially Aware
- Stable

\* In some situations, although the eligibility criteria may be satisfied, the Balance Booster will reduce to zero depending on market performance, but it will never be negative.



## TTR Income account

The AustralianSuper TTR Income account is a transition to retirement income stream (TRIS) product and part of our retirement division. Like Choice Income, it's designed to be a simple and flexible solution for the payment of a regular income for clients who've reached preservation age, but not yet met a condition of release.

### TTR can be used to enable these two strategies:

#### Save more

In the years before they retire, your clients could save more super and pay less tax by adding to their super from before-tax salary (using salary sacrifice). They can then top up their pay packet with regular payments from their TTR Income account.

With TTR Save more, they could:

- pay less tax if aged 60 or older
- speed up their rate of saving, and
- access the rest of their money when they retire.

#### Work less

Using TTR Work less as a means of easing into retirement by working less, your clients could:

- take time to look after themselves or others, or extend their career by working less,
- top up their pay packet with regular payments from their TTR Income account
- access the rest of their money once they retire.

Your client's super will also continue to grow as they keep working.

### How TTR works

1

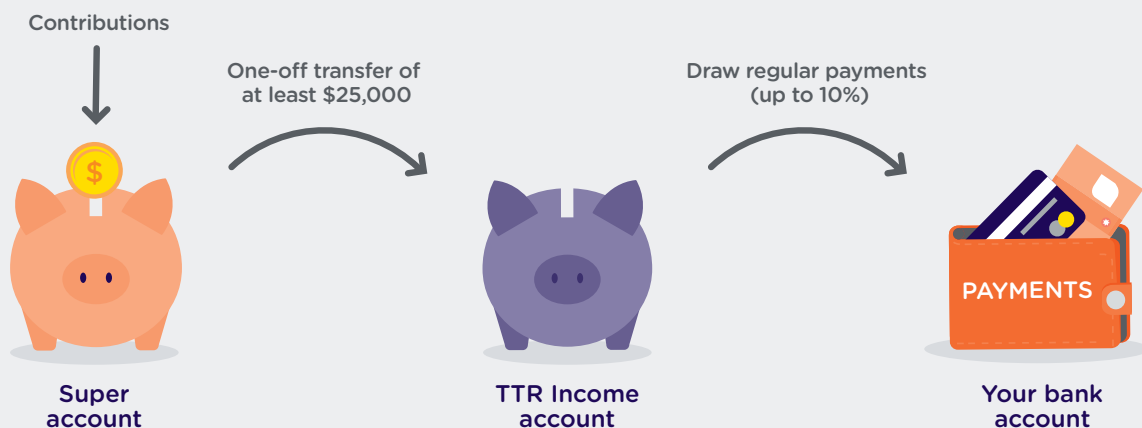
Your employer and you continue adding money to your super account.

2

Transfer some super to open a TTR Income account. To keep your AustralianSuper accumulation account open leave at least \$6,000 in it.

3

Draw up to 10% of your TTR Income balance to top up your take home pay.





## Member Direct

AustralianSuper is committed to helping our registered advisers act in their client's best interests to provide super and retirement solutions.

Our Member Direct option allows your clients to invest in S&P/ASX 300 shares, selected Exchange Traded Funds (ETFs), Listed Investment Companies (LICs), and term deposits through a high-interest bearing cash account.

An online platform gives you, with permission of your clients, access to view and manage their super or retirement investments, including switching their investment options and arrange payment for your advice fees.



### Benefits for you and your clients

Benefits	Member Direct
Ability for you to manage each client's investment options and direct securities holdings	✓
Client-centric design – you see what your client sees	✓
Ability to charge advice fees to the client's cash account monthly or quarterly (on your client's authority)	✓
Simple, after-tax portfolio valuations and comprehensive tax and portfolio reporting	✓
A cash account with competitive interest rates	✓
Real-time online trading in S&P/ASX300 shares, ETFs, and LICs	✓
Selection of term deposits with options for automatic rollover	✓
Seamless transfer of your clients' holdings from accumulation to retirement income tax free	✓
Clients can customise their homepage with investment news that interests them	✓
Online corporate action and election*	✓
Comprehensive cash management to preserve liquidity	✓
Pre-trade compliance against investment diversification rules	✓
Access to UBS research and ASX data and news from Morningstar	✓
Optimised income tax outcomes via direct access to franking credits	✓
Pre-trade tax alerts	✓
Ability to set price alerts on shares and research ratings	✓
Fully mobile-responsive site which can also be accessed via the AustralianSuper app	✓



## Who can invest?

To be eligible to invest in the Member Direct investment option, your client must:

- be a current AustralianSuper member
- register for an online account with AustralianSuper (either super or Choice Income)
- when first opening a Member Direct account, have a minimum account balance of \$10,000 in super or \$50,000 in Choice Income across all AustralianSuper investment options.

Once your client has opened a Member Direct account, they must keep some money invested in at least one investment option from either the PreMixed or DIY investment option menu. See table below for the minimum amounts they need to have invested.

## What your clients can invest in

For a complete list of investments, refer to the current Investment Menu at [australiansuper.com/AdviserResources](https://australiansuper.com/AdviserResources)

## Investment limits

There must be a specified minimum amount invested in AustralianSuper's other investment options and \$400 in your client's Member Direct cash account at all times.

See table below for investment limits.

For other important conditions, refer to the *Member Direct investment option* guide at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

## Seamless Transfer to Choice Income

Your clients can maintain their Member Direct listed investments when they transition from super to Choice Income without triggering a tax-event, or incurring brokerage costs, by requesting a Seamless Transfer to Choice Income. Certain restrictions may apply.

You can learn more about Seamless Transfer at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

## Minimum amounts

Account type	Minimum ongoing balance in PreMixed and/or DIY Mix investment options (i.e. excluding Member Direct)	Minimum ongoing balance across all investment options (i.e. including Member Direct)
Super	\$5,000	\$10,000
Choice Income	\$10,000 or 13 months of income payments, whichever is greater	\$30,000

## Limits on investment

Investment type	Investment limits
Shares, ETFs & LICs	<ul style="list-style-type: none"> <li>• Maximum 80% of total balance in shares, ETFs &amp; LICs</li> <li>• Maximum 20% of total balance in a single stock<sup>†</sup></li> <li>• Minimum buy order is \$1,500</li> <li>• Maximum buy order is \$250,000</li> <li>• No minimum sell order</li> <li>• Can't buy and sell same stock on same day</li> </ul>
	<ul style="list-style-type: none"> <li>• Minimum investment is \$2,000</li> <li>• Maximum investment in a single term deposit is \$5 million</li> </ul>
Cash	<ul style="list-style-type: none"> <li>• Minimum balance of \$400</li> </ul>

\* Selected corporate actions. Refer to the *Member Direct investment option* guide at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

<sup>†</sup> The maximum amount your client can invest in a single security may vary according to the type they invest in.

## Environmental, social and governance management

We believe companies and assets with good environmental, social and governance (ESG) management deliver better long-term returns for members. That's why we integrate ESG considerations across our investment decision making process.

Our ESG and Stewardship program is globally recognised and we have been awarded an A+ rating for our Overarching Approach to Responsible Investment in the United Nation's Principles for Responsible Investment (PRI) Global Assessment Report 2020. We're also recognised as a Responsible Investment Leader 2021 by the Responsible Investment Association Australasia (RIAA) in both their asset manager and super studies\*.

### ESG and Stewardship program

#### Integration

We consider ESG factors before we make an investment and throughout our ownership. We identify various ESG risks and opportunities within each asset class, and then integrate them into our investment processes and valuations for more informed decision making.

#### Stewardship

We actively engage with companies on ESG issues and communicate our long-term investment interests to them. Direct engagement enables us to influence the make-up of company boards and encourage positive behaviour on issues that can impact members' retirement outcomes.

We also influence ESG issues by voting on company and shareholder resolutions and publish our voting records on our website.

#### Choice

Many members have different values, so it's important we consider these preferences in our investment options. For members who want to avoid investing in industries and companies that don't align with their values, we offer the Socially Aware and Member Direct options.

### Our ESG & Stewardship program



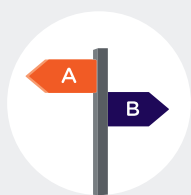
#### Integration

Assessing and integrating ESG risks and value drivers when choosing and managing investments.



#### Stewardship

Exercising our rights and responsibilities as a shareholder to influence and improve ESG practices in companies which drive long-term value. This is achieved through active company engagement, stock voting and participating in collaborative investor initiatives.



#### Choice

Considering members' values in our investment choices.



#### Collaboration

Making bigger, more lasting impact by working with companies and other asset owners for positive change.

\* RIAA Responsible Investment Benchmark Report Australia 2021 and RIAA Responsible Investment Super Study 2021.

## Collaboration

We believe we can make a bigger, more lasting impact on global ESG issues by working with companies and other asset owners for positive change. AustralianSuper collaborates on a number of investor initiatives like Climate Action 100+, United Nations Principles for Responsible Investment (UNPRI), the Investor Group on Climate Change (IGCC) and the Australian Council of Superannuation Investors (ACSI).

You can read more about our ESG and Stewardship Program at [australiansuper.com/ResponsibleInvestment](https://australiansuper.com/ResponsibleInvestment)

## Tobacco exclusion

AustralianSuper excludes companies that manufacture tobacco products from its investment options. Tobacco use is one of the leading causes of preventable death in the world. Investing in tobacco is inconsistent with our purpose of helping members achieve their best financial position in retirement.

This exclusion doesn't apply to the use of derivatives that have an indirect exposure to tobacco, or to ETFs and LICs in Member Direct.

## Socially Aware option

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:

- own fossil fuels 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.

## Investing in a sustainable future

AustralianSuper has partnered with a group of leading global asset owners to establish the Sustainable Development Investments Asset Owner Platform. This platform helps investors identify and measure companies on their contribution to the United Nations Sustainable Development Goals (SDGs).

We consider the SDGs as the business plan for a sustainable long-term economy. Understanding how our investments contribute to the SDGs provides insights on how our assets are strategically positioned in the future economy. Ultimately, our aim is to invest for economically sustainable outcomes that create long-term value for members.

## Climate change

### AustralianSuper has committed to achieve net zero emissions in our investment portfolio by 2050.

Climate change is one of the most significant issues facing investors today. Climate related risks will impact all economies, asset classes and industries.

AustralianSuper supports the goals of the Paris Agreement on climate change, which aim to limit global warming to well below 2 degrees Celsius, preferably to 1.5 degrees, by 2100.

Our net zero commitment is in line with the international scientific consensus on reducing the economic and social impacts of climate change and consistent with our objective of helping members achieve their best possible retirement outcome.

On members' behalf, we're a large investor in the global economy and have large ownership stakes in many companies. We are helping drive the net zero transition in the investment portfolio and the broader economy by the way we invest and our actions as owners. This includes engaging with the companies we invest in directly and working with other investors to amplify our impact.

Climate change also presents future opportunities in new industries and investments. AustralianSuper invests in a range of renewable energy projects across world markets.

<sup>†</sup> 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. Asset classes that are not screened include private equity, unlisted and listed infrastructure, unlisted and listed property, credit, cash and other assets.





# Our investment philosophy

## Long-term vision

The AustralianSuper investment team aims to maximise investment returns over the long term. As long-term investors, we focus on investing in a mix of quality assets that can grow members' savings over time to help members achieve their best financial position in retirement. This is balanced with an understanding of the risks that need to be taken to achieve this objective and deliver competitive returns against other funds.

## Investment beliefs

The four core investment beliefs are the foundation of AustralianSuper's investment approach. A rigorous governance framework and disciplined investment process, help us allocate and manage members' savings and maintain the position as one of Australia's leading super funds.

These beliefs are:

1. We return all profit to members.
2. We believe in active management – both asset allocation and stock selection.
3. We use our scale to reduce costs and better structure investments.
4. We're aware of our responsibility to the broader community, consistent with our obligations to maximise benefits to members.

## Investment initiatives

### Internalising our investment capability

The ongoing internalisation of the Fund's investment program contributes to member returns by reducing investment costs.

Expanding our internal investment capability not only reduces the fees we pay to external managers, it also contributes to better investment performance outcomes by improving the ability to oversee and efficiently manage the portfolio.

Together, the internal investment program and improved management and oversight of the portfolio contributed to a reduction in costs to members of over \$300\* million per annum, and over \$1.2 billion since internalisation commenced in 2013.

The Fund currently manages about 53% of member assets internally.

As members' assets continue to grow, we'll continue to invest in building our internal investment capability to further capture the benefits of our scale and improve investment outcomes for members.

### Building our global footprint

Investing globally provides access to more diverse investment opportunities to enhance performance outcomes for members.

A key pillar of the globalisation strategy is increasing our investment in private markets such as infrastructure, property, credit and private equity, where we can leverage our size and long-term investment horizon to access strong investment returns and diversify our portfolio. As we grow, opportunities to invest at scale in these asset classes are increasingly in global markets.

Our London, Beijing and New York offices are critical to support this expanded investment activity. Our presence on the ground will help us to better understand local markets and build upon the networks and strategic relationships we need to identify and act on attractive investment opportunities.

## Investment process

AustralianSuper's investment process is designed to protect and enhance the interests of our members, so they can achieve the best possible retirement outcome.

### Asset allocation

We look to outperform and increase member savings over the long term by setting annual strategic asset allocations for each investment option in June each year. AustralianSuper dynamically manages assets within the tolerance ranges for each investment option, enabling our investment team to respond to changes in the market environment and respond to both risks and opportunities.

### Investment people

We work with highly qualified teams and specialists including:

#### An Investment Committee

Delegated by the Board to oversee and monitor our investment processes and guidelines.

#### Internal and external investment teams

We use a mix of in-house and external fund managers to manage members' super.

#### Asset consultants

Provide strategic advice and research to our investment team on asset allocation, strategy, asset sectors and investment managers. The two principal asset consultants are Frontier Advisors and JANA Investment Advisors. We also use specialist advisers to assist in portfolio construction, investment research and the identification of quality managers.

\* As at 30 June 2022.

# Our insurance

Building a secure future for your clients includes having the right insurance to give them peace of mind that they'll have an income when they need it.

## Benefits of cover through super

AustralianSuper insurance is provided by TAL Life Limited (the Insurer) ABN 70 050 109 450 AFSL 237848.

- We use the benefits of scale to offer cover to members. Together with our insurer, we work hard to keep our cover sustainable and affordable.
- We run only to benefit members, so they only pay for what it costs to provide their insurance.
- Insurance premiums are deducted from members' super account each month, so payments are hassle free.

## Types of cover

### Death

If your client has dependants, Death cover can help ease the financial stress on their loved ones by paying them a lump sum if something were to happen to them.

### Total & Permanent Disablement (TPD)

TPD cover can pay your client a lump sum if they become totally and permanently disabled and can no longer work. A lump sum can help cover the costs of rehabilitation, debt repayments and the future cost of living.

### Income Protection

Income Protection can help if a client becomes ill or injured (at work or outside of work) and can't work temporarily. It can provide monthly payments to help them get by while they're not earning their regular salary.

### Terminal illness benefit

If a client has Death or TPD cover they're also covered for terminal illness. This can help ease some of the financial stress and trauma if they're suffering from a terminal medical condition.

## Basic cover

Basic cover can only be provided automatically if your clients are aged 25 or over; and have a super balance of \$6,000; and have received an employer super contribution once their super balance has reached \$6,000.

Once they're eligible, their basic cover will start on the latest of these dates:

- the date they turn 25 (as long as they're receiving employer super contributions),
- the date their balance first reaches \$6,000,
- the date they started working for their employer,
- the start date of the payment period that applies to their first employer super contribution (after their balance first reaches \$6,000).

Basic cover can't start any earlier than 120 days before we receive their first super contribution from their employer (after their balance first reaches \$6,000).

New members can apply to start their basic cover before meeting the above conditions, without having to provide detailed health information for the Insurer to consider (time limits and conditions apply). See the *Insurance in your super* guide for more information.

The cost of this cover will be deducted monthly from their super account from this date. Their first payment may be higher than their ongoing monthly payments because it includes insurance costs from the date their cover started to the date of their first payment deduction (which may be for a period that's longer than a month).

If they don't want cover to start automatically when they become eligible, they can opt out by cancelling it. See the *Change your cover anytime* section (of the PDS) to learn how.

For more detailed information about when cover starts, see the *Insurance in your super* guide for their division at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide)







## Cover designs

### Death cover

Age-based Death cover is available from age 25 to 69. If your client wants cover earlier, they can apply for fixed cover from age 15. They can apply:

- to top up their age-based cover with extra (fixed) cover; or
- for a total amount of fixed cover.

There's no limit on the amount of Death cover they can apply for.

### TPD cover

Age-based TPD cover is available from age 25 to 64. If your client wants cover earlier, they can apply for fixed cover from age 15. They can apply:

- to top up their age-based cover with extra (fixed) cover; or
- for a total amount of fixed cover.

The maximum amount of TPD cover they can have is \$3 million.

### Income Protection

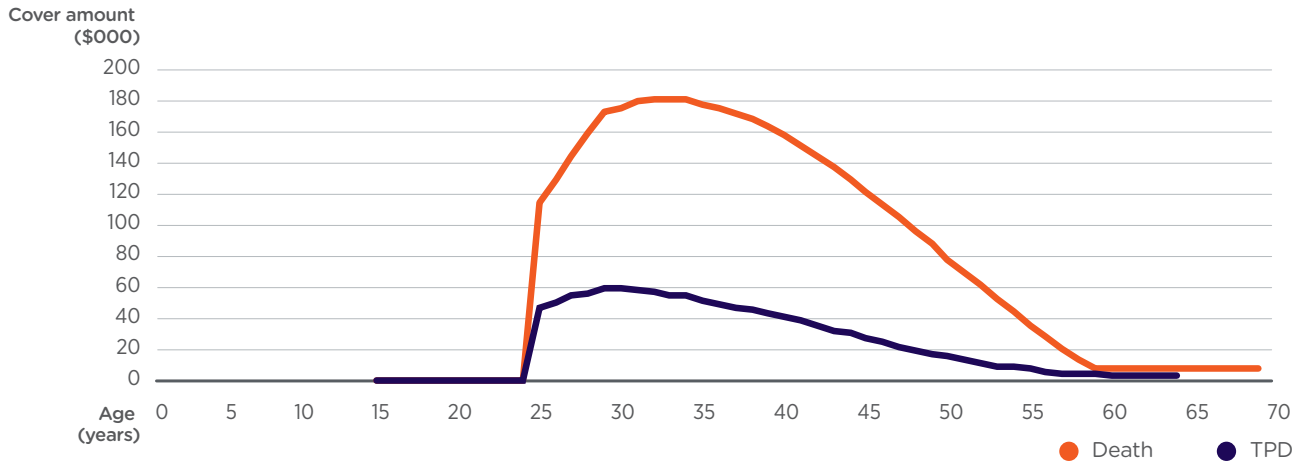
Age-based Income Protection is available from age 25 to 69 for a benefit payment period up to two years. For a benefit payment period up to five years or up to age 65, Income Protection ends at age 65. Your client can apply for a total amount of fixed Income Protection from age 15.

The maximum amount of fixed cover they can have is the lower of \$30,000 a month, or 85% of their annual (before-tax) salary\*, excluding employer super contributions. They get a default benefit payment period up to two years. They can apply for a longer benefit payment period through underwriting, but it will cost more. Their default Income Protection waiting period is 60 days. They can change this to 30 days but it will cost more.



\* Salary is generally your annual (before-tax) salary, excluding employer super contributions. For more information see the *Insurance in your super* guide.

## Age-based Death and Total & Permanent Disablement (TPD) cover



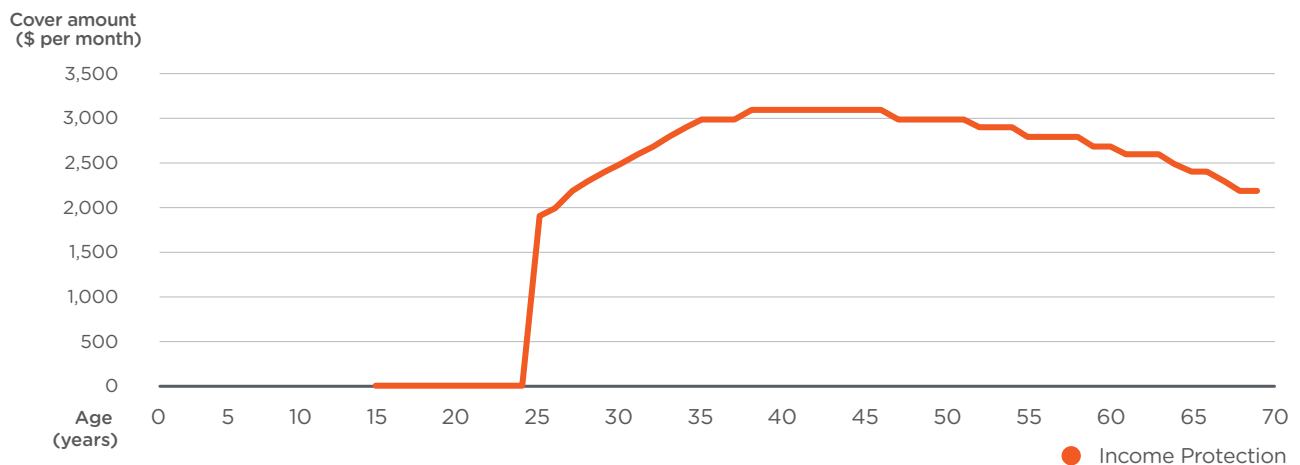
### Total weekly cost of Death & TPD cover from 28 May 2022 (based on Blue Collar work rating)

Age	15	20	25	30	35	40	45	50	55	60	65	70
Cost	\$0.00	\$0.00	\$1.48	\$2.63	\$3.49	\$4.33	\$4.86	\$4.83	\$3.94	\$2.54	\$1.59	n/a

These are the levels of basic cover at selected ages. Different levels of cover and costs apply at other ages.

Total weekly costs are quoted gross of tax. Costs are rounded for disclosure purposes. See the *Insurance in your super* guide for more information.

## Age-based Income Protection



### Total weekly cost of Income Protection from 28 May 2022 (based on Blue Collar work rating)

Age	15	20	25	30	35	40	45	50	55	60	65	70
Cost	\$0.00	\$0.00	\$0.56	\$1.20	\$2.28	\$3.35	\$4.72	\$6.42	\$8.38	\$11.13	\$13.59	n/a

These are the levels of basic cover at selected ages. Different levels of cover and costs apply at other ages. The costs of cover shown are for a benefit payment period up to two years and a 60 day waiting period.

Total weekly costs are quoted gross of tax. Costs are rounded for disclosure purposes. See the *Insurance in your super* guide for more information.

## Work ratings

A work rating classifies the usual activities of your client's job into one of three ratings: Blue Collar, White Collar or Professional. Their work rating is one of the factors that determines how much they pay for their insurance cover.

When your client joins AustralianSuper and has insurance cover, they pay what it costs to provide them with cover based on our default rating, Blue Collar. Our default rating is Blue Collar because our membership demographic is very wide due to all Australians being welcome to join AustralianSuper.

**Insurance cover with a Blue Collar work rating is the most expensive.**

### Could your client pay less for their cover?

If the usual activities of your client's job match the descriptions for White Collar or Professional, they may be eligible to pay less for their cover if they apply, and are accepted, for one of these work ratings. See the descriptions for each work rating in the *Insurance in your super* guide.

Check if they may be eligible to apply for a different individual work rating by using our Work Rating Tool. Go to [australiansuper.com/WorkRatingTool](https://australiansuper.com/WorkRatingTool)

### Not sure what their work rating is?

Your client can find their individual work rating using the AustralianSuper app, by logging into their account and going to *My insurance* or by calling us on **1300 667 387**.

## Applying for more cover

### Your client can apply for more (or new) cover at anytime

They'll need to provide detailed health information for the Insurer to consider. You can find out more about what happens at [australiansuper.com/ChangeCover](https://australiansuper.com/ChangeCover)

The maximum amount of cover they can have is:

Death	TPD	Income Protection
Unlimited	\$3 million	Up to \$30,000 a month or 85%* of your monthly salary† (whichever is lower)

\* You are paid up to 75% of your salary and up to 10% is paid to your super.

† Salary is generally your annual (before-tax) salary, excluding employer super contributions. For more information, see the *Insurance in your super* guide.

### Life events

Your client can apply for new cover or to increase any of their existing cover once every 12 months and they'll only need to answer a few health questions.

They'll need to apply within 60 days of certain life events. For a list of the life events and to apply they can use the *Application for Life Event insurance cover* form at [australiansuper.com/InsuranceForms](https://australiansuper.com/InsuranceForms)

### Does your client have cover elsewhere?

If they want to transfer insurance from another insurer or super fund to AustralianSuper, they can do this by logging into their account, going to *My insurance*, then *Change my insurance* and then selecting *Transfer my insurance*.

It's important to know that combining (consolidating) your client's super doesn't automatically transfer any insurance cover they have to AustralianSuper. Your client should wait until they've received written confirmation from us before combining their super.

See the *Applying for an insurance transfer* fact sheet that guides members through the transfer process.



## Here's how the cost of cover can change with different individual work ratings

Alby is 35 and has the following insurance with AustralianSuper:

- Death: \$180,000
- TPD: \$53,000
- Income Protection: \$3,000 a month with a benefit payment period up to two years and a 60 day waiting period.

Alby currently pays \$300 a year for his Death, TPD and Income Protection cover.

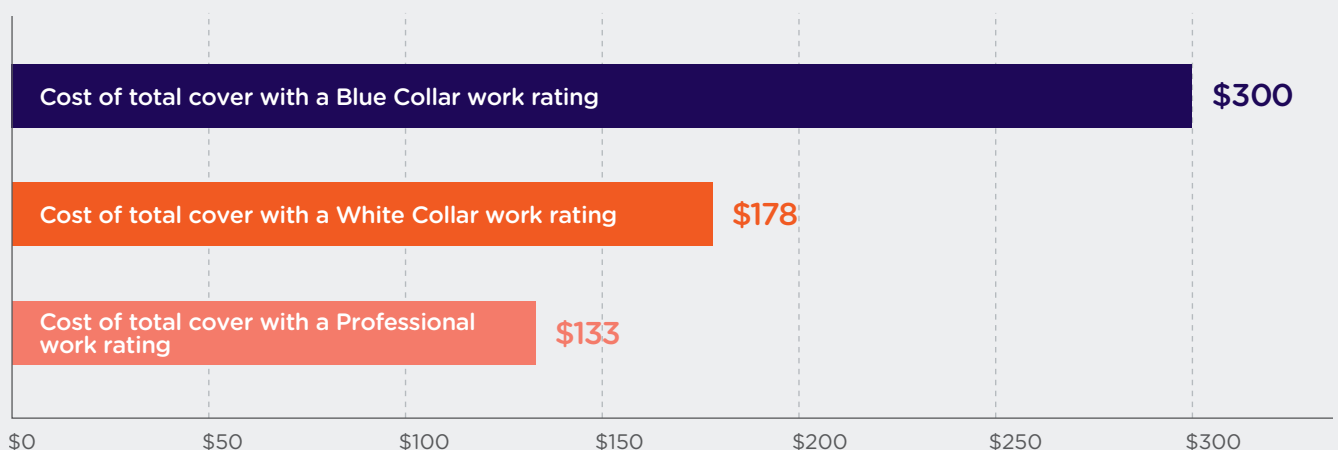
The usual activities of Alby's job are conducted in an office-based environment and he isn't exposed to any unusual work hazards.

After answering a few questions on our Work Rating Tool, Alby learns he could apply to change his work rating from Blue Collar to White Collar, so he logs into his account to submit an application.

His application for a White Collar individual work rating is approved by the Insurer and the cost of his cover is reduced to \$178 a year (from the date it's approved).



### Alby's total cost of Death, TPD and Income Protection cover for different work ratings







# Our fees and costs

This table gives an example of how the ongoing annual fees and costs for the AustralianSuper Balanced investment option for this superannuation product can affect your client's superannuation investment over a one-year period. This table should be used to compare this superannuation product with other superannuation products.

For additional information, please read the *Fees and costs* guide at [australiansuper.com/FeesandCostsGuide](https://australiansuper.com/FeesandCostsGuide) or the *Choice Income Product Disclosure Statement* and the *TTR Income Product Disclosure Statement* at [australiansuper.com/pds](https://australiansuper.com/pds)

## AustralianSuper Plan (accumulation accounts)

Example – AustralianSuper MySuper Balanced investment option		Balance of \$50,000
Administration fees and costs	0.10% plus \$52 (\$1 per week)	For every \$50,000 your client has in the superannuation product, they will be charged \$50 in administration fees and costs up to a maximum of \$350 plus they will be charged \$52 regardless of their account balance.
PLUS Investment fees and costs*	0.49%	AND, they will have deducted from their investment \$245 in investment fees and costs.
PLUS Transaction costs*	0.20%	AND, they will have deducted from their investment \$100 in transaction costs.
EQUALS Cost of product <sup>†</sup>		If their balance was \$50,000 at the beginning of the year, then for that year they will be charged fees and costs of <b>\$447</b> for the superannuation product. <sup>‡</sup>

## AustralianSuper TTR Income and Choice Income accounts (retirement accounts)

Example – AustralianSuper Balanced investment option		Balance of \$50,000
Administration fees and costs	0.10% plus \$52 (\$1 per week)	For every \$50,000 your client has in the superannuation product, they will be charged \$50 in administration fees and costs up to a maximum of \$600 plus they will be charged \$52 regardless of their account balance.
PLUS Investment fees and costs*	0.49%	AND, they will have deducted from their investment \$245 in investment fees and costs.
PLUS Transaction costs*	0.20%	AND, they will have deducted from their investment \$100 in transaction costs.
EQUALS Cost of product <sup>†</sup>		If their balance was \$50,000 at the beginning of the year, then for that year they will be charged fees and costs of <b>\$447</b> for the superannuation product. <sup>‡</sup>

\* These amounts are calculated based on previous financial year(s). The actual amount will change from year to year and may be more or less than the amounts shown.

† Additional fees may apply. Assumes balance of \$50,000 is maintained throughout the year. For accumulation account and TTR Income account, your client will receive a tax benefit of \$15.30 on the administration fees shown above which will reduce the cost of product for the year after tax benefits to \$431.70.

‡ If your client's account balance for a product is less than \$6,000 at the end of the financial year, certain fees and costs charged to your client are capped at 3% of the account balance. Any amount charged in excess of that cap will be refunded.



### Member Direct investment option fees and costs

The fees and costs that apply to Member Direct vary depending on which option is selected. To check current fees, please read the *Fees and costs* guide at [australiansuper.com/FeesandCostsGuide](https://australiansuper.com/FeesandCostsGuide) or the *Choice Income Product Disclosure Statement* at [australiansuper.com/pds](https://australiansuper.com/pds)

The Member Direct investment option is not available in TTR Income accounts.

Option	Assets you can invest in using this option	Cash account fee	Portfolio administration fee*	Brokerage fee
Cash account	Cash	0.12% of your Cash account balance	Nil	Nil
Term Deposits†	Cash <i>and</i> Term Deposits		\$150 pa	Nil
Shares, ETFs & LICs	Cash <i>and</i> Term Deposits <i>and</i> ASX 300 shares, ETFs & LICs		\$395 pa	If you buy and sell shares, ETFs and LICs, Brokerage fees will apply. Refer to Brokerage fees in the <i>Fees and costs</i> guide or <i>Choice Income Product Disclosure Statement</i> .

\* Your Portfolio administration fee is determined by the option you select and not by the type of assets you hold. If you no longer hold the core asset type, you can reduce this fee by selecting a different option at any time via the platform.

† If you redeem your Term Deposit(s) prior to their maturity date penalties will apply. Refer to the *Fees and costs* guide at [australiansuper.com/FeesandCostsGuide](https://australiansuper.com/FeesandCostsGuide) or the *Choice Income Product Disclosure Statement* at [australiansuper.com/pds](https://australiansuper.com/pds) for more details.



## Notes

As Australia's largest super fund, we use our size and scale to benefit members.

Our Adviser Services team are ready to help you with any administrative, product or technical queries.

For registered advisers, call Adviser Services  
**1300 362 453** 9am to 5pm AEST/AEDT weekdays

Email [adviserservices@australiansuper.com](mailto:adviserservices@australiansuper.com)

Visit [australiansuper.com/AdviserResources](https://australiansuper.com/AdviserResources)

**AustralianSuper Adviser Services**  
**Locked Bag 20048, Melbourne VIC 3000**

For financial advisers who want to register with us, or who aren't registered but need to find out how to access their client's details:

Call **1300 300 273** (press '6' after the first voice prompt) 8am to 8pm AEST/AEDT weekdays



This document has been prepared and issued in September 2022. This information has been prepared for financial advisers only. It is not suitable for retail clients. The information is correct at the date of preparation and may be subject to change. This document may contain information that is general in nature and does not take into account any investors personal objectives, financial situation or needs. Before making a decision about AustralianSuper, investors should consider their financial requirements and read our Product Disclosure Statement, available at [australiansuper.com/pds](https://australiansuper.com/pds) or by calling **1300 300 273**. 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) AustralianSuper Pty Ltd ABN 94 006 457 987 AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898.

Reader's Digest Most Trusted Brands – Superannuation category winner for 10 years running 2013–2022. AustralianSuper received the Canstar Outstanding Value Award for Superannuation in 2022, and Account Based Pension in 2021. Awards and ratings are only one factor to be taken into account when choosing a super fund [canstar.com.au/star-rating-reports/superannuation](https://canstar.com.au/star-rating-reports/superannuation)