

# 2024 Annual Member Meeting



## Minutes of the 2024 AustralianSuper Annual Member Meeting

Held online, Tuesday 19 November 2024, 6pm–7:45pm (Melbourne time)

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<b>Presenters:</b>	Paula Benson, Chief Strategy Officer Dr Don Russell, Chair Paul Schroder, Chief Executive Rose Kerlin, Chief Member Officer Philippa Kelly, Independent Director and Investment Committee Chair Mark Delaney, Chief Investment Officer and Deputy Chief Executive
<b>Present:</b>	Michele O’Neil, Janice van Reyk, Glenn Thompson, Gabrielle Coyne, Misha Zelinsky, Julia Angrisano, Claire Keating, John Dixon, Craig Cummins (Auditor), Jeff Warner (Actuary), Michele Glover, Damian Moloney, Peter Curtis, Andrew Mantello

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### Important information

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The presentations relate to the financial year ending 30 June 2024.

Please remember investment returns are not guaranteed and past performance is not a reliable indicator of future returns.

The Financial Services Guide is available at [australiansuper.com/representatives](https://australiansuper.com/representatives)

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## Formal presentations

### Welcome

Ms Paula Benson, Chief Strategy Officer, spoke to the following matters:

- welcomed members and attendees to the AustralianSuper 2024 Annual Member Meeting
- acknowledged the traditional custodians of the land and paid respect to their Elders past and present and extended respect to any Aboriginal and Torres Strait Islander people watching the meeting
- noted the Annual Member Meeting is important to the Fund as it:
  - enabled the Fund to update members on AustralianSuper's activities for FY24, including investment performance, economic outlook, and initiatives to improve retirement outcomes
  - provided an opportunity for the Fund to hear from members and enable members to ask questions of the Board and Executive in real-time and offer feedback, and
  - sought to help members feel more informed and empowered in managing their superannuation
- noted that AustralianSuper Directors, its Actuary and Auditor were in attendance
- provided an overview of the meeting format, which consisted of one hour of presentations followed by a question and answer session and explained that questions could be submitted through the Q&A box from 7pm
- noted that the information provided at the meeting may include general financial advice which does not take into account personal objectives, financial situation or needs and that before making a decision, one should consider if the information is right for them
- highlighted that AustralianSuper is a profit-for-member fund run to benefit over 3.4 million Australians
- introduced Dr Don Russell, providing an overview of Dr Russell's experience and deep understanding of finance, superannuation and public policy.

### Board update

Dr Don Russell, Chair, spoke to the following matters:

- greeted all members and the Directors of AustralianSuper in attendance and noted that it was important for the Board and key staff to actively engage with members
- expressed the hope that members would find the presentations and question and answer session useful and encouraged members to provide feedback
- to the Directors in attendance, particularly Ms Philippa Kelly, Chair of the Investment Committee
- noted that the competitive nature of the superannuation industry drives AustralianSuper to continuously improve
- acknowledged the financial challenges faced by many members, including high living costs and inflation
- noted that within this environment, the Fund has worked to deliver solid investment returns while balancing risk and growth
- noted the fluctuations of investment markets and that superannuation is a long-term investment
- acknowledged AustralianSuper welcomed over 445,000 new members in the period and manages over \$340 billion for 3.4 million members
- noted the Fund's emphasis on listening to member feedback and providing a better member experience by reducing costs and leveraging the scale of the Fund, and ongoing initiatives to improve member service, including a Member Resolution Centre, Bereavement Centre, and new insurance claims assessment model
- noted focus areas for the future:
  - supporting the estimated 900,000+ members who are retired, partly retired or transitioning into retirement with new products, services, help and advice
  - advocating for changes to the retirement system for increased simplicity and flexibility
  - emphasis on improving organisational culture to support member-focused performance

- acknowledged the work of Paul Schroder as a dedicated and tireless leader and further acknowledged the work of the entire AustralianSuper team
- thanked the audience for being members of AustralianSuper.

### **Fund update**

Mr Paul Schroder, Chief Executive, spoke to the following matters:

- thanked members for their participation and reiterated the Fund's commitment to helping them achieve their best financial position in retirement
- noted that while high prices and interest rates have impacted household budgets and financial security, the Fund has remained focused on keeping costs down, providing the key services members want and need and delivering strong long-term returns to help secure members' retirements.

### **Investment returns**

- Noted the Balanced investment option, in which most members are invested, delivered 8.46% for members in super (accumulation phase) and 9.25% for Choice Income members in FY24
- noted that the Balanced option continues to rank highly over the long term, with an average annual return to 30 June 2024 for super or accumulation phase of 8.07% over the last 10 years and 9.26% since the Fund started in 1985
- presented figures which compared AustralianSuper's performance against a poor-performing fund and a median-performing fund for the last financial year and the last one, five and ten financial years to 30 June 2024
- provided an example of net benefit for a member with the Choice Income (Balanced option) product, comparing an AustralianSuper Choice Income (Balanced option) account with the average of all super funds and the average of all retail funds, with the same starting balance, the same average yearly income payment, investment earnings over ten years (less fees and costs) and the resulting higher balance for the AustralianSuper member
- noted the importance of strong investment returns, driving down costs and maintaining low admin fees to maximise net benefit for members.

### **ESG**

- Noted that the Fund's approach to responsible investing was important to the Fund and to many members
- noted AustralianSuper believes companies that are well governed and manage environmental and social issues well provide better long-term returns for members and highlighted the Fund's position that investing responsibly means being an active investor and steward of members' money, with the aim of creating better long-term financial outcomes
- noted that the Fund focuses on the environmental, social and governance (ESG) risks and opportunities that AustralianSuper believes will have the greatest financial impact on members' returns
- outlined the three pillars of the Fund's ESG approach: integration, stewardship and choice, and how they are applied
- displayed the Fund's nine ESG focus areas and highlighted good governance as a critical point of focus, with the Fund actively engaging with invested companies to improve corporate governance in order to deliver long-term value for members
- noted the Fund will act on issues that are important as an investor.

### **Strategy**

- Presented a slide with a summary update on the 2030 Strategy
- noted three points of focus of the long-term strategy:
  1. long-term investment performance – effectively managing members' growing retirement savings; strengthening the Fund's size, scale, skill and global presence

2. improving member service – continuous improvement of services and guidance to meet increasing member expectations and deliver world-class value, noting that members have every right to have high expectations of the Fund
  3. helping members prepare for retirement – listening to members and providing the right products and services for members in and transitioning into retirement while ensuring the superannuation system has the right settings for members
- noted the Fund aims to leverage its size and operational excellence to provide better value to members, including advanced technology, data analytics, and cost efficiencies
  - noted the Fund is working to deepen and mature its risk management framework consistent with its size and scale in global markets, with the assistance of management consultancy Oliver Wyman and the regulator, APRA
  - thanked members for joining the event.

### Member services

Ms Rose Kerlin, Chief Member Officer, spoke to the following matters:

- presented a slide showing the volume of member interactions via various channels in FY24
- noted the Fund's aim is to continuously improve member experience, deliver good value products and make it simpler and easier for members to confidently manage their retirement savings
- noted the Fund listens to members through a range of channels and welcomed continued member feedback to drive improvements to member services
- noted member feedback drives improvements and outlined digital improvements undertaken, including the implementation of authenticated messaging within the Member Portal and mobile app for secure interactions; simplified registration and login processes for new and existing members
- noted the Fund had worked hard to reduce the wait time for calls to the Contact Centre and reported that in the last financial year, the average wait time was 45 seconds
- noted improvements in insurance and insurance claims, including a halving of the time taken to assess insurance claims and insurance premiums reduced by an average of 7.7% per insured member, effective September 2024
- highlighted the establishment of a Member Resolution Centre in June 2024 to expedite the resolution of member complaints, which is delivering a significant improvement in response and resolution timeframes
- noted a Bereavement Centre was established in April to support the loved ones of members as they finalise their super account
- acknowledged that some death benefit claims had been subject to an unacceptable processing delay following a claim backlog that emerged during the pandemic and that the Fund was working hard to finalise outstanding claims and impacted members' beneficiaries would be contacted over the coming months and compensated to place them back into the position they would have been, or as close to that position, had the delays in processing not occurred
- presented a slide on key points of focus going forward
- noted that looking forward, the Fund will continue to improve help, guidance and value for members through initiatives including the transition of the Contact Centre to a new provider with a strong global track record; the introduction of more secure ways to log into the Member Portal; and expanded online capabilities for submitting insurance claims, updating details, and joining our Choice Income pension plan
- noted an enhanced focus on providing personalised guidance and technology-driven solutions to guide members in retirement; planning and updating products and services to meet the evolving needs of retired or retiring members
- thanked attendees for being members and emphasised the Fund's commitment to providing members with a personalised, timeless and seamless experience now and in the future.

## Investment overview

Ms Philippa Kelly, Chair of the Investment Committee, spoke to the following matters:

- outlined the Investment Committee's role to oversee investment strategies for each Fund option, ensuring they align with the risk appetite and liquidity limits set by the Board
- noted Fund activity is informed by the global context, geopolitical events and the Investment team's views
- noted three key areas influencing markets and investors globally:
  - technological advancements, especially AI and the strength of the US economy, have been major contributors to US equity market performance
  - conflict across the Middle East, with its tragic humanitarian consequences and potential long-term global economic impact, and
  - the role of the Reserve Bank in reducing inflation
- noted the Fund is the 16th largest globally, with member assets expected to grow to \$500 billion in the next five years
- noted the growing member base, with more than 900,000 members retired or transitioning to retirement, and noted the Fund will position the portfolio to focus on growth opportunities and long-term investments to manage the Fund's liquidity needs.

## Investment strategy

- Noted the Fund will increase its exposure to listed markets, particularly international equities, which provides exposure to AI and technology-driven stocks and will remain an important driver of long-term returns
- compared the size of global equities, global private markets and Australian equities markets
- noted that public equity markets will remain the largest proportion of the portfolio but highlighted the importance of investments in unlisted or private markets for higher long-term returns and presented a slide demonstrating that private markets have outperformed listed assets over the long term
- noted private equity offers the potential of higher return, albeit with higher risk, as evidenced by the Fund's disappointing investment in Pluralsight, but noted this investment needed to be considered in the context of the overall portfolio, with private equity one of the Fund's top-performing asset classes over the long term
- noted the Fund also has investments in critical infrastructure, including a significant stake in US data centre platform Databank, reflecting the growing demand for AI and digital services and the Fund's belief that data and digitalisation will continue to influence global economies into the future
- noted the Fund had more work to do and was focused on restoring shorter-term performance to match long-term results for members
- outlined the Fund's internalisation strategy, which was expected to save \$1.5 billion annually by 2030
- concluded by thanking members for their continued trust in AustralianSuper.

## Investment update

Mark Delaney, Chief Investment Officer and Deputy Chief Executive, spoke to the following matters:

- thanked everyone for attending and noted the privilege of managing members' retirement savings
- noted key performance metrics for FY24, with the Balanced Plan delivering 8.46% over the past year to 30 June 2024
- presented a slide showing one, ten, 15 and 20-year investment performance to 30 June 2024 in both accumulation and pension
- presented a slide showing one-year returns to 30 June 2024 on pre-mixed investment options for both accumulation and pension, noting higher returns in Index Diversified, High Growth and Socially Aware options and lower returns in Conservative Balanced and Stable options
- noted in general, the options that had more shares performed better than those that had more unlisted or fixed-income style assets

- presented a slide showing asset class returns and asset class allocation one-year investment performance to 30 June 2024
- noted the following contributed to investment returns:
  - AI and tech stocks dominated the market, with Nvidia being the standout performer, seeing share price growth of almost 100% per year over the past five years
  - private markets faced challenges, particularly in property and fixed income, due to higher interest rates and weaker earnings
  - infrastructure was the best performing of the private markets, such as the Fund's investments in ports and airports
  - headwinds in property investment with the write-down in values of offices stemming from higher vacancy rates due to people working from home
  - private equity returns were impacted by the write-down of Pluralsight, reflecting the business facing a more challenging operating environment
  - fixed income and cash returns were positive
- presented a slide on asset class investment performance over three and ten years to 30 June 2024, with International Shares and Private Equity as the strongest-returning asset classes in the long term, followed by Unlisted Infrastructure and Australian shares
- noted that Property as an asset class has performed poorly for some time but noted AustralianSuper has relatively small exposure, and it is hoped the adjustment is reaching the bottom
- presented a slide on investment returns for the Balanced option over one, five and ten years to 30 June 2024, comparing AustralianSuper to the median fund
- noted AustralianSuper's performance was below the median for the second consecutive year, primarily due to defensive positioning early in the year in anticipation of a downturn that didn't materialise; the performance of private markets, which have lagged behind the strong performance of listed markets and the challenging environment for stock pickers in a sharemarket dominated by a small number of expensive stocks
- presented a slide showing growth of \$100,000 invested in the Balanced investment option over 20 years, noting \$100,000 investment in the Balanced Plan in June 2004 would have grown to \$453,000 over 20 years without any additional contributions, demonstrating the benefit of compounding in growing a balance, the power of portfolio diversity and the importance of investing for the long-term through market volatility. Returns did not include all administration, insurance and other fees and costs that are deducted from account balances
- presented a slide on the macroeconomic environment
- noted in contrast to other countries, the US economy has continued to do well despite high interest rates, partly due to consumer spending, as well as strong corporate earnings, strong employment growth and digitalisation and AI
- presented a slide on the key themes impacting the economic outlook: global outlook, central bank policy easing, and digitalisation and AI
- noted that it is difficult to predict the future; however, the US economy is expected to continue to grow steadily; it is thought that inflation will continue to decline and that interest rates are likely to decrease but will remain higher than pre-2020 levels. Growth assets, in particular those tied to digitalisation and strong earnings, are expected to perform well, while unlisted assets that have now adjusted to higher interest rates are expected to see improved returns
- noted AI and digital transformation are the biggest factors driving equity markets and other investment classes at present and outlined the impact AI will have on industries, comparing it to the historical shift brought by electricity and the internet and anticipating long-term productivity gains and strong economic growth
- noted the broader impact of AI will take some time to emerge, and active management will be crucial to identifying future opportunities, particularly in the application of AI and digital technology, which will likely emerge outside of the current tech stocks
- noted that as at 30 June 2024, AustralianSuper had more than \$165 billion invested in Australia, which makes every member a significant investor in and supporter of our local economy

- noted the Fund also invests a considerable amount of money internationally, giving members access to big investment opportunities like Nvidia, Microsoft, Google, and Amazon
- noted that to facilitate high-quality investment opportunities, AustralianSuper has continued to build its investments and internal teams in key overseas markets, with offices in the US and the UK
- noted internalisation and globalisation are expected to save members up to \$1.5 billion annually in the long term
- thanked the Board, the Investment Committee, and the AustralianSuper team for their continued support. He expressed gratitude to the 3.4 million members for their trust in AustralianSuper and reaffirmed the commitment to helping members achieve their best financial position in retirement.

### **Conclusion of formal presentations**

Ms Benson thanked Ms Kelly and Mr Delaney for providing their insights and advised that questions for the question and answer session should be typed into the questions box. It was noted that a response to any questions that could not be answered at the meeting would be provided afterwards via the minutes of the meeting.

Ms Benson advised that questions and their answers would be made publicly available. She reminded members not to include personal information in the messages or questions due to privacy reasons. She also outlined how members with questions relating to their personal account or personal situation could contact the Fund.

## Question and answer session

We have a question from Taban for Education Manager Peter Treseder: how much money do I need to retire comfortably?

PETER TRESEDER: Well, thanks, Taban, for your question, and it's probably one of the most common questions I get asked, and it's probably one of the hardest questions to answer because of how much you will need to be comfortable in retirement is different to anyone else. You've probably heard you need \$1 million to retire comfortably. Well, it's all going to depend on what you're going to be spending in your retirement life. So maybe it's worthwhile doing a budget to work out what that expense is going to be, then to look at what your super account is today, and given the increase in super contributions from the compulsory 11.5% this year to 12% next year, what that's going to grow to, and if it's going to grow to the amount to fund the retirement income you want to have in retirement, you may have that comfortable retirement you're looking for. So, there's a calculator on the AustralianSuper website that may help you do that. You put in your age, your income and what you've got in super today, and it will project forward, with a number of assumptions, what you could have at your designated retirement date, and that amount of super, maybe along with some Government pension, might be able to give you that comfortable retirement you need. And you can always get help and advice from AustralianSuper to craft a retirement plan for you to achieve that comfortable retirement you're after. Thanks, Taban.

PAULA BENSON: Thanks, Peter. We now have a question from Mark for Philippa Kelly: with the significant growth in funds under management, how do you expect to outperform the market, and what gives members confidence that this is achievable?

PHILIPPA KELLY: Thank you, Mark. That's an insightful question. First, we don't believe that our size restricts our ability to deliver our long-term outperformance. Secondly, as you've heard a number of times tonight, we're an active investor. So our aim is not simply to invest your money passively, but we focus on investing in quality assets that we believe will outperform the broader market.

There are a number of advantages that come with our size and scale. It allows us access to deal flow and deal teams that may be unavailable to smaller funds; it allows for economies of scale when it comes to costs per member; and it allows us to attract top-quality people to work in the Fund. It also allows us, as Paul has mentioned tonight, the ability to advocate for good governance to influence decisions with the companies we invest in.

So as member assets continue to grow, we intend to continue using our size, investment capability and global reach for the benefit of members. We're conscious that while we're the largest fund in Australia, we're not the largest in the world, and we have done and will continue to look and learn from other large funds around the world to also understand how they have harnessed their growth and managed to provide effective investment performance. Thank you, Mark.

PAULA BENSON: Thanks, Philippa. We now have a question from Hayley for our Head of ESG and Stewardship, Andrew Gray: what is your policy or views with regard to climate change?

ANDREW GRAY: Thanks, Paula, and thanks, Hayley, for the question. A way to answer that question, I'll take you through how we're monitoring emissions in the portfolio, how we're engaging with companies and how we're using our stewardship rights, such as voting on climate change.

Certainly AustralianSuper recognises climate change as a significant investment issue, so there's going to be investment risks and opportunities as the economy transitions to low carbon or ultimately net zero. As Paul mentioned in his opening remarks, climate change is one of our nine focus issues, so it's certainly something that my team, the ESG team, is focused on.

One of the key things that we do is monitor the emissions profile of the portfolio. We've actually developed an internal carbon tracking analysis to do this. So, by way of an example, for the internally managed fundamental Aussie shares portfolios, this tracking analysis shows that of the companies that have reported their emissions, 90% of those emissions are accounted for by net zero commitments from those companies.

Also, the analysis tells us that the carbon intensity of the portfolio is projected to decline quite substantially, so the current intensity is 66 tonnes of carbon per million dollars invested in that portfolio, and that's projected to decline to about 5.5 tonnes in 2050, if all those net zero commitments made by investee companies come true.

So, hence, one of the focuses of my team takes us on to our second activity, which is engaging with companies so that we can understand the basis of those commitments and get a feel for the pathway of delivery. So, to take you through some of the engagements, in FY24, we conducted 104 engagement meetings directly with ASX 200 companies, and climate change was a part of that engagement in almost half, or in about 50, of those meetings.



As well as doing engagement directly, we will also work collaboratively, so we'll do collaborative engagement with a group called the Australian Council of Superannuation Investors for Australian companies, and we're also a member of Climate Action 100+ for international companies. So AustralianSuper was actually one of the founding investors of Climate Action 100+, and that continues to engage with the world's biggest emitters on how they're managing their emissions.

Then, I guess the next step in the process of engagement is voting. So, we'll be very active in assessing climate change-related resolutions when it comes to voting time. For example, for FY 2024 we voted on 126 climate change shareholder resolutions globally and supported 64% of those. In Australia, for FY24 we voted on four climate change-related shareholder resolutions and supported two of those four. The other vote that we will have sometimes is to vote on climate transition plans at companies. In FY 2024, there were two of those that were Australian companies and we supported one transition plan and voted against the other.

Just one final thing I'd say in terms of climate change management. I think it's really important to note a recent development, which was the introduction of mandatory climate reporting. The law was passed in 2024 that all large companies and investors, such as AustralianSuper, will need to report on their emissions and the way they're managing those emissions. We actually see that as quite a useful step for us in trying to manage climate change in the portfolio because it will be a great source of information for us to assess climate change management and risk and opportunity at investee companies, and also for us as AustralianSuper, the reporting requirements will apply to us for FY 2027. We're certainly welcoming of the opportunity via that mechanism to report further to you and the members on how we're managing climate change. I hope that's covered your question, Hayley, and thanks very much.

PAULA BENSON: Thanks, Andrew. We now have a question from Darren for our Head of Asset Allocation, Alistair Barker: what's your position on cryptocurrency?

ALISTAIR BARKER: Thanks very much for the question, Darren. The short answer is we're not currently considering cryptocurrency, but it's worthwhile for me to explain a little bit about how we think about technology just to follow on from Philippa and Mark's comments in their briefing.

So, the first thing we absolutely believe is that technology will continue to transform the world. So, we are hunting for investment opportunities for you and for all of our members that can capitalise on what technology will do. The second thing I'd say is that we are looking at blockchain as a potential investment opportunity, and we have made some small investments in companies that we believe can use the underlying technology for things like the future of registry businesses.

The final thing I'd say is that one thing we grapple with around cryptocurrency is how to value it as an investment. As a responsible investor, we are required to make sure that every asset is valued fairly, but also, as an investor, we have to identify the worth of that underlying investment. The critical challenge with cryptocurrency is how to value it. In particular, most assets are valued on the basis of what income they generate, and given those underlying investments don't necessarily generate a great deal of income, it's very difficult to form a view on value. But it's a very good question, and, as I mentioned, we continue to look for opportunities in the technology space. Thank you.

PAULA BENSON: Thanks, Alistair. We now have a question from Martha for Rose Kerlin: has AustralianSuper improved your processes for releasing the funds of a deceased member? Last year you promised us improvements.

ROSE KERLIN: Thanks, Martha, and yes, I'm happy to report we have made improvements. For some context, when a member dies, their super and any applicable insurance payment becomes payable. Often, this is to a spouse or other family, and sometimes, it's to the member's estate. Managing death claims efficiently with empathy and care is the final service that we can provide members, and we take this responsibility seriously. We're committed to ensuring their savings are paid to loved ones quickly and compassionately through our internal dedicated Bereavement Centre that I mentioned earlier. We've got a team of about 180 colleagues whose sole job is to help beneficiaries with the death claims process or support members with complaints. All death claims are now managed internally.

Beneficiaries are now allocated one internal team member to be their case manager, and that's their contact point throughout the entire claims process. Our aim is to resolve non-complex death claims within four months from the date we receive the first claim form. Currently, 70% of claims are non-complex, and we are meeting our target. The remaining claims are often complex. They've got multiple beneficiaries, for example. In all of them, we are waiting for more information from the claimant. Between August last year and June this year, we've actually seen a 53% reduction in longstanding claims. So while we're seeing pleasing improvements, we will continue to review and

update our processes to ensure the service and support members get for loved ones is the service they expect and deserve.

PAULA BENSON: Thanks, Rose. We now have a question from Sarah for Mark Delaney: how do you manage risk and security? How are my funds diversified safely?

MARK DELANEY: Thanks, Sarah. A really good question. The way we try to manage risk is twofold. The first thing we do is that we try and get a diversified portfolio, and by that, we mean that we have money invested in shares, both Australian and International shares, as well as unlisted asset classes like infrastructure and private equity, as well as more defensive asset classes like cash and, to some extent, credit or other types of loans. So having a spread of investment types in the portfolio means that it won't be affected by one big macro factor or by one big security factor.

The second thing we do is try to actively manage your portfolio. That means we try to anticipate, if we can, adverse events and position the portfolio to be more defensively positioned, or we try to avoid shares that are overvalued and are likely to perform poorly. So active management of the portfolio is our second leg to try to manage the risk in the portfolio.

PAULA BENSON: Thanks, Mark. We now have a question from Jane for Paul Schroder: what are the top issues at AustralianSuper that keep the CEO awake at night?

PAUL SCHRODER: Thanks, Jane, and also thanks for your concern. There are a number of things that we think very deeply about, but if I just strip them back, the first is to, as the Royal Commission said all those years ago, obey the law. So, I spend a lot of time thinking deeply about making sure we understand our obligations, that we've got proper and effective controls in place and that we can meet the law, and not just so we meet the law, but so we can act in a trustworthy way for you and for all the members across the country.

The second is I think a lot and deeply about: are we going to be able to, in answer to the earlier question, make enough money for members, risk-adjusted, so you've got the most money for your retirement?

The third is thinking about member service at a very individual level; making sure that members are being treated well and respectfully and empathetically, because often members are dealing with us at a very difficult time in their lives. It doesn't matter how many members there are in the Fund and it doesn't matter how many times we get it right; every time we get it wrong, it really hurts all of us. So that keeps me awake at night: are we making sure we are doing that properly?

The final thing is: are we employing really talented people, with the right culture? Because I don't want anyone working here, I don't want anyone on this panel, I don't want anyone anywhere in AustralianSuper who isn't every single day thinking the culture of the place is to serve members and to help members achieve their best financial position in retirement.

So I would say the four things that I think the most about are: making sure we know our obligations and that we're meeting all the requirements of the law, that we've got a great plan for continuing to make you risk-adjusted money for your retirement, that we're thinking deeply and caring deeply about member services across the whole spectrum, and that we're only employing really high-calibre people who culturally only care about your result, not theirs. And thanks for asking.

PAULA BENSON: Thank you, Paul. We now have a question from Martin for Kate Leplaw: can you explain how the new contact centre provider will operate? For example, will they be Australia-based?

KATE LEPLAW: Thanks, Martin, for your question. We have been talking a lot this afternoon about the ways in which we're seeking to improve member servicing, particularly in critical areas where our members require the most support. This has included our transition of contact centre services. We went through an extensive process to identify the best partner to transition our contact centre services to. We've chosen an organisation named Concentrix to partner with as the new provider of all of our contact centre services, replacing MFG Pension & Market Services, who currently provide these services to members. The transition of these services is already underway, with messaging having moved at the end of October, and we plan to move our voice transition in a series of waves between November to close towards the end of next financial year.

There are a number of reasons we chose Concentrix. They are a leader in human-centred design and already provide contact centre services for other superannuation funds, so they're a proven entity in that regard. They share strong cultural alignment with AustralianSuper and offer advanced operational and digital capability. Most importantly, Concentrix also uses an Australia-based workforce and provides employment opportunities in regional Australia. The AustralianSuper teams will be based in Brisbane and Townsville. Our longstanding partnership with

MUFG will continue to remain strong, as we work with them to support members and employers into the future on administration, data and risk services. Thank you.

PAULA BENSON: Thanks, Kate. We now have a question from Renato. Another one for Alistair Barker: how do you see the US election affecting performance of the Fund?

ALISTAIR BARKER: Thanks for the question, Renato. Unfortunately, there are not enough minutes in this meeting to go through this in the proper depth, but I'll give it a shot in a few minutes for you. The simple fact of the matter is the impact of the election is uncertain and we'll see how it plays out over time. But what I can talk about is how we think about it and the process we go through. So the most critical thing we think about is to what extent can the policies of any government impact the trajectory for growth of the economy, and when we look at what could be happening in terms of announced or potential policies for Trump, there's a mix that is positive, so potential deregulation, potential tax cuts, and there's a mix that is negatives, so tariffs, potential deportations. So there's actually quite a mix of policies and hence why I think it's uncertain.

One thing we do know, and we can look at history, so if we look at the first Trump presidency, it was a period where markets performed reasonably well, but there was a lot of volatility. That's probably not a bad starting point to think about the implications. What we know from the first two weeks of market reaction post the election - the reaction has actually been fairly muted. Equity markets are more or less where they were before the election and fixed income markets haven't reacted greatly since the election either. But both those markets reflect a core view that economic growth is OK, interest rates are decreasing but perhaps not as much as what people might have thought around a year ago. So I hope that provides a little bit of colour but, like you, I'm eagerly watching to see what policy announcements are made. Thank you.

PAULA BENSON: Thanks, Alistair. We now have a question from John for our Chief Technology Officer, Mike Backeberg: please outline the measures AustralianSuper is taking or intends to take to minimise super scams for Fund members?

MIKE BACKEBERG: Thank you, John. It's a really interesting question. I'm going to take a moment just to talk about what's changing in the nature of scams. The biggest threat at the moment is the introduction of artificial intelligence. So scams have been around for a while, but for members, artificial intelligence has become a real threat to how we manage scams. Today, we have a set of controls in place that already provide protection over activity across the various assets. That includes things like the Member Portal and the public website. Scams, though, originate usually through a breakdown in human behaviour, and that is people trying to send you information that is malicious, and that will be surfaced through things like emails that have links in them or potentially being contacted by someone who's pretending to represent AustralianSuper. I strongly encourage you to think of it this way: when you receive an email, if you are uncertain, don't click on the link; rather, contact AustralianSuper. That will really help you establish that you're working with somebody you can trust. Secondly, if you are getting advice from someone and you are uncertain, verify that that person is, in fact, entitled to provide you that advice and can give you the guidance that you need to make the right decision. That will really protect you.

The technology is emerging to support what happens in scams and protection of scams, and that's across technology generally. We are working very closely with some of our partners, including our administrator and our Trustee, and we are looking at what's happening in other industries, such as banking, which can really help us mitigate the impact of scams on members. Thank you, John.

PAULA BENSON: Thanks, Mike. We now have a question from Karin for Paul Schroder: please provide an update on the ASIC case and how any penalty would be funded.

Q. What is the outcome of the ASIC case against Australian Super? Will members be hit with additional fees because of this.?

Q. Please advise what effect legal matters pertaining to Australian super will have on members' accounts.

PAUL SCHRODER: Thanks, Karin. For those members who were at last year's Member Meeting, you'll know that I reported on this issue, which is described as multiple member accounts. Just to put some context to that, we discovered that there was a process that we should have been employing annually to bring together multiple accounts. In the system, there are many people with many accounts at different funds, but you shouldn't have multiple accounts within one fund unless you've chosen to do it. Us getting that wrong was really humiliating for the organisation because we'd been urging people to bring accounts together and we thought we were doing the right thing, but we found that we weren't from a period of about 2013 to 2019 or 2020.

We found that problem. We fixed that problem. We've repaid everybody so that they're in the position that they would have been in. We reported that to ASIC, and, of course, I reported it directly to all of you last year. Since that

time, ASIC and AustralianSuper have been engaging. I need to be very thoughtful because the matter is still before the courts but it's quite likely that the court will penalise the Fund and that we'll incur a fine.

The most important thing I'd like to reassure members of is that the problem has been found and the problem has been fixed, and we've been doing the right thing on this topic for a number of years now. But it is likely that we will be fined. If we are to be fined, and noting that all the members have been paid back, so nobody is disadvantaged as we speak, that fine will be paid out of the Trustee risk reserve, and the Trustee risk reserve has been developed over a number of years. So it won't impact admin fees. It won't impact investment performance. We won't need to change prices. The reserve is already in place to deal with that. So, Karin, I hope I've addressed your question.

It was a problem that we found, that we fixed, that we reported. I hope those of you here remember I shared that last year. It's been a really humiliating and difficult time for us because we always strive to do the right thing. In this case, we didn't. We have paid the members affected back. The situation is rectified, but there will still be most likely a penalty to come, subject to the courts, and we'll be able to cover that penalty from reserves that have already been developed over time. So, there'll be no impact on admin fees or investment performance or any need to change any prices.

I thank you for asking the question, and just organisationally, just to reinforce we felt humiliated and terrible that we hadn't done the right thing. We are now doing the right thing and we're putting it right, but be assured that we've sorted the situation out and we're in a position to pay any penalty without incurring any additional pain for members. Thank you.

PAULA BENSON: Thanks, Paul. We now have a question from Kylie for our Head of Member Operations, Pamela Panagenas: why do member statements take so long to be issued?

PAMELA PANAGENAS: Thanks, Paul. Thanks for your question, Kylie. While the financial year ends on June 30, it takes time to receive and process all of the tax and financial information for the Fund. Then, what we have to do is reconcile all of our member accounts to ensure we've got the accuracy and the data quality for meeting our regulatory obligations to produce the annual statements. We endeavour to distribute all of our annual statements by the end of December. We do recognise this time frame doesn't satisfy some of our members' requirements, and we are exploring how we can issue the statements earlier. If you do want to access information early and you've got access to the portal, you'll be able to see all of your data up-to-date, all that information on the website, and that includes balances and transactions for the full financial year that you can access there. Thanks, Paula.

PAULA BENSON: Thanks, Pamela. We now have a question from James for Mark Delaney: what lessons have you directly learnt in the case of Pluralsight?

MARK DELANEY: Thanks, James. Two things I think stand out for me on this. The first one is that despite having the best experts in the world and the best experts in Australia, things can still go wrong and you need to be realistic about it when you undertake these investments, that these things can still go wrong.

The second thing is that when you invest in a company that has taken on a lot of debt, you have to be very suspicious, I think if it needs to grow its current earnings base substantially to be able to fund the debt payments back into the future. So you need a bit more conservative in the balance sheet than what this company had.

PAULA BENSON: Thanks, Mark. We now have a question from Richard for Rose Kerlin: is AustralianSuper considering a life strategy option that automatically adjusts the investment mix as the member gets older?

ROSE KERLIN: Thanks, Richard. Well, an investment life stage product is one that automatically reduces exposure to growth assets and associated risks as members age. We have no immediate plans to offer these types of products. However, we are planning to review our default MySuper offer, which is currently our Balanced investment option, as well as potential tailored glide path solutions in retirement over the course of the next year, which will likely include consideration of life stage products. Thank you.

PAULA BENSON: Thanks, Rose. We now have a question from Jing for Don Russell: why did AustralianSuper amend its trust deed to shield its Trustee Board Directors from fines?

DR DON RUSSELL: Well, thanks, Jing, for the question about the trust deed. It really is quite a complicated area and it's about, at its heart, our profit-for-member model because, as we've said many times, we don't pay dividends or profits to anyone. All benefits go back to members, and this over the years has been a big benefit for our members. But it means that we are different from other financial institutions who do have large shareholder funds, like the banks, and it means that they have large shareholder funds, but that means that they actually have to earn a return on those shareholder funds, and this return is actually paid for by members and customers.

So when changes were made to the super laws in Canberra to make it clear that funds couldn't access fund assets to pay penalties and fines, we had to act because we don't have the shareholders' funds to pay fines and penalties, which means that even a relatively small penalty would have pushed us into insolvency. So we worked with the courts and the late Justice Blue, who was a Justice of the Supreme Court of South Australia, to change our trust deed to set up a Trustee risk reserve, which would be available to pay fines and penalties and thereby avoid insolvency, and to do it – and this was very important – in a way that was in the best interests of our members. So I would actually like to pay my respects to the late Justice Blue and to thank him for his wise guidance that enabled us to put in place the provision that is now there and which the Chief Executive, Paul, talked about so that we are in a position to pay these fines without tripping ourselves up into insolvency. Thank you.

PAULA BENSON: Thank you, Don. We now have a question from Wing Sheng for Philippa Kelly: what risk management steps are in place for investing \$500 million in build-to-rent-to-own projects?

PHILIPPA KELLY: Thank you, Wing Sheng, and I'll take it that your question refers to the investment and partnership that the Fund has made with Assemble Futures, which is an affordable housing operator. All our investments are made to provide the best financial outcome for investors, and that's the lens we make all our investment decisions through. So when we were looking at whether an investment was warranted in the affordable housing sector, we undertook thorough due diligence to ensure that it met the appropriate risk-adjusted return requirements that we have and, specifically, we reviewed a number of models in the affordable housing sector. We settled on the build-to-rent-to-own model, which is the one provided by Assemble Futures, and it's one which we believe is sustainable and scalable. In our view, build-to-rent-to-own offers residents an affordable pathway to home ownership in a very challenging housing market. Thank you.

PAULA BENSON: Thank you, Philippa. We now have a question from Dai Van for Paul Schroder: what will superannuation look like ten years from now?

PAUL SCHRODER: Thanks, Dai Van. This is a fantastic question as well. First of all, superannuation will look as diverse as the membership of the Fund. There'll be most likely five million members of the Fund, and most likely one million of them will be retired themselves, so they'll be having superannuation in a way that means they're going to be spending their own money, which is just what it's all about. So that's terrific.

It's also pretty likely that more people will have more money because the Superannuation Guarantee will have moved from 11.5% to 12%, and so more people will be able to extract those compound interest advantages and the relative outperformance advantages. So the number one thing is more people will have more money and more people will be retired, so more people will be able to spend that money.

Secondly, I'd say that technology will play a really significant role. You'll expect your super fund to be able to do everything that you can do with any other company, including access your money and spend your money. So that's going to be a fundamental thing. The way I like to think about it is like super in your pocket: your phone is there, your super is there, you've got the App, you know what you're doing. Millions of you are already using the App. So there will be more and more of that. So I think more members will have more money. More members will be able to spend their own money. Technology will make all of these things much easier. And, on the other side of things, Australia will benefit because there'll be a bigger capital pool in Australia, which will improve Australia's competitiveness; there'll be more capital to fund Australian businesses and Australian jobs; and individuals will have more money in their account. So it's so important that we all keep striving to be the leading super fund in the world's best system so more people have more money, Australia has more advantages, business gets funded, and individuals can live a better life in retirement, usually in conjunction with the Government age pension.

PAULA BENSON: Thanks, Paul. We now have a question from Dale for Mark Delaney: China, our biggest trading partner, seems to be not travelling well at the moment. What does a weakened China mean for the strategy and the Australian economy and the ASX?

MARK DELANEY: Thanks, Dale. China is the second-biggest economy in the world and a big factor in its growth is the performance of the property market. You might say it generates about a third of its economic performance. At its peak in the middle of 2022, China was building about 160 million square metres of floor space for housing. The more recent figures have that down now at 40 million square metres. It's hard to get your mind around 160 million square metres of housing, but that's what they were doing. Now, that's a decline of 75%. So if anybody asked anybody, "If your housing market was declining by 75%, would there be economic implications?", of course there is. So that downturn in the housing market has also fed through to downturn in housing prices. Prices in Beijing are down - for example, apartments are down 30% – and people are cautious about spending.

So the ripple effects of a falling housing market is feeding into the Chinese economy and it really looked like they weren't going to achieve their 5% GDP growth target. There were policy makers who did nothing for a long time

who about a month or six weeks ago decided to introduce a large stimulus package to try to get the economy going again and try to stabilise the housing market. Let's just see how they go. They've had a pretty fair attempt at doing this and so we're likely to see, if you like, a short-term bounce in China's economic activity over the next three to six months as these measures feed in.

Interestingly, I had a look at how resources have gone, which were beneficiaries of Chinese economic activity, and in a year whereby the Australian equity market has done very well, the resources sector has done zero over the 12 months to the end of October. So resources have suffered from the weakness in China and may do a little bit better with the bounceback in China activity.

PAULA BENSON: Thanks, Mark. We now have a question from Anthony for Head of Insurance Product, Richard Land: do the life insurance fees go to a separate for-profit entity? If so, please outline the relationship between AustralianSuper and the insurance entity.

RICHARD LAND: Thanks for the insurance question, Anthony, and, yes, AustralianSuper insurance is provided by TAL, a leading Australian for-profit insurer, and members' insurance fees do go to provide the cost of the insured risk, expenses for insurance, such as claims assessment, and also a margin for TAL to cover the cost of capital and profit. AustralianSuper makes sure we get value-for-money insurance from members by using our scale to get a good deal from the insurer. Thank you.

PAULA BENSON: Thanks, Richard. We now have a question from Deborah for Head of Member Experience, Kate Leplaw: when will you add a search engine function to the Fund's website to make it easier to find information and documents on the website?

KATE LEPLAW: Thanks, Deborah, for your question. We undertake regular enhancements across all our digital channels, informed by member feedback. These improvements are released frequently, sometimes as often as every two weeks. In relation to search particularly, we have heard your feedback that search on our website sometimes fails to effectively retrieve the information that you were looking for. We are currently conducting a review of different tools to uplift search functionality, aiming to enhance results and ensure a better experience. We're also working through other website improvements, including simplifying navigation, improving self-service options and providing better content personalisation. We expect these improvements to roll out progressively for the rest of this year and into the next. Thank you.

PAULA BENSON: Thanks, Kate. We now have a question from Donald for Rose Kerlin: what are you doing to improve services and support for those moving from accumulation to retirement?

ROSE KERLIN: Thank you, Paula, and I appreciate the question from Donald. So, improving members' retirement outcomes is a strategic priority for the Board and for the Fund, and work is currently underway to deliver an enhanced retirement solution designed to address the diverse needs and preferences of members, including tailored guidance for them throughout their retirement journey.

This solution that we're developing is going to really help members navigate the complicated financial and life decisions that they have to make, like product choice, investment strategies, and retirement income and spending needs, like how much do they need and how long will it last? We're also very conscious of the critical role that guidance and advice plays in supporting members in their journey from accumulation into retirement. So affordable, timely and appropriate information, guidance and advice help members feel much more confident about managing their retirement savings.

Right now, we offer members access to help and guidance through our website, through seminars, webinars, over the phone, by video and also face-to-face, and where members have got an external adviser, we also make it easy for that adviser to deal with AustralianSuper via our Adviser Services team and the adviser portal.

Last December, we launched a new resource on our website to help members with their retirement and it's called the Elements of Retirement Guide. You can find a link to this interactive guide under Resources on the home page of tonight's event. That guide answers some of the really commonly asked questions that people have when they're planning for retirement and it's got a heap of information and tools in it, like podcasts, videos, calculators, graphics for all different learning styles and knowledge levels. I'm really pleased that over 100,000 members have used that since it first launched, and I really encourage you to get onto the website and take a look. Thanks.

PAULA BENSON: Thank you, Rose. We now have a question from Susan for Chief Risk Officer Andrew Mantello: can you tell us more about what you're doing to mature risk management?

ANDREW MANTELLO: Thanks for the question, Susan. So, as Paul mentioned earlier, we've engaged the help of Oliver Wyman to help us design a risk management framework that supports our strategy of being the leading

Fund in the world's best system for you. And so, in doing that, we're embarking on a program of works to design, implement and embed that framework that puts risk management at the heart of what we do and makes sure that we've got a framework that provides the right outcomes and the right decision points as we make decisions and pursue our activities for members.

From a people perspective, us as leaders will be role modelling what it means to be risk aware and to have that right tone from the top, and we expect all of our colleagues to be risk-aware when they go about everything that they do day-to-day for members. What that requires is a risk architecture that is simple and easy to understand and allows the critical threats and opportunities to bubble up to the surface so they can be effectively managed. This means we need the infrastructure, which is supported by quality data that allows for quick decision-making. So, in effect, what we're looking to do is put in place a framework that allows for the right decisions to be made by the right people at the right time. Thank you.

PAULA BENSON: Thanks, Andrew. We now have a question from Giuseppe for Peter Treseder: I'm 55 years old and retired. What's the earliest age I can transition from the Balanced option to a pension account?

PETER TRESEDER: Hi, Giuseppe, and thanks for your question. To take money out of super, you've generally got to meet a condition of release. Now, you've met one of those by ceasing work. The other condition is you need to be 60 years of age. So, the earliest you'll be able to access your super is the age of 60. You can then move your money from that accumulation account to a pension account, and within that pension account, you can choose how it's invested. You have the same investment options that you have with your accumulation account, the difference being, though, in a pension account, there's no investment tax paid on the earnings that AustralianSuper makes on your money. So thanks for your question.

PAULA BENSON: Thanks, Peter. Another question for you: can members seek advice from AustralianSuper financial planners to give advice on what to do when you retire in terms of financial planning, such as drawing out your money from your super fund and making a long-term plan?

PETER TRESEDER: Well, thanks for your question, Haillin, and it's a good thing you're thinking about planning for the future because when most Australians think of their retirement planning, they take a very Australian attitude of 'she'll be right'. Now, it's not always going to be the case. So AustralianSuper does offer you assistance. That can be assistance over the phone or with a financial planner face to face. We'll engage with you the way you want to engage with us, and it might start simply with one of the calculators, working out are you on track to achieve the retirement outcome you're after, and then talking to a financial planner about what those plans are in retirement and how you can fund those. So by calling AustralianSuper on 1300 300 273, you can start that journey into retirement planning and speak to an adviser and hopefully get that retirement you're looking for. Thanks.

PAULA BENSON: Thanks, Peter. We now have a question from Pierre for Andrew Gray: what is the plan to stop investing in fossil fuel energies?

ANDREW GRAY: Thanks, Paula, and thanks for your question, Pierre. So we recognise as the global economy transitions to net zero, there will be a change in the energy mix across the economy. We believe that fossil fuels will still have a role to play, particularly in the short term, but that will be a diminishing role as renewables take up a bigger share of the energy mix and as climate change solutions start to emerge.

Having said that though, we're investing to generate the best investment returns for members, so we need to do that by having a diversified portfolio that can invest in a range of opportunities. So therefore, we do see it important that we have the opportunity to continue to invest in fossil fuels while they remain part of the energy mix, albeit a diminishing part of that mix.

A final thing I would say in terms of ownership: clearly by not owning a company, we're concerned that we may give up ownership rights, such as voting and engagement. So I guess we're just cautious in terms of giving up diversification or giving up ownership rights, which is why we're needing to have the opportunity to invest in fossil fuels. Thank you.

PAULA BENSON: Thanks, Andrew. We now have a question from Maraden for Paul Schroder and Peter Treseder: can funds in AustralianSuper be used to buy a house in the future?

PAUL SCHRODER: Thanks, Maraden. Well, sort of yes and no is the answer. You can't take money out of your super from the contributions of the Superannuation Guarantee, the things that are part of the law to be put into your super, because that's for your retirement, and if you took that money out, you'd probably lose \$4 or \$5 for every dollar you took out because you miss out on that compound interest. So you can't take that money out, and, frankly, you shouldn't. It doesn't help with housing and it doesn't help get people into houses and it affects people's retirement balances ultimately. But there is a terrific scheme called the First Home Super Savers Scheme. So if you

want to put extra money into your super, it can get all the benefits of earning inside the Fund and all manner of tax advantages and you can build a deposit.

So the first part of the answer is no, you can't take the money that's going in for your retirement, and that's right and that's as it should be, but you can put in additional money over a period of time, get all the benefits of super, build a deposit. But why don't I ask Peter Treseder, who spends a lot of his time talking with members about this, would you mind just explaining a little bit about the First Home Super Saver Scheme, Peter?

PETER TRESEDER: No worries. Thanks, Paul, and thanks, Maraden, for the question. As Paul said, the money going into super from the compulsory superannuation contributions can't be withdrawn, but if you put additional money into super, you can take that out at a future date to buy your first home. It is only your first home. The advantage there is the way that contributions are taxed into super. So having some money to save towards that first house, that is great. If you put it into the bank, you're going to be putting it into the bank in after-tax dollars. If you make a salary sacrifice to super, it's only going to be taxed at 15%, so there's a saving there if your marginal tax rate is greater than 15%. Now, of course, everyone's got to look at this from their own personal point of view and advice may be needed. You can then withdraw that money out of super to pay the deposit potentially for your new home. Now, there are some limits about how much can go in each year and how much you can take out in total, and there are more details about the First Home Super Saver Scheme, which is a great alliteration, on our website. So please have a look at that to guide you further, thank you.

PAULA BENSON: Thanks, Peter. We now have a question from Oliver for Philippa Kelly and Mark Delaney: how much money has been invested in private equity and what safeguards are in place to protect these funds, given the opaque nature of private equity?

PHILIPPA KELLY: Thanks, Oliver. I'll deal with the first part of your question. At the end of June this year, we had approximately \$15 billion invested in private equity, which is about 4% of the overall Fund and 5% of the Balanced fund. We've mentioned a couple of times already this evening that it's been one of the Fund's top-performing asset classes, with returns of 10 and 12% respectively over the past five and ten years as at June 2024.

MARK DELANEY: And the second part is what safeguards are in place. Well, we invest with private equity managers and we use a specialist adviser called Hamilton Lane from the US, who is probably the premier manager in selecting private equity funds, and so we have a very select list from them which we choose from and they help us monitor the managers. When we invest in deals alongside the private equity managers, we also get all the financials on how these companies are performing, so we've got clear line of sight to the companies and strong feedback and information from the Hamilton Lane advisory service.



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Please note, in some instances, similar questions have been grouped together and provided the same answer. Personal questions are not able to be answered in the Minutes.

# 1 Advice & Education

## 1.1 How much do you need for retirement at age 60?

How much you need for retirement is different for every individual and their circumstances. How much you need will come down to what lifestyle you would like in retirement. AustralianSuper has a digital resource to help you understand what you might need to consider regarding how much you might need in retirement:

[australiansuper.com/elements-of-retirement/get-started/elements/planning-for-retirement/how-much-do-i-need](https://australiansuper.com/elements-of-retirement/get-started/elements/planning-for-retirement/how-much-do-i-need)

## 1.2 How much do you need to retire as of 2024?

How much money do you need to retire? You might have heard that you need \$1 million – that's the figure often thrown around as the financial retirement ideal. But the truth is, there's no one-size-fits-all figure. Retirement will look different for everyone. AustralianSuper has a digital resource to help you understand what you might need to consider regarding how much you might need in retirement: [australiansuper.com/elements-of-retirement/get-started/elements/planning-for-retirement/how-much-do-i-need](https://australiansuper.com/elements-of-retirement/get-started/elements/planning-for-retirement/how-much-do-i-need)

## 1.3 How much limit withdraw the money age 59?

You cannot access your money in superannuation for retirement purposes until you meet your legislative preservation age. This is when you reach 60 years of age. Once you have reached preservation age, you also need to meet a 'condition of release' to be able to access some or all of your superannuation balance. You can find more information at [australiansuper.com/retirement/access-super](https://australiansuper.com/retirement/access-super)

## 1.4 How much money I have if I passed away?

When you pass away, your nominated beneficiaries receive the total of your superannuation balance along with any life insurance you hold in your superannuation account. The best way to find your details is by logging into your member account online: [portal.australiansuper.com/login](https://portal.australiansuper.com/login) or by calling AustralianSuper on **1300 300 273**.

## 1.5 What is the process of requesting for super support in terms illness, lost of job and death, thank you.

The best way to get support in regards to any unfortunate circumstance is simply to contact our AustralianSuper team on **1300 300 273**. Additional information about accessing your super can be found at [australiansuper.com/superannuation/access-your-super-early](https://australiansuper.com/superannuation/access-your-super-early)

## 1.6 What advice do you have for people who are just about to begin their retirement?

Understanding your options in retirement is important to assist with planning. AustralianSuper has a large range of resources regarding retirement planning. Our AustralianSuper Education team run webinars and seminars, both online and physically around Australia. Our Planning for Retirement Journey presentation covers many topics that retirees should be aware of heading into retirement. You can find more information at [australiansuper.com/tools-and-advice/events-and-seminars](https://australiansuper.com/tools-and-advice/events-and-seminars)

## 1.7 What are the best and effective ways to booster our super?

The best way to boost your super will come down to your personal circumstances. For further information on additional ways to grow your super, please visit the following page on our website: [australiansuper.com/superannuation/grow-your-super](https://australiansuper.com/superannuation/grow-your-super)

## 1.8 What are the strategies you will be offering so we could use website and fund options better for investment benefits? Any educational, trainings, monthly meetings for members? What is AustralianSuper doing different than other funds for your members benefits so we could stay with you long term?

Understanding your investment choices and options is important. AustralianSuper hosts investment updates every six months in February (mid-year) and August (end of financial year). This allows our members to hear directly from

our investment team about changes in investments. We also have a range of investment articles for members, which can be found at [australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Members can call our Contact Centre team on **1300 300 273** to arrange an appointment to get advice about which investment option might be the most appropriate for them.

### **1.9 Adviser availability**

AustralianSuper offers access to a number of different advice options depending on how complex your needs are. Adviser availability will largely depend on what type of advice you require. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273**.

### **1.10 How to drive investment more effectively? High risk investment is worth to invest?**

Choosing the right investment option is important. The following link provides more information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also contact the Fund on **1300 300 273** to arrange an appointment to speak with an adviser to discuss your investment options.

### **1.11 Is it possible to schedule a quarterly check 'one on one' from AustralianSuper to get in touch with their members to see if their current cover/plan is best suitable for their needs? recommend is to have a quick phone chat, Microsoft office chat etc....**

AustralianSuper offers access to a number of different advice options depending on how complex your needs are. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273**.

### **1.12 What would be the best investment strategy for people who are still 5 years away from retirement.**

You will need to consider the following: how long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. Please refer to our Investments landing page at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

We also have a helpful article that explains key considerations when comparing investment options: [australiansuper.com/investments/investment-articles/2024/04/compare-investment-options](https://australiansuper.com/investments/investment-articles/2024/04/compare-investment-options)

You can also contact the Fund on **1300 300 273** to arrange an appointment to speak with an adviser to discuss your investment options.

### **1.13 How can I invest myself? Any guidance?**

Choosing the right investments is important. It can affect how much your savings grow and how long they could last. You can either leave the decision to us, choose your own investment options or manage your own investments. Before making your choice, you need to know how much direct control you want over your investments – or how 'hands-on' you want to be.

You can choose from three different investment options, each with a different hands-on level:

- PreMixed – hands-on level: low
- DIY Mix – hands-on level: medium
- Member Direct – hands-on level: high

You can find more information on the options at [australiansuper.com/investments/your-investment-options](https://australiansuper.com/investments/your-investment-options)

### **1.14 How can I make the best use of my super**

#### **1. Compare**

Choosing a super fund that puts members' profits before its own is a great place to start, so make

sure you choose wisely. To compare us with other funds, go to [australiansuper.com/compare](https://australiansuper.com/compare)

## 2. Consider consolidating

Combining your super could mean fewer fees. If you wish to consolidate your existing super visit [australiansuper.com/consolidate](https://australiansuper.com/consolidate) or find your lost super at [australiansuper.com/LostSuper](https://australiansuper.com/LostSuper)

## 3. Contribute extra

Consider adding a little extra to your super, as it could make a big difference to your final balance.

Find out more at [australiansuper.com/growyoursuper](https://australiansuper.com/growyoursuper)

## 4. Check insurance

Most super funds offer default insurance for death and permanent or temporary disablement. It's worthwhile checking if you have adequate cover, need additional cover or if you're paying for premiums you're not aware of.

### 1.15 How can my super help me buying house

If you're a first home buyer, you could consider saving through your super to buy your first home using the First Home Super Saver scheme (FHSS). If you choose to use the FHSS scheme, there are some benefits and limitations that you need to know about. More information can be found at [australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home](https://australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home) or via the ATO [ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/withdrawing-and-using-your-super/early-access-to-super/first-home-super-saver-scheme](https://ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/withdrawing-and-using-your-super/early-access-to-super/first-home-super-saver-scheme)

### 1.16 How can we maximise our super returns?

There are a number of factors to consider. One to consider is choosing how to invest your money. There are three key considerations in choosing the right investment for you: how long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. Please refer to our Investments landing page at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

We also have a helpful article that explains key considerations when comparing investment options [australiansuper.com/investments/investment-articles/2024/04/compare-investment-options](https://australiansuper.com/investments/investment-articles/2024/04/compare-investment-options)

### 1.17 Is there a chance that Super will still be worry-free for those who doesn't know anything about how to manage it.

Market ups and downs are a normal part of investing, and while this can cause concern or anxiety, we do have a team of investment specialists who are highly experienced in managing members' money through different market conditions and events. It's important to note that while market volatility is often more noticeable in the short term, your super is a long-term investment. All members can choose what investment option suits them. This decision will depend largely on the type of investor you are. When it comes to super, there are three key considerations in choosing the right investment for you: how long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. Please refer to our Investments landing page at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option) to learn more about investing your super.

### 1.18 Is there a cut off age at which you can no longer add money to an accumulation account?

You can generally add to super in two ways:

**Before-tax:** includes Superannuation Guarantee (SG), before-tax employee (salary sacrifice), extra employer and tax-deductible personal contributions. These are also called 'concessional' contributions.

**After-tax:** includes spouse contributions, after-tax employee and non-deductible personal contributions. These are also called 'non-concessional' contributions and are made from your after-tax, take-home pay.

To be eligible to make after-tax contributions, your total super balance must be less than \$1.9 million on 30 June of the previous financial year. You'll also need to be aged under 75 years. However, if you're over 67 and under 75

years old and looking to claim a tax deduction for your personal contributions, you'll still need to meet the work test or work test exemption.

More information can be found at [australiansuper.com/superannuation/grow-your-super](https://australiansuper.com/superannuation/grow-your-super)

Lastly, there is one other type of contribution available, and this is called the 'downsizer'. If you're 55 years\* or older and sell your primary residence, you may be eligible to contribute up to \$300,000 as an individual or \$600,000 as a couple into super from the proceeds of the sale. The amount you can contribute to super can't be greater than the total proceeds of the sale of your home. You won't pay tax on the money you add to super from the sale of your home, it won't count towards any concessional or non-concessional contribution caps, and there is no upper age limit to contribute. To learn more, visit [australiansuper.com/elements-of-retirement/get-started/elements/moving-into-retirement/downsizing-in-retirement](https://australiansuper.com/elements-of-retirement/get-started/elements/moving-into-retirement/downsizing-in-retirement)

### **1.19 Is there a limit how much money I have in super. If yes do I have to pay tax?**

Currently, there is no limit to how much you can accumulate in super, but there are proposed changes that, to date, have not been legislated. More information can be found at [ato.gov.au/about-ato/new-legislation/in-detail/superannuation/changes-to-the-superannuation-tax-breaks](https://ato.gov.au/about-ato/new-legislation/in-detail/superannuation/changes-to-the-superannuation-tax-breaks) and [australiansuper.com/superannuation/changes-to-superannuation](https://australiansuper.com/superannuation/changes-to-superannuation)

With regards to how tax is applied to super, there are a number of factors to consider. The following link has some helpful information that explains this in detail: [australiansuper.com/superannuation/how-your-super-is-taxed](https://australiansuper.com/superannuation/how-your-super-is-taxed)

### **1.20 Is there a retirement bonus when opening up an ABP account? What are the eligibility criteria? Does a member have to be on minimum membership years to qualify? Thanks**

When you have a super account or TTR Income account, AustralianSuper sets money aside to pay for future capital gains tax when investment assets are sold.

When you move from a super or TTR Income account to a Choice Income account (account-based pension), your balance is transferred to a tax-free environment. Assets sold in the retirement phase are not taxed, so the amount set aside in your super or TTR Income to cover a future capital gains tax liability can be passed to you as a credit – your Balance Booster payment.

Please visit the following link for all information regarding eligibility criteria: [australiansuper.com/retirement/balance-booster](https://australiansuper.com/retirement/balance-booster)

### **1.21 Would you be able to access your super before your retiring age?**

If eligible, you may be able to access some of your super before retiring due to severe financial hardship, compassionate grounds, terminal illness or permanent incapacity, or permanently leaving Australia. Please refer to the following link for more detailed information about early access to super: [australiansuper.com/superannuation/access-your-super-early](https://australiansuper.com/superannuation/access-your-super-early)

### **1.22 Would you consider managing your super in cash funds, if so for what period of time?**

How you choose to invest your money will depend largely on the type of investor you are. When it comes to super, there are three key considerations in choosing the right investment for you: how long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. Please refer to our Investments landing page at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

### **1.23 Best investment options**

Choosing how to invest your super is a big decision and there are a number of things to consider, such as the type of investor you are, your time frame, and your risk tolerance. You can find further information on choosing the right investment option on our website: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

#### **1.24 Best ways to increase my super to get ready for retirement**

Whether retirement is a while off or right around the corner, it's never too early or too late to add more to your super. Read the following article to find out ways to save more super before you retire:

[australiansuper.com/retirement/retirement-articles/2020/10/boost-super-before-retirement](https://www.australiansuper.com/retirement/retirement-articles/2020/10/boost-super-before-retirement)

You might also like to attend one of our retirement planning webinars. You can register here:

[australiansuper.com/webinars](https://www.australiansuper.com/webinars)

#### **1.25 I am 68 years young. If I start drawing a pension from my fund, can I at some stage add money to my super again?**

While you can't contribute directly to a pension account, you may be able to contribute to a super (accumulation) account in the future. There are various strategies to consider, such as age limits and contribution caps that apply, and it may be worthwhile seeking financial advice. You'll find more about growing your super at

[australiansuper.com/superannuation/grow-your-super](https://www.australiansuper.com/superannuation/grow-your-super)

#### **1.26 I am a newbie and dont quite understand the costs I see in my Super app. There always seems to be a negative on my investment is that something to do with the performance? If so how can I improve this to see only positive growth? Thanks**

It's great that you are keeping track of your super via the app. A good place to understand the fees and costs you may be charged is by following this link and scrolling down to the 'Your fees and costs in a nutshell' section:

<https://www.australiansuper.com/compare-us/fees-and-costs>

Members have the option of speaking to a phone-based adviser for simple personal advice around their AustralianSuper account, such as making an investment choice <https://www.australiansuper.com/tools-and-advice/your-advice-options>

It might also help to review your investment option and ensure your super is invested in accordance with your tolerance to risk and your retirement goals. The following page on our website lists considerations when choosing the right investment option: <https://www.australiansuper.com/investments/choosing-the-right-option>

#### **1.27 what we need to do to prepare for retirement?**

AustralianSuper offers a number of tools and resources to help members plan for retirement. A good place to start is by visiting our website for more information and helpful resources, including the super projection calculator and the retirement planning guide, which can be found at [australiansuper.com/journey](https://www.australiansuper.com/journey)

We also run regular retirement planning webinars that you register for. You'll find these under the 'Planning your retirement' tab at [australiansuper.com/webinars](https://www.australiansuper.com/webinars)

#### **1.28 What would be the best strategy heading into retirement with Aust super**

Everyone's retirement journey is unique, and a good place to start is by doing some research, understanding the available strategies, and considering seeking financial advice. You can start by visiting our website for more information and helpful resources, including the super projection calculator, the retirement planning guide, and your help and advice options: [australiansuper.com/journey](https://www.australiansuper.com/journey)

We also run regular retirement planning webinars that you register for. You'll find these under the 'Planning your retirement' tab at [australiansuper.com/webinars](https://www.australiansuper.com/webinars)

#### **1.29 Are there any plans to make AusSuper products available to SMSF's?**

AustralianSuper offers an investment platform where you are able to take charge of your superannuation directly. However, there are no plans to make AustralianSuper investments/products available within a self-managed superannuation fund. You may wish to learn more about our Member Direct product, which offers members more control, allowing them to invest in shares, exchange traded funds (ETFs), listed investment companies (LICs), term deposits and cash by going to [australiansuper.com/superannuation/superannuation-articles/2024/08/self-managed-super-fund](https://www.australiansuper.com/superannuation/superannuation-articles/2024/08/self-managed-super-fund) or [australiansuper.com/investments/your-investment-options/member-direct](https://www.australiansuper.com/investments/your-investment-options/member-direct)

### **1.30 How to invest super wisely? Which one has more profit and less risk?**

Investment choice will depend on the type of investor you are. When it comes to super, there are three key considerations in choosing the right investment for you, such as how much risk compared to return you're willing to take. You can view more information on choosing the right investment option at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

As part of your membership, we also provide access to advice on the best investment to suit you. To view your advice options, please visit our help and advice webpage: [australiansuper.com/HelpAndAdvice](https://australiansuper.com/HelpAndAdvice)

Simply fill in your details and a member of our team will contact you to assist you further.

### **1.31 Is it possible to transfer a Kiwi Saver to the AustralianSuper fund?**

AustralianSuper does not accept direct transfers from KiwiSaver; however, there are industry superannuation funds available for this transfer. We recommend you seek personal advice in doing so to avoid excessive potential taxes.

### **1.32 Where can we go to get advice on our super, to make sure it's performing to its potential.**

AustralianSuper offers access to different types of advice, from simple super advice to more comprehensive advice. To find out which best suits your needs, please visit our help and advice web page:

[australiansuper.com/HelpAndAdvice](https://australiansuper.com/HelpAndAdvice) Simply fill in your details and a member of our team will contact you to assist you further.

### **1.33 How does extra contribution to super compares to investing in property for someone who has 30 years to retire?**

Making additional contributions to super can be a tax-effective way to grow your retirement savings. For example, when you make extra contributions to your super through salary sacrifice, you're adding to your super before income tax is deducted. Because super is generally taxed at 15%, depending on how much you earn, making before-tax contributions to your super can provide a tax-effective way to boost your super savings. You can learn more about contributing to your super at [australiansuper.com/superannuation/grow-your-super](https://australiansuper.com/superannuation/grow-your-super)

You also have the opportunity to be exposed to both listed and unlisted property investments through your superannuation. Please see [australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice](https://australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice) for further information on each investment option.

While we can't take your personal circumstances into account when answering as this could be considered personal financial advice, AustralianSuper offers access to financial advice. If you would like to know which option is best for you or require further assistance, please visit our help and advice web page:

[australiansuper.com/HelpAndAdvice](https://australiansuper.com/HelpAndAdvice) Simply fill in your details and a member of our team will contact you to assist you further.

### **1.34 How does the fund work for people who are on student visa in Australia? What will happen to the funds when students return to their country? How does the funds work for people who are on work visa in Australia?**

If you're a temporary resident who has earned super while working and living in Australia, you can apply to have your super paid to you as a departing Australia superannuation payment (DASP) after you leave. Further information can be found in our factsheet: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/claiming-super-when-you-leave-australia.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/claiming-super-when-you-leave-australia.pdf)

### **1.35 Send all information re Superannuation best prior retirement plan. Thank you AustralianSuper team.**

Please visit our website for information and helpful resources, including the super projection calculator, the retirement planning guide, how Choice Income works, and your help and advice options:

[australiansuper.com/journey](https://australiansuper.com/journey)

We also run regular retirement planning webinars and seminars that you can register for. You'll find these under the 'Planning your retirement' tab at [australiansuper.com/webinars](https://australiansuper.com/webinars)

### 1.36 The difference in returns between a stable portfolio and a balanced portfolio

To see our super or account-based pension performance, please visit our super returns performance page: [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

Choosing how to invest your super is a big decision, and our *Investment Guide* can help make it an easier one. You can look at your investment needs and then go through your options in more detail: [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide)

### 1.37 How to select investment portfolio for people aged over 50?

Selecting an investment portfolio for people aged over 50 involves considering several factors to ensure their financial security and growth. Here are some key points to consider:

- Risk tolerance: as people age, their risk tolerance typically decreases. It's important to balance the portfolio with a mix of low-risk and moderate-risk investments to protect their capital while still achieving some growth.
- Diversification: diversifying the portfolio across different asset classes, such as shares, bonds, real estate, and cash, can help mitigate risks. This ensures that the portfolio is not overly dependent on the performance of a single asset class.
- Time horizon: the investment time horizon is shorter for people over 50 compared to younger individuals. Therefore, it's important to choose investments that align with their retirement goals and time frame.
- Professional advice: consulting with a financial planner or advisor can provide personalised recommendations based on individual financial situations and goals.

By considering these factors, individuals over 50 can create a well-balanced investment portfolio that aligns with their financial goals and risk tolerance. AustralianSuper offers a variety of investment options to cater to different needs and preferences. The Fund offers a range of investment options, including PreMixed, DIY Mix, and Member Direct.

### 1.38 Is it worth me contributing more to my Australian Super if I am likely to reside in both the UK and Australia. I also have property in the UK which I have considered my super.

Due to the complex nature of your question, we recommend engaging the services of a financial planner and a tax agent for advice specific to your personal situation. Generally speaking, however, contributing to AustralianSuper while residing in both the UK and Australia could offer some tax benefits and allow you to maintain and grow your retirement savings in a familiar and trusted system. To view advice options available, visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### 1.39 when there is turmoil in the market does an individual need to take action ie: take 25% and go into cash or the fund takes the action to minimise drop in capital

When there is turmoil in the market, it is important to consider several factors before taking any action. Here are some key points to consider:

- Volatility in investing: market fluctuations are a normal aspect of investing; experienced investment specialists manage these conditions, emphasising that superannuation is a long-term investment.
- Performance through market events: despite significant market events like the global financial crisis and COVID-19, long-term growth has remained relatively smooth, highlighting the importance of a long-term perspective.
- Importance of portfolio diversification: diversification, including assets like infrastructure and fixed interest, helps cushion portfolios during downturns and positions them for recovery, forming a core part of AustralianSuper's strategy.
- Staying calm during volatility: maintaining a diversified portfolio over the long term is advisable during volatile periods, and consulting with a financial adviser can help align investment options with personal goals.
- Risks of switching investments: switching to cash during market downturns can lock in losses and negatively impact long-term retirement balances, as demonstrated by hypothetical examples.



- Historical market recovery: historical data shows that markets tend to recover over time, and staying invested in diversified portfolios can lead to better long-term outcomes.
- AustralianSuper's investment approach: AustralianSuper employs a team of over 350 investment professionals who continually adjust strategies to reduce risk and maximise opportunities, emphasising the importance of long-term investment.

For further information about market volatility, visit

[australiansuper.com/investments/investment-articles/2021/10/understanding-switching-risks](https://www.australiansuper.com/investments/investment-articles/2021/10/understanding-switching-risks)

**1.40 I would like to know why you run seminars in venues too small. Twice I have missed out, if it happens again, I'm happy finding another provider – but would prefer not to.**

Firstly, my sincere apologies you have not been able to attend one of our in-person seminars. We often review our locations and aim to reach as many members as possible. For members who are unable to get to our in-person seminars, we do offer live webinars at [australiansuper.com/tools-and-advice/events-and-seminars](https://www.australiansuper.com/tools-and-advice/events-and-seminars), but I appreciate that you may prefer an in-person seminar. We will be in touch to see if we can offer a possible solution.

**1.41 I am a mid career professional, and Australian Super seems to be focused only on those "new" to super, or close to retirement. There is few webinars or education for us, and extensive queues and poor service means I am considering a SMSF, why should I stay with Aussie Super?**

Thank you for your feedback. At AustralianSuper, our purpose is to help members achieve their best financial position in retirement, which drives the work we do and the decisions we make every day. In the Education team, we're committed to helping all members understand their super, whatever stage of life they are at. We do have a number of new webinars added to our schedule that may be of interest: [australiansuper.com/tools-and-advice/events-and-seminars](https://www.australiansuper.com/tools-and-advice/events-and-seminars) and we are listening to feedback from members on topics they want to hear about.

**1.42 As a member I would like to get one on one advice on my Pension options with Super. I would prefer to get this advice from AustSuper rather than a 3rd party. Is there such an option available to me. Cost of advice is an option, particularly when the advice I have received in the past is very generic.**

AustralianSuper has a number of different advice options depending on how complex your needs are. This complexity will also determine what costs are involved. Your adviser will discuss fees with you prior to any commitment from you. Further information can be found via this link: <https://www.australiansuper.com/tools-and-advice> or by contacting the Fund on 1300 300 273. Please note that personal advice is provided by a 3rd party and not AustralianSuper.

**1.43 is there an option for not permanent resident to have an extra savings or like a voluntary fund?**

Temporary residents may wish to seek personal financial advice in relation to superannuation and investments in general, as it can be a complex area and there may be tax issues to consider. AustralianSuper offers access to advice, catering to the different needs of members. To find out more, visit [australiansuper.com/tools-and-advice/your-advice-options](https://www.australiansuper.com/tools-and-advice/your-advice-options)

**1.44 can we book a one-on-one online session with Australian super for a short duration?**

AustralianSuper offers access to a range of one-on-one advice options, from over the phone to face-to-face meetings. Please visit the AustralianSuper website to see your advice options: [australiansuper.com/tools-and-advice/your-advice-options](https://www.australiansuper.com/tools-and-advice/your-advice-options)

**1.45 I am a member of AustralianSuper and was wondering if you offer any financial advisor consultancy services as part of the membership benefits. If so, could you please let me know if these services are available free of charge, and how I can access them?**

AustralianSuper offers access to a number of different advice options depending on how complex your needs are. This complexity will also determine if any costs are involved. Your adviser will discuss fees with you prior to any commitment from you. Further information can be found at [australiansuper.com/tools-and-advice](https://www.australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273**.

**1.46 My question about taxable component in my super. If my spouse is in my binding nomination, does she have to pay tax if she takes the money out as lump sum? Thanks**

The payment of tax on superannuation death benefits is not related to a binding nomination. The rules about the tax applied to beneficiary payments can be complex, so you may want to consider seeking financial advice. It depends on your relationship with the beneficiary and the type of nomination made. For example, if the beneficiary is considered a financial dependent, they may qualify as a dependent and receive the benefit tax-free. If the beneficiary is not considered a financial dependent (such as a financially independent adult child), they may need to pay tax on some of the benefit. Whether you receive super payments as a lump sum or as an income stream can also affect the tax you pay. To learn more about superannuation death benefits, please visit the ATO website: [ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/withdrawing-and-using-your-super/superannuation-death-benefits](https://ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/withdrawing-and-using-your-super/superannuation-death-benefits)

For further information on advice options offered through AustralianSuper visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

**1.47 Can we bring my superannuation from overseas? And how is the process.**

Without knowing which country you are referring to, it's difficult to answer this question, as this will generally depend on which country it is coming from. Whether you can transfer or withdraw money from a foreign super fund will depend on the fund's rules and the laws of its home country.

When received in Australia or by an Australian resident, transfers and payments from a foreign super fund may be taxed on the applicable fund earnings part of the transfer or payment. The applicable fund earnings are the earnings on your foreign super interest that have accrued since you became an Australian resident for tax purposes. I suggest you consider seeking financial advice around this from an adviser who specialises in this area. For further information about overseas transfers, visit [ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/foreign-super-funds/transfer-from-a-foreign-super-fund-to-an-australian-super-fund](https://ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/foreign-super-funds/transfer-from-a-foreign-super-fund-to-an-australian-super-fund)

For further information about overseas transfers, visit [ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/foreign-super-funds/transfer-from-a-foreign-super-fund-to-an-australian-super-fund](https://ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/foreign-super-funds/transfer-from-a-foreign-super-fund-to-an-australian-super-fund)

**1.48 I have a super balance in the UK (with another provider). Do you offer a tax-efficient service that would allow me to transfer my UK super balance into my AustralianSuper?**

Once you are a permanent resident of Australia, you may be eligible to transfer your UK pension funds to an Australian qualifying recognised overseas pension scheme (QROPS). A QROPS is an overseas pension scheme that HMRC has officially recognised as eligible to receive transfers from registered pension schemes in the UK. Unfortunately, very few funds in Australia are QROPS, and it is a specialised area in which you should seek advice. AustralianSuper is not able to receive pension transfers from UK funds.

**1.49 Older Australians are usually advised to have a more conservative investment plan. Sometimes I feel like I should have a more aggressive plan for what is 'extra money' given my life expectancy is another 20 years. I know we can't look in the crystal ball, but I am interested in thrashing around this topic.**

Choosing the right investment option is important. The following link provides more information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also contact the Fund on **1300 300 273** to arrange an appointment to speak to an adviser to discuss your investment options.

**1.50 when best time to change choice I've answered my 3 questions and a change is suggested.**

Choosing the right investment option is important. The following link provides more information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also contact the Fund on **1300 300 273** to arrange an appointment to speak to an adviser to discuss your investment options.

### **1.51 Whats the best investment strategy for someone in their 50s with 10 yrs income contributions left**

The best investment strategy is one which matches your risk profile. Your risk profile is your attitude to investing, what you would like to achieve and what sort of investment volatility you are comfortable tolerating. There is no one best option regardless of your age, as everyone will have a different perception of risk and tolerance to the ups and downs of the market. You should consider seeking advice on what is best for you. AustralianSuper offers access to a phone-based advice service, where you can receive simple personal advice on your AustralianSuper account, such as making an investment choice. If you'd like to arrange an appointment, call **1300 300 273**. It's also worth remembering that super is a long-term investment.

### **1.52 Can we invest all our Self Manage Super fund with you when I retire?**

While it's possible to close a self-managed super fund and roll the funds across to another provider, such as AustralianSuper, this may or may not be the right decision for you. If this occurs, the assets in the self-managed super fund would need to be sold down, so it's a good idea to seek professional advice. Please visit our website to understand your advice options: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options) or contact us directly on **1300 300 273**.

### **1.53 I have been doing investment property but the interest rate high. I like to move to salary sacrifice (top up superfund). I need help how to forecast my superfund in next 17 years when i am 65. So i can have return if i invest my 1 I.5 million Superannuation with combine super with my wife. We both work at Hospital. And planning for our our Retirement plan. Thank you.**

It is possible to salary sacrifice to AustralianSuper but whether this is the right decision will depend on your individual personal circumstances. You may benefit from visiting our website to learn more about salary sacrificing: [australiansuper.com/superannuation/grow-your-super/salary-sacrificing](https://australiansuper.com/superannuation/grow-your-super/salary-sacrificing) or trying one of our calculators: [australiansuper.com/tools-and-advice/calculators](https://australiansuper.com/tools-and-advice/calculators) You may also benefit from contacting the Fund and discussing your financial advice options or visiting this page on the website: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.54 On my current investment with Australian super I opted for the high risk growth option. Is this advisable?**

Choosing the right investment option is important. The following link provides more information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also contact the Fund on **1300 300 273** to arrange an appointment to speak to an adviser to discuss your investment options.

### **1.55 What's the best way I can make my money work for me, instead of me working for money?**

We have a range of live and pre-recorded webinars that you might find of interest. You'll find those under the 'Planning your retirement' section of the AustralianSuper website.

Choosing the right investment option is also important, the following link provides more information and tips to consider: <https://www.australiansuper.com/investments/choosing-the-right-option>.

You may also like to consider whether advice would benefit you. AustralianSuper offers access to a number of different advice options depending on how complex your needs are. This complexity will also determine if any costs are involved. Your adviser will discuss fees with you prior to any commitment from you. Further information can be found via this link: <https://www.australiansuper.com/tools-and-advice> or by contacting the Fund on 1300 300 273.

### **1.56 How can young people generally set themselves up for good super performance?**

Setting yourself up for good superannuation performance early on can make a significant difference in your financial future. The article, *5 easy steps to take control of your super* outlines simple steps to take control of your super: [australiansuper.com/superannuation/superannuation-articles/2019/06/5-steps-of-your-super](https://australiansuper.com/superannuation/superannuation-articles/2019/06/5-steps-of-your-super)

We also offer webinars, such as *Super basics* and *Get your super sorted*, which can help you to better understand super to make sure it's working for you. You can view our upcoming webinars here: [australiansuper.com/webinars](https://australiansuper.com/webinars)

### **1.57 How could I choose the best strategies fit me? What key factors do I take into consideration?**

Your risk tolerance plays a significant role in determining the appropriate investment strategy for your superannuation fund. Other factors you may want to consider are your investment timeline and when you would like to retire. Our Risk Profiler tool may help you to work out the type of investor you are so you can be better guided when making investment decisions: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

To help you make a decision about the investment options that best suit you and your financial goals, you might like to read the following article, *Comparing investment options*:

[australiansuper.com/investments/investment-articles/2024/04/compare-investment-options](https://australiansuper.com/investments/investment-articles/2024/04/compare-investment-options)

AustralianSuper members also have access to simple over-the-phone super advice on their AustralianSuper accounts, such as making an investment choice. To arrange an appointment, call **1300 300 273** or to learn more, visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.58 How do I get the best returns for my super**

Choosing a good fund is the first step, followed by reviewing your investment options. Most super funds offer a range of investment options, from conservative to high growth. The choice you make should align with your risk tolerance, investment timeline and retirement goals. You can view our investment options at

[australiansuper.com/investments/your-investment-options](https://australiansuper.com/investments/your-investment-options)

Our Risk Profiler tool may help you to work out the type of investor you are so you can be better guided when making investment decisions: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

You may also wish to register for one of our educational webinars. You'll find these at

[australiansuper.com/webinars](https://australiansuper.com/webinars)

AustralianSuper members also have access to simple over-the-phone super advice on their AustralianSuper accounts, such as making an investment choice. To arrange an appointment, call **1300 300 273** or to learn more, visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.59 How do I roughly calculate how much I might have when I retire , say if everything stays the same now and until 10 years time**

Our super projection calculator can help you work out if you'll have enough income for your retirement needs, estimate how long your super could last, and see the difference adding to your super now could make to your retirement in the long run. You can find the calculator at

[australiansuper.com/tools-and-advice/calculators/super-projection-calculator](https://australiansuper.com/tools-and-advice/calculators/super-projection-calculator)

### **1.60 just want to check what's the amount to have in super so that you can retire comfortably**

The amount you will require to retire comfortably is going to depend on the type of lifestyle you would like in retirement. The Association of Superannuation Funds of Australia (ASFA) Retirement Standard provides an estimate on how much money you need for a 'modest' or 'comfortable' retirement for both singles and couples: [superannuation.asn.au/resources/retirement-standard/](https://superannuation.asn.au/resources/retirement-standard/)

You may also wish to read the following article:

[australiansuper.com/retirement/retirement-articles/2018/02/do-i-really-need-1-million-to-retire](https://australiansuper.com/retirement/retirement-articles/2018/02/do-i-really-need-1-million-to-retire)

Or you can register for one of the *Do you need \$1 million to retire?* webinars. You'll find these here:

[australiansuper.com/webinars](https://australiansuper.com/webinars)

### **1.61 maximize super income and what are the fees and charges from my super. Salary sacrifice benefit from super and what are the charges for it. What is long time benefit of salary sacrifice at this time. Is there any information that me help for the my salary sacrifice to give me better outcome to check any thing I need to discuss with my employer and any information that will be helpful to invest before doing salary sacrifice.**

A good place to understand the fees and costs you may be charged is by following this link and scrolling down to the 'Your fees and costs in a nutshell' section: [australiansuper.com/compare-us/fees-and-costs](https://australiansuper.com/compare-us/fees-and-costs)

When you make extra contributions to your super through salary sacrifice, you're adding to your super before income tax is deducted. Because super is generally taxed at 15% depending on how much you earn, making before-tax contributions to your super may provide a tax-effective way to boost your super savings. In addition, regular contributions to your super fund can significantly increase your retirement savings over time and starting early can make a big difference due to compound interest.

Further information on the potential benefits of salary sacrifice, including our fact sheet on how salary sacrifice works, can be found on our website:

[australiansuper.com/superannuation/grow-your-super/salary-sacrificing](https://australiansuper.com/superannuation/grow-your-super/salary-sacrificing)

### **1.62 My monthly superannuation contribution stop but still I have my money in my superannuation, my money can still getting an interest?**

Your superannuation can continue to earn interest or investment returns even if you are not making regular monthly contributions.

For further information on additional ways to grow your super, please visit the following page on our website:

[australiansuper.com/superannuation/grow-your-super](https://australiansuper.com/superannuation/grow-your-super)

### **1.63 Please explain fees in more detail than the fees we see in our statement. Eg. Fees when shifting investment options, brokerage fees. It's not \$200 but more in thousands depending on super amount. Need more clarity on this.**

You can learn more about the fees and charges at [australiansuper.com/compare-us/fees-and-costs](https://australiansuper.com/compare-us/fees-and-costs)

For further information about fees for our Member Direct investment option, please visit

[australiansuper.com/investments/your-investment-options/member-direct](https://australiansuper.com/investments/your-investment-options/member-direct) and scroll down to 'Fees and costs'.

In regards to switching investment options, there are risks to be aware of, and you can find out more in our article *Understanding the risks of switching*: [australiansuper.com/investments/investment-articles/2021/10/understanding-switching-risks](https://australiansuper.com/investments/investment-articles/2021/10/understanding-switching-risks)

### **1.64 Retirement plan for those teaching preservation age .**

There's a lot to consider in the lead-up to retirement. You can start by looking at our Preparing for your retirement journey web page at [australiansuper.com/journey](https://australiansuper.com/journey) along with our *Elements of Retirement Guide*, which you can find at [australiansuper.com/elements-of-retirement](https://australiansuper.com/elements-of-retirement)

We also run regular webinars, which you might find helpful. You can view upcoming webinars at

[australiansuper.com/webinars](https://australiansuper.com/webinars)

### **1.65 Friend of mine told me our super has life insurance, is it true? Thanks**

AustralianSuper provides most members with basic insurance cover with their super account. This cover provides a basic level of protection if you die or become ill or injured. Eligible members receive age-based Death, Total & Permanent Disablement (TPD) and Income Protection cover. Age-based cover is designed to provide a minimum amount of cover for changing needs as you get older.

To check if you have insurance cover with us, log into your account or the mobile app and select the Insurance tab. You'll also be able to see how much you've paid for your cover by checking your transaction history.

For further information on insurance through super, please visit [australiansuper.com/insurance](https://australiansuper.com/insurance)

### **1.66 Type of insurance to hold upon retirement**

AustralianSuper provides most members with basic insurance cover with their super account. This cover provides a basic level of protection if you die or become ill or injured. Eligible members receive age-based Death, Total & Permanent Disablement (TPD) and Income Protection cover. Age-based cover is designed to provide a minimum amount of cover for changing needs as you get older. Death cover is available for ages 15 to 69. TPD cover is available for ages 15 to 64 and Income Protection is available for ages 15 to 69.

If you've stopped working or no longer earning an income your eligibility to claim may be impacted. Income Protection benefit payments are based on your pre-disability income. If you're eligible to claim, and you weren't receiving an income on or before your date of disablement, a benefit may not be payable. See page 35 in our Insurance Guide <https://www.australiansuper.com/campaigns/insurance-guide> to learn more. For Total & Permanent Disablement (TPD) cover, the Insurer may assess your eligibility for a TPD benefit differently, if immediately before your date of disablement, you were unemployed for 16 consecutive months or longer.

Upon retirement it's important to review your insurance cover and consider the implications on your insurance cover if you are no longer working. As an AustralianSuper member, you also have access to a choice of help and advice options from simple, personal advice over the phone, to more comprehensive, broader advice with a financial adviser, go to [australiansuper.com/advice](https://www.australiansuper.com/advice) for more information.

### **1.67 Why do I need to take any kind of insurance if I already have insurance with another super provider? It just does not make sense. Complete waste of my hard earned money.**

AustralianSuper provides most members with basic insurance cover with their super account. This cover provides a basic level of protection if you die or become ill or injured.

Eligible members receive age-based Death, Total & Permanent Disablement (TPD) and Income Protection cover. Age-based cover is designed to provide a minimum amount of cover for changing needs as you get older. Our insurance options are flexible and you can change or cancel your cover as your life changes. To cancel all or part of your cover, log into your account or complete a *Cancel your insurance* form.

Before you do, there are a few important things you should think about.

If you cancel your cover:

- you or your beneficiaries won't be able to make an insurance claim if something happens after the cancellation
- you might not be able to get cover later. That's because you'll need to reapply and provide detailed health information for the insurer to consider.

You should consider getting financial advice to help work out if cancellation is right for you.

If you do cancel your cover, the cost of it will stop being deducted from your super account.

Further information on insurance through super can be found on our website: [australiansuper.com/insurance](https://www.australiansuper.com/insurance)

### **1.68 Way forward to maximize the return.**

Choosing the right investment option for you is important, and the choice you make should align with your risk tolerance, investment timeline, and retirement goals. You can view our investment options at [australiansuper.com/investments/your-investment-options](https://www.australiansuper.com/investments/your-investment-options)

For further information about your investment options, visit [australiansuper.com/investments/choosing-the-right-option](https://www.australiansuper.com/investments/choosing-the-right-option) to learn more about this topic. You may also want to consider adding extra contributions to your super. You can learn more about the different types of contributions at [australiansuper.com/grow](https://www.australiansuper.com/grow)

Advice needs of a simple nature on your AustralianSuper account, such as the best investment option, adding extra to your super or personal insurance for you are included as part of your membership of the Fund and do not come with additional fees. Further information can be found at [australiansuper.com/tools-and-advice](https://www.australiansuper.com/tools-and-advice)

### **1.69 Advice regarding how to manage our superannuation Funds, what is the ideal percentage to take out fortnightly expenses**

The amount you will require to retire comfortably is going to depend on what type of lifestyle you would like in retirement. The Association of Superannuation Funds of Australia (ASFA) benchmark provides guidelines for a comfortable and a modest retirement lifestyle. The assumptions are based on your owning your own home outright, being aged 67, and being relatively healthy. You can find the ASFA benchmarks at [superannuation.asn.au/resources/retirement-standard/](https://www.superannuation.asn.au/resources/retirement-standard/)

The percentage you take from your account will depend on the amount of super you have. Once you have a pension account from your super, you need to take at least the minimum amount set by the Government. You can find more information at [australiansuper.com/retirement/MinimumDrawdowns](https://www.australiansuper.com/retirement/MinimumDrawdowns)

### **1.70 After I turn 60 and tell Australian Super that I have officially retired and in turn start drawing down on my Super, if I elect to go back into the workforce, can I pick up with my relationship with Australian Super again??**

If you had kept your super account open, you could use it again to receive employer contributions. If you had closed your super account, yes you can easily open a new super account if you decide to return to work. There is a 'Join' button on our website: [australiansuper.com](https://australiansuper.com)

There is no maximum age limit on employer contributions, but if you wish to make personal member contributions, you will need to be aware of the caps and eligibility criteria that apply. You can find more information on contributions and caps at [australiansuper.com/grow](https://australiansuper.com/grow)

### **1.71 Are you taxed if you take out a portion of your monies after you have retired...?**

There is no tax on super withdrawals taken as income streams or lump sums at the age of 60 and above. You can learn more about how your super is taxed at [australiansuper.com/superannuation/how-your-super-is-taxed](https://australiansuper.com/superannuation/how-your-super-is-taxed)

### **1.72 How much we should invest to guarantee a happy retirement**

Retirement lifestyles will be different for everyone and, therefore, cost a different amount. As a guide, you can look at the current comfortable lifestyle amounts for a couple and a single person at [superannuation.asn.au/resources/retirement-standard](https://superannuation.asn.au/resources/retirement-standard) This standard is produced by the Association of Superfunds of Australia (ASFA) but should be viewed as a guide only. The cost of your lifestyle will be determined by your living costs and your plans for retirement, as well as your longevity and whether you have other investments. Another factor to consider is whether you will be eligible for the Age Pension from the Government. You will find important information about planning your retirement on our website at [australiansuper.com/retirement](https://australiansuper.com/retirement)

### **1.73 How to claim tax refund for non-concessional contribution?**

If you wish to claim a tax deduction on a personal contribution you make to your super, you will need to notify the Fund by submitting a *Notice of intent to claim a tax deduction for personal super contributions* form. You can find more information at [australiansuper.com/superannuation/grow-your-super/make-after-tax-contributions/notice-of-intent](https://australiansuper.com/superannuation/grow-your-super/make-after-tax-contributions/notice-of-intent)

### **1.74 How to invest the super funds**

It's important to consider how to invest your money within superannuation. There are three key considerations in choosing the right investment for you: how long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. Please refer to our Investments landing page at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

We also have a helpful article that explains key considerations when comparing investment options: [australiansuper.com/investments/investment-articles/2024/04/compare-investment-options](https://australiansuper.com/investments/investment-articles/2024/04/compare-investment-options)

How you invest your super will depend on a number of individual factors. We have a tool on our website that can help you determine your risk profile here: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

If you would like to speak to one of our phone-based financial advisers, you can let us know at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options) You can speak with a member of the team over the phone about simple super advice and your investment options.

### **1.75 How to maximize my superannuation**

You can consider a number of simple actions to make the most of your super. If you need to consolidate super accounts, you can read more about that at [australiansuper.com/superannuation/consolidate-your-super](https://australiansuper.com/superannuation/consolidate-your-super)

You should make sure your insurance is applicable to your needs at any given time (you can check this in your online account). You can learn more about the benefits of making extra contributions at [australiansuper.com/grow](https://australiansuper.com/grow)

You could have online access to your account so you remain engaged with your super, which you can set up here: [portal.australiansuper.com/portal-registration](https://portal.australiansuper.com/portal-registration) You can download the app, which makes it easier to stay in touch.

Everyone will need a different amount for retirement, but you can learn more about the ASFA Retirement Standard at [superannuation.asn.au/resources/retirement-standard/](https://superannuation.asn.au/resources/retirement-standard/) This provides a guide to help determine a lump sum at retirement and the yearly income needed for a comfortable lifestyle. Know what your lifestyle costs are and what your plans are for retirement so that you can have a goal amount that you want your super to grow to. You can also attend our educational webinars by registering at [australiansuper.com/tools-and-advice/events-and-seminars](https://australiansuper.com/tools-and-advice/events-and-seminars)

### **1.76 What can be done to maximise the returns every year?**

It's important to consider how to invest your money within superannuation. There are three key considerations in choosing the right investment for you: how long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. Please refer to our Investments landing page at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option).

We also have a helpful article that explains key considerations when comparing investment options: [australiansuper.com/investments/investment-articles/2024/04/compare-investment-options](https://australiansuper.com/investments/investment-articles/2024/04/compare-investment-options)

### **1.77 What happened if I still want to work but I want some of my super maybe the half of it**

If you have met the conditions of release to access your super, you can apply to take the amount you wish and still leave your super account open for future employer and member contributions. If you wish to leave the account open, you must leave a minimum of \$6,000 in the account for it to remain open. Your insurance may be a consideration if you wish to keep that going. Please see more about accessing your super at [australiansuper.com/retirement/access-super](https://australiansuper.com/retirement/access-super)

### **1.78 What is the benefit of a member to invest in the fund?**

When you join AustralianSuper, you become part of a community of over 3.4 million members. As a profit-for-member fund, we don't pay dividends to shareholders. The profit we make from the investments is for members. As a member, you benefit from a history of strong long-term performance, access to world-class investments and value-for-money insurance. AustralianSuper offers guidance and advice options to our members as well as a range of options to learn more about your super, which you can find at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) You can compare AustralianSuper to other funds in the market by using the Applecheck tool, which you can find on our Compare super page at [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

### **1.79 What is the best investment option for 35 years old with current 150k super savings and is looking to retire at around 55 years old.**

The best investment option will take into account several factors, including an individual's risk profile. You can visit the following page on our website to help you determine the right investment option for you: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also speak to one of our phone-based advisers who can give you advice about this: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.80 can you please explain how you can draw an income from your superfund while it is still invested after I retire and how long \$750,000 in super will last you**

When you retire, you can receive a regular income from your super while keeping your super balance invested by moving your super to an account-based pension.

By using the funds from your super account to open an account-based pension, like our Choice Income account, you can set it up to provide regular payments to meet income needs. Please visit [australiansuper.com/retirement/retirement-income-account](https://australiansuper.com/retirement/retirement-income-account) to find out more about our Choice Income account.



How long a balance will last can depend on the amount of payments withdrawn and the investment strategy. To do a projection, please visit our super projection calculator at [australiansuper.com/tools-and-advice/calculators/super-projection-calculator](https://australiansuper.com/tools-and-advice/calculators/super-projection-calculator)

### **1.81 Can you stop super contributions. Claim your money, and later start all over again? Because sometimes you find yourself in a situation where you urgently want to buy a residential stand and you have no immediate savings but your super has all the amount that you need.**

Super is a long-term investment to fund retirement. You can access your super when you reach 60 years of age and retire. The meaning of 'retire' depends on your age and how and when you finished work. Please see [australiansuper.com/retirement/access-super](https://australiansuper.com/retirement/access-super) for further information.

Individuals may be able to access super early under limited circumstances, such as severe financial hardship, compassionate grounds, terminal illness or permanent incapacity, or permanently leaving Australia. Please see [australiansuper.com/superannuation/access-your-super-early](https://australiansuper.com/superannuation/access-your-super-early) for further information.

First home buyers who qualify for the First Home Super Saver scheme managed and approved by the ATO, may also be able to withdraw any funds voluntarily contributed to your super account for that purpose. Please see [australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home](https://australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home) for further information.

Lastly, voluntary contributions can be stopped if we have other priorities, but employer contributions are mandatory and generally can't be stopped or redirected to a bank account.

### **1.82 Do you have options with higher risks for a greater sum upon retirement?**

AustralianSuper offers a variety of investment options to cater to different needs and preferences. The Fund offers a range of investment options, including PreMixed, DIY Mix, and Member Direct. Choosing the right investment option is important, and the following link provides more information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also contact the Fund on **1300 300 273** to discuss your investment options with an adviser. Further information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.83 How can i add to my balance**

There are a number of ways to add money to super, depending on your circumstances. For further information about this, please download the fact sheet at [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/add-to-your-super-and-retire-with-more.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/add-to-your-super-and-retire-with-more.pdf)

### **1.84 I would like to know more about investment strategies for retirees**

Our Choice Income account, which is our retirement income account, has the same investment options available as our superannuation account. Please visit [australiansuper.com/retirement/retirement-income-account](https://australiansuper.com/retirement/retirement-income-account)

For further information about your retirement investment options, visit [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option) to learn more about this topic. Maybe consider contacting AustralianSuper on **1300 300 273** to speak with a financial adviser about your investment options. Further information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.85 I'd like to know how to earn more money through my super**

If you're looking to earn more from your super, then choosing the right investment option is important. The following link provides more information and tips for you to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option).

You could also explore making additional contributions: [australiansuper.com/superannuation/grow-your-super](https://australiansuper.com/superannuation/grow-your-super)

### **1.86 I'm 37 yrs old in December, what should be the strategy of investment in my fund? Should I have a split tactic? Thank you much appreciated**

Unfortunately, we can't provide you with personal financial advice via this channel, but choosing the right investment option is important. The following link provides more information and tips to consider:

[australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You may also wish to contact AustralianSuper on **1300 300 273** to speak with a financial adviser about an appropriate investment strategy for you. Further information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.87 If you're not working anymore, is there still an annual fee?**

Our fees and costs remain the same for our members whether they are working or not. Please visit [australiansuper.com/compare-us/fees-and-costs](https://australiansuper.com/compare-us/fees-and-costs) for further information.

### **1.88 Which investment strategy is best?**

How you choose to invest your money will depend largely on the type of investor you are. Unfortunately, there is no one best fit investment strategy for everyone. When it comes to super, there are some key considerations in choosing the right investment options, such as your investment time frame, how hands-on you want to be and how comfortable you are with risk.

Our Risk Profiler tool may help you to work out the type of investor you are so you can be better guided when making investment decisions: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

The following link also provides further information and tips to consider when choosing investment options: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

Finally, you may wish to contact AustralianSuper on **1300 300 273** to speak with a financial adviser about an appropriate investment strategy for you. Advice needs of a simple nature on your AustralianSuper account, such as the best investment option, adding extra to your super or personal insurance for you are included as part of your membership of the Fund and do not come with additional fees. Further information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.89 Why aren't the members allowed to switch to a investment portfolio to money for example, on that day or week when there is volatility in the market for free? As well why I have been charged so many fees when the employer deposits any amount of money in our account?**

When we make an investment switch, AustralianSuper must wait for the investment option to be priced for that day's final value. And as AustralianSuper invests globally, we must wait for the last overseas exchange to close. This means that AustralianSuper cannot price an investment switch until this is complete, which means an investment switch will be completed at the end of the following trading day in Australia. Please see [australiansuper.com/investments/change-your-investment](https://australiansuper.com/investments/change-your-investment) for further information about investment switching.

If you have a super account, your administration fee is \$1 a week, and your asset-based administration fee is 0.10% p.a. of your account balance (up to a maximum of \$350 p.a.). Please see [australiansuper.com/compare-us/fees-and-costs](https://australiansuper.com/compare-us/fees-and-costs) for further information on the fees and costs you may be charged.

When you or your employer contribute to super before tax, you'll pay super contributions tax on those contributions. The amount of tax on superannuation you'll pay depends on whether you've supplied your Tax File Number or not, your total annual income, and whether you've stayed within the contribution caps. Please visit [australiansuper.com/superannuation/how-your-super-is-taxed](https://australiansuper.com/superannuation/how-your-super-is-taxed) for further information on how super is taxed.

### **1.90 Why should I continue to keep my super with Australian Super compared to other competitors?**

Choosing a super fund is a big call and can have a significant impact on your future. It's important to know what makes a good super fund and what to look out for – so you can make the right choice. Things to look for when choosing a fund include performance, fees, insurance, investment options, and member services. You can find more information on how to choose the right super on our website: [australiansuper.com/compare-us/choose](https://australiansuper.com/compare-us/choose)

You can also compare us against other super funds by using the free AppleCheck comparison tool provided by external research firm Chant West: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

### **1.91 Why the ATO records of my current super account is different from the actual amount in my super fund, why it's not updating automatically?**

Super providers are required to report member contributions and balance amounts to the Australian Taxation Office (ATO) annually. Generally, AustralianSuper reports your 30 June balance to the ATO after the end of the financial year and by 31 October.

To get the most up-to-date balance on your AustralianSuper account, you can follow any of these options:

1. Online account: log in to your AustralianSuper online account to check your current balance and recent transactions.
2. Mobile app: use the AustralianSuper mobile app, which provides real-time access to your account balance and other features.
3. Customer service: contact AustralianSuper customer service for assistance. They can provide you with the latest information on your account balance.

### **1.92 For investors wanting to take an ultra low risk approach whilst still spreading risk across a portfolio what are the recommended investment options and why**

Choosing the right investment option is important, and the following link provides more information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also contact the Fund on **1300 300 273** to discuss your investment options with an adviser. Advice needs of a simple nature on your AustralianSuper account, such as the best investment option, adding extra to your super or personal insurance for you are included as part of your membership of the Fund and do not come with additional fees. Further information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.93 Retiring overseas and my super. How to access it or transfer?**

It will depend on a few factors, such as your age, work status, and how you intend to access funds, e.g. via a lump sum, as some options may or may not be possible depending on your situation. You would be best to call **1300 300 273** in the first instance and explain what you are trying to do and your circumstances to work out your options. You can also find more information on accessing your super at [australiansuper.com/retirement/access-super](https://australiansuper.com/retirement/access-super)

### **1.94 What's the difference between super investment and personal investment with one is more benefit?**

The main difference between a personal investment and a super investment is how they are taxed and access to funds. Which of these options is best for you would depend on your personal income/taxation situation. It would be sensible to seek advice about your personal situation. Please call **1300 300 273** or visit our website to understand your advice options: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.95 As an international student working in Australia, how can I effectively manage my superannuation contributions and choose the right investment strategy to maximize growth during my time here?**

One of the first things you may like to consider is your risk tolerance – how comfortable you are with risk and the time frame you are likely to have to invest. AustralianSuper provides a number of options to invest in, which are higher risk, medium risk or conservative, depending on your comfort level. You could use our Risk Profiler tool to understand your own attitude to risk: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

You could also consider attending one of our webinars to understand more about making the most of your super: [australiansuper.com/tools-and-advice/events-and-seminars](https://australiansuper.com/tools-and-advice/events-and-seminars)

Find out how to choose the right option: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

### **1.96 At the age of 60 can I take my super after retarring from work. Is the super balance has an impact on age pension at 67**

You can access your super when you reach 60 years of age and retire. The meaning of 'retire' depends on your age and how and when you finished work:

- If you're 60–64, you stopped working permanently, or you stopped working for any employer after you turned 60.

- If you're 65 or older, you can access all your super, even if you're still working. For more information, please visit [australiansuper.com/retirement/access-super](https://australiansuper.com/retirement/access-super)

Super balance is counted in both the assets test and the income test and will be assessed at the time that you apply for the Age Pension, whether you're accessing the funds or not. More information on the Government Age Pension can be found at [australiansuper.com/retirement/retirement-articles/2022/02/age-pension-eligibility-and-retirement-age](https://australiansuper.com/retirement/retirement-articles/2022/02/age-pension-eligibility-and-retirement-age)

### **1.97 At what age am I able to access my superannuation and how much can I access?**

You can access your super when you reach 60 years of age and retire. The meaning of 'retire' depends on your age and how and when you finished work:

- If you're 60-64, you stopped working permanently, or you stopped working for any employer after you turned 60.
- If you're 65 or older, you can access all your super, even if you're still working. For more information, please visit [australiansuper.com/retirement/access-super](https://australiansuper.com/retirement/access-super)

### **1.98 Beneficiaries- can single people include a parent or siblings who are interdependants as their beneficiaries?**

The first step is understanding who are considered valid beneficiaries of your super. These include:

- your spouse or partner
- your children (conditions apply for reversionary beneficiary nominations)
- interdependants (someone who lives with you and shares a close personal relationship where one or both of you provide financial and domestic support and personal care of the other)
- other financial dependants as defined by superannuation law (such as someone who relies on you financially)
- your estate or legal personal representative (not available for reversionary nominations).

You can find more useful information, along with the different types of nominations that will assist in understanding what may be most suitable for your personal situation, at [australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary](https://australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary)

### **1.99 How to set up beneficiary to my sister or niece/nephew**

The first step is understanding who are considered valid beneficiaries of your super. These include:

- your spouse or partner
- your children (conditions apply for reversionary beneficiary nominations)
- interdependants (someone who lives with you and shares a close personal relationship where one or both of you provide financial and domestic support and personal care of the other)
- other financial dependants as defined by superannuation law (such as someone who relies on you financially)
- your estate or legal personal representative (not available for reversionary nominations).

You can find more useful information, along with the different types of nominations that will assist in understanding what may be most suitable for your personal situation, at [australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary](https://australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary)

### **1.100 How will you help me transition to retirement?**

There's a lot to consider in the lead up to retirement, so it's important to have a plan in place to help you achieve your best possible outcome. Whether retirement is still a few years away or just around the corner, we're here to help you prepare with confidence. You may wish to utilise some of our tools available or attend a live webinar to learn more. A great place to start is visiting [australiansuper.com/campaigns/retirement-journey](https://australiansuper.com/campaigns/retirement-journey)

We also have access to advice if you need help with your own personal situation: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.101 How's income protection Insurance works? How can I increase cover amount? what's the waiting period once increase the cover amount? Can I reduce the cover amount after increasing it? what's the minimum duration should I keep the same cover amount?**

Income Protection can help if you become ill or injured (at any time) and can't work. It provides monthly payments to support you while you're not earning your regular salary. The maximum amount you can apply for is \$30,000 a month or 85% of your pre-disability income (your salary before you were ill or injured), whichever is lower. Up to 75% is paid to you and up to 10% to your super. You can also apply for a different benefit payment period or waiting period (if eligible). Your benefit payment period is the maximum amount of time benefits may be paid. You can apply to change it to up to five years or up to age 65. Your waiting period is how long you'll wait before you start receiving payments, and you can apply to change to 30 days. A longer benefit payment period and a shorter waiting period cost more. By default, you'll get a benefit payment period of up to two years with a 60-day waiting period. Income Protection is available for ages 15 to 69. If the basic cover you're automatically provided with doesn't suit your needs, you can apply for age-based, fixed or extra (fixed) cover, reduce your cover or cancel it anytime. You can find more detailed information at [australiansuper.com/insurance/income-protection-cover](https://australiansuper.com/insurance/income-protection-cover)

### **1.102 I am 62 & my wife is 61. If we opt to TTR soon, does this mean any interest accrued will not get taxed by the government?**

Your super investment earnings are generally taxed at 15% while you're working. This includes funds held in a TTR Income account. Taxes get deducted from investment earnings with any applicable fees. They're deducted before determining the final net investment earnings credited to your account. Income received from your TTR account is tax-free from age 60.

Your investment earnings aren't taxed if you're retired (or when you turn age 65) and in a Choice Income account. More information can be found at [australiansuper.com/superannuation/how-your-super-is-taxed](https://australiansuper.com/superannuation/how-your-super-is-taxed)

### **1.103 What is the best investment. And i want to set up insurance on my super**

How you choose to invest your money will depend largely on the type of investor you are. When it comes to super, there are three key considerations in choosing the right investment for you: how long you're investing for, how hands-on you want to be when managing your super, and how much investment risk you're comfortable with. Visit [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option) to learn more about this topic.

You may also like to use our Risk Profiler tool to understand what type of investor you may be: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

With regards to insurance inside of your super, AustralianSuper provides most members with basic insurance cover with their super account. This cover provides a basic level of protection if you die or become ill or injured. Eligible members receive age-based Death, Total & Permanent Disablement (TPD) and Income Protection cover. Age-based cover is designed to provide a minimum amount of cover for changing needs as you get older. If you are looking to apply for insurance inside of your super, you can find information at [australiansuper.com/insurance](https://australiansuper.com/insurance)

AustralianSuper also offers access to a range of advice and guidance options. More information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.104 What is the best way to invest the super with much benefit & profit?**

How you choose to invest your money will depend largely on the type of investor you are. When it comes to super, there are three key considerations in choosing the right investment for you: how long you're investing for, how hands-on you want to be when managing your super, and how much investment risk you're comfortable with. Visit [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option) to learn more about this topic.

You may also like to use our Risk Profiler tool to understand what type of investor you may be: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

### **1.105 what kind of steps do I need to take for improving my return investment? for get more benefits?**

How you choose to invest your money will depend largely on the type of investor you are. When it comes to super, there are three key considerations in choosing the right investment for you: how long you're investing for, how

hands-on you want to be when managing your super, and how much investment risk you're comfortable with. Visit [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option) to learn more about this topic.

You may also like to use our Risk Profiler tool to understand what type of investor you may be: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

#### **1.106 What makes a superannuation member continue with their current provider and not switch to other higher dividend paying company?**

It's always important to assess whether the fund your money is with is providing you with the best outcome. People will often assess investment returns over a number of years, fees and costs, insurance and member services as points of interest in assessing whether a fund is best for them. You may like to access a tool provided by Chant West at [australiansuper.com/compare-us/](https://australiansuper.com/compare-us/) which may provide some added information in comparing the super funds.

#### **1.107 How much %ge of interest will workout for money we kept in super in 5 years time? Thanks**

The amount of investment return your super earns over any given timeframe will depend on the contributions made, the effects of compound returns over time, the investment option that you've selected, and fees and taxes. If you would like to do a projection, a great place to start would be our super projections calculator, which can be found at [australiansuper.com/tools-and-advice/calculators/super-projection-calculator](https://australiansuper.com/tools-and-advice/calculators/super-projection-calculator)

#### **1.108 How much can i get from my super**

You can access your super when you reach 60 years of age and retire. The meaning of 'retire' depends on your age and how and when you finished work. If you're over 60 and still working, you may be able to access a regular income with a transition to a retirement account-based pension. You can find more information on accessing your super at [australiansuper.com/retirement/access-super](https://australiansuper.com/retirement/access-super)

You can also use our super projection calculator. This calculator helps estimate how much money you could get in retirement, how long your super could last and how adding a few extra dollars to your super now could make a big difference when it's time to retire.

#### **1.109 How much do I need to retired comfortably**

The amount of super you will need to retire comfortably depends on how you plan to spend your time in retirement and your lifestyle. You might have heard you need \$1 million – it's the figure that's often thrown around as the financial retirement ideal. But the truth is, there's no one-size-fits-all. A comfortable retirement will look different for everyone. The ASFA Retirement Standard provides an estimate of how much money you need for a 'modest' or 'comfortable' retirement for both singles and couples. It also explores what a comfortable retirement looks like versus a modest one. You can find the standards in the following article, or you can register for one of our *Do I need \$1 million to retire?* webinars where we unpack this in more detail:

[australiansuper.com/retirement/retirement-articles/2018/02/do-i-really-need-1-million-to-retires](https://australiansuper.com/retirement/retirement-articles/2018/02/do-i-really-need-1-million-to-retires)

#### **1.110 The difference of fees attached to balanced option and DIY please**

Investment fees and costs are deducted from pre-tax investment returns and are reflected in the daily crediting rate. For PreMixed and DIY Mix investment options, the investment fee varies between 0.07% to 0.55% depending on the options that have been selected. For examples and additional explanation of fees, you can refer to the fees and costs guide at [australiansuper.com/FeesandCostsGuide](https://australiansuper.com/FeesandCostsGuide)

#### **1.111 TTR information on this**

You don't have to retire to access your super at 60. If you're aged 60 to 64 and you're still working, you can transition to retirement (TTR) by topping up your salary as you wind down your work hours. To do this, you need a super account and a TTR Income account. When you have an AustralianSuper Choice Income or TTR Income account, every financial year, you'll need to withdraw a minimum amount. The amount is set by the Government, is based on your age and increases as you get older. You can find more information on our website at [australiansuper.com/retirement/our-ttr-income-account](https://australiansuper.com/retirement/our-ttr-income-account) or by registering to join one of our live webinars where we unpack the transition to retirement: [australiansuper.com/webinars](https://australiansuper.com/webinars)

### **1.112 Want to know more individuals investment option.**

There are many different ways you could invest your super and what you decide to do might come down to things like your age, financial situation and attitude toward risk. For instance, some people may choose to take on more risk with the potential for higher returns in their younger years, but then change to more conservative options with lower returns as they get older and closer to retirement. You may decide to leave your investment in the default investment option, which is the Balanced option (PreMixed option), or you may want to take a more hands-on approach and choose how your money is invested across different asset classes.

PreMixed options are diversified options that invest across different combinations of asset classes such as shares, property, infrastructure, fixed interest and cash. DIY Mix options are single asset class portfolios. You choose how much you want to invest in each, in a mix that can also include one or more PreMixed options.

The Member Direct investment option gives you the greatest control of all options. You can invest your own super in a range of listed securities.

A good place to start in making the right decision for you is to read the AustralianSuper *Investment Guide*, which is available at [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide) and/or visit [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

### **1.113 First Home Buyers Scheme**

If you're considering purchasing your first home, you may be able to withdraw some of your personal super contributions to put towards a deposit. To be eligible for the First Home Super Saver (FHSS) scheme, you need to be 18 years or over, have never owned a property in Australia previously and not be using FHSS to purchase another property. The most you can apply to release under the FHSS scheme is \$15,000 of your personal super contributions from any one financial year, up to a maximum of \$50,000 in contributions per person (a combined amount of \$100,000 per couple) over all financial years. To learn more about the FHSS scheme, you can visit our website at [australiansuper.com/superannuation/grow-your-super/first-home-super-saver](https://australiansuper.com/superannuation/grow-your-super/first-home-super-saver)

### **1.114 Has Australian Super ever considered allowing members to have two accumulation accounts, instead of one? This would allow members to start quarantening the tax-free part of their super benefits, from their taxable part, when using the recontribution strategy to avoid the so-called "death tax" of 15 percent plus Medicare levy when leaving any taxable component of super to a non-dependent.**

There is the ability to hold more than a single accumulation account if seeking to segregate tax components within your superannuation wealth. It may be a good idea to discuss this with the Fund around process, requirements, etc on **1300 300 273** or seek advice via [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.115 I would like to discuss the risk of investing more money into my super . Currently i invest in fixed term deposits eith more bank but am thinking it may be more profitable to invest with my super.. ??**

You may like to consider speaking with a financial adviser who can help you determine which option would be best for you. AustralianSuper has a number of different advice options depending on how complex your needs are. Your adviser will discuss fees with you prior to any commitment from you. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273**.

### **1.116 Suggestion for Investment Plan for young adults.**

Choosing the right investment option is important, and the following link provides more information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also contact the Fund on **1300 300 273** and discuss your investment options with an adviser. Advice needs of a simple nature on your AustralianSuper account, such as the best investment option, adding extra to your super or personal insurance for you are included as part of your membership of the Fund and do not come with additional fees. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice)

### **1.117 Why do we have to pay \$3000 to get super advice.**

AustralianSuper has a number of different advice options depending on how complex your needs are. Advice needs of a simple nature on your AustralianSuper account, such as the best investment option, adding extra to your super or personal insurance, are included as part of your membership of the Fund and do not come with additional fees. If your advice needs are more complex, your adviser will discuss fees with you prior to any commitment from you. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays).

### **1.118 How can I best draw on my Superannuation in my transition to retirement and can I return to part-time work, after drawing on my pension**

Find out how a TTR Income account can help you work less or save more as you transition into retirement: [australiansuper.com/retirement/transition-to-retirement](https://australiansuper.com/retirement/transition-to-retirement)

### **1.119 How can i find my ABN and USI**

AustralianSuper is a registrable superannuation entity and is eligible to be nominated as a default fund as it meets the minimum statutory insurance cover requirements. The Trustee of the Fund is AustralianSuper Pty Ltd ABN 94 006 457 987, AFSL 233788. The USI number is STA0100AU.

### **1.120 How can i get early access to my super to support early retirement development ?**

To know more about accessing super before retirement, please visit [australiansuper.com/superannuation/access-your-super-early](https://australiansuper.com/superannuation/access-your-super-early) We also have more information and helpful resources, including the super projection calculator, the retirement planning guide, how Choice Income works, and your help and advice options at: [australiansuper.com/retirement-journey](https://australiansuper.com/retirement-journey)

For further reading on planning your retirement, please visit [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/retirement/guides/planning-your-retirement-brochure.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/retirement/guides/planning-your-retirement-brochure.pdf)

### **1.121 how can i increase super in next few years**

Learn more about contributing to your super at [australiansuper.com/grow](https://australiansuper.com/grow) or read the fact sheet at [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/add-to-your-super-and-retire-with-more.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/add-to-your-super-and-retire-with-more.pdf)

### **1.122 im 73 is it a good idea to stay in super ty**

Please visit the following web page for more information:

[australiansuper.com/retirement/retirement-articles/2020/11/grow-your-super-in-retirement](https://australiansuper.com/retirement/retirement-articles/2020/11/grow-your-super-in-retirement)

You may like to consider speaking with a financial adviser who can help you determine which option would be best for you. AustralianSuper has a number of different advice options depending on how complex your needs are. Your adviser will discuss fees with you prior to any commitment from you. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays).

### **1.123 I'm a self employed. Married with no kids. Im payingv\$100 per month. I have a a small amounts in my Super. Need your answers to guide me, how my savings will help me in my retirement age. I'm now 50. When and how Super savings will support me. Is that more beneficial if I keep this amount in my bank accounts or with Super? Please advise me. Thank you in advance.**

Planning early can help build your confidence and allow you to think about the lifestyle in retirement you desire. For more information, please visit [australiansuper.com/retirement/planning-your-retirement](https://australiansuper.com/retirement/planning-your-retirement) You may like to consider speaking with a financial adviser who can help you determine which option would be best for you. AustralianSuper has a number of different advice options depending on how complex your needs are. Your adviser will discuss fees with you prior to any commitment from you.



Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays).

#### **1.124 I'm now retired will my retirement investment still receive interest**

Many people start using their super savings as soon as they retire and can access them, but you don't have to. If you have other income sources or savings to live on, you could leave your super savings in your super account. This means your money stays invested, and you could continue to benefit from investment returns. How you invest your super will depend on a number of individual factors. We have a tool on our website that can help you determine your risk profile at [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

If you would like to speak to one of our phone-based financial advisers, you can let us know at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options) You can speak with a member of our team over the phone about simple super advice and your investment options.

#### **1.125 In the event I should pass away before I draw my super will it definitely go to my nominated person ex my daughter**

There are rules that apply when a super fund determines who receives a death benefit. For more information about who your super savings go to in the event of your passing, please go to [australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary](https://australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary)

#### **1.126 Why would consumers choose this super fund over another**

In reviewing your super, a great place to start is to do a comparison. To complete the comparison, use the free AppleCheck comparison tool provided by external research firm Chant West. Please visit [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

#### **1.127 Would it be more secure to put some of the investments in the bank**

Investment choice is individual to each person, depending on how much risk compared to return you are willing to take as part of your membership. We can provide advice on the best investment to suit you. If you would like to know which option is best for you or require further assistance, please visit our help and advice web page: [australiansuper.com/HelpAndAdvice](https://australiansuper.com/HelpAndAdvice) Simply fill in your details and a member of our team will contact you to assist you further.

#### **1.128 Would like to know more about first home buyers scheme qld.buyers scheme.**

If you're considering purchasing your first home, you may be able to withdraw some of your personal super contributions to put towards a deposit. To be eligible for the First Home Super Saver (FHSS) scheme, you need to be 18 years or over, have never owned a property in Australia previously, and not be using FHSS to purchase another property. The most you can apply to release under the FHSS scheme is \$15,000 of your personal super contributions from any one financial year, up to a maximum of \$50,000 in contributions per person (a combined amount of \$100,000 per couple) over all financial years. To learn more about the FHSS scheme, you can visit our website at [australiansuper.com/superannuation/grow-your-super/first-home-super-saver](https://australiansuper.com/superannuation/grow-your-super/first-home-super-saver)

#### **1.129 How am i going to make high returns within 10 yrs of retirement.**

Choosing the right investment option is important, and the following link provides information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option) You can also contact the Fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays) to discuss your investment options with a financial adviser. Further information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

#### **1.130 I would like to know about investment - how does one begin?**

There is a lot of information on our website under the Investments tab at the top of the page. In particular, this link will direct you to the page called 'Choosing the right super option' and will be a good starting point. You can also contact the fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays) and ask to talk to a limited financial planner if you are a member. You can also receive advice on what investment options are best for you. Further

information can be found via these links: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option) and [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.131 To know more about safe investment strategies.**

Choosing the right investment option is important, and the following link provides more information and tips to consider: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option). You can also contact the Fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays) to discuss your investment options with a financial adviser. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice)

### **1.132 What progress has been made for the Fund to be able to provide more "ad hoc" financial advice to retirees in lieu of a full, more formal, financial plan?**

You may like to consider speaking with a financial adviser who can help you determine which option would be best for you. AustralianSuper has a number of different advice options depending on how complex your needs are. Your adviser will discuss fees with you prior to any commitment from you. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays)

### **1.133 How do I go about accessing financial advice regarding my financial situation?**

You may like to consider speaking with a financial adviser who can help you determine which option would be best for you. AustralianSuper has a number of different advice options depending on how complex your needs are. Your adviser will discuss fees with you prior to any commitment from you. Further information can be found at [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice) or by contacting the Fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays)

### **1.134 if i go back my country the money that i deposited in your super can i claim all of that? Thank you for your answer in advance.**

Claiming your super will depend if you were in Australia on a temporary resident visa or not. If you were on a temporary resident visa, you can apply to have your super paid to you as a departing Australia superannuation payment (DASP) after you leave Australia. If you are a permanent resident or citizen of Australia or New Zealand, you aren't eligible for the DASP. Typically, you can access your super once you have reached your preservation age and have retired. However, individuals permanently moving to New Zealand may be eligible to transfer their super to a KiwiSaver. Please refer to our fact sheet: *Accessing your super*. You can call AustralianSuper on **1300 300 273** (8am to 8pm AEST/AEDT weekdays) to discuss your options further.

### **1.135 To reduce the Taxes, can we increase the Superannuation contribution from self ? When we can withdraw the amount? Also for purchasing the house whether we can get loan from Super. Please advise**

A taxpayer could possibly reduce taxable income with a personal deductible contribution and/or salary sacrifice. Care should be taken not to reduce income too low (and be worse off) and to keep within the contribution caps, which may be the standard cap. You could use the carry forward concessional cap if your total super balance was under \$500,000 on 30 June 2024 and meet other eligibility criteria. You'll need to meet a work test if you are 67 or over. You can typically access your super once you have reached your preservation age and have retired. Please see the *Add to your super and retire with more* and *Accessing your super* fact sheets on our website. The rules are complex, and you may benefit from advice. You can contact the Fund on **1300 300 273** (8am to 8pm AEST/AEDT weekdays) to discuss your options with a financial adviser.

### **1.136 Self managed super funds access and thresholds**

Self-managed super funds (SMSFs) are a specialised area and should be discussed with your accountant and/or financial adviser. The contribution caps and transfer balance caps are per person, not per fund, so take care when you have more than one fund. Access rules apply the same to SMSFs as for industry funds but your preservation components may be different if you have more than one account.

### **1.137 How much % of income you dont touch and how much % of income do you invest? What happens if an investment goes wrong?**

What is appropriate for one client may not be appropriate for another client. This question will need personal advice to ensure the investments align with your goals and needs and that you also maintain a cash reserve that you are most comfortable with, as some clients prefer to have a large cash reserve invested outside of super. Some clients only require a small amount for peace of mind. We will be happy to help out. Please visit our help and advice web page at [australiansuper.com/HelpAndAdvice](https://australiansuper.com/HelpAndAdvice) Simply fill in your details, and a member of our team will contact you to assist you further.

### **1.138 If I have a hundreds thousand savings, what is the best suggestion to use this amount? Bank term deposits? Super investment?**

What is best for and more appropriate for one client may not be appropriate for another client. This question will need personal advice to ensure the investments align with your goals and needs. We will be happy to help out. Please visit our help and advice web page at [australiansuper.com/HelpAndAdvice](https://australiansuper.com/HelpAndAdvice) Simply fill in your details, and a member of our team will contact you to assist you further.

### **1.139 Want to know if SMSF or continue with super?**

Industry funds such as AustralianSuper, retail funds and SMSF funds all fall under superannuation. What is best for and more appropriate for one client may not be appropriate for another client. Please note that AustralianSuper does not provide SMSF advice. However, we do have registered external financial advisers that are able to offer SMSF advice if this is the direction you wish to take and explore. This question will need personal advice to ensure the investments align to your goals and needs. We will be happy to help out. Please visit our help and advice web page at [australiansuper.com/HelpAndAdvice](https://australiansuper.com/HelpAndAdvice) Simply fill in your details and a member of our team will contact you to assist you further.

### **1.140 What is the safest way to invest superannuation as a self managed fund?**

SMSFs are a specialised area and should be discussed with your accountant and/or financial adviser if you have one. Please note that AustralianSuper does not provide SMSF advice. However, we do have registered external financial advisers that are able to offer SMSF advice if this is the direction you wish to take and explore. This question will need personal advice to ensure the investments align to your goals and needs. We will be happy to help out. Please visit our help and advice webpage at [australiansuper.com/helpandadvice](https://australiansuper.com/helpandadvice)

Simply fill in your details and a member of our team will contact you to assist you further.

### **1.141 How much support do you provide for individuals who choose a SMSF ( self managed) option within Australian Super?**

Please note that AustralianSuper is unable to invest money on behalf of a self-managed super fund (SMSF).

If you are a member of AustralianSuper, you can choose to invest your super in a range of options to suit the level of involvement you want to have in your investments.

Not sure what type of investor you are? Find out how to choose the right option:

[australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

You can also learn more about different investment options (PreMixed – low hands-on, DIY Mix – medium hands-on) and Member Direct – high hands-on):

[australiansuper.com/investments/your-investment-options](https://australiansuper.com/investments/your-investment-options)

You can learn more about advice options at AustralianSuper and find an adviser at

[australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

[findadviser.australiansuper.com/home](https://findadviser.australiansuper.com/home)

### **1.142 if you invest in the share market do we get 100% ov the dividends returned to our accounts**

The crediting rate return of each of the investment options includes any capital growth, dividends, interest or other income.

Each investment option would receive their pro rata share of any dividends or franking credit benefit. The investment options are allocated their share of dividends through the crediting rate process based on their proportional exposure to the security issuing dividends. In addition, members receive their respective share of the benefit of any franking credits throughout the year.

#### **1.143 What advice can I get about my investment strategy related to my age**

You can find out about advice options at [australiansuper.com/tools-and-advice/your-advice-options](https://www.australiansuper.com/tools-and-advice/your-advice-options) This fact sheet provides details on getting the help and advice you need at any life stage: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/access-advice-with-australiansuper.pdf](https://www.australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/access-advice-with-australiansuper.pdf)

#### **1.144 If there multiple stages when reviewing retirement Why is there an on going financial advisor fee for each stage instead of one complete fee**

Comprehensive advice is available for a once-off fee, which could be for initial advice or review advice as a member's situation changes. This fact sheet provides details on getting help and advice: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/access-advice-with-australiansuper.pdf](https://www.australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/access-advice-with-australiansuper.pdf)

You can find out more about choosing a financial adviser at: [australiansuper.com/retirement/retirement-articles/2020/11/how-to-choose-a-financial-adviser](https://www.australiansuper.com/retirement/retirement-articles/2020/11/how-to-choose-a-financial-adviser)

You can use this tool to find a financial adviser:

[findadviser.australiansuper.com/home](https://findadviser.australiansuper.com/home)

#### **1.145 How to double my income and investment strategy for my retirement?**

Thank you for your question. Investment choice will depend on the type of investor you are. When it comes to super there are three key considerations in choosing the right investment for you, such as how much risk compared to return you are willing to take. You can view more information on choosing the right investment option at [www.australiansuper.com/investments/choosing-the-right-option](https://www.australiansuper.com/investments/choosing-the-right-option)

As part of your membership we also provide access to advice on the best investment to suit you. To view your advice options please visit our help and advice webpage: <https://www.australiansuper.com/helpandadvice>

#### **1.146 If I want to use my super to buy a property, what are the procedures?**

It is possible to use your superannuation to buy a house in Australia, but there are specific conditions you need to be aware of. You cannot simply withdraw your super to buy a house unless you are a retiree and have reached the preservation age. There are two main ways to use your super for buying property:

First, the First Home Super Saver scheme allows first-home buyers to withdraw additional superannuation contributions to purchase a property. You can make voluntary concessional (before-tax) and non-concessional (after-tax) contributions into your super fund to save for a first home of up to \$15,000 per financial year, up to a total of \$50,000 across all years. For further information on using super to buy your first home please read our article: <https://www.australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home>

Second, you may be able set up a Self-Managed Super Fund and use that money to buy an investment property. For more information visit <https://www.australiansuper.com/investments/choosing-the-right-option/smsf>

It is important to seek professional financial advice to make informed decisions based on individual circumstances. <https://www.australiansuper.com/tools-and-advice/your-advice-options>

#### **1.147 What age do you recommend moving down from aggressive growth**

Choosing the right investment option is important, the following link provides more information and tips to consider: <https://www.australiansuper.com/investments/choosing-the-right-option>. You can also contact the Fund on 1300 300 273 (8am – 8pm AEST/AEDT weekdays) and discuss your investment options with a financial adviser. Further information can be found via this link: <https://www.australiansuper.com/tools-and-advice>

### **1.148 What happens with my Super if I go overseas?**

DASP stands for Departing Australia Superannuation Payment. It's a provision that allows temporary residents and certain visa holders to claim their superannuation (a retirement savings fund) when they leave Australia permanently. Here are some key points about DASP:

**Eligibility:** You can claim DASP if you have worked in Australia on a temporary visa, your visa has expired or been cancelled, and you have left Australia without holding any other active visa.

**Claim Process:** You typically need to apply for DASP after leaving Australia. It's recommended to gather all necessary information and start the application process while still in the country, as it can be more challenging to do so afterward.

**Taxation:** DASP payments are subject to tax, and different rates may apply depending on your visa type.

Further information can be found here: <https://www.australiansuper.com/superannuation/access-your-super-early>

Alternatively, if you do not qualify for DASP, then the super would have the same preservation and payment conditions as if you were to stay in Australia. Information can be found here on accessing super at retirement: <https://www.australiansuper.com/retirement/access-super>

### **1.149 Can a super follow through descendency ?**

When a member of a superannuation fund passes away, their superannuation balance can be paid to their beneficiaries. A beneficiary is the person you nominate to receive your superannuation death benefit. Your beneficiary could be your spouse, children, interdependents, financial dependents, or your legal personal representative. Beneficiary or beneficiaries may be also determined by the Trustee if a member does not make a nomination.

Most super funds, including AustralianSuper, let you nominate a beneficiary as either a binding nomination, non-binding nomination, or reversionary nomination.

Please visit <https://www.australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary> for further information on nominating a beneficiary.

### **1.150 Can Australian Superannuation help clients to check for any "lost superannuation"? How?**

AustralianSuper members can search for any lost super they may have with other super funds or the ATO.

To search, you'll need to log in to your account. Please have two forms of ID ready and make sure you've provided us with your Tax File Number (TFN). You can check if you've supplied us with your TFN by logging into your online account and clicking 'Account', then 'Tax File Number'; or check in the AustralianSuper mobile app under 'My details'.

Please visit <https://www.australiansuper.com/superannuation/find-lost-super> for further information on the above ways to find lost super.

### **1.151 I am self-employed now can I also invest. If so terms? I am over 65 now. Can I withdraw as well? What is the process and term?**

You can continue to remain invested with AustralianSuper if you're self-employed. You can also make after-tax contributions to your super and claim a tax deduction, should you decide to. After-tax contributions you claim a tax deduction for are treated like before-tax contributions. The concessional contributions cap applies.

Please visit <https://www.australiansuper.com/employers/super-for-self-employed> for further information on super for self-employed.

In regard to accessing your super. If you're 65 or older: you can access all your super, even if you're still working.

AustralianSuper members can request a part or full withdrawal to their bank account by logging into their account online and selecting 'withdrawal.' Alternatively, members may consider setting up a regular income by transferring a balance of \$50,000 or more to an account-based pension like the Choice Income account.

Please visit <https://www.australiansuper.com/retirement/access-super> for further information on accessing super.

### **1.152 I have just reached 60 and still working. What are the benefits I can get**

One option may be to consider setting up a Transition to Retirement Strategy. While you're still working and between 60 and 64 years of age, a Transition to Retirement account (TTR) is an AustralianSuper account-based pension that lets you receive regular payments from your super (Government minimum and maximum withdrawal limits apply).

You'll use some money from your super account to open your TTR account and set up regular payments from your TTR Income account directly into your bank account.

You'll continue to receive your employer super contributions in your existing super account while the balances of both your accounts stay invested.

Download the TTR Income Product Disclosure Statement for details. Find out how a TTR income account can help you work less or save more as you transition into retirement:

**[australiansuper.com/retirement/transition-to-retirement](https://australiansuper.com/retirement/transition-to-retirement)**

Transition to Retirement (TTR) can be complex and isn't suited to everyone. It's a good idea to get financial advice before deciding if a TTR Income account is right for you.

Everyone's financial journey is different, so whether you're after simple super or comprehensive financial advice, we offer access to a range of options

Simply fill in your details and a member of our team will contact you at a time after the event to assist you further.

**[australiansuper.com/helpandadvice](https://australiansuper.com/helpandadvice)**

### **1.153 I wanna see how much do I have**

If you have online access to your AustralianSuper account, you can simply log into your account and check your account balance. If you do not yet have online access, you can register via **[portal.australiansuper.com/portal-registration](https://portal.australiansuper.com/portal-registration)**

Alternatively, please contact the Fund on **1300 300 273** (8am–8pm AEST/AEDT weekdays) to request account balance information.

### **1.154 I want to ask you about Hand over, I can give my super to some one to take out when I get sick or die?**

Your super savings are a key investment for your future. It's your money, and you've worked hard for it. But that money needs to go to someone if you die. Your beneficiary is the person you nominate to receive your superannuation death benefit. More information is available at **[australiansuper.com/beneficiaries](https://australiansuper.com/beneficiaries)**

### **1.155 What's my supers performance I like to know more about it**

Information pertaining to AustralianSuper's investment performance can be found at **[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)**

### **1.156 What's the biggest benefit of AusSuper over other Super funds?**

We're Australia's largest super fund and manage over \$341 billion of retirement savings on behalf of over 3.4 million members. We use our size, expertise and global reach to access the best investment opportunities for members. We're proudly a profit-for-member fund. This means we don't pay profits or dividends to shareholders, so the profit we make is for members.

Our purpose is to help members achieve their best financial position in retirement. This drives the work we do and the decisions we make every day. For further information relating to AustralianSuper, please visit

**[australiansuper.com/about-us](https://australiansuper.com/about-us)**

### **1.157 When can i apply for my super to be given to me after i resigned from as a foreigner**

If you're a temporary resident who has earned super while working and living in Australia, you can apply to have your super paid to you as a departing Australia superannuation payment (DASP) after you leave. If you're eligible,

you can claim your super online or by lodging a paper form. To apply online or download a form, visit the Australian Tax Office (ATO) website at <http://www.ato.gov.au/DepartAustralia>

### **1.158 When do you get the Australian super amount?**

You can access your super when you reach 60 years of age and retire. The meaning of 'retire' depends on your age and how and when you finished work. You can access your super if you're aged between 60 and 64 and stop working permanently or if you leave an employment arrangement after age 60. If you're 65 or older, you can access all your super, even if you're still working. More information is available at [australiansuper.com/retirement/access-super](http://australiansuper.com/retirement/access-super)

### **1.159 Can I buy house using my super?**

It is possible to use your superannuation to buy a house in Australia, but there are specific conditions you need to be aware of. You cannot simply withdraw your super to buy a house unless you are a retiree and have reached the preservation age. There are two main ways to use your super for buying property:

Firstly, the First Home Super Saver scheme allows first-home buyers to withdraw additional superannuation contributions to purchase a property. You can make voluntary concessional (before-tax) and non-concessional (after-tax) contributions into your super fund to save for a first home of up to \$15,000 per financial year, up to a total of \$50,000 across all years. For further information on using super to buy your first home, please read our article: [australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home](http://australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home)

Secondly, you may be able set up a self-managed super fund and use that money to buy an investment property. For more information, visit [australiansuper.com/investments/choosing-the-right-option/smsf](http://australiansuper.com/investments/choosing-the-right-option/smsf)

It is important to seek professional financial advice to make informed decisions based on individual circumstances: [australiansuper.com/tools-and-advice/your-advice-options](http://australiansuper.com/tools-and-advice/your-advice-options)

### **1.160 Can I still keep going my investment in my retirement roll over it ongoing? Thanks**

When you reach retirement age and gain access to your super, you have several options to manage your money. One option is opening an account-based pension such as our Choice Income account. An account-based pension keeps your money invested with your super fund, but lets you access it as needed. For more information on planning your retirement, visit [australiansuper.com/retirement/planning-your-retirement](http://australiansuper.com/retirement/planning-your-retirement)

To make sure you are making the best decisions for your retirement, it might be a good idea to speak with a financial advisor. We have online, simple and comprehensive financial advice options. Please visit [australiansuper.com/tools-and-advice/your-advice-options](http://australiansuper.com/tools-and-advice/your-advice-options)

### **1.161 can I use my super to invest into the stock markets**

AustralianSuper provides various investment options, including the Member Direct option. Through the Member Direct investment option, you can invest in shares in the S&P/ASX 300 index, Exchange Traded Funds, Listed Investment Companies, Term Deposits and cash through an easy-to-use online platform.

The Member Direct investment option suits members who want to be actively involved in managing their investments. For more information, please visit [australiansuper.com/investments/your-investment-options/member-direct](http://australiansuper.com/investments/your-investment-options/member-direct)

### **1.162 Can the funds in it be cashed out quickly if there are urgent matters that require funds? Can funds in Australian Super be used to buy a house in the future?**

The process of cashing out funds from your AustralianSuper account depends on your specific circumstances and eligibility. Generally, you must meet a condition of release, such as reaching retirement age, experiencing severe financial hardship, or other specific conditions. If you are eligible, the funds can usually be processed and transferred relatively quickly. However, it is best to contact AustralianSuper on **1300 300 273** (8am–8pm AEST/AEDT weekdays) for precise details and guidance.

If you're a first home buyer, you could save through your super to buy your first home using the First Home Super Saver (FHSS) scheme. The FHSS scheme allows first-home buyers to withdraw additional superannuation

contributions to purchase a property. You can make voluntary concessional (before-tax) and/or non-concessional (after-tax) contributions into your super fund to save for a first home of up to \$15,000 per financial year, up to a total of \$50,000 across all years. For further information, please visit [australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home](https://australiansuper.com/superannuation/superannuation-articles/2021/09/using-super-to-buy-your-first-home)

### **1.163 i want to get into the app**

To access the AustralianSuper mobile app, follow these steps:

1. Visit the App Store (for iOS devices) or Google Play (for Android devices) and search for 'AustralianSuper'. Download and install the app on your device.
2. Open the app and log in using your AustralianSuper account username and password. If you haven't already, you'll need to set up online access to your AustralianSuper account. You can do this by visiting [australiansuper.com](https://australiansuper.com) and registering for online access.
3. For added security and convenience, you can set up a four-digit PIN, Touch ID, or Face ID. The app will prompt you to create a four-digit PIN when you log in for the first time. You can also enable Touch ID or Face ID if your device supports these features.

If you encounter any issues while trying to log in, please contact AustralianSuper on **1300 300 273** (8am–8pm AEST/AEDT weekdays).

### **1.164 I would like to know How can you help me to maxims my fund and increase my growth**

There's more than one way to grow your super for the retirement you want to achieve. In addition to employer contributions, your super can grow through investment performance and any extra contributions you add to it during your working life. The more you add, the better chance you have of achieving financial freedom in retirement. If you're thinking about adding a little extra to your super, please visit [australiansuper.com/superannuation/grow-your-super](https://australiansuper.com/superannuation/grow-your-super)

To make sure you are making the best decisions for your retirement, it might be a good idea to speak with a financial advisor. We have online, simple and comprehensive financial advice options. Please visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.165 I would like to know how I can find my non-concessional and concessional contributions.**

You can track your non-concessional and concessional contributions through the AustralianSuper website and log in to your account at [portal.australiansuper.com/login](https://portal.australiansuper.com/login). If you don't have online access, you can register for it on the website. Once logged in, go to the Transaction section in the navigation menu and select Contributions to view your concessional and non-concessional contributions.

Your annual statements will also provide information on your contributions. You can access these statements through the AustralianSuper website or mobile app. If you need further assistance, you can contact AustralianSuper on **1300 300 273** (8am– 8pm AEST/AEDT weekdays) for detailed information about your contributions.

### **1.166 I would like to know if and how much is the self funded fortnightly amount being increased on 20th September in line with the increase which the social security pension? Also how many times per year is the self funded pension increased? What is the percentage of increase ? Thank you.**

From 20 September 2024, the maximum full Age Pension rates for Australians will be as follows:

- For a single person, the maximum full Age Pension will increase to \$1,144.40 per fortnight, which is roughly \$29,754 per year.
- For a couple, each individual will receive \$862.60 per fortnight, amounting to about \$22,428 per year.

These figures include both the pension and energy supplements. If you are eligible for the Age Pension, there are many factors that influence your rate of payment, including your living arrangements, value of assets, level of income and when you started receiving the pension.

Age Pension payment rates are typically adjusted twice a year. The increase percentage varies annually and is influenced by a range of economic factors such as inflation rates, wage growth, and overall economic performance.



Account-based pensions are not linked to increases in the Age Pension and instead, change based on investment performance and age.

### **1.167 Where can I find out more information regarding the \$1.9 million top limit?**

The transfer balance cap is a limit on the total amount of super you can transfer into tax-free retirement income streams during the 'retirement phase' of superannuation. The current transfer balance cap is \$1.9 million for the 2024–25 financial year. If you have commenced a retirement income stream before 1 July 2024, your personal transfer balance cap will be between \$1.7 and \$1.9 million, depending on your circumstances. You can check your personal transfer balance cap with the ATO at [my.gov.au](https://my.gov.au). This cap includes balances from all income stream accounts, including defined benefit income streams (e.g. CSS pension) held in an individual's name.

For further information, please visit

[ato.gov.au/tax-rates-and-codes/key-superannuation-rates-and-thresholds/transfer-balance-cap](https://ato.gov.au/tax-rates-and-codes/key-superannuation-rates-and-thresholds/transfer-balance-cap)

### **1.168 Where can I view how the fund is performing (current and future) in the online app.**

To view how your super is tracking, open the AustralianSuper mobile app and log in using your account credentials. If you haven't set up your online access yet, you can register on the AustralianSuper website.

Once logged in, select the account on the dashboard and view the graph, then select a year and see a summary of that year – including your opening balance, total fees, taxes, insurance premiums, investment returns, payments and contributions. The mobile app shows up to five years of data.

### **1.169 Where do I go to understand Super and how it works?**

Superannuation (or 'super') is money set aside while you're working to support your financial needs in retirement. Your super is invested in a range of assets to help grow your balance so you can have the best possible retirement outcome. To learn how super works, please visit [australiansuper.com/superannuation/what-is-super](https://australiansuper.com/superannuation/what-is-super)

### **1.170 which choice income product performed better, smart default option or conservative balance?**

The performance of the Smart Default option and the Conservative Balanced option can vary based on market conditions and investment strategies. Generally, the Smart Default option is designed to provide a balanced approach with a mix of growth and defensive assets, while the Conservative Balanced option focuses more on stability with a higher allocation to defensive assets.

To view the historical investment performance of our superannuation and account-based pension, please visit [australiansuper.com/compare-us/our-performance-retirement](https://australiansuper.com/compare-us/our-performance-retirement)

When comparing super performance, it's a good idea to consider returns over the long term. Markets can fluctuate in the short term. Please note that investment returns aren't guaranteed, and past performance isn't a reliable indicator of future returns.

### **1.171 How to use our super to buy investment property**

To use your super to buy real property, such as an investment property, your super would have to be in a self-managed super fund. AustralianSuper does not allow for investments outside its investment menu, so purchasing a real property with funds in AustralianSuper would not be possible. However, please note that AustralianSuper does hold numerous commercial property investments as part of its wider investment portfolio and details of the funds invested in property can be viewed on the AustralianSuper website under investments

### **1.172 I have separated from my husband. Have low super. 58 years old. Working full time. Selling property, shall i pu lump sum in my super?**

If you're thinking about adding extra to your super, you can learn how super can be a tax-effective way to save for your retirement and the limits on how much you can contribute via this link:

[australiansuper.com/superannuation/grow-your-super](https://australiansuper.com/superannuation/grow-your-super)

AustralianSuper offers access to different advice options. If you would like to receive personal advice in this area, please follow this link to find a suitable adviser: [findadviser.australiansuper.com/home](https://findadviser.australiansuper.com/home)

### 1.173 Can I use my super to purchase property or invest to make more money any way at all ?

You can invest in all the different asset classes in superannuation: cash, fixed interest, shares, and property. Choosing the right investment can impact how much your savings grow and how long they last. You can choose from three different investment options, each with a different hands-on level:

- PreMixed - Hands-on level: Low
- DIY Mix - Hands-on level: Medium
- Member Direct - Hands-on level: High

Further information can be found at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

### 1.174 Am 34 years old. I want to choose aggressive on my super which one is best option..

When choosing an investment option, it is very important that you understand the risk you are taking and the type of returns you could potentially receive. To learn more about choosing the right investment option, visit [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option). You can also use our Risk Profiler tool to help you work out the type of investor you are, so you can be better guided when making investment decisions, at [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler). AustralianSuper offers access to advice on your investments over the phone as part of your membership by calling **1300 300 273**. Please contact us to organise a phone call to discuss your investment options.

### 1.175 How do i get help with my investment portfolio?

When choosing an investment option it is very important that you understand the risk you are taking and the type of returns you could potentially receive. To learn more about choosing the right investment option visit [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option). You can also use our Risk Profiler tool to help you work out the type of investor you are, so you can be better guided when making investment decisions, at [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler). AustralianSuper offers access to advice on your investments over the phone as part of your membership by calling **1300 300 273**. Please contact us to organise a phone call to discuss your investment options.

### 1.176 Is the Balanced portfolio the best choice for a 72 year old female going forward?

The AustralianSuper Balanced option has consistently delivered strong long-term performance, with an average return of 8.19% each year over the last ten years and 9.28% since inception (Aug 1985) to 30 September 2024. However, it's important to consider that returns are not guaranteed, and past performance is not a reliable indicator of future returns. For someone at the age of 72, it might be more appropriate to consider a more conservative investment option, depending on your risk tolerance and financial goals. AustralianSuper offers access to advice. You can find out further information at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options). The costs can vary depending on the complexity of the advice provided.

### 1.177 What are the long term assumptions to use for retirement planning? Best case and worst case

The long-term assumptions used for comprehensive retirement planning are determined on a case-by-case basis. We acknowledge that individuals come with unique situations, and we adjust assumptions accordingly. You can visit our website to see the advice options available to you: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### 1.178 I am 72 yo and I would like to know if there is an age that I must start/take out my superannuation?

Many people start using their super savings as soon as they retire and can access them, but there is no legislative requirement to do so. If you have other income sources or savings to live on, you could leave your super in your super account. This means your money stays invested and you could continue to benefit from investment returns. Visit [australiansuper.com/retirement/retirement-articles/2020/11/grow-your-super-in-retirement](https://australiansuper.com/retirement/retirement-articles/2020/11/grow-your-super-in-retirement). It's important to be aware that your super investment earnings are generally taxed at 15% and taxes get deducted from investment earnings with any applicable fees. They're deducted before determining the final net investment earnings credited to your account. However, your investments aren't taxed if you're retired and in a Choice Income account. More information can be found here on how super is taxed at [australiansuper.com/superannuation/how-your-super-is-taxed](https://australiansuper.com/superannuation/how-your-super-is-taxed). It may be worth you discussing what options

best suit your own personal situation and AustralianSuper offers access to a range of advice options. More information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.179 How can a young person invest their super to help them?**

There are a number of factors to consider when choosing what investment option is right for you. How long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. One important consideration as a younger member is your time horizon. This is how long you have to grow your account balance. A longer-term time horizon enables you to invest in an option that has more growth potential and ride out day-to-day market ups and downs. Generally, members who are younger have a longer 'time horizon'. A great article that explains this concept is available at

[australiansuper.com/superannuation/superannuation-articles/2024/10/super-tips-for-career-starters](https://australiansuper.com/superannuation/superannuation-articles/2024/10/super-tips-for-career-starters)

However we are all different, so it may also be worth seeking some advice on your own personal situation.

AustralianSuper offers access to a variety of advice options. Visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.180 What percentage of my money can I withdraw when I leave the country, as an international student?**

Super is a long-term investment to help grow your savings for your retirement years – see

[australiansuper.com/superannuation/access-your-super-early](https://australiansuper.com/superannuation/access-your-super-early). However, in certain instances, you may be eligible to access your super savings. If you're a temporary resident who has earned super while working and living in Australia, you can apply to have your super paid to you as a Departing Australia Superannuation Payment (DASP) after you leave. Visit <https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/temporary-residents-and-superannuation/departing-australia-superannuation-payment-dasp>

### **1.181 Is there a free advice we can obtain with regard to Investment option for our super balance?**

There are a number of factors to consider when choosing what investment option is right for you. How long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. We offer access to advice and a range of tools to help you understand what options may suit you, including our Risk Profiler tool: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler). As part of your membership, you can speak with an advice team member over the phone for simple personal advice on your AustralianSuper account, such as making an investment choice, adding extra to your super and personal insurance. Visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.182 I've invested for over 30 years, how can you help me after I've been made redundant during COVID?**

Facing the loss of your regular income can be difficult for you, your family and any others you support financially. Here's some simple information about how to protect your financial wellbeing and your super savings after being made redundant: [australiansuper.com/superannuation/superannuation-articles/2020/06/super-redundancy-and-being-stood-down](https://australiansuper.com/superannuation/superannuation-articles/2020/06/super-redundancy-and-being-stood-down), you may also want to seek some personal advice and AustralianSuper offers access to a range of advice options: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.183 Investment options for 40yr old**

There are a number of factors to consider when choosing what investment option is right for you. How long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. One important consideration as a younger member is your time horizon. This is how long you have to grow your account balance. A longer-term time horizon enables you to invest in an option that has more growth potential and ride out day-to-day market ups and downs. Generally, members who are younger have a longer 'time horizon'. A great article that explains this concept is available at

[australiansuper.com/investments/investment-articles/2024/04/compare-investment-options](https://australiansuper.com/investments/investment-articles/2024/04/compare-investment-options) However we are all different, so it may also be worth seeking some advice on your own personal situation. AustralianSuper offers access to a variety of advice options at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

**1.184 Can Australian Super please provide a written procedure on what is required by the beneficiary in order to claim the super in the account on the death of the member. Several attempts have been made to get this information without success. Being told "to ring in and the person will be advised over the phone what is required".**

All death claims are managed within our AustralianSuper Bereavement Centre, which has been established to help provide specialised support to our members' loved ones during a difficult time. When we're notified of a member's death, they will be assigned a case manager from our Bereavement Centre who will be responsible for managing the claim and keeping any identified beneficiaries updated on progress. As each member's claim is unique, the documentation requirement can vary. However, our case manager will be there to guide and support your loved ones through the process. More detailed information can be found at [australiansuper.com/insurance/make-a-claim](https://australiansuper.com/insurance/make-a-claim)

**1.185 Can someone explain the difference between the types of beneficiaries. And at what age of life should a binding beneficiary be changed to say a reversionary beneficiary nomination.**

There are a few options when deciding what happens to your money in the event of your death:

Binding Nomination - you provide formal written direction to AustralianSuper to tell us who you want your account balance paid to so that it's legally binding. A binding nomination comes into effect from the date we accept it and expires three years from the date you sign the form.

Non-Binding Nomination - you nominate who you'd prefer your account to be paid. However, your nomination is not legally binding, and although we'll consider who you choose, ultimately, we are legally responsible and will need to consider relevant laws when making a decision.

Reversionary Nomination (only for retirement accounts) – if you nominate a reversionary beneficiary, this person will receive regular income payments from your account until the balance reaches \$0.

The question as to which option is best for you depends on your own personal situation. You can find more information at [australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary](https://australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary). AustralianSuper also offers access to a number of advice options: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

**1.186 How to approach retirement**

There are a number of factors to consider to help plan for your retirement. Firstly, planning early can help build your confidence and allow you to think about the lifestyle in retirement you desire. We have a great article that explains five tips to start retirement planning: [australiansuper.com/retirement/retirement-articles/2024/07/tips-to-start-planning-your-retirement](https://australiansuper.com/retirement/retirement-articles/2024/07/tips-to-start-planning-your-retirement)

I would also encourage you to attend one of the many retirement webinars or seminars we have available to members: [australiansuper.com/tools-and-advice/events-and-seminars](https://australiansuper.com/tools-and-advice/events-and-seminars). These interactive sessions allows members to learn more, and also get their questions answered.

**1.187 Can I select and pay for life insurance product options from the super account?**

AustralianSuper provides most members (if eligible) with basic insurance cover with their super account. This cover provides a basic level of protection if you die or become ill or injured. Eligible members receive age-based Death, Total & Permanent Disablement (TPD) and Income Protection cover. Age-based cover is designed to provide a minimum amount of cover for changing needs as you get older, but you also have the ability to apply for additional cover. To check if you have insurance cover with us, log into your online account or the mobile app and select the Insurance tab. More information on insurance options available can be found at [australiansuper.com/insurance](https://australiansuper.com/insurance). If you need help understanding if you have the right amount of cover or would like more information on how much cover you need, we have some great information at [australiansuper.com/insurance/do-i-need-cover](https://australiansuper.com/insurance/do-i-need-cover)

**1.188 I am curious to know about Investment strategies.**

We recognise that members have a variety of investment objectives and views about risk. This is why AustralianSuper offers a range of investment options that have different levels of potential return and volatility. So, how do you make a choice? To help you make a decision about the investment options that best suit you and your financial goals, you may like to consider when making a choice: how long you will hold your investment, how

hands-on you want to be when managing your super and how much risk you're comfortable with. We have a number of resources and articles to help you understand some of the options available to you at [australiansuper.com/investments](https://australiansuper.com/investments) AustralianSuper also offer access to advice options, which can be found here: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.189 do i have to do any papper work befor i retired from my work**

When you decide to retire, there are a number of factors to consider. Such as, how much do I need in retirement? Where will my retirement income come from? As a good first starting point, we have a great article that explains five tips to start retirement planning: [australiansuper.com/retirement/retirement-articles/2024/07/tips-to-start-planning-your-retirement](https://australiansuper.com/retirement/retirement-articles/2024/07/tips-to-start-planning-your-retirement). What paperwork is required will depend on how you choose to access your super. For example, you could choose to withdraw a lump sum or transfer your money to an income stream account – or a combination of both. So understanding all of the options available is important. I would encourage you to consider attending one of the many retirement webinars or seminars we have available: [australiansuper.com/tools-and-advice/events-and-seminars](https://australiansuper.com/tools-and-advice/events-and-seminars). These interactive sessions allow members to learn more, and also get their questions answered. Finally, AustralianSuper offers access to a number of advice options: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.190 Explain different types of beneficiaries binding non binding lapsing non lapsing reversionary. Being ritired and aged in our early 70's what type of beneficiary is recommended. We recently changed to reversionary.**

There are a few options when deciding what happens to your money in the event of your death:

Binding nomination – you provide formal written direction to AustralianSuper to tell us who you want your account balance paid to so that it's legally binding. A binding nomination comes into effect from the date we accept it and expires three years from the date you sign the form.

Non-binding nomination – you nominate who you'd prefer your account to be paid. However, your nomination is not legally binding, and although we'll consider who you choose, ultimately, we are legally responsible and will need to consider relevant laws when making a decision.

Reversionary nomination (only for retirement accounts) – if you nominate a reversionary beneficiary, this person will receive regular income payments from your account until the balance reaches \$0.

The question as to which option is best for you depends on your own personal situation. You can find more information at [australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary](https://australiansuper.com/superannuation/access-your-super-early/nominate-a-beneficiary) AustralianSuper also offers access to a number of advice options: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.191 Hi Im S.Raju, my question may sound silly. In my home, 3 of us working 3 different companies but all of them with Australian Super. Is there any way by having one account, so we pay only one fees and charges."**

Superannuation (or 'super') is money set aside while you're working to support your financial needs in retirement. Your super is invested in a range of assets to help grow your balance so you can have the best possible retirement outcome. AustralianSuper accounts are held individually and cannot be combined with another family member's accounts. However, there is an opportunity to split your super contributions with your spouse. With super splitting, you can consider splitting up to 85% of your before-tax super contributions. Before-tax contributions include employer contributions, salary sacrifice contributions you make and any after-tax contributions you make that you claim a tax deduction for. More information can be found at [australiansuper.com/superannuation/grow-your-super/add-to-your-partners-super](https://australiansuper.com/superannuation/grow-your-super/add-to-your-partners-super)

### **1.192 Im retired and my super is going down because I'm spending too much. Just wondering how much I can put into super if I sell my house and have some cash."**

There are a number of factors to consider. To sell and downsize can be a big, emotional decision and a big financial one. If you are considering adding additional funds to super from the sale of your home, there is the opportunity to consider adding money to super via a downsizer contribution. If you're 55 years or older and sell your primary residence, you may be eligible to contribute up to \$300,000 as an individual or \$600,000 as a couple into super from the proceeds of sale. The amount you can contribute to super can't be greater than the total

proceeds of the sale of your home. We have a great member story that explains the downsizer in action: [australiansuper.com/retirement/retirement-articles/2019/09/downsizing-your-home](https://australiansuper.com/retirement/retirement-articles/2019/09/downsizing-your-home)

There are also other ways to add more to super: [australiansuper.com/superannuation/grow-your-super](https://australiansuper.com/superannuation/grow-your-super)

Lastly, if you are considering staying in your own home, there is also a government initiative available to homeowners who are eligible, called the Home Equity Access Scheme (HEAS). This used to be called the Pension Loans Scheme, and it allows retirees who meet certain criteria to turn the equity in their homes into an income stream. More information can be found at [australiansuper.com/retirement/retirement-articles/2022/01/understanding-home-equity-access-scheme](https://australiansuper.com/retirement/retirement-articles/2022/01/understanding-home-equity-access-scheme). AustralianSuper offers access to a range of advice options: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

**1.193 5 months ago I transferred \$20.000 to my supper account. Where did it go? With contributions from my wages I still dont see all of it in my balance."**

As we cannot answer personal questions in relation to your member account, we have arranged for a team member to contact you and discuss your inquiry further.

**1.194 For our CEO Mr. Schroeder: Is there any chance to have in the future a workshop such as this one that explains in simple language how small members still working beyond retirement age can best manage our Super funds, reduce fees, and re-invest.**

We run a series of Education events to help support members at every stage of their journey. I would also encourage you to consider attending one of the many retirement webinars or in-person seminars we have available: [australiansuper.com/tools-and-advice/events-and-seminars](https://australiansuper.com/tools-and-advice/events-and-seminars) These interactive sessions allows members to learn more, and also get your questions answered.

**1.195 Hello, How does it work to collect our Super when we are in overseas/left Australia before our retirement date? What is the process ? thank you**

Super is a long-term investment to help grow your savings for your retirement years. You can learn more about accessing your super here: [australiansuper.com/superannuation/access-your-super-early](https://australiansuper.com/superannuation/access-your-super-early). If you're a temporary resident who has earned super while working and living in Australia, you can apply to have your super paid to you as a Departing Australia Superannuation Payment (DASP) after you leave.

[ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/temporary-residents-and-superannuation/departing-australia-superannuation-payment-dasp](https://ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/temporary-residents-and-superannuation/departing-australia-superannuation-payment-dasp)

**1.196 How to reach out to personalised specialists in making your super work for you. Is there a cost for this?**

AustralianSuper offers access to advice. You can find out further information at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options) The costs can vary depending on the complexity of the advice provided.

**1.197 On last year i was first time to use supper account i would like to ask when i will be able to use the amount in my account?Also I'm permanent resident in Australia seen soon i will be citizen i have another question i was working in my country DR Congo i want ask if you i will be retired i will able to get amount in my super?**

To be able to access your super as a permanent resident or citizen of Australia, you firstly need to reach your preservation age, which is age 60. Once you have reached age 60, if you then retire or end an existing employment arrangement, you can access your super. Once you reach age 65, you can access your super regardless of your work situation. You can access your super if you retire overseas as long as it is paid to an Australian bank account. For further information about accessing your super in retirement, visit [australiansuper.com/retirement/access-super](https://australiansuper.com/retirement/access-super)

**1.198 Hello there. Could we choose a mixed portfolio - a portion of them choose high growth and diversity and a portion of them choose DIY? If yes, how? Thanks.**

Yes, you can apportion your funds across the PreMixed, DIY Mix and Member Direct investment options. You can select an investment option for your current investment and future contributions. You can switch your investments

on the online portal or by completing a paper form. Please visit our website for more information on how to perform the switch: [australiansuper.com/investments/change-your-investment](https://australiansuper.com/investments/change-your-investment)

### **1.199 How does AusSupers forecast of the property market expected to affect Super balances? If being in the Balanced investment option enough? Or should we diversify? I personally have diversified a bit to International"**

It's great that you're thinking about your superannuation and how different factors might affect it. Being in a well-diversified investment option, such as Balanced, is generally a good choice for many people as it typically includes a mix of asset classes, including property, shares, and fixed interest, which can help spread risk. However, diversification is key to managing risk and potentially enhancing returns. By diversifying your investments, including property and international options, you can reduce the impact of any single market's downturn on your overall portfolio. The Balanced option in AustralianSuper currently holds 4.3% of the overall portfolio in property. All property investments in the fund are purchased with a long-term outlook. It might also be beneficial to review your investment strategy periodically and consider consulting with a financial advisor to help ensure it aligns with your long-term goals and risk tolerance. You can learn more about things to consider when picking the right investment option at [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

AustralianSuper offers access to different advice options: [australiansuper.com/tools-and-advice](https://australiansuper.com/tools-and-advice)

### **1.200 I would like to be able to have a separate investment fund that is not bound by the retirement age, does it exist and if not how can I go about getting one, can you point me in the right direction please.**

Funds in super are unable to be accessed until you reach your preservation age, which for most people is now 60, and retire. The meaning of 'retire' depends on your age and how and when you finished work. If you want an investment that can be accessed before this, you will need to look at investing outside the superannuation system. I would suggest that you seek some personal financial advice around this. Please use the following link to find a suitable adviser: [findadviser.australiansuper.com/home](https://findadviser.australiansuper.com/home)

### **1.201 General information about investment opportunities**

We recognise that members have a variety of investment objectives and views about risk. This is why AustralianSuper offers a range of investment options that have different levels of potential return and volatility. So how do you make a choice? To help you make a decision about the investment options that best suit you and your financial goals, you may like to consider when making a choice: how long you will hold your investment, how hands-on you want to be when managing your super and how much risk you're comfortable with. We have a number of resources and articles to help understand some of your options available to you:

[australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)  
[australiansuper.com/investments](https://australiansuper.com/investments)

AustralianSuper also offer access to numerous advice options, which can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **1.202 How to monitor my fund and investment**

There are a number of factors to consider when choosing what investment option is right for you. How long you're investing for, how hands-on you want to be when managing your super and how much investment risk you're comfortable with. We offer a range of advice and guidance options to help you understand what options may suit you, including our Risk Profiler tool: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler).

We also have access to topics that include simple super advice. As part of your membership you can speak with an advice team member over the phone for simple personal advice on your AustralianSuper account, such as making an investment choice, adding extra to your super and personal insurance: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options) Members can monitor their AustralianSuper account via the Member Portal or mobile app. You can learn more at [australiansuper.com/tools-and-advice/mobile-app](https://australiansuper.com/tools-and-advice/mobile-app)

### **1.203 People not living in Australia and not residents can they invest in super ?**

Non-residents can continue to make superannuation contributions to superannuation funds in Australia; the rules regarding eligibility to make these contributions in Australia apply equally to residents and non-residents. However, some superannuation funds will require that members be residents. Therefore, a person may need to roll over their super into a fund that accepts non-residents – ideally before they leave the country. If a person has been

transferred overseas by their employer, then it is likely the fund will make provision for non-residents, with the employer continuing to make contributions.

There are also additional risks to continuing to make contributions to an Australian super fund while you are no longer a resident. You should consider seeking professional advice in this area from a comprehensive advisor: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

If you were a temporary resident and don't claim your super within six months of departing Australia, your account balance may be closed and your balance paid to the ATO as unclaimed super. You can still apply for your super from the ATO (unless you have become an Australian or New Zealand citizen or a permanent resident of Australia). You can access our fact sheet on how to claim your super when you leave Australia here: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/claiming-super-when-you-leave-australia.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/claiming-super-when-you-leave-australia.pdf)

#### **1.204 What are the tax advantages for investing in super once your marginal tax rate reaches 47%**

Generally speaking, investment earnings within superannuation while in the accumulation phase are taxed internally by the fund up to a maximum of 15%, sometimes less, depending on the investment option(s). This is significantly less than a marginal tax rate of 47%. After the age of 60 and if eligible to commence a retirement income stream (Choice Income), then this tax on earnings can reduce to zero. As always, care and consideration needs to be given as once money is invested into superannuation, it cannot be accessed until you have reached your preservation age and met a condition of release. Care also needs to be given as there are limits (caps) that apply to all contributions. These can be annual caps and depending on previous contributions and your total superannuation balance, this may limit/reduce what you can contribute. AustralianSuper offers access to advice about making contributions. Please visit our website to find out your options: [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

#### **1.205 Which product will give me the highest return with minimal risk**

This is very much dependent on what a member considers 'minimal risk' as this will vary for person to person. Generally speaking, members looking for a high return need to accept high levels of risk measured by volatility (market peaks and troughs). If you are looking for minimal risk, expectations on the investment returns generally need to be lowered. I suggest looking at our Risk Profiler tool online to find out what type of investor you are: [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler)

To learn more about choosing the right investment option visit: [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option). You can also view our investment performance at [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

#### **1.206 I want invest from my super in buying investment property.**

AustralianSuper offers a wide range of investment options within the Fund – these can be found at: [australiansuper.com/investments/your-investment-options](https://australiansuper.com/investments/your-investment-options). These offer diversified, sector and – if desired – some direct share investment options. However, there is no ability at AustralianSuper (nor most funds) to invest wealth into direct residential property, in line with your question, given regulatory limits.

#### **1.207 I have the equivalent of AUD 173,000 in Super. However its held in a UK Masters Trust (I'm now an immigrant living in Melbourne). What are do you think about Masters Trusts and how difficult is it to get my Super savings transferred over here?"**

We are unable to provide a review or comment about other providers, including UK funds, as this would constitute personal advice. Given tax implications and changes to such historically, AustralianSuper does not accept UK pension transfers now. There may be specialist advisers and funds in the area. However, these would need to be engaged at your discretion as they are not part of the AustralianSuper product offer or advice suite. Advice is very strongly encouraged, given the (potentially) considerable tax implications in this area.

#### **1.208 If you are planning in the short term of 6 months on a major purchase using funds from your retirement account, should you tfr the requirement amount to cash pending the purchase date or leave it in balanced until the purchase date? Thank you**

We are not able to give you personal advice on this particular situation. We can provide some information on the pros and cons of the questions being asked. As you know, the Balanced option is invested in a range of different



asset classes, and these can go up and down in value in line with market movements. If someone needed the funds in a short time frame, their balance would be subject to short-term fluctuations (either positive or negative), which can either increase or decrease the amount they have when they decide to withdraw their funds. There is no way to predict if markets will be stable or move up or down in short time periods. Moving to cash can provide greater certainty of outcome. However, this certainty generally offers a lower rate of possible returns.

### **1.209 What are the rules for retirees regarding capital investment into Super over three years and how can the 40 hour work month be used as a salary sacrifice vehicle, prior to depositing the funds into Super? I hope this question fits into your rules.**

Provided you are under the age of 75, your super balance was under \$1,660,000 as at the previous 30th June and you haven't already triggered the bring-forward rule by adding more than the annual non-concessional cap limit in previous financial years, then you are able to add up to \$360,000 to super in a single financial year using the bring forward rule. If your superannuation balance is between \$1,660,000 and \$1,900,000, then different contribution amounts apply. See [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/add-to-your-super-and-retire-with-more.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/add-to-your-super-and-retire-with-more.pdf)

Regarding salary sacrifice part of the question, if your employer adds your pre-tax income to super as part of a salary sacrifice arrangement, then there is no requirement to meet the work test. The work test (40 hours of work in a 30-day period) now applies to persons over the age of 67 and under the age of 75 who wish to use personal contributions made to super to reduce their taxable income by claiming the contribution as a tax deduction. If you are under age 67, then this work test rule doesn't apply and, subject to meeting eligibility criteria, lump sum contributions to super can be used as a tax deduction by completing a notice of intent to claim a tax deduction. See [ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/growing-and-keeping-track-of-your-super/how-to-save-more-in-your-super/personal-super-contributions](https://ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/growing-and-keeping-track-of-your-super/how-to-save-more-in-your-super/personal-super-contributions)

### **1.210 what is the most tax effective way to direct to beneficiaries, a members super assets in Australian super, after their death?**

This is a complex area and we recommend that you seek personal financial or estate planning advice. AustralianSuper offers access to advice. You can find further information about different advice options at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options), use the Find an Adviser tool at [findadviser.australiansuper.com/home](https://findadviser.australiansuper.com/home) or contact AustralianSuper on **1300 300 273**. The cost can vary depending on the complexity of the advice provided. Please refer to the following fact sheet for further information: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/access-advice-with-australiansuper.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/access-advice-with-australiansuper.pdf)

### **1.211 what is the best way for me to get my super working harder but not to much risk**

Every member is unique and has a differing risk profile, so we recommend speaking to an adviser. In a general sense, while cash can provide surety of returns, over the long term it does not provide high levels of return, and there is a risk that returns may not keep up with inflation. Growth assets, such as shares and property, are volatile in the short term and may provide negative returns in the short term. However, over the longer term, they have outperformed cash and other defensive assets. To learn more about choosing the right investment option, visit [australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option). You can also use our Risk Profiler tool to help you work out the type of investor you are so you can be better guided when making investment decisions at [australiansuper.com/tools-and-advice/calculators/risk-profiler](https://australiansuper.com/tools-and-advice/calculators/risk-profiler). AustralianSuper offers access to advice on your investments over the phone as part of your membership. Please contact us on **1300 300 273** to organise a phone call to discuss your investment options.

### **1.212 How should someone of age 60 years that is still planning to work and not access any super funds invest there super to get the best outcome**

Each member is unique and has differing risk profile and needs, so this question cannot be answered without speaking to an adviser in order to ascertain your preferred tolerance to risk. In a general sense, while cash provides surety of returns, over the long term, it does not provide high levels of return. Growth assets such as shares and property are volatile in the short term and may provide negative returns in the short term. However over the longer term, has outperformed cash and other defensive assets. It would be advisable for you to speak to a financial adviser who may be able to find the correct balance in what investment options would be suitable for you. Depending on your investment timeframe, generally, a mixture of growth assets and defensive assets is often

suitable where a client still has a number of years until retirement; however, you would need to speak to a financial planner so that they can help you work out the appropriate investment mix for you.

**1.213 Can members seek advice from Aust.Super financial planner to give advice what to do when you retire in terms of financial planning such as drawing out your money from your superfund etc. a long term plan.**

AustralianSuper offers access to advice. Further information about different advice options can be found at <https://www.australiansuper.com/tools-and-advice/your-advice-options>. Use the Find an Adviser tool at [findadviser.australiansuper.com/home](https://www.australiansuper.com/findadviser) or contact AustralianSuper on **1300 300 273**. The cost can vary depending on the complexity of the advice provided.

**1.214 For those with \$3M super balance it is difficult to find meaningful guidance - will you provide more info on this?**

Unfortunately, we can only provide advice and guidance on current legislation and not on proposed legislation, which may or may not become law in the future in its current or modified form. You may want to consider speaking with a financial adviser to discuss options based on your personal circumstances. AustralianSuper offers access to advice. You can find out more at [australiansuper.com/tools-and-advice/your-advice-options](https://www.australiansuper.com/tools-and-advice/your-advice-options)

**1.215 I am living overseas at the moment and selling a property in NSW. I am non resident for tax purposes and 70 years of age. Can I put some of the proceeds into my Australian Super fund?**

Learn more about contributing to your super at [australiansuper.com/grow](https://www.australiansuper.com/grow) or read the fact sheet here [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/add-to-your-super-and-retire-with-more.pdf](https://www.australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/fact-sheets/add-to-your-super-and-retire-with-more.pdf)

**1.216 If a member has two Pension Member Direct accounts, both with Australian Equities, and want to combine these into one to eliminate duplicate fees, can this be done without selling the shares, incurring brokerage charges, selling and rebuying shares**

This can be done. The relevant accounts need to be listed on the form. Learn more about the seamless transfer of Member Direct accounts and the application to commence the transfer at [australiansuper.com/retirement/seamless-transfer](https://www.australiansuper.com/retirement/seamless-transfer)

**1.217 Is it wise to keep super in cash in your late sixties?**

You can choose to invest your super in a range of options to suit the level of involvement you want to have in your investments and your risk tolerance. To learn more about choosing the right investment option, visit [www.australiansuper.com/investments/choosing-the-right-option](https://www.australiansuper.com/investments/choosing-the-right-option). You can also use our Risk Profiler tool to help you work out the type of investor you are, so you can be better guided when making investment decisions, at [www.australiansuper.com/tools-and-advice/calculators/risk-profiler](https://www.australiansuper.com/tools-and-advice/calculators/risk-profiler). AustralianSuper offers access to advice on your investments over the phone as part of your membership by calling **1300 300 273**. Please contact us to organise a phone call to discuss your investment options.

**1.218 With the possibility of the newly elected American Government talking about “tanking the economy to reset it”, should we place our funds into cash temporarily when they come into power. I’m not a conspiracy theorist, I actually heard it live in an interview. So I’m concerned and want to protect my super balance.**

There are a number of risks that can impact the returns on investments. It is important that you understand the impacts of declining and inclining markets on your investments, so you are invested in line with your risk tolerance. To learn more about the risks of investing and choosing the right investment option, visit [australiansuper.com/investments/choosing-the-right-option](https://www.australiansuper.com/investments/choosing-the-right-option). You can also use our Risk Profiler tool to help you work out the type of investor you are, so you can be better guided when making investment decisions, at [www.australiansuper.com/tools-and-advice/calculators/risk-profiler](https://www.australiansuper.com/tools-and-advice/calculators/risk-profiler). AustralianSuper offers access to advice on your investments over the phone as part of your membership by calling **1300 300 273**. Please contact us to organise a phone call to discuss your investment options.

**1.219 Could you please indicate what action is being undertaken to improve responses to simple questions about account taxation transparency and retirement planning advice!**

We regularly review and optimise our processes and capabilities to improve the service and support we provide for members. We know that everyone's financial journey is unique, so we want to support all members with access to help, guidance and advice. For general questions, including helpful guides, you can visit

[www.australiansuper.com/contact-us](http://www.australiansuper.com/contact-us). If you are looking for more detailed information, I would encourage you to consider attending one of the many retirement webinars or in-person seminars we have available:

[australiansuper.com/tools-and-advice/events-and-seminars](http://australiansuper.com/tools-and-advice/events-and-seminars), these interactive sessions allow members to learn more, but also get general questions answered from one of our Education Managers. For members that require personal advice, AustralianSuper offers access to a range of advice options: [australiansuper.com/tools-and-advice/your-advice-options](http://australiansuper.com/tools-and-advice/your-advice-options)

**1.220 About to retired and open a Pension Account with Australian Super. Your default option is the balanced option. Why would you recommend this as the default option, wouldn't you recommend d the Conservative investment platform for a retire? Especially those with balances under \$500K. This confused me when I went to open the Pension account.**

AustralianSuper's MySuper default strategy is a single diversified fund. AustralianSuper's focus is to achieve strong long-term investment returns and keep costs low for members. The key principles we have drawn on, which support our default strategy are:

- The investment returns lost from de-risking too early can be costly for members.
- Reducing the exposure to growth assets too early (particularly if they have relatively low starting balances) can be costly to members in terms of the adequacy of their retirement income. If members are invested in a lower returning strategy over a sustained period of time, they may have to either drastically increase their contributions to maintain the same level of income in retirement or accept a significantly lower level of retirement income.
- Members have long investment horizons, even at retirement age.
- We take a long-term approach to investments to accommodate the long-term nature of investing in superannuation. Many members retain their super savings in the superannuation environment post-retirement by taking up an income stream, and having access to a long-term option enables them to keep their balance growing as they move from the accumulation to the income phase.

**1.221 How would my super withstand a potential recession in Australia and what are some steps I could take to prepare for it?**

There are a number of risks that can impact the returns on investments. It is important that you understand the impacts of declining and inclining markets on your investments, so you are invested in line with your risk tolerance. To learn more about the risks of investing and choosing the right investment option visit

[australiansuper.com/investments/choosing-the-right-option](http://australiansuper.com/investments/choosing-the-right-option). You can also use our Risk Profiler tool to help you work out the type of investor you are, so you can be better guided when making investment decisions, at <https://www.australiansuper.com/tools-and-advice/calculators/risk-profiler>. AustralianSuper offers access to advice on your investments over the phone as part of your membership by calling **1300 300 273**. Please contact us to organise a phone call to discuss your investment options.

**1.222 How does one mitigate income losses due to aggressive tax burden suffered by non-resident for tax purposes Australian citizens expats? Where tax starts at no threshold..**

We recommend you seek personal financial advice. AustralianSuper offers access to advice. You can find out further information at [australiansuper.com/tools-and-advice/your-advice-options](http://australiansuper.com/tools-and-advice/your-advice-options). The costs can vary depending on the complexity of the advice provided.

**1.223 To Mark Delaney Im 55 years old and retired what"s the earliest age I can transition from the balanced option to a pension account.**

Answered during the AMM.

Peter Tresseder: To take money out of super, you've generally got to meet a condition of release. Now, you've met one of those by ceasing work. The other condition is you need to be 60 years of age. So, the earliest you'll be able

to access your super is the age of 60. You can then move your money from that accumulation account to a pension account, and within that pension account, you can choose how it's invested. You have the same investment options that you have with your accumulation account, the difference being, though, in a pension account, there's no investment tax paid on the earnings that AustralianSuper makes on your money

## 2 Contact Centre

### 2.1 Why is it not possible to speak to a Supervisor or a Manager when requested?

### 2.2 Why do you prevent your Customers speaking to senior staff who actually have the ability to correct problems?

We apologise if your query was not escalated when requested. We empower our Customer Service Operators to resolve issues where possible and have processes in place so an issue can be escalated without the intervention of a supervisor, as Supervisors may not always be available to take calls.

### 2.3 Why is there no contact offices in Australia, I rang help support and was informed that there was no office Togo and see customer service and that you had to email them.

We do not have walk-in customer service facilities as our aim is to keep fees and costs as low as possible for members, and any required action can be facilitated online or through our Contact Centre or online options. You can use our Member Portal or app, send us a message or call the Contact Centre. If you would like to see a Financial Advisor, face-to-face appointments are available, and we hold Seminars and Webinars throughout the year. For more information about our advice options, please see [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### 2.4 Can you please advise what the Fund is doing with regards to the appalling service Link/MUFG deliver, staff extremely rude and unhelpful

We recognise that our member servicing has not always met our members' needs and apologise for this. Improving member service is a key priority for the Fund and includes significant investment in the uplift of our contact channels. We will be changing our Contact Centre service provider from November 2024, moving to a provider that has demonstrated excellence in customer service, alongside investment in new systems and platforms to manage customer contact. In addition, we have done a review of how we onboard our agents, with an overhaul of training, knowledge and process underway to ensure members get fast, efficient and accurate service. We value your feedback. If you're not satisfied with our products or services, we have a process to address your concerns. You can read more about our complaints process here: [australiansuper.com/contact-us/make-a-complaint](https://australiansuper.com/contact-us/make-a-complaint)

### 2.5 The investment arm of Australian Super is very good, however, when you need to speak to an Australian human being with some honesty decency and reasonable level of care factor, it is extremely disappointing. I can say this based on previous experience and I think that I am also speaking for many other thousands of members. Witted is time to retire or you are in a situation where you need specific and urgent assistance, it just doesn't exist within this organisation. Can I suggest that the board agree to bring in System whereas every member can have access to a case manager who will see their Request through to a positive outcome within a short period of time. This organisation can and should do better for its members.

We recognise that our member servicing has not always met our members' needs and apologise for this. Improving member service is a key priority for the Fund and includes significant investment in the uplift of our contact channels. We will be changing our Contact Centre service provider from November 2024, moving to a provider that has demonstrated excellence in customer service, alongside investment in new systems and platforms to manage customer contact. In addition, we have done a review of how we onboard our agents, with an overhaul of training, knowledge and process underway to ensure members get fast, efficient and accurate service. We trust that this uplift to our service model will result in members having their queries managed to resolution in a timely manner. We value your feedback. If you're not satisfied with our products or services, we have a process to address your concerns. You can read more about our complaints process here: [australiansuper.com/contact-us/make-a-complaint](https://australiansuper.com/contact-us/make-a-complaint)

**2.6 What can be done to improve customer service? "Trust Pilot" reflects 90 service reviews with a rating of 1.3 out of 5 with 94% of reviews rating a mere 1 star! The most trusted brand?? My personal dealings with the call centre have been poor with lots of misinformation.**

**2.7 What steps are being taken to improve customer service?**

We recognise that our member servicing has not always met our members' needs and apologise for this. Improving member service is a key priority for the Fund and includes significant investment in the uplift of our contact channels. We will be changing our Contact Centre service provider from November 2024, moving to a provider that has demonstrated excellence in customer service, alongside investment in new systems and platforms to manage customer contact. In addition, we have done a review of how we onboard our agents, with an overhaul of training, knowledge and process underway to ensure members get fast, efficient and accurate service. We value your feedback. If you're not satisfied with our products or services, we have a process to address your concerns. You can read more about our complaints process here: [australiansuper.com/contact-us/make-a-complaint](https://australiansuper.com/contact-us/make-a-complaint)

**2.8 Why is it whenever I call customer service they handball my question to a financial advisor. I've noticed staff in customer service are not trained well enough. I also sent individual letters to all the managers and directors and got not one single acknowledgement**

Our Contact Centre can only provide factual information. Where a member query requires general or personal financial advice, that query must be answered by a Financial Adviser. We apologise if this was not explained adequately. You can contact us via our Contact Us page at [australiansuper.com/contact-us](https://australiansuper.com/contact-us), messaging us via the Member Portal or app, or by calling the Contact Centre on **1300 300 273**.

**2.9 Why don't you answer the phone**

The average speed of answering phones has been less than two minutes for the last 14 months. While we do have brief periods of unexpected volume, our speed of answer is usually recovered quickly. We apologise if you have experienced longer wait times. Should this occur again, we recommend you try our messaging channel, where you can leave your query and go about your day. We hope you find this a more suitable option.

**2.10 Why, as far as I can establish, do you not have a single customer service presence in Australia. It is the main reason why I am thinking of switching to another fund.**

AustralianSuper exists to help members achieve their best financial position in retirement. We only use onshore Contact Centres for our customer service. Our Customer Service Operators represent the Australian population and include people from many backgrounds. We are proud of our commitment to Australian workers and our choice to use Australian Contact Centres.

**2.11 How do I activate my account and get full members benefits**

All accounts are active from the date of creation. Some benefits, such as insurance, will begin only if certain criteria are met or the member opts into insurance prior to meeting these requirements. All other benefits such as access to our online options, servicing options and phone advice at no additional cost, are all available as soon as you are a member. Please see our website or contact us for further information.

**2.12 Could you advise where the new contact centre will be located? It was mentioned it is a global provider. Will this result in job losses in Australia?**

AustralianSuper only uses onshore Contact Centres, in line with our purpose to help members achieve their best financial position in retirement. Our new Contact Centres are based in Brisbane and Townsville. We have increased the amount of agents staffing our service channels, therefore there will be no net job losses. We have also brought one of the Contact Centre teams in-house, working directly for the Fund.

**2.13 A question for Rose. Can you explain how the new contact centre provider will operate. For example, will they be Australia based? Martin**

AustralianSuper only uses onshore Contact Centres, in line with our purpose to help members achieve their best financial position in retirement. Our new Contact Centres are based in Brisbane and Townsville. Our new Contact Centre will operate our voice and messaging channels, retaining the same business hours of 8am–8pm AEST.

**2.14 Im pleased to hear of the change in the Contact Centre contract given very poor experience with the current provider. What training will the new Contact Centre staff undergo to be fully understanding of Australian Super matters with Member Direct?"**

As part of the transition to the new Contact Centre provider, AustralianSuper has developed a new training and induction program for customer service. AustralianSuper has brought the development of Contact Centre training in-house, providing greater control over training delivery. As such, we are ensuring that agents are fully equipped to answer any queries, including queries regarding Member Direct. We have implemented close monitoring of member interactions to ensure that any training gaps are swiftly identified and addressed.

**2.15 Where is the new contact centre provider based. (is it based in Australia and are Australians employed here)**

AustralianSuper only uses onshore contact centres, in line with our purpose to help members achieve their best financial position in retirement. Our new Contact Centres are based in Brisbane and Townsville. Our Contact Centres are staffed predominantly with Australian citizens and permanent residents. However, anyone who has the right to work in Australia can apply to work in our Contact Centres. The work is all onsite in Brisbane and Townsville.

### **3 General**

**3.1 Are you able to justify \$225,009,004 spent on Aggregate related party payments in terms of ROI for members?**

Related party payments (\$229,202.848) include payments made to subsidiary entities for services from an organisation in which we also invest or when a director of AustralianSuper is an employee or director of an organisation that provides services to AustralianSuper. Any expenditure is designed to grow our size or deliver better products and services aligned to our purpose for members.

**3.2 Can you provide a breakdown of the industrial bodies that received \$1,796,435 during the 2023-24 year and for what purpose? Will a similar amount be provided in 2024-25 and can the names of the organisations to receive the payments be provided? Many thanks**

Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, will be available from 5 November on our website at [australiansuper.com/amm](https://australiansuper.com/amm)

**3.3 Can you please let us know more about related party transactions and how it compares to market**

Related party payments (\$229,202.848) include payments made to subsidiary entities for services from an organisation in which we also invest or when a director of AustralianSuper is an employee or director of an organisation that provides services to AustralianSuper. Any expenditure is designed to grow our size or deliver better products and services aligned to our purpose for members. Any expenditure is designed to grow our size or deliver better products and services aligned to our purpose for members. You will be able to compare Financial Year 2024 expenditure on APRA's website, expected to be published in line with the annual cycle of superannuation data publication (December 2024/January 2025).

**3.4 How does the aggregate related party payments compare to other industry supers.**

You will be able to compare Financial Year 2024 expenditure on APRA's website, expected to be published in line with the annual cycle of superannuation data publication (December 2024/January 2025).

**3.5 I am interested in hearing more about the Aggregated Related Party Payments area, particularly from a Governance and potential Conflicts of Interest perspective.**

Directors of superannuation funds have very clear legal obligations. They must leave aside their personal interests to obey the law. There are trust law requirements and there are legislative requirements that they have to act in the best financial interests of the Fund's members. You can learn on our website at [australiansuper.com/about-us](https://australiansuper.com/about-us)

**3.6 Can you please provide information on donations made to any political parties using member funds. Specifically I would like to know which parties are provided funding and the total amounts for the previous two years.**

We do not make donations to political parties.

**3.7 Please advise what industrial body costs are**

Industrial bodies are organisations registered under the *Fair Work (Registered Organisations) Act 2009* and include directors' fees and alliance partnership arrangements that cover advertising, marketing and education services to support our growth.

**3.8 What is the total employment cost for managers, directors, up to the CEO/CFO?**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

**3.9 in Relation to the largest costs under - Aggregate related party payments - can you explain what are the largest costs, how it compares to other funds, the % of total fund in costs etc**

Related party payments (\$229,202.848) were made to subsidiary entities for services from an organisation in which we invest or when an AustralianSuper executive or director is an executive or director of an organisation that provides services. Any expenditure is designed to grow our size or deliver better products and services aligned to our purpose for members. You can view the detailed expenditure list on our website from 5 November at [australiansuper.com/amm](https://australiansuper.com/amm)

You will be able to compare Financial Year 2024 expenditure on APRA's website, expected to be published in line with the annual cycle of superannuation data publication (December 2024/January 2025).

**3.10 Concerned about the escalating costs Australian Super is generating, example; remuneration, third party payments etc.**

AustralianSuper's purpose is to help members to achieve their best financial position in retirement. Every decision we make and action we take is considered through that lens. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs. Any expenditure is designed to grow our size and scale or deliver better products and services aligned with our purpose for members.

**3.11 Can you please provide a detailed account of the almost \$300,000,000 outgoings allocated to remuneration, fees and payments for FY24.**

Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, will be available from 5 November on our website at [australiansuper.com/amm](https://australiansuper.com/amm).

**3.12 Why Aggregate promotion, marketing, or sponsorship expenditure is so high?**

There was no increase to promotion, marketing or sponsorship expenditure this year; in fact, there was a decrease on the previous year. AustralianSuper promotes its services to a range of stakeholders to increase membership growth and scale and access to greater investment opportunities. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs. Any expenditure is designed to grow our size and scale or deliver better products and services aligned with our purpose for members.

**3.13 I want to understand how can you justify \$35,166,976 spend on Aggregate promotion, marketing, or sponsorship expenditure, don't you think this expense can be reduced.**

AustralianSuper promotes its services to a range of stakeholders to increase membership growth and scale and access to greater investment opportunities. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs.

**3.14 How much was spent on advertising? Do you plan to reduce this expenditure in the future?**

AustralianSuper promotes its services to a range of stakeholders to support increase membership growth and scale and access to investments. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members.

Our aggregate promotion, marketing and sponsorship expenditure was \$35.2m in FY24, a decrease of \$5 million on FY23.

**3.15 Aggregate promotion, marketing, or sponsorship expenditure is \$35m. You mention that this expenditure is necessary to grow the Fund. It seems a lot. Has it increased from last year and if so, is it in line with member growth? Given the huge size of Australian Super, is it really still necessary to spend as much on promotion or is it better to reduce it during these challenging times by say 10 or 20% (and probably still get the growth in members anyway, especially if advertisement is targetted towards new members only)**

No, spending on promotion, marketing, or sponsorship expenditure was less this year than the previous year. AustralianSuper's purpose is to help members to achieve their best financial position in retirement. Every decision we make and action we take is considered through that lens. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs. Any expenditure is designed to grow our size and scale or deliver better products and services aligned with our purpose for members.

**3.16 Is it usual for a superfund to spend 35 million on marketing a donations? Is a breakdown available on how this money has been spent? How does this expenditure benefit members?**

AustralianSuper promotes its services to a range of stakeholders to increase membership growth and scale and access to greater investment opportunities. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members. Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, will be available from 5 November on our website at [australiansuper.com/amm](http://australiansuper.com/amm).

**3.17 I want to more about expenditure on remuneration for board members, directors and executives. Please send me the Annual financial report.**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](http://australiansuper.com/about-us/governance-and-reporting)

**3.18 Please send me the Remuneration report for all board members, directors and executive staff for 2023/24.**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](http://australiansuper.com/about-us/governance-and-reporting)

**3.19 What is the total cost of the Executive Team for FY 2024 compared to FY 2020? Same question for cost of Marketing variation between FY 2020 and 2024?**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](http://australiansuper.com/about-us/governance-and-reporting)



### **3.20 Provide details on directors remuneration please...**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

### **3.21 What is the percentage of board members' salaries out of total membership fees and charges?**

0.63% for the 2023–24 financial year.

### **3.22 Could you explain the basis of executive's remuneration in particular the bonus component?**

To remain competitive, we are making changes to our approach to variable reward, or bonuses, for investment colleagues.

The new approach to remuneration in the Investment Domain places a greater emphasis on base pay and less on variable pay. This reflects the fund's overall pay philosophy, recognising the importance of short-term and long-term performance.

### **3.23 What is the CEO's salary**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

### **3.24 What are the remuneration packages of the CEO, Board members and senior investment analysts?**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

### **3.25 What links does Australian Super have to the CFMEU? Are there any changes proposed?**

We have no affiliation with the CFMEU.

### **3.26 can australia super confirm any exposure to cfmeu personnel or influence with in the board and management of australia super.**

We have no affiliation with the CFMEU.

### **3.27 Is Australian Super donating or spending advertising money with Unions?**

Like many large super funds, AustralianSuper undertakes a range of activities to attract new members and retain existing members. We have formal marketing and education agreements with a range of organisations, some of which are trade unions and employer associations. All transactions are made on normal commercial terms and contribute to the growth of the Fund.

### **3.28 Does the \$1.8m aggregate industrial body payments include payments to union bodies? If so, why and what are they for?**

Like many large super funds, AustralianSuper undertakes a range of activities to attract new members and retain existing members. We have formal marketing and education agreements with a range of organisations, some of which are trade unions and employer associations. All transactions are made on normal commercial terms and contribute to the growth of the Fund.

### **3.29 A number of industry super funds are being questioned on their independence from various bodies such as trade unions. What is the board and management of Australian Super doing to address these concerns?**

Directors of superannuation funds have very clear legal obligations. They must leave aside their personal interests to obey the law. There are trust law requirements and there are legislative requirements that they have to act in the best interests of the Fund's members.

### **3.30 Does the fund still work closely with the unions whose members established the fund?**

The Trustee of the Fund is AustralianSuper Pty Ltd, which is governed by a Board of Directors.

All Directors are non-executive and independent of management. Directors are appointed by the Trustee's shareholders, ACTU Super Shareholding Pty Ltd and the Australian Industry Group.

Member Directors are appointed by ACTU Super Shareholding Pty Ltd, and Employer Directors are appointed by the Australian Industry Group.

The Trustee shareholders jointly appoint Independent Directors.

As at 30 June 2024, the Board comprised five member representative directors, five employer representative directors and two independent directors.

### **3.31 What affiliations, past or current, do any of the directors have with any Australian trade union organisations ?**

The Trustee of the Fund is AustralianSuper Pty Ltd, which is governed by a Board of Directors.

All Directors are non-executive and independent of management. Directors are appointed by the Trustee's shareholders, ACTU Super Shareholding Pty Ltd and the Australian Industry Group.

Member Directors are appointed by ACTU Super Shareholding Pty Ltd, and Employer Directors are appointed by the Australian Industry Group.

The Trustee shareholders jointly appoint Independent Directors.

As at 30 June 2024, the Board comprised five member representative directors, five employer representative directors and two independent directors.

### **3.32 A matter of disclosure - what is the exact nature of relationship between AustralianSuper and the union movements?**

The Trustee of the Fund is AustralianSuper Pty Ltd, which is governed by a Board of Directors.

All Directors are non-executive and independent of management. Directors are appointed by the Trustee's shareholders, ACTU Super Shareholding Pty Ltd and the Australian Industry Group.

Member Directors are appointed by ACTU Super Shareholding Pty Ltd, and Employer Directors are appointed by the Australian Industry Group. The

Trustee shareholders jointly appoint Independent Directors.

As at 30 June 2024, the Board comprised five member representative directors, five employer representative directors and two independent directors.

Outside of our Board, AustralianSuper works closely with our stakeholders, including employer associations, business councils and unions to provide education, information and support through our alliance partnerships to grow the membership and the Fund.

### **3.33 What role does the trade union movement have in investment decisions and the management of Australian Super?**

All Directors are non-executive and independent of management. The Investment Committee oversees the investment policy and strategy of the Trustee, the investment program, and the delivery of desired investment outcomes as set by the Board or specified in the product guidelines for investing members' funds. Directors of superannuation funds have very clear legal obligations. They must leave aside their personal interests to obey the law. There are trust law requirements and there are legislative requirements that they have to act in the best interests of the Fund's members.

### **3.34 Does Australian super make payments to the union movement and if so how much.**

Like many large super funds, AustralianSuper undertakes a range of activities to attract new members and retain existing members. We have formal marketing and education agreements with a range of organisations, some of

which are trade unions and employer associations. All transactions are made on normal commercial terms and contribute to the growth of the Fund.

Director remuneration reflects their expertise and role, with directors determining whether their fees are paid directly to them or an organisation.

Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, will be available from 5 November on our website at [australiansuper.com/amm](https://australiansuper.com/amm)

### **3.35 How much do you pay unions?**

AustralianSuper does not pay money to unions for political purposes or donations, but we do buy services from a range of organisations, some of which are unions.

### **3.36 For marketing activities**

As part of our marketing activities, we have agreements with a range of organisations, some of which are trade unions and employer associations. These organisations provide us with services that help us attract new members and retain current members.

Communicating to members of unions is a low-cost way to promote AustralianSuper's services. All arrangements are made on normal commercial terms.

### **3.37 For director payments**

As is normal commercial practice, AustralianSuper pays directors' fees to its Board members. Their fees are either paid directly to the director or to organisations. The decision as to where those fees are paid is that of the director, not the Fund.

All payments to directors are disclosed in the Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

### **3.38 How much money was paid to the CMFEU during the 2024 tax year?**

None.

### **3.39 How much does Australian Super donate to trade unions**

We do not donate money to unions.

### **3.40 Are you doing away with the annual visit to Darwin?**

AustralianSuper offers all members access to the Annual Member Meeting via [australiansuper.com/amm](https://australiansuper.com/amm).

We understand that some members enjoy attending an in-person briefing and we will review future suitable opportunities to visit capital cities to present to members.

### **3.41 Did AustralianSuper contribute any funds to the ill-fated "Voice" Referendum of October 2023; and if so to which side and how much?**

AustralianSuper does not make political donations.

### **3.42 Why did AustralianSuper amend its trust deed to shield its trustee board directors from any fines? What is the ethics/reasons behind the change? Where is the accountability for management's misdeeds? How is this in members' best interest?**

This is not why AustralianSuper amended its Trust Deed.

Superannuation fund trustees have become subject to increasingly onerous laws and regulations as well as increasing regulatory supervision, a heightened risk of enforcement by regulators and greater legal obligations. Changes were made to superannuation laws (with effect from 1 January 2022) to expand the circumstances in

which a trustee is prevented from using fund assets, and those changes make it clear that fund assets cannot be used to pay for fines and penalties that may be imposed under Commonwealth laws.

As a profit-for-member fund all profits we make form part of the Fund's assets and we don't, and can't, pay profits or dividends to shareholders of the Trustee company. Accordingly, the shareholders don't contribute money to the Trustee company, so, like other profit-for-member superannuation funds, the Trustee doesn't have any money of its own to pay penalties, no matter how small. We approached the Court because we considered (and the Court agreed) that the change was in the best interests of members, as without the change, there was a risk that members would be significantly financially impacted if the Trustee was unable to pay any penalties and became insolvent.

The Trustee has robust risk management practices in place to manage the risks involved in operating the Fund, as well as insurance to protect the Fund, the Trustee and its officers. However, these are not complete solutions. Therefore, in light of the above, we believe, and the Court agreed, that it's in the best financial interests of members for the Trustee to build a separate financial risk reserve in order to manage the financial risks associated with its role.

If a penalty is imposed on a Director because they acted dishonestly or fraudulently, or otherwise in bad faith, the Trustee Risk Reserve will not be used to pay that penalty, and there are existing laws (including section 199A of the Corporations Act) that prevent that from happening.

### **3.43 How did AustralianSuper pay the fine for failing to consolidate more than 90,000 customers? In the end, does it mean every member is paying the fine/footing the bill?**

Any penalty will be paid from the Trustee Risk Reserve. A provision for the expected civil penalty was made in last year's Trustee financial accounts. Members' administration fees have not been increased to pay for the expected penalty.

### **3.44 When are you going to go back to the much more enjoyable face to face Member Meetings? The fear of Covid is long gone!**

Thank you for your feedback on in-person Member Updates. We appreciate the opportunity to engage with members. We will review future suitable opportunities to visit capital cities to present to members.

### **3.45 Will the meeting be recorded in case we miss it?**

Yes, a recording of the meeting will be available via [australiansuper.com/amm](https://australiansuper.com/amm) within three days of the meeting.

### **3.46 Have Australian Super improved their processes on releasing the funds of a deceased member? Last year they promised us improvements.**

We've undertaken a thorough review and implemented some important changes to reduce the time to pay bereavement claims, both now and in the future.

Earlier this year, we insourced bereavement claims management with the establishment of a new Bereavement Centre within the Fund. This allows our specialist teams to build and foster personal relationships with members, their families and loved ones, which supports the management of these often complex cases efficiently and with empathy and care.

We have doubled the size of the bereavement claims team, improving training and support and introducing new technology to accelerate the assessment and payment of claims.

We are also introducing non-lapsing binding beneficiary nomination, which is an important change for members and their loved ones, ensuring peace of mind.

### **3.47 How can a member with relevant experience be considered to serve on the AS Board?**

All Directors are non-executive and independent of management. Directors are appointed by the Trustee's shareholders, ACTU Super Shareholding Pty Ltd and the Australian Industry Group.

The Board of Directors is the highest governing body of the Fund.

Member Directors are appointed by ACTU Super Shareholding Pty Ltd, and Employer Directors are appointed by the Australian Industry Group.

The Trustee shareholders jointly appoint Independent Directors.

All Director appointments are subject to ratification by the Board.

As at 30 June 2024, the Board comprised five member representative directors, five employer representative directors and two independent directors.

The key skills and experience that the Board seeks in its membership are identified in the Board Skills Matrix. The collective skills of the Board, which relate to each skill domain, are also identified in the matrix:

[australiansuper.com/-/media/australian-super/files/about-us/governance/board-skills-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/governance/board-skills-report.pdf)

#### **3.48 Update on ASIC civil penalty against Australian Super. How is the legal costs being funded and implications to member accounts?**

Any penalty will be paid from the Trustee Risk Reserve. A provision for the expected civil penalty was made in last year's Trustee financial accounts. Members' administration fees have not been increased to pay for the expected penalty.

#### **3.49 Update on recent membership compliance issues**

AustralianSuper is committed to putting members first. Over the last 12 months, we have been focused on making significant improvements to the services we deliver for members, and we are announcing further changes that continue to strengthen the way we provide support to AustralianSuper members.

We are continuing to take action to create the best model to serve our members and their families, now and in the future. We are implementing a service model that will support members into the future and have taken immediate steps to lift service levels in critical areas where our members most needed more support.

#### **3.50 what is the governance leadership structure and does anyone have the power to terminate someone or is it a decision for the committee**

AustralianSuper's Board of Directors is responsible for the overall governance and strategic direction of the Fund.

Our Board is made up of equal numbers of Directors representing members and employers, as well as Independent Directors. Our Member and Employer Directors are appointed by the Trustee's shareholders. The shareholders are the Australian Council of Trade Unions (ACTU) (through ACTU Super Shareholding Pty Ltd) and the Australian Industry Group (Ai Group). All appointments are subject to board ratification. Directors are appointed for a term of no more than three years but can be reappointed at the end of the three-year term.

Directors can be removed by the appointing Shareholder or by the Board if they no longer satisfy legislative or other requirements, including fitness or propriety requirements.

#### **3.51 Why are you not having a face to face AMM anymore**

The Annual Member Meeting is now a regulated event which must be offered to all members. We understand that some members enjoy attending an in-person briefing and we will review future suitable opportunities to visit capital cities to present to members.

#### **3.52 Is there an employment position available within the company ?**

Thank you for your interest. Available opportunities are advertised on major job sites as well as the AustralianSuper website: [australiansuper.com/careers](https://australiansuper.com/careers)

**3.53 The Government's superannuation rules are often very complex, but as a large organisation, Australian Super could do a lot more to simplify the system for members. For example, Pension Refresh (to add effectively add additional funds to a pension account. This process is currently very messy for members and time consuming to administer, but could be simplified to a simple nomination of the sum to be added to the pension account and administration should be close to instantaneous. Will Australian Super please start putting meaningful resource towards simplifying member's interactions with the system?**

There are many ways we work to simplify the complexities of the super system and make it easier for members to understand and access, including

1. Simplifying super: we have developed presentations and resources to simplify superannuation. These resources aim to demystify superannuation and make it more accessible and understandable.

2. Member support and advice: we provide access to general and simple personal advice to members on their AustralianSuper account. For most over-the-phone advice about your AustralianSuper account, there's no additional cost, as it's included in your membership. This includes guidance on topics such as retirement options, adding extra to super, investment choice and personal insurance. For more detailed retirement advice, such as transition to retirement and/or starting a pension account, a small fee may be payable from your super account.

3. Digital accessibility: we are dedicated to ensuring that our digital platforms are accessible and inclusive for all users. To achieve this, we aim to adhere to the Web Content Accessibility Guidelines (WCAG), an internationally recognised standard designed to make web content more accessible to people with disabilities.

Specifically relating to Pension: Smart Default is designed to be a simple way to set up your Choice Income or Transition to Retirement (TTR) account. The initial 6% withdrawal is designed to start you with a steady income stream to work alongside any Age Pension entitlement or other income you may have and to meet minimum drawdown requirements set by the Government. You can change the income level at any stage to a rate you choose so long as you withdraw the minimum drawdown amount each financial year for Choice Income, and for TTR, withdraw the minimum drawdown amount but do not exceed the maximum drawdown amount each financial year, as set by the Government.

**3.54 What are Australiansuper percentage fees overall and are they comparatively lower compare to other super corporations.**

AustralianSuper is a profit-to-member Fund which means fees are set at the level required to cover the cost of providing administration, member servicing, investment management and insurance (where applicable). We are consistently focused on delivering low fees to our members and ensuring they are transparent and easy to understand. We are required to assess the impact of our fees on member outcomes annually. The most recent assessment found that our fees rank in the best quartile for the Balanced Option. You can view fees and costs on our website and also compare against average funds: [australiansuper.com/compare-us/fees-and-costs](https://australiansuper.com/compare-us/fees-and-costs)

**3.55 Is AustralianSuper still the largest Australian superfund by assets and members?**

Yes, as at 30 June 2024 based on APRA Quarterly Superannuation Fund Level Statistics, June 2024.

**3.56 Political affiliations and alliances?**

We do not have any political affiliations or alliances.

**3.57 Is Aus Super looking at adding any other businesses to its base or selling out over the next 5 years? Any other products like insurance?**

On adding any other businesses to our base: given AustralianSuper's strong organic growth and momentum, we only selectively consider M&A opportunities where there is significant value to members that justify the costs and execution risk. On other products, we are unsure of the meaning behind the question. AustralianSuper's purpose is to help members achieve their best financial position in retirement. This drives the work we do and the decisions we make every day.

**3.58 To understand the scale of AustralianSuper, please share three dollar amounts. How much Super is invested, how much is this year's investment gains, and how much is this year's total operating costs for running Australian Super (aggregate of all costs). And any other figure you think would add context & understanding (e.g. how many members, how much on insurance payouts)?**

Our Annual Report, which details much of this information including investment performance, how many members and insurance information, is online at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

**3.59 If for any reason Australian Super went into liquidation what assets, government guarantees, and insurances do the members have to fall back on.**

The Australian superannuation industry is one of the most highly regulated pension industries in the world. The Australian Prudential Regulation Authority (APRA) monitors superannuation funds closely to ensure that funds are meeting their obligations in protecting the financial wellbeing of the Australian community as well as preserving the integrity of Australia's retirement income policy.

While there is no 'insurance' as such, members of Australian superannuation funds who may have suffered substantial loss as a result of fraudulent conduct may apply for a grant of assistance from the Federal Government.

If an event occurs where there are losses of more than \$1 million from risks identified by AustralianSuper (such as failures due to fraud, poor performance of service providers, failure of IT systems, incorrect payment of benefits or taxation), the amount may be covered from the Operational Risk Financial Reserve. Members bear the investment risk in circumstances such as an economic downturn, recession or other general financial crisis where their account balances may be adversely impacted by those economic events. Members are able to manage this by choosing an investment option that suits their circumstances and may wish to seek advice on which option is right for them.

To learn more about how we invest and the rigorous processes we have in place to maximise members' returns, visit [australiansuper.com/investments/how-we-invest](https://australiansuper.com/investments/how-we-invest)

**3.60 What are the current and ongoing costs of running AustraliaSuper compared to competition?**

APRA now requires all super funds to provide them with detailed expenditure reporting, which will be published on the APRA website, enabling comparison between the funds.

**3.61 Affirmation that Aus Super is run for its members and not for profit and bonuses for its executives etc.**

As a profit-for-member superannuation fund, we don't pay dividends to shareholders. The profit we make is for members, and everything we do is to help members achieve their best financial position in retirement. To remain competitive, we are making changes to our approach to variable reward or bonuses, for Investment colleagues.

The new approach to remuneration in the Investment Domain places a greater emphasis on base pay and less on variable pay. This reflects the fund's overall pay philosophy recognising the importance of short-term and long-term performance.

**3.62 How the members are going to benefit on the company's profits**

**3.63 What is Australian Super doing for young university full time students that have first small part time jobs that get small amounts of super but the fees now are larger than the investment performance due to low balance and they are losing super balance**

AustralianSuper is a profit-to-member Fund which means fees are set at the level required to cover the cost of providing administration, member servicing, investment management and insurance (where applicable). We are consistently focused on delivering low fees to our members and ensuring they are transparent and easy to understand. We are also experiencing increasing engagement with members to help guide them through their superannuation and retirement journey. At times, these requirements put pressure on our ability to reduce costs, and we seek to strike the right balance of low fees and value provided. Past examples of lowering fees have included maintaining or reduced administration fees for more than 2.3 million members in 2022. In September 2024, insurance premiums decreased an average of 8% for almost all insured members. We are currently increasing the proportion of our investments managed internally, and we expect that to translate into lower fees for members. We are required to assess the impact of our fees on member outcomes annually. The most recent

assessment found that our total annual admin and investment fees and costs on a \$50,000 account balance rank in the best quartile for the Balanced Option.

### **3.64 AustralianSuper keeps increasing fees and wastes a lot of money for new members, while neglecting existing members. Why is AustralianSuper not increasing efficiency and giving these savings back to members by lowering the unjustified high fees?**

In relation to super, net benefit is the investment return delivered by a super fund minus the administration and investment fees and costs, transaction costs and taxes. When you're comparing super funds, the net benefit they provide members is one of the most important things to consider. The net benefit a fund delivers is what really makes a difference to members' super savings, especially over the long term and even in retirement.

Together, high investment returns and low fees deliver a strong net benefit for members. Over the last 15 years to 30 June 2024, AustralianSuper has delivered 18% greater net benefit than the average of all super funds and 40% greater net benefit than the average of retail super funds. For more information on net benefit, see [australiansuper.com/compare-us/fees-and-costs](https://australiansuper.com/compare-us/fees-and-costs)

Past examples of lowering fees have included maintaining or reducing administration fees for more than 2.3 million members in 2022. In September 2024, insurance premiums decreased an average of 8% for almost all insured members. We are currently increasing the proportion of our investments managed internally, and we expect that to translate into lower fees for members. We are required to assess the impact of our fees on member outcomes annually. The most recent assessment found that our total annual admin and investment fees and costs on a \$50,000 account balance rank in the best quartile for the Balanced Option.

### **3.65 How come the fee's keep increasing. How come you can't provide a yearly fees estimate upfront?**

Investment fees and costs include a range of expenses incurred, which include internal and external management costs, as well as custody, derivative, audit and administration costs relating to investments. They are based on the actual investment fees and costs incurred in the previous financial year and are expressed as a ratio to the average value of all the assets in the investment option over the year. These costs can vary from year to year and have trended lower over the past seven years due to the reduced cost of internal management and benefits of scale as member assets increase. This financial year had relatively small changes to investment fees and costs for the Balanced option.

### **3.66 As a public offer fund when will you be moving to reduce or remove the Employer and Member Directors and appoint more Independent Directors to the Board?**

The Board undertakes annual assessments to ensure that the Board comprises an appropriate mix of skills and experience and to determine how the Board can best operate to ensure that AustralianSuper's primary objective to help members achieve their best possible retirement outcome is achieved.

The Board considers its current structure and composition, including the roles of Employer, Member and Independent Directors, to be appropriate for ensuring that the Fund continues to act in the best financial interests of members.

### **3.67 Regarding ASRS mandatory reporting requirements, could you share the plan with AustSuper to meet these requirements? Thank you**

Under the *Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024*, AustralianSuper meets the reporting criteria and is defined as a Group 2 entity. In line with the requirements of the Act, we will produce a Sustainability Report for the 2027 financial year and this will be presented alongside our Annual Financial Report.

### **3.68 Are our Funds Government Guaranteed if Organization goes into liquidation like many others have gone quietly?**

The Australian superannuation industry is one of the most highly regulated pension industries in the world. The Australian Prudential Regulation Authority (APRA) monitors superannuation funds closely to ensure that funds are meeting their obligations in protecting the financial well-being of the Australian community as well as preserving the integrity of Australia's retirement income policy.



Whilst there is no 'insurance' as such, members of Australian superannuation funds who may have suffered substantial loss as a result of fraudulent conduct may apply for a grant of assistance from the Federal Government.

If an event occurs where there are losses of more than \$1 million from risks identified by AustralianSuper (such as failures due to fraud, poor performance of service providers, failure of IT systems, incorrect payment of benefits or taxation), the amount may be covered from the Operational Risk Financial Reserve.

Members bear the investment risk in circumstances such as an economic downturn, recession or other general financial crisis where their account balances may be adversely impacted by those economic events. Members are able to manage this by choosing an investment option that suits their circumstances and may wish to seek advice on which option is right for them.

To learn more about how we invest and the rigorous processes we have in place to maximise members' returns, visit [australiansuper.com/investments/how-we-invest](https://australiansuper.com/investments/how-we-invest)

### **3.69 What is the future of our superannuation scheme?**

AustralianSuper seeks to advocate for sustainable and equitable public policy in superannuation and financial services. To this end, we engage in advocacy, liaise with and write public submissions to government and regulators, such as APRA, ASIC and the ATO. We also work with industry associations, such as the Super Members Council of Australia, the Association of Superannuation Funds of Australia, and many other peak bodies and groups. For more information on how we advocate on behalf of members and the broader system, visit our website at [australiansuper.com/about-us/advocacy](https://australiansuper.com/about-us/advocacy)

### **3.70 How does the board and senior management manage its relations with unions from a governance perspective and it is inappropriate for the superfund to continue to make payments to unions for questionable services provided?**

Directors of superannuation funds have very clear legal obligations. They must leave aside their personal interests to obey the law. There are trust law requirements and there are legislative requirements that they have to act in the best interests of the Fund's members.

#### **For marketing activities**

As part of our marketing activities, we have agreements with a range of organisations, some of which are trade unions and employer associations. These organisations provide us with services that help us attract new members and retain current members.

Communicating to members of unions is a low-cost way to promote AustralianSuper's services. All arrangements are made on normal commercial terms.

#### **For director payments**

As is normal commercial practice, AustralianSuper pays directors' fees to its Board members. Their fees are either paid directly to the director or to organisations. The decision as to where those fees are paid is that of the director, not the Fund.

All payments to directors are disclosed in the Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

### **3.71 Why the administration spent so much money in advertising super, ? When is not necessary? Super is not a product like in the supermarket.**

AustralianSuper promotes its services to a range of stakeholders to increase membership growth and scale and access to greater investment opportunities. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs.

### **3.72 Breakdown of remuneration expenditure**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

**3.73 1. What is Australiansuper (AS) marketing expenses per year? How is this in members interest.**

Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, will be available from 5 November on our website at [australiansuper.com/amm](http://australiansuper.com/amm).

**3.74 We seem to spend a lot on Marketing - is this justifiable? Are we not happy with the amount of new member sign ons.**

AustralianSuper promotes its services to a range of stakeholders to increase membership growth and scale and access to greater investment opportunities. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs.

**3.75 Do we really get \$35million value from promotion/marketing? As an existing member, it is hard to see the value here, but it obviously is relevant to attracting new business**

AustralianSuper promotes its services to a range of stakeholders to increase membership growth and scale and access to greater investment opportunities. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs.

**3.76 Please provide a break down of Aggregate promotion, marketing, or sponsorship expenditure over \$500K**

Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, will be available from 5 November on our website at [australiansuper.com/amm](http://australiansuper.com/amm).

**3.77 The ratio of Promotional/Marketing costs to Party Payments is currently around 15%. This seems extremely high. Why is it not around the 9% mark. As I have experience being on the board of a superannuation fund, you seem to be waisting my money. Can you please explain.**

There was no increase to promotion, marketing or sponsorship expenditure this year. In fact, there was a decrease on the previous year. AustralianSuper promotes its services to a range of stakeholders to increase membership growth and scale and access to greater investment opportunities. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs. Any expenditure is designed to grow our size and scale or deliver better products and services aligned with our purpose for members.

**3.78 How do you plan to bring down members fees going forward?**

**3.79 What is the fund's goal of lowering the fees for members? What actions the fund has taken or planned to take to lower the fees?**

**3.80 What plans do you have in place to reduce fees for members?**

**3.81 how can the fees be reduced more to complete with other Super companies**

AustralianSuper is a profit-to-member Fund which means fees are set at the level required to cover the cost of providing administration, member servicing, investment management and insurance (where applicable). We are consistently focused on delivering low fees to our members and ensuring they are transparent and easy to understand. We are also experiencing increasing engagement with members to help guide them through their superannuation and retirement journey, at times these requirements put pressure on our ability to reduce costs and we seek to strike the right balance of low fees and value provided. Past examples of lowering fees have included maintaining or reduced administration fees for more than 2.3 million members in 2022. In September 2024, insurance premiums decreased an average of 8% for almost all insured members. We are currently increasing the

proportion of our investments managed internally, and we expect that to translate into lower investment fees and costs for members. We are required to assess the impact of our fees on member outcomes annually. The most recent assessment found that our fees rank in the best quartile for the Balanced Option.

**3.82 Since Philippa Kelly became Investment Committee Chair, AusSuper has invested over \$172 million dollars in Lifestyle Communities Ltd (ASX code LIC). Over 82% of this investment has occurred since 30 June 2023, in probably the worst environment for property developers in over 30 years. This has resulted in losses of over \$76 million dollars to AusSuper members as of 31 October, 2024. Philippa Kelly was chairman of LIC until 30 June 2024. Notably, this chairmanship was not included in the media release announcing her new position at Australian Super. I have the following questions for Philippa and the board: 1...Why did the board think it was appropriate to appoint Philippa as investment committee chairman while she had a current role as chairman at an existing portfolio company? 2...Why is Philippa Kelly considered an 'Independent Director' when she has a material business tie to the company, given Australian Super is a substantial shareholder of the company she was chairman of until 30 June 2024? 3...Can Philippa, as chair, please share the investment committee minutes that determined it was prudent to significantly increase Australian Super's exposure to LIC, despite the challenging macro environment for property development and significant and obvious competitive threats at a micro-level which have resulted in several downgrades to sales forecasts? Not to mention the significant turnover of senior executives and directors (of which she is included). 4...Can Philippa and the board please explain how they managed this conflict of interest? 5...Are there any further conflicts with board members or investment committee members holding directorships at investee companies? If yes, what value does this offer to Australian Super members and why do you continue to allow this to occur?**

The Board determined that Philippa had the skills, experience and values to significantly contribute to the Investment Committee, the Fund and its members. The Board considered Philippa's role as Chair of Lifestyle Communities and determined that any potential conflict could be effectively managed. All directors have individual conflicts management plans. Philippa's plan covered her role with Lifestyle Communities, including the need to recuse herself from any decisions or discussions regarding Lifestyle Communities.

Philippa meets the definition of an independent director under section 10 of the SIS Act (see below):

"independent director" , in relation to a corporate trustee of a fund, means a director of the corporate trustee who:

- (a) is not a member of the fund; and
- (b) is neither an employer - sponsor of the fund nor an associate of such an employer - sponsor; and
- (c) is neither an employee of an employer - sponsor of the fund nor an employee of an associate of such an employer - sponsor; and
- (d) is not, in any capacity, a representative of a trade union, or other organisation, representing the interests of one or more members of the fund; and
- (e) is not, in any capacity, a representative of an organisation representing the interests of one or more employer - sponsors of the fund.

Note: Subsection (2) sets out the circumstances in which a director of a corporate trustee of a fund is not taken to be an associate of an employer - sponsor of the fund.

The decision to increase the holding in Lifestyle Communities was based on our assessment of the company's long-term value. The Fund has held the stock since 2015 and believes the company has a strategy and plan to be successful in the long term.

For all directors, there are conflict management plans in place which set out how the Fund manages any identified actual, perceived or potential conflicts. This includes that a director must not be involved in any direct oversight or decisions relating to an identified conflict.

In the unlikely event of a conflict, this would be disclosed at the start of the meeting, the director would leave the meeting in relation to the equity and the director would receive redacted meeting papers and minutes

### **3.83 I am not a union member. Who on the AustralianSuper represents my interests?**

The AustralianSuper Board comprises equal representation of Employer Directors and Member Directors and two Independent Directors appointed by the Fund's shareholders. The Board composition is supported by assessment

against a skills matrix. In Australia, all Directors are subject to Corporations Act duties, fiduciary duties and statutory duties, regardless of the origin of their election. Within the organisation, AustralianSuper Executives and colleagues are not required to be union members and regularly undertake member immersion activities to help understand members' interests and priorities.

**3.84 Does Australian Super pay directly for services received and or pay donations to any union or affiliated entity of a union or an officer of any union and if yes please advise the amounts paid individually per annum and cumulative total.**

Like many large super funds, AustralianSuper undertakes a range of activities to attract new members and retain existing members.

We have formal marketing and education agreements with a range of organisations, some of which are trade unions and employer associations. All transactions are made on normal commercial terms and contribute to the growth of the Fund. Director remuneration reflects their expertise and role, with directors determining whether their fees are paid directly to them or an organisation. Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, will be available from 5 November on our website at [australiansuper.com/amm](https://australiansuper.com/amm).

**3.85 2. How much AS contributed to CFMEU yearly? This is not in members interest.**

We have not contributed to the CFMEU.

**3.86 Why does Australian Super donate some of my hard-worked-for retirement funds to Unions? How can we stop this?**

We not make donations to unions.

**3.87 Why do you waste money on sponsorship? Why does it seem you are affiliated with the Labour party and certain unions?**

Like many large super funds, AustralianSuper undertakes a range of activities to attract new members and retain existing members. We have formal marketing and education agreements with a range of organisations, some of which are trade unions and employer associations. All transactions are made on normal commercial terms and contribute to the growth of the Fund. We are not affiliated with the Labor Party.

**3.88 full disclosure on the chief executive and the board member on their individual salary packages, bonus, travel, to be transparent to all member.**

You can view our remuneration report in our Fund *Annual Financial Report* published on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

**3.89 1. Does Australian Super have any currently employed Directors or Senior Management (KMP) that have been previously employed by the CFMEU. If yes, who are they and what positions do they hold ? 2) What Fines/Penalties above \$100K AUD has Australian Super paid and what for ?**

Michele O'Neil was the National Secretary of the TCFUA (Textile Clothing and Footwear Union of Australia). Following the amalgamation of the TCFUA and the CFMEU, Michele held the following roles with the CFMEU:

- ORGANISATION POSITION APPOINTED RESIGNED
- CFMEU Vice President 27/03/2018 16/07/2018
- CFMEU Manufacturing Division National TCF Secretary 27/03/2018 16/07/2018.

**3.90 How much does Aust Super pay to the union movement via all channels**

Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, are available on our website at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting).

### **3.91 How much does Aust Super pay to the union movement? Why are these payments made?**

Like many large super funds, AustralianSuper undertakes a range of activities to attract new members and retain existing members. We have formal marketing and education agreements with a range of organisations, some of which are trade unions and employer associations. All transactions are made on normal commercial terms and contribute to the growth of the Fund. Director remuneration reflects their expertise and role, with directors determining whether their fees are paid directly to them or an organisation. Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, are available on our website at [australiansuper.com/amm](https://australiansuper.com/amm).

### **3.92 Thanks for the presentation. Do you have any comments on the marketing spend for FY24 which seems to have ballooned?**

There was no increase in promotion, marketing or sponsorship expenditure this year; in fact there was a decrease on previous year. AustralianSuper promotes its services to a range of stakeholders to increase membership growth and scale and access to greater investment opportunities. This includes building brand awareness and alliance partnerships with organisations as a cost-effective way to promote our services and attract and retain members. When considering any expenditure, we must first determine if it is in members' best financial interest to incur these costs. Any expenditure is designed to grow our size and scale or deliver better products and services aligned with our purpose for members.

### **3.93 Are these questions Dorothy Dixers? Why are the execs reading their notes seemingly verbatim?**

As disclosed by Chief Strategy Officer Paula Benson, all of the questions submitted by members during registration for the Annual Member Meeting are considered to be questions asked at the meeting and from the hundreds of questions submitted, we are able to see the most commonly asked questions. We seek to answer questions that would more likely satisfy a high number of people. Our Executives and Senior Management answering the questions may refer to notes in order to be able to answer the question in depth, accurately, referring to data and in a meaningful way.

### **3.94 Maybe I missed something due to the buffering, but why did you compare AustralianSuper to the median and worst performing funds rather than to the top performing fund?**

At Member Meetings, AustralianSuper consistently compares performance against the median and poorest-performing funds. Our internal measures use the median as a benchmark, making it a valid comparison point. The poorest performing fund is used as a comparison to demonstrate the importance of being with a fund that has strong long-term performance.

### **3.95 Could you please announce how many questions were received online today and how many of these were answered today?**

NA

### **3.96 Given the size of the Fund, and the number of employees, how can the Fund avoid become just like any other financial services institution? Already it has more of a banking culture and many have no concept of a member or member first philosophy.**

As a profit-for-member fund, the cost savings and profit we make benefit members, not shareholders. A key focus of the Board is AustralianSuper's member-first culture. Our aim is to foster a culture that reflects the Fund's purpose and enables every colleague to perform and deliver outstanding service to members.

### **3.97 How is executive pay structured to ensure that executive interests are aligned with member interests?**

We aim to align remuneration to the Fund's purpose and attract and retain the best talent to support members' best financial interests. As the largest superannuation fund in Australia, our remuneration reflects the Fund's significance, complexity and position in domestic and international markets. To remain competitive, we are making changes to our approach to variable reward or bonuses, for investment teams.

The new approach to remuneration in the Investment Team places a greater emphasis on base pay and less on variable pay. This reflects the fund's overall pay philosophy recognising the importance of short-term and long-term performance.

**3.98 How is sending the head of HR to London for an extended period of time be in the best interest of members? And has the Fund financially subsidised this move?**

We continue to grow our global investment capabilities and expand our teams in London and New York. Having local teams on the ground, as well as members of the Executive team spend time in key markets, helps us build relationships, source investment opportunities and brings international perspectives across the Executive team. The expense of relocating to an international office for a short-term secondment is disclosed as a non-monetary benefit in the Fund's Directors' Report.

**3.99 How much money flows to the owners ACTU and Australian Industry Group per year?**

As a profit-for-member fund, the cost savings and profit we make benefit members, not shareholders. We have formal marketing and education agreements with a range of organisations, some of which are trade unions and employer associations. All transactions are made on normal commercial terms and contribute to the growth of the Fund. Director remuneration reflects their expertise and role, with directors determining whether their fees are paid directly to them or an organisation. Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, are available on our website at [australiansuper.com/amm](https://australiansuper.com/amm).

**3.100 How much money per year is being paid to the unions associated with Aus Super and what services are the payments for?**

Like many large super funds, AustralianSuper undertakes a range of activities to attract new members and retain existing members. We have formal marketing and education agreements with a range of organisations, some of which are trade unions and employer associations. All transactions are made on normal commercial terms and contribute to the growth of the Fund. Director remuneration reflects their expertise and role, with directors determining whether their fees are paid directly to them or an organisation. Detailed payment lists for the 2023–24 financial year, including promotion, marketing and sponsorship contract information; payments to industrial bodies; and payments to related parties, are available on our website at [australiansuper.com/amm](https://australiansuper.com/amm).

**3.101 How often, and by whom, is the Funds public information reviewed? I am aware of some incorrect information available on the website.**

We conduct regular reviews across the website, and generally, this is reviewed on at least an annual basis, with more frequent reviews depending on the nature of the content. If you have any concerns, please get in touch with us at [australiansuper.com/contact-us](https://australiansuper.com/contact-us)

**3.102 is this meeting recorded for a replay later ? Thank you**

**3.103 Can these webinars be held in the evening?**

**3.104 I am in China and unable to view the meeting after logging, would you put AMM 2024 online so that members can view it later?**

**3.105 Please keep this link so we can listen to it again at a later date. Many members cant make to this meeting tonight.**

The recorded video of the AMM is available at [australiansuper.com/amm](https://australiansuper.com/amm)

**3.106 I missed most of this meeting due to buffering. I dont think this is a problem on my side. Have other members had this problem and will you make the meeting available to view afterwards?"**

We were not advised of a lot of buffering issues. The recorded video of the AMM is available at [australiansuper.com/amm](https://australiansuper.com/amm).

**3.107 Is the panel at this AMM going to answer any questions other than the pre-arranged and set questions ? I have submitted several questions, and none have been addressed Disappointed !**

All questions asked at the meeting were questions that were asked by members. It isn't possible to answer all of the questions asked by members at the live event, but all responses are given in the Minutes of the Meeting. As disclosed by Chief Strategy Officer Paula Benson, all of the questions submitted by members during registration for the Annual Member Meeting are considered to be questions asked at the meeting and, from the hundreds of questions submitted, we are able to see the most commonly asked questions. We seek to answer questions that would more likely satisfy a high number of people. Our Executives and Senior Management answering the questions may refer to notes in order to be able to answer the question in depth, accurately, referring to data and in a meaningful way.

**3.108 It's hard to believe the replies in the Q&A are scripted. What's the point of that? That's not a Q&A, it's what they do in Primary School. Not happy.**

As disclosed by Chief Strategy Officer Paula Benson, all of the questions submitted by members during registration for the Annual Member Meeting are considered to be questions asked at the meeting and from the hundreds of questions submitted, we are able to see the most commonly asked questions. We seek to answer questions that would more likely satisfy a high number of people. Our Executives and Senior Management answering the questions may refer to notes in order to be able to answer the question in depth, accurately, referring to data and in a meaningful way.

**3.109 Sure! Heres an amended version of your sentence: Why do most board members have more government experience and less private sector experience?**

The key skills and experience that the Board seeks in its membership are identified in the Board Skills Matrix. The collective skills of the Board, which relate to each skill domain, are also identified in the matrix.

The Board Skills Matrix is available on our website, as are the biographies of each member of the Board, at [australiansuper.com/about-us/our-people](https://australiansuper.com/about-us/our-people)

**3.110 What involvement do unions have in Australian Super and in particular the Australian construction union?**

If you are referring to the CFMEU, we do not have any involvement with them.

**3.111 What is the expected cost of the expansion of the new York Office?**

Since opening our first global office in Beijing in 2012, we've significantly expanded our global presence, with London and New York continuing to grow. We are projected to grow to A\$700 billion by 2030, with 70% of new flows expected to be invested offshore. We are focused on internalising investment management to reduce external costs and improve efficiency. By 2030, we expect more than 75% of the portfolio to be managed internally, which is anticipated to save over \$1.3 billion per year.

**3.112 Where do the Trustee reserve funds come from? In relation to a potential penalty**

A provision for the expected penalty was made in the 2023/24 financial year accounts. For each financial year, funding of the Trustee Risk Reserve (TRR) from Fund assets can be no more than 0.015% of AustralianSuper's net assets (calculated as at the end of the previous financial year). Funding of the Trustee Risk Reserve is considered by the Board as part of its regular review processes.

No further funding of the TRR may occur if the risk reserve is more than 0.015% of AustralianSuper's net assets (calculated as at the end of the previous financial year) or another maximum amount set by relevant superannuation law or the relevant superannuation regulator.

**3.113 Who are the trustees or owners of AustralianSuper?**

The Trustee of the Fund is AustralianSuper Pty Ltd, which is governed by a Board of Directors. All Directors are non-executive and independent of management. Directors are appointed by the Trustee's shareholders, ACTU

Super Shareholding Pty Ltd and the Australian Industry Group. The Board of Directors is the highest governing body of the Fund.

**3.114 Who is going to pay the fine Mr Schroder mentioned? What about the owners, rather than the risk fund paid for by members?**

AustralianSuper does not have to increase members' administration fees to pay for this. A provision for the expected civil penalty was made in last year's financial accounts. The expected penalty will be paid from the Trustee Risk Reserve.

**3.115 Who is the current auditor and when was the audit contract last put out to tender?**

Our current auditor is PwC. An audit tender in the form of a Request for Proposal (RFP) was performed in FY22.

**3.116 Why Australian Super make financial contributions to CFMEU?**

We have not contributed financially to the CFMEU.

**3.117 Why cant I meet face to face with staff to clear up queries????**

Many members are engaging with their super and increasingly choosing to transact and manage their retirement savings digitally. Our simple, accessible and secure Member Portal and mobile app allow members to stay informed, and a range of enhancements delivered throughout the year have helped members access the information and services they need more quickly, easily and conveniently. Our shift towards a digital service offering also recognises that members are located all over Australia, and due to the high costs associated with providing physical support across a large geographic area, we believe this digital shift aligns with broader industry trends and helps us serve members more effectively while keeping costs manageable.

**3.118 Why have questions been limited to such a limited number of characters" ? This has been a patently staged meeting by Australian Super that prevents free and full input from its members Shame !**

AustralianSuper chose a provider for the event that delivers a good experience for members. We will take on your feedback for next year.

**3.119 Why should I , as an investor, continue to keep my investment in Australian Super than other super funds? That is, what are the funds distinct advantages?**

AustralianSuper is Australia's largest super fund and one of the top 20 pension funds globally\*,

We use our size, capability and global reach to help us access the best investment opportunities for the benefit of members. As Australia's largest superannuation fund, we're here to help members achieve their best financial position in retirement.

\* Thinking Ahead Institute, Global top 300 pension funds, September 2024. AustralianSuper ranked 16th out of 300 global funds.

**3.120 Will the slides shown tonight in the various presentations be made available subsequently for all attendees?**

The recorded video of the AMM is available at [australiansuper.com/amm](https://australiansuper.com/amm).

**3.121 With over 200o employees of the Fund, how can the continued (over)use of external service providers be justified? I am aware of an external law firm engaged to provide basic training on Superannuation and SIS regulations, despite internal lawyers.**

We engage external service providers and consultants occasionally due to their specialised knowledge and expert insights in niche areas which may be outside the scope of in-house teams. Additionally, external providers offer flexibility by providing access to skills or resources on a temporary or project-specific basis. This allows the Fund to stay focused on its core competencies while leveraging external expertise to address complex challenges or meet short-term demands efficiently.



**3.122 With super funds performance in the media, does Australian Super think regulation is required to ensure members get the best benefits? Thanks**

The Federal Government launched a comprehensive review of the annual MySuper superannuation performance test in March 2024. AustralianSuper has long been a supporter of the annual performance test, which has delivered better outcomes to members by removing underperforming products from the superannuation system. We welcome the review and have recommended improvements to help the test better achieve its objectives, including:

- extending the test to all APRA-regulated Choice products, including retirement products
- measuring historical administration fees, and
- simplifying the test by improving the extent to which it assesses investment strategy and design, and not simply how well a fund has implemented its own investment strategy.

**3.123 Would you care to comment on Australian Super's Origin Energy position in hindsight? Andrew**

Our position on Origin has not changed. The key to being an active long-term investor is to identify companies that will enhance returns for members. Once we invest in companies, we then monitor – and may engage with – these companies to ensure they are working to unlock the value we have identified.

The Origin Energy takeover vote in December 2023 is an example of our long-term and active approach to investing. We voted against the takeover scheme because we thought the price offered undervalued Origin's highly strategic portfolio of assets. These assets will be crucial as Australia works through the energy transition in a reliable and cost-effective manner.

As with all the companies we invest in, we are open to providing capital to Origin as it seeks to create long-term value for its shareholders.

**3.124 How can we find out which specific assets Australian super is investing in? For example, for the high growth option which shares, properties, infrastructure, etc is Australian Super investing?**

You can find out what assets we invest in on members' behalf at [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

**3.125 Is Australian Super FOR All Australia**

AustralianSuper is a fund for all Australians.

**3.126 Are admin and investment fees getting reviewed to reduce for benefit of members this financial year?**

**3.127 Why do we get charge so many fees?**

**3.128 Are fees going down or up?**

**3.129 What are you doing to lower members fees?**

**3.130 Do you anticipate any increase in fees due to CPS230?**

**3.131 How is Australian Super looking to manage its fees in a high inflationary environment?**

**3.132 Are you able to lower your fees and review every year as other SUPER did the same performance as your guys but you have bigger market shares**

**3.133 How do you plan to reduce admin and investment costs for members?**

**3.134 What is Australian Super doing to reduce investment fees? Member fees are very competitive but investment fees seem high given Funds Under Management.**

AustralianSuper is a profit-to-member Fund which means fees are set at the level required to cover the cost of providing administration, member servicing, investment management and insurance (where applicable). We are consistently focused on delivering low fees to our members and ensuring they are transparent and easy to understand. We are also experiencing increasing engagement with members to help guide them through their superannuation and retirement journey, at times these requirements put pressure on our ability to reduce costs and we seek to strike the right balance of low fees and value provided. Past examples of lowering fees have included maintaining or reduced administration fees for more than 2.3 million members in 2022. In September 2024, insurance premiums decreased an average of 8% for almost all insured members. We are currently increasing the

proportion of our investments managed internally, and we expect that to translate into lower fees for members. We are required to assess the impact of our fees on member outcomes annually. The most recent 2023 Members Outcomes Assessment found that our total annual admin and investment fees and costs on a \$50,000 account balance rank in the best quartile for the Balanced Option. You can view fees and costs on our website and also compare against average funds <https://www.australiansuper.com/compare-us/fees-and-costs>

### **3.135 Does the level or type of employment affect the fees of my superannuation account?**

No. AustralianSuper is a profit-to-member Fund which means fees are set at the level required to cover the cost of providing administration, member servicing, investment management and insurance (where applicable). We are consistently focused on delivering low fees to our members and ensuring they are transparent and easy to understand.

### **3.136 Can you please explain the multiple fees that are charged on each deposit?**

Fees are not charged on deposits or contributions. Please contact us if you would like to discuss your query.

### **3.137 Appreciate that investments have delivered significant results over the past few years however prices/costs have increased significantly. How does the increase in super returns match cost of living rises?**

A key objective for superannuation savings is to maintain purchasing power and keep up with inflation over time. Over the long-term, investors can seek to keep up with inflation by diversifying their portfolio using assets that have the potential for growth that outperforms inflation over time. An investment objective for AustralianSuper's PreMixed options is to outperform inflation and enable members to maintain their purchasing power. Each PreMixed option invests in a diversified mix of assets that seeks to outperform their CPI plus investment objective over the long term.

Performance compared to CPI objectives is available here:

<https://www.australiansuper.com/compare-us/superperformancecpi>

<https://www.australiansuper.com/compare-us/retirementperformancecpi>

### **3.138 How does Australian Super perform in relation to operating costs, fees and charges?**

AustralianSuper is a profit-to-member Fund which means fees are set at the level required to cover the cost of providing administration, member servicing, investment management and insurance (where applicable). We are required to assess the impact of our fees on member outcomes annually. The most recent 2023 Members Outcomes Assessment found that our total annual admin and investment fees and costs on a \$50,000 account balance rank in the best quartile for the Balanced Option. You can view fees and costs on our website and also compare against average funds <https://www.australiansuper.com/compare-us/fees-and-costs>

### **3.139 Why are we paying fees on deposits from employers as well taxes in general deposits? I my opinion I think it is a double dipping into our money**

Fees are not charged on deposits or contributions. Please contact us if you would like to discuss your query.

### **3.140 Why does Australian Super charge two admin fees - Flat administration fees and Asset-based administration fees while other Super fund providers charge only one Flat admin fee?**

AustralianSuper announced a change to its administration fee structure in June 2022, effective September 2022. It was estimated at the time that 1.7 million members would benefit from the fee change, with a further 530,000 members seeing no change to their administration fee. It was estimated that less than 5% of members would pay the maximum, capped fee. Investment fees and costs vary from year-to-year depending on our investment activities. The fee structure was set to be more equitable and sustainable into the future. We are unable to comment on the fee structure of other funds.

**3.141 Why few years ago manager's fees changed from portion of investment surplus to value of assets of the member ? If I am right. And how is it possible that under old system with negative investment outcome the fees were positive ?**

Investment fees and costs vary from year-to-year depending on our investment activities, not investment outcomes. Investment fees and costs include a range of expenses incurred, which include internal and external management costs, as well as custody, derivative, audit and administration costs relating to investments. They are based on the actual Investment fees

and costs incurred in the previous financial the year and are expressed as a ratio to the average value of all the assets in the investment option over the year. These costs can vary from year to year and have trended lower over the past seven years due to the reduced cost of internal management and benefits of scale as member assets increase. Over the long term, we believe these investments will make a significant contribution to members' retirement savings.

**3.142 You have mentioned economies of scale, investment size and growth and the expectation therefore is that investment fees will reduce. Why were investment fees increased recently?**

AustralianSuper is a profit-to-member Fund which means fees are set at the level required to cover the cost of providing administration, member servicing, investment management and insurance (where applicable). Investment fees and costs include a range of expenses incurred, which include internal and external management costs, as well as custody, derivative, audit and administration costs relating to investments. They are based on the actual Investment fees and costs incurred in the previous financial the year and are expressed as a ratio to the average value of all the assets in the investment option over the year. These costs can vary from year to year and have trended lower over the past seven years due to the reduced cost of internal management and benefits of scale as member assets increase. This financial year had relatively small changes to investment fees and costs for the Balanced option.

## **4 Crypto-currency**

**4.1 To not have any allocation to Bitcoin given it's performance for the last 10+ years is crazy?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.2 Will we get exposure to cryptocurrencies?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.3 What is the long term future of Cryptocurrency; Bitcoin, Ethereum etc has it become to big to fail?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.4 How safe is Cryptocurrency?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.5 Is Australian super investing in cryptocurrency and why. If its a volatile environment isnt that just gambling to an extreme? Is it similar to a coin toss?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.6 When will Cryptocurrency investment options become available?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.7 How is Australlan Super taking advantage of new asset classes like Bitcoin for their more aggressive parts of the fund, would their be an opportunity for a Bitcoin only fund that people could put / select to put upto 25% (or more) of their super in,**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.8 Whats your position on criptocurrency**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.9 Are you considering, avoiding, or already investing in crypto?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.10 Is Australian Super investing in Crypto? If so, in which funds and what are the strategies? Thank you.**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.11 Are you considering increasing your exposure to AInd and Crypto if so when ad how?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.12 When will crypto currency be available as a selectable option**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.13 Personally I believe Crypto Currency is the biggest Ponzi scheme ever invented, if Australian Super were allowed to invest funds in them would it do so, I would hope not.**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.14 Are use looking at having crypto coins available for self manage super fund**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.15 What is AusSuper's strategy for crypto investments? Will members be able to opt in or out of Bitcoin investments with their super?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.16 Is Australian Super investing in Cryptocurrency? If yes, which currencies**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.17 When will Australian super start looking at a fund option to invest in Bitcoin?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.18 Do you invest in Cryptocurrency?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.19 "With the growing interest and investment in cryptocurrency, does the fund have any current or future plans to incorporate cryptocurrency or blockchain technology into its investment portfolio? If not, could you explain the rationale behind this decision, and how the fund views the risks and opportunities associated with digital assets?"**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.20 How trustworthy is Cryptocurrency and how quick is the return? Who do I sign up with it's worth it and how much to invest min of \$20,000 and how long to leave it there before withdrawing? Can you withdraw or not? bad experience in the past. Thank you**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.21 Do AS own cryptocurrency?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.22 Does the future investment strategy incorporate investment in cryptocurrency ETFs?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.23 Is there an opportunity to diversify into the newly available cryptocurrency ETFs?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.24 Does the future investment strategy incorporate investment in cryptocurrency ETFs?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.25 will blockchain/crypto currency become a new asset class to diversified investment pool at Australian super?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.26 Cryptocurrency**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.27 What portion of the fund is invested in cryptocurrency?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.28 What is the plan for AustralianSuper to add option to invest in Bitcoin ETF**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.29 will we be investing in cryptocurrency markets due to the changes the american government**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.30 Will we be forced to join cryptocurrency as part of our investment plan with Australian Super?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.31 Is the fund investing in cryptocurrency and which investment strategy is it included i.e. high growth and what percentage of the fund?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.32 When will you add an investment option for Bitcoin ETF?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.33 When will aus super add crypto options into portfolio**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.34 Apologies if I missed this as I tuned in late. What expectation should members have for exposure to crypto currency in the coming future?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.35 bitcoin did not get a mention. is Australian super investing in this at all**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.36 Bitcoin ETFs, it is not cryptocurrency. Will I be able to invest in Bitcoin ETF?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.37 Could you please advise your position on cryptocurrency investment?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.38 Does any of your portfolios invest in crypto?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.39 Does Australian super have a plan to allow invest in Bitcoin ETFs?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **4.40 Following the US elections, Donald Trumps suport of crypto and uptick in bitcoin, what is Aus supers view on crypto-assets as an assest class?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.41 Since inception Bitcoin ETFs has shown themselves as largest, most successful and profitable ETFs in history. Would and when AustralianSuper super consider to include ASX/CBOE traded Bitcoin ETFs as a MembersDirect investment option?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.42 Will cryptocurrency become an AustralianSuper investment strategy in the near future?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.43 Will you add any investment options allowing members to allocate funds to crypto, for example Bitcoin ETFs?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**4.44 With an average return of 20% per year, is the fund considering offering exposure to BTC via ETFs listed on the ASX?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

## **5 Cybersecurity and Technology**

**5.1 I would be interested in hearing about what AustralianSuper is doing to ensure data confidentiality and enhanced cyber security measures over the next 12 months**

**5.2 What systems are in place to protect customers' personal data, especially in the event of a cyber security breach?**

**5.3 Can you provide a comprehensive explanation of the steps AustSuper has taken to protect against cyber breaches, scammers, etc? Obviously, the explanation will be limited to general information to avoid giving away 'secrets' of the tools and methods used.**

AustralianSuper remains vigilant to ever-changing and growing threats. We continue to invest in initiatives to safeguard against cybercrime and educate members about personal cyber security and scams. We perform regular security testing, conduct internal preparedness exercises and maintain a third-party security risk management program to address supply chain risk.

Actively monitoring new and emerging cyber threats and responding to changes in the cyber threat environment is an essential part of our operations. We adjust and assess our cyber controls regularly in response to threats, with the goal of keeping members' information and money safe.

Continued investment in new cyber security capability further increases our cyber resilience. Growing our capabilities to combat malware, improving our security controls, and boosting threat protection are key features of our approach. Cyber attackers are actively using artificial intelligence (AI) to accelerate and increase the volume of attacks on organisations. At the same time, AI creates opportunities for organisations to identify cyber attacks and respond more quickly. The cyber security team has benefitted from AI as a crucial resource, improving performance, accelerating procedures, and safeguarding members.



- 5.4 Will you implement two factor authentication at login?**
- 5.5 Update on Australian Super on Cyber security and scam protection**
- 5.6 Why does AusSuper still not have Multi-Factor Authentication (MFA) when Member Login? This is a security risk, and needs to be addressed on priority. This questions was also asked maybe 2 years ago. Thank You.**
- 5.7 Account Security - Are there any plans to increase the level of security for individuals accounts so that it is more difficult for members to become victims of scams. An example would enhanced two factor authentication or anything else. If there are no plans can I ask why not.**
- 5.8 I have responded many times to the survey when logging in to my account - so when will Australian Super incorporate Multi Factor Authentication into the Login process ?**
- 5.9 Login using a code through SMS**
- 5.10 Why doesn't Australian Super use multi factor authentication (MFA) when members log into their accounts or when members phone the call centres.**

AustralianSuper takes the issue of account security and the privacy of our members very seriously. Protecting our members interests is of key importance with cyber security risks a focus area at the Fund.

We have adopted international best practice frameworks to design and deploy robust security measures that are designed to keep members' data safe and are consistent with relevant legislation and regulation.

APRA, ASIC, and other Australian and International regulatory bodies provide direction and oversight on how we operate. A program of internal and external audits and independent assurance activities are in place to monitor our controls and processes to ensure we comply with regulatory requirements and effectively manage security risk.

Security measures specific to protecting members include:

- multi-factor authentication (MFA) for member critical actions within the Member Portal website and the Mobile App
- a comprehensive account and transaction monitoring program, including a dedicated team that analyses any suspicious behaviour
- any attempt to register an account online or reset a password automatically undergoes MFA, meaning a security code is sent to the member's mobile phone for verification
- increased call security and training to staff to increase mitigation controls and monitoring, especially in light of recent high-profile cyberattacks and data breaches
- working with law enforcement agencies.

We aim to have a balance between member convenience and security control. Although MFA is not enforced during the log in process, the Fund released capability in October 2024, which allows members to use the Mobile App to authenticate access to the Member Portal, which has security benefits and establishes a foundation for further enhancements. The Fund continues to invest in its information security capability and we progress strategic security initiatives that include further extending the use of MFA.

AustralianSuper encourages the use of our Mobile App as it provides additional security features and allows members to access their super account securely and conveniently. Access to the App can be secured using a four-digit PIN. Secure biometrics including Touch ID or Face ID are available on compatible devices.

**5.11 What investment is Fund making in updating technology and how is progress tracking?**

**5.12 What investment is going into the operations of AustralianSuper? Specifically as the size of the investments grow extensively, how do systems scale with this growth? For instance, how do you track the integrity of data, do you have a robust independent reconciliation tool to track breaks?**

Over the last three years, AustralianSuper has invested in modernising many of our technology assets to support members through our new digital platforms while migrating to run our platforms securely and efficiently in the cloud. AustralianSuper continues to invest broadly in technology to further enable and improve member servicing, and to build operational scale into our internal teams using technology and automation. Ensuring we actively manage all our technology assets in a secure and considered way is critical to enabling and protecting our members' money and data.

Some key areas of focus for the technology team include scaling our integration capabilities to service data intra-day, enabling a closer to real-time experience for both members and our investment teams. This work is closely enabled through scaling our data management and governance people, platforms and processes using new technologies to help monitor data quality, support reconciliation and to track and manage any workflows around exception management.

Building on the foundational technology that's been implemented, we are now accelerating the automation of previously manual processes across all operational areas of AustralianSuper, leveraging newer technologies that are augmented with AI to enable colleagues to focus on oversight and critical decision-making.

**5.13 In accordance with CPS230, how does Australian Super protect member data from being accessed and on sold by third party vendors? I am aware of third party vendors that are currently accessing and on selling superannuation data belonging to 8 million Australians, including a large cohort of Australian Super members.**

As a general principle we do not sell member data to anyone. We do share member data with some vendors but this occurs in strictly controlled circumstances. For example, to facilitate educational messaging or significant event notices. We have a number of standard contractual controls with vendors which ensure member data is not sold to 3rd parties and vendors that comply with Australian privacy law.

**5.14 Why are messages which are accessible on Member online account, not able to be accessed via AustralianSuper App?**

Improving the experience for messaging in online accounts and in the Mobile App is a priority as we want to make it as intuitive and easy to use as possible. Consistency in our channels is important so we'll be including this in our roadmap.

**5.15 How is AI being applied within Australian Super?**

The fund is taking the approach of being bold in innovating whilst ensuring we have the right touch governance in place. Specifically, the fund has been an early adopter in rolling out Microsoft 365 co-pilot globally across the fund. Equally, we have established a change/education/communications program to ensure active engagement and awareness across the domains with regard to AI. In addition, we are working on a number of high-value, experimental use cases where we can harness the power of AI to help automate, improve productivity, enhance efficiency, improve decision-making and elevate our service to members. We have also established an AI policy, supporting standards and a governance framework to ensure we are acutely balancing risk and innovation in ensuring our utilisation of AI is leading, well managed, considered, and responsible.

**5.16 How is the organization preparing to leverage AI in the long term to ensure it remains beneficial for members, and what role does leadership play in guiding this integration?**

The fund has invested in foundational technology as well as establishing an AI team to ensure we have the personnel, technology and capability to advance AI for the benefit of our members and colleagues. Early focus has been on establishing foundational environments, standards and ways of working to allow us to have a base capability from which we can scale and accelerate. To ensure alignment, key forums have been established, including the AI governance council, and delivery forums to enable the Fund's leadership representative to assist with decision-making, prioritisation and oversight. This will ensure we are working on AI use cases that will bring maximum benefit to our members, colleagues, and investment teams and deliver them efficiently and effectively.

**5.17 When will the fully fledged app for the Apple iPad be available?**

A very small proportion of members access our digital channels on iPads, so the Fund has no plans to invest in an iPad-specific app.

**5.18 Why do I have to have three logons for my three AustralianSuper accounts? I have one Accumulation Account and two Pension Accounts (to optimise Estate Planning). I would like to have one logon with a consolidated member position.**

To consolidate your accounts into one login, please contact us so we can arrange this for you at [australiansuper.com/contact-us](https://australiansuper.com/contact-us)

**5.19 Why is the internet access, via windows on the internet , not reliable and has not been for quite a while. Other Industry funds don't seem to have this problem.**

The Fund continues to invest in digital capabilities to ensure 'always on' access to the website, Member Portal and Mobile App for convenience to members. To maintain security standards and the continued uplift of features and functions for members, the Fund has robust processes for the implementation of change, with any planned impacts/outages to members timed to occur during periods of lowest usage. In addition, the Fund is focused on service management capabilities (e.g. monitoring, alerting, resilience) to ensure any unplanned outages are kept to an absolute minimum.

**5.20 What steps has the company taken to safeguard members funds from computer hackers including overseas government operations**

**5.21 How are you approaching the management of cybersecurity threats to the fund and its members?**

**5.22 Thank you for taking questions, could the appropriate representative briefly outline the current status AusSuper cyber security resilience plan.**

**5.23 Whilst AI has many good aspects, bad actors can use AI to harm our members. How can we protect our members from the dangers of AI and its use by bad actors.**

AustralianSuper remains vigilant to ever-changing and growing threats. We continue to invest in initiatives to safeguard against cybercrime and educate members about personal cyber security and scams. We perform regular security testing, conduct internal preparedness exercises and maintain a third-party security risk management program to address supply chain risk.

Actively monitoring new and emerging cyber threats and responding to changes in the cyber threat environment is an essential part of our operations. We adjust and assess our cyber controls regularly in response to threats, with the goal of keeping members' information and money safe.

Continued investment in new cyber security capability further increases our cyber resilience. Growing our capabilities to combat malware, improving our security controls, and boosting threat protection are key features of our approach. Cyber attackers are actively using artificial intelligence (AI) to accelerate and increase the volume of attacks on organisations. At the same time, AI creates opportunities for organisations to identify cyber attacks and respond more quickly. The cyber security team has benefitted from AI as a crucial resource, improving performance, accelerating procedures, and safeguarding members.

- 5.24 Why is there no 2 factor authentication when we access our Australian Super account?**
- 5.25 The security measures for logging in to the website is very weak. There is no 2-factor authentication. The only protection for logging in is the password. Could it be improved please?**
- 5.26 Does AS plan to introduce 2 factor ID to log in, if not why not?**
- 5.27 What admin and IT developments are you working on to protect member accounts, e.g. MFA for online accounts**
- 5.28 Can the security of logging into the Super account be improved ? for example , like most banks , have an OTP when logging in .**
- 5.29 What Multi-Factor & Two-Factor Authentication security is being implemented to improve security of our super. will you replace verbal security questions when contacting the Contact Centre with in app pins will you have 2FA when login into app & web**
- 5.30 Would the trustees be able to provide a document to members which details the steps taken to safeguard members accounts and the funds against fraud, scams, hackers? Why hasn't two factor authentication been introduced?**

### **5.31 What about security online**

AustralianSuper takes the issue of account security and the privacy of our members very seriously. Protecting our members' interests is of key importance, with cyber security risks a focus area at the Fund.

We have adopted international best practice frameworks to design and deploy robust security measures that are designed to keep members' data safe and are consistent with relevant legislation and regulation.

APRA, ASIC, and other Australian and International regulatory bodies provide direction and oversight on how we operate. A program of internal and external audits and independent assurance activities are in place to monitor our controls and processes to ensure we comply with regulatory requirements and effectively manage security risk.

Security measures specific to protecting members include:

- multi-factor authentication (MFA) for member-critical actions within the Member Portal website and the Mobile App
- a comprehensive account and transaction monitoring program, including a dedicated team that analyses any suspicious behaviour
- any attempt to register an account online or reset a password automatically undergoes MFA, meaning a security code is sent to the member's mobile phone that we have on record for verification
- increased call security and training to staff to increase mitigation controls and monitoring, especially in light of recent high-profile cyberattacks and data breaches
- working with law enforcement agencies.

We aim to have a balance between member convenience and security control. Although Multi-Factor Authentication (MFA) is not currently enforced during the login process, in 2024, the Fund has released new, more secure ways to authenticate as we lay the foundation for login MFA.

AustralianSuper encourages the use of our Mobile App as it provides additional security features and allows members to access their super account securely and conveniently. Access to the App can be secured using a four-digit PIN. Secure biometrics, including Touch ID or Face ID, are available on compatible devices.

### **5.32 What is being done to protect withdrawals of member's funds via illegal access via scams etc;**

### **5.33 Safe guarding our Super from scamming**

### **5.34 What processes are in place to stop theft of a member's funds through a third party impersonating that member using stolen personal information?**

### **5.35 What is Australian Super doing to protect members from Cybercrime Scams?**

### **5.36 Please outline the measures AS is taking or I tends to take, to minimise the likelihood of scammers diverting members super out of the fund, and out of member control. eg 2FA, MFA, Authenticator apps, optional delayed access and positive id for roll-out requests , etc**

AustralianSuper takes the protection of personal information seriously and there are robust security measures in place to safeguard members' accounts and data. These measures include Multi Factor Authentication (MFA), enhancing AustralianSuper's Mobile App as an authenticator for online portal login using PIN, Touch ID or Face ID, real-time notifications, and stringent identity checks. Additionally, we invest in financial crime technology and detection systems combined with proficient teams dedicated to the protection of members' accounts.

We partner with IDCARE to provide support to members concerned about identity theft and misuse risks. We also regularly educate members about new and evolving scam tactics that happen in superannuation, including posting warnings about rollovers to unknown self-managed super funds and ways that members can protect themselves online via our website: [australiansuper.com/superannuation/scam-alert](https://australiansuper.com/superannuation/scam-alert) and [australiansuper.com/online-security-tips](https://australiansuper.com/online-security-tips)

### **5.37 will blockchain/crypto currency become a new asset class to diversified investment pool at Australian super?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

### **5.38 Cryptocurrency**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

### **5.39 What portion of the fund is invested in cryptocurrency?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

### **5.40 What is the plan for AustralianSuper to add option to invest in Bitcoin ETF**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

### **5.41 will we be investing in cryptocurrency markets due to the changes the american government**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

### **5.42 Will we be forced to join cryptocurrency as part of our investment plan with Australian Super?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

### **5.43 Is the fund investing in cryptocurrency and which investment strategy is it included i.e. high growth and what percentage of the fund?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.44 When will you add an investment option for Bitcoin ETF?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.45 When will aus super add crypto options into portfolio**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.46 Apologies if I missed this as I tuned in late. What expectation should members have for exposure to crypto currency in the coming future?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.47 bitcoin did not get a mention. is Australian super investing in this at all**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.48 Bitcoin ETFs, it is not cryptocurrency. Will I be able to invest in Bitcoin ETF?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.49 Could you please advise your position on cryptocurrency investment? David**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.50 Does any of your portfolios invest in crypto?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.51 Does Australian super have a plan to allow invest in Bitcoin ETFs?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **5.52 Following the US elections, Donald Trumps suport of crypto and uptick in bitcoin, what is Aus supers view on crypto-assets as an assest class?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**5.53 Since inception Bitcoin ETFs has shown themselves as largest, most successful and profitable ETFs in history. Would and when AustralianSuper super consider to include ASX/CBOE traded Bitcoin ETFs as a MembersDirect investment option?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**5.54 Will cryptocurrency become an AustralianSuper investment strategy in the near future?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**5.55 Will you add any investment options allowing members to allocate funds to crypto, for example Bitcoin ETFs?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

**5.56 With an average return of 20% per year, is the fund considering offering exposure to BTC via ETFs listed on the ASX?**

AustralianSuper does not have any plans to invest directly in crypto-currencies or offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

## **6 Economic Outlook**

**6.1 what affect on our super will China's push to take over Taiwan cause.**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

**6.2 Considering today's geopolitical situation, what are the biggest risks to our fund and what policies do we have in place to protect them?**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

**6.3 Given escalating global tensions in European, Middle East, and a disunited USA, are there risk mitigation strategies concerning future offshore investment?**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

#### **6.4 How will China's economic slowdown and the unrest in the Middle East impact on the current investment strategy?**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

#### **6.5 What is your forecast on interest rate movements and when? Thankyou**

There is potential that market interest rates may be structurally higher than pre-2020 levels. We expect interest rates to be tempered by many factors including supply and demand for capital as well as the focus of global reserve banks on asset price stability and full employment. In the near term, ten-year yields may stay within a trading range depending on economic cycle troughs and peaks.

#### **6.6 Implications of prospective interest rates changes to the market**

There is potential that market interest rates may be structurally higher than pre-2020 levels. We expect interest rates to be tempered by many factors including supply and demand for capital as well as the focus of global reserve banks on asset price stability and full employment. In the near term, ten-year yields may stay within a trading range depending on economic cycle troughs and peaks.

#### **6.7 Whats Aust Super outlook for interest rates and investment performance**

There is potential that market interest rates may be structurally higher than pre-2020 levels. We expect interest rates to be tempered by many factors including supply and demand for capital as well as the focus of global reserve banks on asset price stability and full employment. In the near term, ten-year yields may stay within a trading range depending on economic cycle troughs and peaks.

#### **6.8 In your opinion, what is the outlook for interest rates over the next six months?**

There is potential that market interest rates may be structurally higher than pre-2020 levels. We expect interest rates to be tempered by many factors including supply and demand for capital as well as the focus of global reserve banks on asset price stability and full employment. In the near term, ten-year yields may stay within a trading range depending on economic cycle troughs and peaks.

#### **6.9 Is the US election affecting current & future market volatility?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

#### **6.10 What does the result of the US Election mean to my Pension?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.



### **6.11 How do you see the US election affecting performance of the fund**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

### **6.12 If Mr Trump becomes President what is the Australian/ USA economic outlook for super as he wants to reduce the USD to help their exporters**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

### **6.13 I know you cannot predict the future, but if the war in Israel gets worse and if Trump is elected what do you think will be the repercussion on the share market?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

### **6.14 What vulnerability is Australian super exposed to with commercial vacancies /debt and what is the exposure to the US market with its impending crash?**

As at 30 June 2024, about 30% of the Fundwide assets is invested in the United States. While future economic and market conditions are uncertain, our research indicates a higher potential for major global economies, like the US, to grow at trend levels, with a reduced likelihood of a significant economic slowdown in the near term.

The property and credit portfolios include exposure to retail and office properties that have faced significant headwinds over the last five years with reduced rental incomes and higher interest expenditures. The valuations of these assets have been updated based on revenue and operational conditions. The exposure to these investments has been reduced over the years in favour of investment opportunities in mixed-use estates and development properties.

### **6.15 What states in Australia as victoria is in alot of debt will my investments be in**

AustralianSuper invests globally, with about 50% of the Fund's investments in Australia, as at 30 June 2024. The fixed interest portfolio also invests in a mix of Australian and international securities, with investments across each of Australia's states and territories. This includes Treasury, semi-government (state), mortgage-backed, asset-backed and corporate debt. Portfolio holdings disclosure provides details of these holdings:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **6.16 Do you think high inflation will be one of the economic challenges facing investors over the near-term and what investment strategy will Australian Super be utilizing to navigate this period?**

We expect the future to be different from the past ten to 30 years. Key investment themes that may affect the economy and markets include technological change, the energy transition, geopolitical risks and higher structural interest rates. Outcomes to some of these factors mean that companies could face higher costs as well as there may be more inflation risks due to changes in supply chain, higher demand for capital, and government fiscal policies. As part of our investment process, we incorporate the changing economic and investment landscape into

our investment decisions and seek to add assets to the portfolio that have the potential to grow member's balances over the long term.

A key input into our investment planning is the goal to deliver outperformance while optimising investment and transaction costs in the portfolio. AustralianSuper seeks to outperform peer funds while managing costs within the portfolio.

#### **6.17 With the global disruptions that are occurring do you think this will significantly impact the Super earnings in 2024-2025**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

#### **6.18 How Will Australian Super manage clients cost of living crisis and need to access super early before retirement age?**

A key objective for superannuation savings is to maintain purchasing power and keep up with inflation over time. Over the long term, investors can seek to keep up with inflation by diversifying their portfolio using assets that have the potential for growth that outperforms inflation over time. An investment objective for AustralianSuper's PreMixed options is to outperform inflation and enable members to maintain their purchasing power. Each PreMixed option invests in a diversified mix of assets that seek to outperform their CPI plus investment objective over the long term. Super is a long-term investment to fund retirement. Accessing super early is strictly limited to special circumstances. To find out more about accessing super early, visit [australiansuper.com/superannuation/access-your-super-early](https://australiansuper.com/superannuation/access-your-super-early)

#### **6.19 are you expecting the next 10 years to be like the last 10 years and if not, how does the investment strategy need to change?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

#### **6.20 Economic outlook for next 5 years**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

## **6.21 What affect on Aust shares do you think the opening of the large mines in Africa will have and what sectors impacted? Should we be moving to international shares ?**

Our portfolio managers don't focus on investing in specific sectors – they seek to select high-quality, well-managed investments that have the potential to outperform the market over the long run. The investment teams perform deep fundamental research and analysis of companies, industries, and economies, and they seek to invest in high-quality businesses with sustainable competitive advantages. We invest to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries and securities.

## **6.22 How do you see the burgeoning US debt affecting markets over the next 10 years?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

## **6.23 How is the fund performing relative to inflation? What is the plan to provide returns that outpace inflation?**

All of AustralianSuper's PreMixed investment options have outperformed their CPI investment objectives over 10, 15 and 20 years (where applicable).

Performance compared to CPI objectives is available at:

[australiansuper.com/compare-us/superperformancecpi](https://australiansuper.com/compare-us/superperformancecpi)

[australiansuper.com/compare-us/retirementperformancecpi](https://australiansuper.com/compare-us/retirementperformancecpi)

## **6.24 What is Super outlook for short term and long term in relation to economic climate.**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

## **6.25 How the economic crisis will impact our super in the future and how Australian super will be able to ensure that we will not lose our money?to**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

## **6.26 How does 2025 look?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **6.27 Given the volatility of the market in recent months, what is your take on the market outlook? And how is Australian Super managing this?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, along with potential risks including geopolitical issues.

### **6.28 economic outlook forecast on investment performance**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **6.29 I'd like to understand what is your outlook for the Australian economy in 2025 and how do you expect the fund to perform? Are there any tools online which we can use to plan our contribution and expected growth to reach a figure for the future.**

It's very difficult to predict future investment performance. There is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

Our super projection calculator can help you work out if you'll have enough income for your retirement needs, estimate how long your super could last, and see the difference adding to your super now could make to your retirement in the long run. You can find the calculator at [australiansuper.com/tools-and-advice/calculators/super-projection-calculator](https://australiansuper.com/tools-and-advice/calculators/super-projection-calculator)

### **6.30 Does Aus Super expect the cash rate to settle at the historic average of 3-4%?**

While it is difficult to predict the future path of interest rates, global central banks remain committed to maximising employment and price stability. They continue to monitor inflation, consumer demand and labour market conditions to determine what actions are necessary to balance these factors. Central banks are focusing on economic data and the assessment of risks in determining the level of cash rates. Risks that are being considered include levels of household consumption, output growth, employment levels, labour costs and geopolitical uncertainties that could impact supply chains.

### **6.31 Is the Fund aware that a stockmarket crash is imminent and what measures can the Fund take to protect its members' savings?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

### **6.32 What is the future trends in Australian and global financial markets? Should individuals use a conservative strategy or a high-return high-risk strategy ratio?**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and establish key actions to take when a global event occurs.

Your risk tolerance plays a significant role in determining the appropriate investment strategy for your superannuation fund. Please consider whether you are comfortable with high-risk, high-reward investments or if you prefer a more conservative approach. Your risk appetite can influence the asset allocation within your superannuation fund, such as the balance between stocks, bonds, and cash. You may also want to consider your investment timeline and when you would like to retire. You might find our Risk Profiler tool handy in understanding what type of investor you are. You can find the Risk profile tool at <https://www.australiansuper.com/tools-and-advice/calculators/risk-profiler>

You can also contact the fund on **1300 300 273** to obtain over-the-phone advice regarding your investments.

### **6.33 I don't have a question O just want to hear about the outlook for the future.**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

## **7 Insurance**

### **7.1 Why does it take so very long to upgrade the insurance. Very disappointed with TAL Insurance services.**

Insurance services, such as the assessment and processing of insurance cover applications, are delivered within the framework of agreed service levels as well as the expectations of the Life Insurance Code of Practice. At times, our Insurer TAL may need to attain more information from the member or their treating specialist to appropriately assess their insurance application. So that we can address your particular circumstance, can you please provide us with more specific details about the service you require and your experience? Please contact us at [australiansuper.com/contact-us](https://australiansuper.com/contact-us)

### **7.2 Before Ian Silk retired, we raised the question with him about Aust Super taking on educational insurance facilities for grandchildren - a long term investment grandparents could put in for grandchildren. He said Aust Super would look at it after the reorganisation of the overseas offices. We'd be interested to know if educational insurance has been considered.**

AustralianSuper's core strategy is focused on retirement – our ambition is that all Australians live well in retirement, and our purpose is to help members achieve their best financial position in retirement. Specific insurance related to education is outside this core strategy. However, AustralianSuper members who are grandparents of retirement age have access to Choice Income which provides both regular income and allows extra withdrawals to support whatever goals you may have. For retired members aged 60 and over payments from Choice Income are generally tax free.

### **7.3 As someone with a high BMI, i have been repeatedly denied life insurance through AustralianSuper. However, new studies show that more and more insurers are eliminating the BMI requirement for consumers. Would AustralianSuper consider reviewing and potentially endorsing a similar stance in order to be more inclusive in their ability to meet the needs of ALL Aussies?**

At this stage we are not considering removing questions about height and weight from applications for cover that require members to provide health information.

Life insurance applications generally ask for height and weight, which are used to calculate BMI. This helps us assess the risk of health problems and offer fair and affordable cover on a fund-wide basis. High BMI can increase

the risk of some conditions, such as diabetes, heart disease, and cancer. It can also make some other conditions worse, like back and joint pain, or mental health issues.

#### **7.4 To get an insurance cover when working for 2 different employers, do I only get covered with the employer that's deposit my super in your fund? Thank you, do I only get cover**

You can apply for cover through your super account to meet your insurance needs, even if you have multiple employers who may or may not be contributing to your super account. There are limits to the cover amounts you can apply for. For more information about basic cover, applying for cover, cover limits and other conditions, please see the *Insurance in your super* guide at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide) You can also use the insurance calculator at [australiansuper.com/InsuranceCalculator](https://australiansuper.com/InsuranceCalculator) to check how much cover is right for you (if any) and to calculate the cost of different cover amounts.

#### **7.5 Is it possible to make the Insurance opt-in or opt-out procedure simple?**

You can apply for, change or cancel insurance cover anytime by logging into your account or completing the relevant form at [australiansuper.com/InsuranceForms](https://australiansuper.com/InsuranceForms)

You may need to provide detailed health information for the Insurer to consider (for example if you're apply to increase your cover). Some changes you can make include:

- applying for new cover (if you don't have it)
- fixing, reducing or applying to increase the amount of cover you have
- applying to change your individual work rating
- applying to transfer cover from another super fund or insurer
- applying to change your Income Protection benefit payment period or waiting period.

For more information about changing or cancelling your cover please see the *Insurance in your super* guide at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide)

#### **7.6 how insurance works**

The *Insurance in your super* guide details terms and conditions about insurance, including costs, your eligibility for cover, how much you can apply for, what you're covered for, when it starts and stops, active employment, limited cover and exclusions, and your insurance options. The guide is available at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide)

#### **7.7 Can life insurance be extended past 69.**

No. Death and Income Protection cover is offered to members aged 15 to 69. Total & Permanent Disablement (TPD) cover is offered to members aged 15 to 64.

#### **7.8 Why automatically impose insurance and require submission of paperwork to reverse?**

Under the *Superannuation Industry (Supervision) Act 1993* (SIS Act), all members in MySuper (default) products must have death and permanent incapacity benefits provided through their superannuation fund (subject to certain exceptions).

If a member hasn't cancelled or opted out of insurance cover, default cover can be provided automatically to members if they are 25 or older and have reached a super account balance of \$6,000 in accordance with the Putting Members' Interests First (PMIF) legislation and if they meet other AustralianSuper policy conditions. This information is provided to members when they join and is detailed in their product PDS available at [australiansuper.com/pds](https://australiansuper.com/pds) and the *Insurance in your super* guide available at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide).

Members can apply for, change or cancel their insurance cover at any time. Making any of these changes is an important decision. If a member cancels their cover they might not be able to get cover later. That's because they'll need to reapply and provide detailed health information for the Insurer to consider. When a member cancels their cover they won't be insured from the date their cancellation is accepted. They (or their beneficiaries) won't be able

to make an insurance claim if the member suffers an illness or injury or dies after the cancellation. However, claims may still be paid for an illness that became apparent or an injury that occurred before it was cancelled. For these reasons, the relevant application form must be completed and submitted. This can be done online by logging into the member account or by completing the relevant insurance form at [australiansuper.com/InsuranceForms](https://australiansuper.com/InsuranceForms)

#### **7.9 As a previous insurance policy holder, I have survived prostate cancer and have been rejected for a renewed life insurance policy, is our Fund not interested in protecting our members?**

We aim to provide insurance cover to as many members as possible. However, we must also carefully assess the risks associated with applications for cover to ensure the sustainability of the cost of cover for all fund members.

Some medical conditions present higher risks that we are unable to accommodate at the time of application. Whether we can offer cover to a member with, for example, a history of prostate cancer will depend on factors such as the period of time between completion of treatment and the date of application, the stage at which prostate cancer was diagnosed and whether there was lymph node involvement.

#### **7.10 Do the life insurance fees go to a separate, for-profit entity? If so, please outline the relationship between Australian Super and the insurance entity.**

AustralianSuper insurance is provided by TAL Life Limited ABN 70 050 109 450, AFSL 237848, which is one of Australia's leading for-profit insurers. AustralianSuper members are covered under group insurance policies with TAL. Under these policies, the insurance fee deducted from members' accounts includes an amount to pay TAL for the cost of the insured risk, plus TAL's insurer margin, including expenses to provide the insurance (e.g. claims assessment) and an amount for the cost of capital and profit. AustralianSuper leverages our size and scale to offer value-for-money insurance cover to members.

#### **7.11 How do you reduce costs for members particularly around insurance?**

Insurance costs include costs paid to the Insurer (inclusive of stamp duty). They also include a cost incurred by AustralianSuper for administering insurance arrangements. We want to ensure that we're there for members in their time of need and pay their claims - this will simply flow on to insurance costs. We reduce costs by: having well-designed insurance that encourages rehabilitation and return to work and working together with our insurer and leveraging our size and scale, to offer value-for-money insurance cover to members that is sustainable.

#### **7.12 Are insurance products automatically op-ed into at certain ages. E.g. life insurance at 25 years. And how do you opt-in or opt-out to make an informed decision.**

Members can apply for, change or cancel their insurance cover at any time. Members can also opt out of insurance cover so that default cover doesn't start automatically when they meet eligibility requirements. If a member hasn't cancelled or opted out of insurance cover, default cover can be provided automatically to members if they are 25 or older and have reached a super account balance of \$6,000 in accordance with the Putting Members' Interests First (PMIF) legislation and if they meet other AustralianSuper policy conditions. To make an informed decision about having or opting out of AustralianSuper insurance, please see your product PDS available at [australiansuper.com/pds](https://australiansuper.com/pds) and the *Insurance in your super* guide available at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide)

#### **7.13 Why is TPD insurance automatically restarted without asking members first if it has been stopped and only one additional superannuation contribution has been added? When so much tech is available to ask permission first, why does this ignore Banking Royal Commission recommendations of not charging fees without permission?**

Members can cancel their cover at any time or opt out of cover so that default cover doesn't start automatically when they meet eligibility requirements. If a member hasn't cancelled or opted out of insurance cover, default cover can be provided automatically to members if they are 25 or older and have reached a super account balance of \$6,000 in accordance with the Putting Members' Interests First (PMIF) legislation and if they meet other AustralianSuper policy conditions. There are a number of events that can cause insurance cover to stop, such as: not having enough money to pay for insurance costs; or if a member cancels their cover; or if a member's account becomes inactive (hasn't received any contributions or rollovers for 16 consecutive months). However, if the account becomes active again and a member is eligible (e.g. hasn't cancelled cover, is within age limits and meets

PMIF requirements and other conditions), default cover may start again. We write to members when this happens. For more information about when cover can start again automatically, please see the *Insurance in your super* guide available at [australiansuper.com/InsuranceGuide](https://australiansuper.com/InsuranceGuide).

**7.14 My question is not necessarily for the AMM. Re permanent incapacity approved claim. Why does it takes 10 business days to make subsequent withdraws, the same amount of time to approve the claim. I think it takes just far too long and wondered whether this is necessary?**

Any subsequent withdrawal is still required to undergo assessment. A member must meet a condition of release when they are withdrawing their monies from the superannuation environment. In this situation, an assessment is made to ensure that the member still meets permanent incapacity prior to the exit being processed.

**7.15 Given the recent changes in insurance regulations, how does Australian Super ensure members still receive adequate coverage at competitive rates?**

AustralianSuper automatically provides most members with basic Death, Total & Permanent Disablement (TPD) and Income Protection cover with their super account. Basic cover is age-based and designed to provide a minimum amount of cover for changing needs as members get older. In accordance with legislation, members are eligible to receive basic cover automatically only once they are 25 or older and their balance has reached \$6,000. AustralianSuper helps members receive adequate cover in the following ways:

- New members can apply to start their basic cover without providing detailed health information within 120 days of the date of their welcome letter, even if they are under 25 or have an account balance under \$6,000.
- If members already have Income Protection with us, they can apply to increase their Income Protection when their salary increases by answering a few health questions and meeting some conditions (refer to the *Insurance in your super* guide for more information).
- Members can apply within 60 days of a life event occurring, including getting married or divorced; their child is born or they adopt a child; they take out a mortgage to purchase or build their primary residence in Australia.
- Members can apply to increase their cover amount by providing detailed health information for the Insurer to consider.

AustralianSuper achieves competitive rates by having well-designed insurance that encourages rehabilitation and return to work, working together with our insurer and leveraging our size and scale to offer value-for-money insurance cover to members that is sustainable.

**7.16 1. Could the Board or CEO please explain why AustralianSuper does not provide all necessary forms for claiming after death on its online website or under member login? By not having such details and forms available online, members are unable to prope**

The absence of all 'Claiming After Death' application forms on the website is intentional. The rationale is that each situation is unique, and receiving all information at once can feel overwhelming. Therefore, it is more effective to assess each case through a direct conversation with the team, providing only the relevant information and necessary forms tailored to the individual's specific circumstances. Additionally, there is an ongoing effort to update the website content to provide a more informative experience for people claiming a death benefit. The establishment of a new Bereavement Centre aims to provide compassionate, direct service to members' loved ones and beneficiaries without the need to go through a third party.

**7.17 at death of a member, when funds are transferred to a cash investment, do the taxable and non taxable components remain?**

The underlying tax components are independent of the investment choice and therefore the switch to cash has no impact.

**7.18 Do you manage claims inhouse or is it outsourced. This in view of CBUS debacle which doesnt instil confidence for members if dealing with a family tragedy**

AustralianSuper insourced the management of death claims this year. The Bereavement Centre was launched on 2 April 2024 as part of AustralianSuper's efforts to insource the management of death claims. This initiative aims to



better support members and their loved ones by providing case management services and utilising new technology and data solutions.

Disability insurance claim assessment was moved back to our Insurer, TAL in May 2023. This change achieved a more efficient and sustainable claims management model by reducing duplication of administration and reporting while improving the overall claims experience for members. TAL, along with AustralianSuper, is dedicated to continuously improving processes and capabilities to meet regulatory requirements and enhance service and support for members.

**7.19 I note Rose touched on Bereavement Payment delays, which are plaguing the whole industry. If I died tomorrow, how long would it take for my wife (my nominated beneficiary) to receive my account balance?**

We aim to pay 70% of death claims within four months from notification. For October 2024, we paid 71% within this timeframe. The remaining 30% are often complex cases with multiple beneficiaries, requiring more information from the claimants. Where there is a simple claim with one claimant or a Binding Death Nomination the timeframe will be much quicker.

**7.20 Question for Paul Schroeder and Rose Kerlin: How long does it currently take to process death benefit claims and what is the target timeframe to complete these claims?**

We aim to pay 70% of death claims within four months from notification. For October 2024, we paid 71% within this timeframe. The remaining 30% are often complex cases with multiple beneficiaries, requiring more information from the claimants. Where there is a simple claim with one claimant or a Binding Death Nomination the timeframe will be much quicker.

**7.21 Question for Rose Kerlin: Two friends have had terrible experiences with the service provided by AustralianSuper in processing death benefits following the passing of their respective spouses in 2023. What monitoring is there of the process times?**

We apologise for the delays that occurred in paying out death claims. We understand the importance of timely resolutions in such sensitive matters. To address these issues, we have insourced death claims management and implemented our new Bereavement Centre. These initiatives are designed to improve the efficiency and effectiveness of our processes, ensuring that claims are handled with the utmost care and compassion.

**7.22 Why dont AustralianSuper provide ALL forms related to claiming after death to be available online on AustralianSuper website or via Member login? This will help members be prepared with documentation for their beneficiaries when needed**

The absence of all 'Claiming After Death' application forms on the website is intentional. The rationale is that each situation is unique, and receiving all information at once can feel overwhelming. Therefore, it is more effective to assess each case through a direct conversation with the team, providing only the relevant information and necessary forms tailored to the individual's specific circumstances. Additionally, there is an ongoing effort to update the website content to provide a more informative experience for people claiming a death benefit. The establishment of a new Bereavement Centre aims to provide compassionate, direct service to members' loved ones and beneficiaries without the need to go through a third party.

**7.23 There has been recent negative press about delays in payouts following a members passing. From a choice investment how long does it currently take for a payout to a beneficiary after proof of passing is submitted?**

We aim to pay 70% of death claims within four months from notification. For October 2024, we paid 71% within this timeframe. The remaining 30% are often complex cases with multiple beneficiaries, requiring more information from the claimants. Where there is a simple claim with one claimant or a Binding Death Nomination the timeframe will be much quicker.

**7.24 What are typical timeframes for settling a choice income death benefit for a binding nomination and a reversionary nomination, where both have Australian equities in member direct.**

A Choice Income death benefit that has a valid binding death nomination or reversionary nomination would typically be settled very quickly as there is no requirement for claim staking or seeking intentions from any other party. Any claim could be delayed if there are dividends due but not yet paid, pending corporate actions, or restricted or suspended securities on your Member Direct account.

**7.25 What are your thoughts on what has happened recently with CBUS Members who have been there for years & aren't receiving their benefits? What prevents this from happening to Australian Super Members in the future?**

AustralianSuper insourced the management of death claims this year to better support members and their loved ones. The Bereavement Centre was launched on 2 April 2024 as part of AustralianSuper's efforts to insource the management of death claims. This initiative provides case management services and utilises new technology and data solutions. While we aim to have the majority of our death claims paid out within four months of lodgement, some claims are more complex and will take longer to resolve.

**7.26 What is the biggest contribution to payment of death benefits taking 4 months? This still seems like an excessive time.....**

There are many reasons why a claim may not be straightforward and would take up to four months or beyond to be paid. There may be multiple beneficiaries and claimants, which sometimes adds complexity to a claim. Executors may need to apply for and wait for probate prior to us paying a claim to an estate. If we pay in trust for a minor child, the legal guardian is required to sign trust deeds and set up a trust account with a banking institution to enable the funds to be transferred. This may also take some time to arrange. We aim to pay claims as soon as possible to support the beneficiaries in their time of need.

**7.27 What is the current time average for death benefit payments, and what is the target**

We aim to pay 70% of death claims within four months from notification. For October 2024, we paid 71% within this timeframe. The remaining 30% are often complex cases with multiple beneficiaries, requiring more information from the claimants. Where there is a simple claim with one claimant or a Binding Death Nomination the timeframe will be much quicker.

**7.28 With the change to beneficiaries once a member has passed away their has little or no advantages or disadvantages so why was the reason for the change**

Beneficiary nominations, both binding and non-binding, can only be made by the member (and in some exceptional circumstances by a Power of Attorney). Therefore, nominations cannot be changed after the death of the member. If a Binding Death Nomination is received after the date of death, it also will be considered invalid and not accepted.

**7.29 With the present issues of delays in transfers of superannuation or non payment to a year on death of a member with some of the superannuation companies recently what systems are in place to prevent this issue happening at Australian super**

AustralianSuper insourced the management of death claims this year. The Bereavement Centre was launched on 2 April 2024 as part of AustralianSuper's efforts to insource the management of death claims. This initiative aims to better support members and their loved ones by providing case management services and utilising new technology and data solutions. Some claims are very complex and do take some time to decision and pay. Our aim is to pay benefits as soon as possible to support the beneficiaries in their time of need.

**7.30 Hi Rose Kerlin, Is there a possibility you could provide interim relief and advances to beneficiaries whilst the claims are being processed over 4 months or a longer period?**

There are times when AustralianSuper is able to release a portion of monies to a determined beneficiary while the claim is being finalised. The claimant should speak to their case manager if they are suffering financial hardship and AustralianSuper is being prevented from finalising the claim due to objections to the distribution decision.

**7.31 Can Australian Super please provide a written procedure on what is required by the beneficiary in order to claim the super in the account on the death of the member. Several attempts have been made to get this information without success. Being told "to ring in and the person will be advised over the phone what is required".**

Call **1300 667 387** to notify the death claim. You will need the late member's AustralianSuper account details, date of death and date of birth. You will then be assigned a case manager from our Bereavement Centre to issue you documentation and guide you through the claims process. You can find a fact sheet on applying for payment after a member dies on our website: [australiansuper.com/insurance/make-a-claim](https://australiansuper.com/insurance/make-a-claim)

**7.32 Why is it that police can't take out any insurance for TPD, life through super fund. Other occupations can ?**

Police officers can apply for insurance through their AustralianSuper account, or if eligible, may be provided with a basic amount of insurance cover automatically. Age limits and other conditions apply.

AustralianSuper does not have occupational exclusions on Death (life insurance) and TPD cover. However, police officers are restricted to a benefit payment period of up to two years for Income Protection.

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

**7.33 Does Aust Super compare their insurance premiums with other Super companies and how competitive is Aust Super?**

AustralianSuper regularly monitors the competitiveness of its insurance premium rates relative to large peer funds. Our premiums are very competitive across all cover types – death, TPD and income protection. AustralianSuper balances the need for competitive premiums and the need to be there for members in their time of need. Our FY24 claims acceptance rates were:

- Death cover: 99%,
- Total & Permanent Disablement (TPD) cover: 94%, and
- Income Protection: 97%.

AustralianSuper's FY24 claims acceptance rate is higher than the FY24 industry average for cover obtained through a superannuation fund and cover obtained through a financial adviser for all cover types.

**7.34 What is your % history of Insurance claims. My financial adviser had asked us to do our life and TPD insurance to an external insurance company as he claimed that your insurance claims were not 100%. Is that true?**

In FY24, our members and their families have been paid more than \$704 million in claims. Our FY24 claims acceptance rates were:

- Death cover: 99%,
- Total & Permanent Disablement (TPD) cover: 94%, and
- Income Protection: 97%.

AustralianSuper's FY24 claims acceptance rate is higher than the FY24 industry average for cover obtained through a superannuation fund and cover obtained through a financial adviser for all cover types.

AustralianSuper insurance is provided by TAL Life Limited (the Insurer), ABN 70 050 109 450, AFSL 237848. Industry averages sourced from the [moneysmart.gov.au](https://moneysmart.gov.au) claims comparison tool accessed on 21 November 2024.

Industry average for cover obtained through a superannuation fund: Death cover 98.4%, TPD cover 92.3%, and Income Protection 96.4%. Industry average for cover obtained through a financial adviser: Death cover 96.9%, TPD cover 83.5%, and Income Protection 95.3%.

**7.35 Number of delays and their time length in disability and lost income claims in 2023/24.**

In late 2022 a decision to move the assessment of Total and Permanent Disablement, Terminal Illness and Income Protection claims from our Administrator (Link now MUFG) to our Insurer TAL was made. This was a strategic

initiative aimed at improving the claims experience for our members. The transition commenced in January 2023 and was finalised by the end of May 2023. We acknowledge that there were fluctuations in service levels at this time, and we worked closely with TAL to ensure impact to members was minimised. TAL has consistently met the Fund's service expectations for 2024.

## 8 Investments

### 8.1 What is the performance of the in-house investment team?

Internally managed portfolios are part of each asset class and are incorporated in the performance of each investment option. The performance of the internal portfolios is also a contributor to the medium- to long-term outperformance of each of the PreMixed and DIY Mix options against their investment objectives over ten and 15 years. In addition, our internal management capabilities enable us to lower costs that we pay to external managers as well as improve our ability to source new investments and efficiently manage the portfolio.

### 8.2 I'm pretty loyal, however feel there is a lack of transparency from an investment performance perspective. Is there a plan to increase transparency for its members?

We provide a range of investment updates to members, including the following:

Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Video updates and bi-annual member webinars about investment performance:

[australiansuper.com/investments](https://australiansuper.com/investments)

Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

### 8.3 I'd like to see up to date daily crediting rates. Currently it is approx. 2 days behind. Also it would be great to see regular up to date investment forecasts for each investment group.

Daily crediting rates are published on the performance page on our website: [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

Crediting rates are typically published one business day after the crediting rate date. This is primarily due to waiting for the closing prices of assets invested in international markets like the United States.

For more details, see: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf)

### 8.4 What is Australian Supers position on providing more clarity on private assets, including more rigorous and transparent valuation practices.

We disclose all portfolio holdings bi-annually on our website:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

For many of the private market assets, the specific valuations are market-sensitive information. Detailing them may impede our ability to achieve the best price for an asset in a sale process and may mean we don't get as good a return as possible when we make investment decisions about them.

For more information about our valuation process, please read this article:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

This unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

You may also like to view the Annual Financial Report, which provides details of the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

## **8.5 Why did the balanced fund not outperform other super funds**

Our Investments team actively manages the portfolio based on the Fund's outlook for the economy and investment markets. For the 18 months to 31 December 2023, we believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. During this time, many of the PreMixed options, including the Balanced option, were more defensively positioned. This meant that the portfolios had less exposure to listed shares and higher exposure to more defensive assets like fixed interest compared to our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions, we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, unlisted infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

## **8.6 Why we are not get notified when our investment doing badly?**

We provide a range of investment updates to members, including the following:

Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Video updates and bi-annual member webinars about investment performance:

[australiansuper.com/investments](https://australiansuper.com/investments)

Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

## **8.7 Transparency with regards profit and loss amounts of portfolio and outloo, vs strategy during uncertain times**

We provide a range of investment updates to members, including the following:

Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Video updates and bi-annual member webinars about investment performance:

## [australiansuper.com/investments](https://australiansuper.com/investments)

Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

### **8.8 subject to each members how often do we get know the performance investment and growth annually**

We provide a range of investment updates to members, including the following:

Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

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[australiansuper.com/investments](https://australiansuper.com/investments)

Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

### **8.9 Question 1: Is there a way to publish your crediting rates a bit sooner? A lag of two days doesn't help when making decisions about transferring balances to different investment options. I acknowledge it's a complex thing to ask, but for us (hands-on investors), it makes our decisions difficult, and sometimes wrong. Question 2: You guys recently made headlines because you had to write off in excess of \$1bn from private credit. I'm dissatisfied with this outcome, and whilst I understand that investments carry an inherent risk, I feel that Australian Super is not transparent enough to disclose these type of investments. What are you going to do in the future to a) minimise these losses and b) have us more updated about it?**

Daily crediting rates are published on the performance page of our website, available at:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

Crediting rates are typically published one business day after the crediting rate date. This is primarily due to waiting for the closing prices of assets invested in international markets like the United States. For more details, see the following document: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf)

With regard to Pluralsight, we are extremely disappointed by the outcome of this investment. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings. To enhance our risk mitigation, we have made several changes to the strategy going forward, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

We provide a range of investment updates to members, including the following:

Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Video updates and bi-annual member webinars about investment performance:

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Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

**8.10 I would like to understand exactly when our balances change as a result of a day's trading. e.g. if the Dow is up when I view the markets on Tuesday morning, does that affect the account balance on Tuesday night or Wednesday night? What about the Australian market - the night of the current day's trade?**

Daily crediting rates are published on the performance page of our website.

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

Crediting rates are typically published one business day after the crediting rate date. This is primarily due to waiting for the closing prices of assets invested in international markets like the United States.

For more details, see:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf)

**8.11 1)Why Australian Super is not a unitised fund and NOT showing the unit price and holding units just a lumpsum or balance is showing in the account? What are the Pros and Cons?2)Apparently, the stocks invested in the options chosen are NOT updated on a monthly or quarter basis, it was a yearly basis on 30 JUN 2024. It appears to be lack Transparency, would Australian Super improve in this area? 3) Apparently, the stocks invested in the options chosen are NOT updated on a monthly or quarter basis, it was a yearly basis on 30 JUN 2024. It appears to be lack Transparency, would Australian Super improve in this area? thanks**

Both unit pricing and crediting rate processes are ways of calculating performance and allocating earnings to members. Either method is suitable to provide fair and reasonable outcomes to calculate performance for members. AustralianSuper has considered the possibility of transitioning to unit prices and is weighing the cost and benefits of moving to a unit pricing system.

At AustralianSuper, crediting rates are updated each business day. For listed equity companies, the fair value of a security is the last quoted sale price.

For more details, see here:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf)

The *Annual Financial Report* provides details about the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

The Fund's portfolio holdings are disclosed to members twice a year, including all listed equities that are held in the portfolio:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

**8.12 How is the Fund performing relative to its peers in the industry?**

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20 years: 2

While the Balanced option has achieved its objective of outperforming the median balanced fund over the medium to longer term and is ranked as a top-performing fund, recent performance over one year has been below the median. When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

For more information:

APRA provides statistics on the performance of investments that enables comparison between different super products:

[apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

AppleCheck provided by external research firm Chant West, also enables the comparison of returns, fees, insurance and other member services:

[australiansuper.com/compare-us](https://australiansuper.com/compare-us)

### **8.13 Can Investment return be indexed with the currency value.**

Each investment option has an investment objective with a specific benchmark. Benchmarks may be peer, goal-based or market-based benchmarks. A goal-based benchmark like outperforming the CPI is often used for superannuation since inflation reduces the value of money over time. Exceeding inflation is important to maintain the buying power of your savings.

At this time, AustralianSuper is not considering using benchmarks linked to currency.

### **8.14 Where is Australian Super ranked in terms of investment performance**

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

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20 years: 2

While the Balanced option has achieved its objective of outperforming the median balanced fund over the medium to longer term and is ranked as a top-performing fund, recent performance over one year has been below the median.

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For more information:

APRA provides statistics on the performance of investments that enable comparison between different super products: [apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

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### **8.15 The Balanced account performance outlook for the year 2024 to 2025.**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **8.16 How do you currently compare to other super funds in terms of fees and performance?**

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20 years: 2

While the Balanced option has achieved its objective of outperforming the median balanced fund over the medium to longer term and is ranked as a top-performing fund, recent performance over one year has been below the median.

Fee comparison:

AustralianSuper MySuper option for a \$50,000 balance:

- Admin fees only – the AustralianSuper MySuper Balanced option is placed 8 out of 47 MySuper products. This ranks within the lowest quartile of MySuper products. Our admin fees are 29% lower on average for MySuper products.
- Total fees – the AustralianSuper MySuper Balanced option is placed 11 out of 47 MySuper products. This ranks it within the lowest quartile of MySuper products.

Source: Zenith CW Pty Ltd (Chant West) (ABN 20 639 121 403). Chant West Super Fund Fee Survey June 2024. Survey compares administration fees and costs for MySuper products for a \$50,000 balance. Other fees and costs apply. Fees may change in the future, which may affect the outcome of this comparison

For more information:

APRA provides statistics on the performance of investments that enables comparison between different super products:

[apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

AppleCheck provided by external research firm Chant West, also enables the comparison of returns, fees, insurance and other member services: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

### **8.17 Why is AustralianSuper's performance for 2023-2024 financial year lower than other funds?**

Our Investment team actively manages the portfolio based on the Fund's outlook for the economy and investment markets. For the 18 months to 31 December 2023, we believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. During this time, many of the PreMixed options, including the Balanced option, were more defensively positioned. This meant that the portfolios had less exposure to listed shares and higher exposure to more defensive assets like fixed interest compared to our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings

growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions, we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, unlisted infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **8.18 What was the top performing fund in the balanced option for the last financial year, where does AustralianSuper rank by comparison, what accounts for the difference in performance between this fund and AustralianSuper and why should we stay with AustralianSuper?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. For the 18 months to 31 December 2023, we believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. During this time, many of the PreMixed options, including the Balanced option, were more defensively positioned. This meant that the portfolios had less exposure to listed shares and higher exposure to more defensive assets like fixed interest compared to our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20 years: 2

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

AustralianSuper is a top long-term performer, has low administration fees and has won awards for outstanding value and most trusted super.

You can compare AustralianSuper against other super funds on our website: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

#### **8.19 What is the long term, 20 years performance of the balanced fund ?**

As of 30 June 2024, the 20-year average annual return for the Balanced option was 7.85%.

#### **8.20 Just my usual question on why you don't use a unit rate for your various investment options - why is this hard to implement when everyone else does it?**

Both unit pricing and crediting rate processes are ways of calculating performance and allocating earnings to members. Either method is suitable to provide fair and reasonable outcomes to calculate performance for

members. AustralianSuper has considered the possibility of transitioning to unit prices and is weighing the cost and benefits of moving to a unit pricing system.

### **8.21 Very interested to know in which specific countries overseas investments are made**

Our portfolio holdings disclosure provides information about assets that are in the portfolio, including which country the asset is located in: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

The Annual Report also includes the regional exposure of all assets in the portfolio and the allocation of international shares investments (see pages 98 and 99): [australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

### **8.22 Just wondering if the Balanced fund is invested in both International and Australian shares why is it so far behind in performance compared to the Aust Shares only option. I can understand why most users would be invested in the balanced option if over 1 year, 3 years and 10 years it has trailed behind other investments. I realise it is based on risk but I would think there would be closer returns between Aust Shares, international shares, Balanced option (with this option invested in both Aust and international shares)**

The Balanced option is invested in Australian and international shares, along with several other asset classes. The *Investment Guide* discloses the strategic asset allocation for each investment option: [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide)

The returns of the Balanced option will reflect the returns of the underlying asset classes that are held in the portfolios, which include Australian shares, international shares, private equity, property, infrastructure, credit, fixed interest and cash. This diversity of exposures enables the Balanced option to meet its long-term investment objectives while providing a reduced level of portfolio volatility compared to investing in a single asset class such as Australian or international shares.

Our Investment team actively manages the portfolio based on the Fund's outlook for the economy and investment markets. For the 18 months to 31 December 2023, we believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. During this time, many of the PreMixed options, including the Balanced option, were more defensively positioned. This meant that the portfolios had less exposure to listed shares and higher exposure to more defensive assets like fixed interest compared to our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

### **8.23 how is Australian Super differs (better than) others in terms of performance & future growth ?**

Super is a long-term investment and, over the long term, AustralianSuper is one of the top-performing funds. According to SuperRatings, as at 30 June 2024, AustralianSuper ranks #2 over the past 15 and 20 years\*. We are also the largest superannuation fund in Australia with ambitious plans for continued growth, and we continue to use our size and scale to access opportunities that may not be available to smaller funds.

\*AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey, SR50 Balanced (60-76) Index to 30 June 2024. Returns from equivalent investment options of the ARF and STA super funds are used for periods before 1 July 2006. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

### **8.24 AustralianSuper has published the Choice Income investment profit return average for the past 5 years was 8.29%. However, my calculation shown the return was only less than 4% why is that?**

The performance page on our website offers daily returns and information to help members calculate a return for any customised period using a downloadable spreadsheet: [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/using-australiansuper-daily-rates.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/using-australiansuper-daily-rates.pdf)

### 8.25 Which balance investment is performing best

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20 years: 2

While the Balanced option has achieved its objective of outperforming the median balanced fund over the medium to longer term and is ranked as a top-performing fund, recent performance over one year has been below the median.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

For more information:

APRA provides statistics on the performance of investments that enable comparison between different super products:

[apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

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### 8.26 Daily credential ratings . When they are applied, at time of deposit, transfwr from accumln to choice income or ttr acct, differences etc.not clearly explained on when and how diff rates are applied at what time

Please see the following fact sheet to understand how the crediting rates are applied to member accounts:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf)

The exact timing of when crediting rates are applied to a member account can vary depending on the business day. The timing depends on when crediting rates are approved, when they are released to the Administrator and when the Administrator applies them to member accounts.

### 8.27 How are we performing when compared with others Super Funds in the market?

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

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When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

For more information:

APRA provides statistics on the performance of investments that enable comparison between different super products:

[apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

AppleCheck provided by external research firm Chant West, also enables the comparison of returns, fees, insurance and other member services: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

### **8.28 How di the fund's investment perform compared to other funds**

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

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When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

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[apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

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### **8.29 How many years of negative returns has the fund given and which are these years and how much was the negative return each year??**

The Balanced option has had four financial years with negative returns since its inception in 1986:

2002: -1.45%

2008: -5.78%

2009: -13.30%

2022: -2.73%

The Standard Risk Measure is an industry-wide measure that compares the risk of investment options. The Standard Risk Measure for the Balanced option provides an estimated number of negative annual returns over any 20-year period that is about five in every 20 years.

For a full history of financial year returns, see the performance page of our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

[australiansuper.com/api/graphs/annualrates/graph/download/super](https://australiansuper.com/api/graphs/annualrates/graph/download/super)

[australiansuper.com/api/graphs/annualrates/graph/download/Pension](https://australiansuper.com/api/graphs/annualrates/graph/download/Pension)

### **8.30 Can we get more detailed view of where my individual contribution is invested, for instance if I have selected Australian share to invest in, where do you invest it.**

Our portfolio holdings disclosure provides information about the assets and companies that are in the portfolio:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **8.31 interested in what Australia Super is investing in**

Our portfolio holdings disclosure provides information about the assets and companies that are in the portfolio:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **8.32 how do you compare your fund returns and risk to other super funds**

AustralianSuper's PreMixed options, like the Balanced option, have a median fund benchmark that can be used for comparison. For the Balanced option, the benchmark is the SR50 Balanced (60–76) Index. This benchmark provides a comparison to other investment options that have similar asset allocations.

Investment option performance compared to benchmarks is available as a spreadsheet to download at:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

For more information:

APRA provides statistics on the performance of investments that enable comparison between different super products:

[apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

AppleCheck provided by external research firm Chant West, also enables the comparison of returns, fees, insurance and other member services: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

### **8.33 I'd like to know more about the different types of shares within my super**

Our portfolio holdings disclosure provides information about the assets and companies that are in the portfolio – please see here:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **8.34 If a member chooses International shares as an investment option, how can we be assured of the same level of expertise, as we can when choosing Australian shares as an investment option? Many thanks**

Each AustralianSuper option is managed by the AustralianSuper Investments team. The Investment team is staffed with highly qualified teams and specialists to manage each part of the portfolio. Within the Investments team, each asset class is managed by a separate team. Therefore, Australian shares is managed by a different team than international shares. Each team uses a mix of in-house and external fund managers to identify investments that have the opportunity to grow members' balances.

For more information, visit: [australiansuper.com/investments/how-we-invest](https://australiansuper.com/investments/how-we-invest)

### **8.35 Why does the rolling 5 year return on balanced funds appear to be in decline?**

The change in rolling returns is based on the difference between the returns that roll off and the returns that are added over the new period. For example, the Balanced option's return in the financial year 2019 was 8.67% and

was 8.46% in the financial year 2024. For the five-year average annual performance figure as at 30 June 2024, the 2019 year return would roll off with the slightly lower performance of 8.46% added.

For a full history of financial year returns, see the performance page of our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

[australiansuper.com/api/graphs/annualrates/graph/download/super](https://australiansuper.com/api/graphs/annualrates/graph/download/super)

[australiansuper.com/api/graphs/annualrates/graph/download/Pension](https://australiansuper.com/api/graphs/annualrates/graph/download/Pension)

### **8.36 investment in super vs fixed term or bonds in current climate**

A key objective for superannuation savings is to maintain purchasing power and keep up with inflation over time. Over the long term, investors can seek to keep up with inflation by diversifying their portfolio using assets that have the potential for growth that outperforms inflation over time. An investment objective for AustralianSuper's PreMixed options is to outperform inflation and enable members to maintain their purchasing power. Each PreMixed option invests in a diversified mix of assets that seek to outperform their CPI plus investment objective over the long term.

Investing in fixed interest assets has a lower probability of outperforming inflation over the medium to longer term.

### **8.37 Is it possible to know the underlying securities held for a given portfolio or investment type? Currently only the percentages are known.**

Our portfolio holdings disclosure provides information about the assets and companies that are in the portfolio – please see here:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **8.38 Is AS able to provide details eg list of companies which form part of a particular fund?**

Our portfolio holdings disclosure provides information about the assets and companies that are in the portfolio – please see here:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **8.39 How your super compare with Vanguard super.**

The key difference between AustralianSuper and Vanguard is the investment approach. AustralianSuper primarily uses active management to select securities and allocate assets to seek to outperform the median fund over the medium to longer term. AustralianSuper also invests in private markets such as private equity, unlisted infrastructure, unlisted property, and private credit, which have the opportunity to outperform listed equivalents over the longer term. Vanguard Super uses passive management that aligns its performance to broad market indexes.

As at 30 June 2024, AustralianSuper had lower administration fees for super accounts. For a \$50,000 balance, AustralianSuper's administration fee was \$102 per annum or 0.10% plus \$1 per week. Vanguard's administration fee and costs were \$165 per annum or 0.33% of the account balance (as per the 1 May 2024 PDS).

AustralianSuper's investment option fees are slightly higher for our actively managed options. However, our Indexed Diversified option has lower costs of 0.08% for investment fees and costs and transaction costs.

See our fees and costs guide for more details:

[australiansuper.com/-/media/australian-super/files/pdfs/ibr/fees-and-costs.pdf](https://australiansuper.com/-/media/australian-super/files/pdfs/ibr/fees-and-costs.pdf)

### **8.40 In the Balanced or Conservative Balanced funds, when are the share dividends assigned to your account? Is the dividend payments at the same time as the majority of company dividend payments in March and September period of each year?**

Each investment option receives its pro rata share of any dividends when they are paid by the underlying security. Each investment option is allocated the benefit through the crediting rate process and dividends are included in the total return of each option.

#### **8.41 I need to know where are you investing our funds.**

Our portfolio holdings disclosure provides information about the assets and companies that are in the portfolio – please see here: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

#### **8.42 Why am I unable to see a full list of the direct holdings/investments you have invested my money in. I have been told I can only see the groups/type i.e., ‘Australian Shares’ but I am unable to know what Australian shares?**

Our portfolio holdings disclosure provides information about the assets and companies that are in the portfolio – please see here: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

#### **8.43 How does Australian Super stack up against other funds for ratings? I.e. performance, fees, insurance etc.**

APRA provides statistics on the performance of investments that enable comparison between different super products: [apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

AppleCheck provided by external research firm Chant West, also enables the comparison of returns, fees, insurance and other member services: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

Fee comparison:

AustralianSuper MySuper option for a \$50,000 balance:

- Admin fees only – the AustralianSuper MySuper Balanced option is placed 8 out of 47 MySuper products. This ranks within the lowest quartile of MySuper products. Our admin fees are 29% lower on average for MySuper products.
- Total fees – the AustralianSuper MySuper Balanced option is placed 11 out of 47 MySuper products. This ranks it within the lowest quartile of MySuper products.

Source: Zenith CW Pty Ltd (Chant West) (ABN 20 639 121 403). Chant West Super Fund Fee Survey June 2024. Survey compares administration fees and costs for MySuper products for a \$50,000 balance. Other fees and costs apply. Fees may change in the future, which may affect the outcome of this comparison

#### **8.44 How does Australian Super compare with their competitors regarding fees, return, insurances and correct strategies to maximise the returns.**

APRA provides statistics on the performance of investments that enable comparison between different super products: [apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

AppleCheck provided by external research firm Chant West, also enables the comparison of returns, fees, insurance and other member services: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

Fee comparison:

AustralianSuper MySuper option for a \$50,000 balance:

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- Total fees – the AustralianSuper MySuper Balanced option is placed 11 out of 47 MySuper products. This ranks it within the lowest quartile of MySuper products.

Source: Zenith CW Pty Ltd (Chant West) (ABN 20 639 121 403). Chant West Super Fund Fee Survey June 2024. Survey compares administration fees and costs for MySuper products for a \$50,000 balance. Other fees and costs apply. Fees may change in the future which may affect the outcome of this comparison



#### **8.45 Are there any plans to reduce management fees or to offer members a more detailed breakdown of where fees are allocated? How does Australian Super ensure that its investment performance remains competitive, especially compared to other industry super funds?**

The way that super funds calculate and report fees and costs is tightly prescribed by regulation. AustralianSuper provides disclosure of fees to manage each investment option in the PDS and on our website. The documents linked below provide information about administration fees and costs, investment fees and costs and transaction costs.

[australiansuper.com/-/media/australian-super/files/pdfs/ibr/fees-and-costs.pdf](https://australiansuper.com/-/media/australian-super/files/pdfs/ibr/fees-and-costs.pdf)

[australiansuper.com/pds](https://australiansuper.com/pds)

A key input into our investment planning is the goal to deliver outperformance while optimising investment and transaction costs in the portfolio. AustralianSuper seeks to outperform peer funds while managing costs within the portfolio.

#### **8.46 Why does it feel like my super is more of a savings account than an investment, since 2020**

The Balanced option, where most members are invested, returned 20.43% during the 2020–2021 financial year, -2.73% during the 2021–2022 financial year, 8.22% during the 2022–2023 financial year, and 8.46% during the 2023–24 financial year for super accounts – growing members' savings meaningfully over that time. The Balanced option portfolio is actively managed and diversified across a number of different asset classes and geographies, giving it a notably different risk-return profile than a traditional savings account.

#### **8.47 Please give members an honest performance comparison this last 12 months compared to other super funds? Thankyou**

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20 years: 2

Our Investment team actively manages the portfolio based on our outlook for the economy and investment markets. For the 18 months to 31 December 2023, we believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. During this time, many of the PreMixed options, including the Balanced option, were more defensively positioned. This meant that the portfolios had less exposure to listed shares and higher exposure to more defensive assets like fixed interest compared to our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **8.48 The fund (arguably) outperformed when it was smaller in size and able to be more flexible and nimble, with the significant growth in FUM how do you expect to outperform the market (where you now dominate) and what gives members confidence that this is achievable.**

As member assets continue to grow, we intend to continue using our size, investment capability and global reach to access opportunities that may not be available to smaller funds. Over time, we expect to add additional exposure to private market assets – such as private equity, infrastructure and private credit – with the intention of enhancing long-term risk-adjusted returns. Although we are the largest superannuation fund in Australia, there are larger pension funds around the world that we will continue to watch to understand how they have scaled effectively and maintained performance.

#### **8.49 what is investment performance in supernavation**

We provide a range of investment performance-related updates to members, including the following:

Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Video updates and bi-annual member webinars about investment performance:

[australiansuper.com/investments](https://australiansuper.com/investments)

Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

#### **8.50 Investment performance**

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Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Video updates and bi-annual member webinars about investment performance:

[australiansuper.com/investments](https://australiansuper.com/investments)

Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

#### **8.51 Guidance for next year**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

## **8.52 Realistic expectations of managed funds for 2024-25**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

## **8.53 with good forecasting available to Aus Super , why can't you respond and move money OUT of a declining investment?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor in assets, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option.

The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

## **8.54 More information on private equity investment losses**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

## **8.55 Reason for dropping off the table for the best 20 Super Funds in the Money magazine.**

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20 years: 2

While the Balanced option has achieved its objective of outperforming the median balanced fund over the medium to longer term and is ranked as a top-performing fund, recent performance over one year has been below the median.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

For more information:

APRA provides statistics on the performance of investments that enable comparison between different super products: [apra.gov.au/quarterly-superannuation-product-statistics](https://apra.gov.au/quarterly-superannuation-product-statistics)

AppleCheck provided by external research firm Chant West, also enables the comparison of returns, fees, insurance and other member services: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

#### **8.56 Does Australian Super pay incentives to investment advisors on funds other than the diversified fund?**

AustralianSuper does not pay incentives to investment advisers.

#### **8.57 How long does it take to update balances? How are daily balances of funds updated as per investments going up or down?**

Daily crediting rates are published on the performance page of our website.

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

Crediting rates are typically published one business day after the crediting rate date. This is primarily due to waiting for the closing prices of assets invested in international markets like the United States.

For more details, see:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf)

#### **8.58 The Australian Bond Exchange offers a range of Corporate Bonds. Why don't Australian Super offer Corporate Bonds?**

AustralianSuper offers members a selection of diversified options, specific sector options and a Member Direct option. While we do offer a Diversified Fixed Interest option and a range of fixed interest ETFs in Member Direct, we do not currently offer an option to buy individual corporate bonds.

#### **8.59 Why can't members change individual investment allocation percentages without having to rebalance the entire allocation?**

Thank you for your feedback on our investment allocation processes. The current procedures are based on enabling members to review all of their investments when performing a switch and rebalance their entire allocation.

#### **8.60 The last meeting I attended was in West Ryde. A member questioned some of the possible investments, such as the recent disaster in the education sector. She questioned whether our money is being safely invested, received no real answer, just told that there were several very experienced folk looking after investments. After several attempts to get an answer, I left. This sort of query should be addressed,.**

We are extremely disappointed by the outcome at Pluralsight. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

To enhance our risk mitigation, we have made several changes to the strategy going forward, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

**8.61 Governance has become an issue with Australian Super and particularly with its association with IFM. IFM have shown they are not good to their word, in a number of ways recently. How are Australian Super keeping IFM at arms length?**

When dealing with a related party, AustralianSuper must ensure that arrangements are in members' best financial interests and are made at arm's length basis and on commercial terms. More information is available in the *Annual Financial Report*.

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

**8.62 Is the fund planning to divest of its holdings in Lifestyle communities and resign from Lifestyle's board given the ethical and moral questions raised by the ABC regarding Lifestyle's business practises?**

AustralianSuper makes all investment decisions based on comprehensive research into a company's ability to generate value over the long term. We have extensively reviewed the issues raised in the recent ABC 7.30 Report and engaged with the company on these matters. We remain comfortable with the company as a long-term investment.

AustralianSuper has never appointed a Director to the Lifestyle Communities Board.

**8.63 What can you tell us about Australian Super's investment in Lifestyle Communities? I'm not happy with investing in a company that has unethical exit fees and practices that put people in hardship.**

AustralianSuper makes all investment decisions based on comprehensive research into a company's ability to generate value over the long term. We are aware of the recent issues in the media, and the Fund remains comfortable with the company as a long-term investment.

As there are legal proceedings underway, it would not be appropriate for us to comment on specific issues, but we have engaged with the company and believe they are focused on addressing the issues raised in a consistent and considered manner.

**8.64 How much is spent by Australian Super staff on overseas trips (flights accommodation etc) assessing investment opportunities. What assessments have you made to ensure this is a cost effective process.**

The regulation on Best Financial Interests Obligation requires that we consider the appropriateness of making various kinds of expenditure, including a kind that can be considered core or essential to the operation of a superannuation entity. Each expenditure decision we make is considered on its own merits, including an appropriate level of analysis and evaluation, taking into consideration the relevant principles related to Members' Best Financial Interest. Where a decision is expenditure-based, the level of potential scrutiny on expenditure will vary depending on the above-mentioned factors. Reporting and monitoring frameworks are required to ensure that decisions impacting members' financial outcomes are necessary, services provided in relation to the decisions have been provided on competitive terms and meet its intended outcomes.

**8.65 Whats MR MODI factor in the world wide Finance, Economic, Trade N Technology factors? While 2 major wars happening n all the countries Economy is going down? but I am hearing as Indian Economy is going up-True? Do u have any plans to invest in INDIA"**

AustralianSuper invests to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries, securities and geographies. AustralianSuper does invest in India, including a significant ongoing investment in the National Investment and Infrastructure Fund of India (NIIIF). For more information about specific investments, please refer to our Portfolio Holdings Disclosure for a full list of securities where the Fund is invested:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

**8.66 What's your position on the upcoming US president and the possible disruption to the markets?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal

spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

#### **8.67 Why didnt the chief investment officer say anything about the over 1 billion lose that this fund lost all of it"s members"**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to, and prudent management of, investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset class over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term, while providing stability in your returns during times of market volatility.

#### **8.68 Are Australian Super actively investing in ETFs"**

AustralianSuper currently does not use ETFs in our investment portfolio, as at 30 June 2024. Investment exposure in shares and fixed interest is primarily obtained through direct investments, futures or options.

The Member Direct option allows members to invest in ETFs.

#### **8.69 Are income stream accounts invested in the same manner as accumulation accounts and if so, how are allowances made for zero taxation and mandatory payments to account holders?**

The super and Choice Income investment options invest in the same pool of assets. For example, the Australian shares and International shares investments are the same in the Balanced option for super and Choice Income accounts.

The performance of the options is different since Choice Income accounts are not subject to Australian tax. Payments to members are managed by having sufficient liquidity in the portfolios to enable members to switch or redeem from their investment options.

#### **8.70 Are there any markets we are invested in which we believe might put our funds at risk?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor in assets, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

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The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

#### **8.71 Are we overexposed to BHP and CBA in the Australian Equities Fund?**

The Investment team seeks to select high-quality, well-managed investments that have the potential to outperform the market over the long run. The investment teams perform deep fundamental research and analysis of companies, industries and economies and seek to invest in high quality businesses with sustainable competitive advantages. We invest to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries and securities.

This process includes the consideration of whether or not we hold a specific security, as well as its relative weight to the market benchmark.

#### **8.72 Are we possibly putting too much effort into Private Equity and Stock Picking etc rather than just focusing on an Index Diversified portfolio as it gives better performance at less cost?**

While the recent performance of the Indexed Diversified option has been favourable compared to the Balanced option, which has a similar risk profile, it is largely due to the higher performance of Australian and international shares compared to private markets.

The AustralianSuper Investment team has been successful at active asset allocation, security selection and investing in private markets, which has led to the Balanced option being a top-performing fund\* over the long term.

Members can choose which strategy is most suitable for them with the selection of options that are available.

\*AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey, SR50 Balanced (60-76) Index to 30 June 2024. Returns from equivalent investment options of the ARF and STA super funds are used for periods before 1 July 2006. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

#### **8.73 Can we get an estimate of how AustralianSuper is tracking against the median fund return FY25 to date? If AustralianSuper fall below the median this FY, what changes might they make?**

The AustralianSuper Balanced option has performed 3.13% compared to 3.72% for the median fund from 1 July 2024 to 31 October 2024\*. In the short term, there have been security selection detractors in the international shares portfolio that have lowered comparative performance compared to the median fund.

Performance vs benchmark comparisons are available in the downloadable spreadsheets at the bottom of the performance web page: [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

\*AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey, SR50 Balanced (60-76) Index to 31 October 2024.

#### **8.74 Can you provide a state of the market and the investment strategy for 2024-2025 and beyond.**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets, such as listed shares, may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

#### **8.75 Comment that US will maintain steady growth. What risks do you see with Trump presidency and introduction of tariffs that have been flagged?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

#### **8.76 Could you enlighten how Australia Super lose their investment in unlisted properties?**

The property portfolio includes exposure to retail and office properties that have faced significant headwinds over the last five years with reduced rental incomes and higher interest expenditures. The valuations of these assets have been updated based on revenue and operational conditions. The exposure to these investments has been reduced over the years in favour of investment opportunities in mixed-use estates and development properties. Our portfolio holdings disclosure provides details of our holdings: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

#### **8.77 Discuss if AustralianSuper is at capacity for investing in Australian equities and real assets?**

The Investment team closely monitors capacity constraints within markets as well as within the portfolio. We address any potential capacity constraints by adding suitable external managers or building out the internal team's direct investment capability.

We continue to expand our investments portfolio and capabilities globally as we want members to have access to the best possible investment opportunities, no matter where they're located. Investing overseas allows us to expand our investable universe and reduce the Fund's concentration risk in Australia.

#### **8.78 Do you have active investments in equity market in Asia/China?**

AustralianSuper does invest in Asia, including investments in China. About 3.9% of the international shares portfolio (as at 30 June 2024) is invested in developed Asian countries (including Japan) and China.

#### **8.79 Does Mark have a view on if banks should allow to ease the ending requirements to raise taking out mortgages**

AustralianSuper does not have a view on this topic or any influence on a bank's lending requirements.

We would analyse the impact of any policy change on the banking sector and holdings in the portfolio.

#### **8.80 Fixed income assets have traditionally been regarded as a safer" but admittedly lower return investment. Aust Super has recently altered the objectives and risk levels for the Diversified Fixed Interest option. Will this hopefully increase returns"**

The Diversified Fixed Interest option's benchmark, effective from 1 October 2024, is 50% Bloomberg Global Aggregate Total Return Index hedged to AUD and 50% Bloomberg AusBond Composite 0+ Year Index. The move



from shorter maturity benchmarks to all maturity benchmarks may increase returns over the medium term, as longer-term bonds typically have a higher yield and total return.

**8.81 Given the disastrous performance of the venture capital investment in US-based Pluralsight, have there been any success stories in that part of Australian Supers portfolio you can report on?"**

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024).

A recent example of a successful private equity investment was SRS Distribution. The Home Depot in the US completed the acquisition of SRS Distribution in June 2024. With The Home Depot's acquisition, AustralianSuper made a full exit from SRS Distribution. The investment value significantly increased for AustralianSuper members from the initial capital invested in the company.

**8.82 Has managing share transactions in house worked has it been worthwhile**

AustralianSuper continues to bring more of our investment capabilities in-house to reduce costs for members, as well as enhance our investment control and oversight.

Internalisation provides the benefits of lowering costs by reducing the fees we pay to external managers. It also improves our ability to source new investments, as well as oversee and efficiently manage the portfolio, by reducing our reliance on external managers.

Managing share transactions internally has provided savings to members through improving portfolio efficiencies of how assets are managed, implementation of investment decisions and trading execution. Efficiencies are also gained through our liquidity management and rebalancing processes to improve the process of allocating assets and managing the cash positions within the portfolio to incrementally add value for members.

**8.83 Hello there. In this meeting presentation, there is one slide showing 2004 starting with 100k and 20 years later (2024) becoming 458k+. Id like to know how it be achieved because my one performs far lower than it. Thanks."**

The returns in your account are dependent on the amount that you have invested, the investment options where you are invested and any transactions that have occurred, including contributions, switches, redemptions, administration fees or insurance fees.

The returns in the growth of \$100,000 chart are based on the monthly performance of the Balanced option.

Performance information is available on the performance page of our website at: [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance). Annual rates since inception for each option and daily rates since 1 July 2008 are available for download at this site.

**8.84 Hi, what percentage of members funds are, and are planned to be, invested in private credit? And will members be informed of the risk level of this investment class given APRAs concern over their lack of transparency."**

The strategic asset allocation of the PreMixed options provides an indication of the target allocation for each asset class in the portfolio. For example, the Balanced option's strategic asset allocation for the 2024/25 financial year for credit is 4% of the option. Current conditions are attractive for private credit as investment markets are adjusting to the higher interest rate environment and lower levels of leverage for some assets. Private credit has the potential to provide attractive income, returns and stability during uncertain economic times.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens. As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of

investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

#### **8.85 How do you balance the short term changes in market directions and long term investment strategies eg commercial real estate ?**

AustralianSuper's active management approach means that the holdings and amount invested in each asset class for each investment option can change throughout the year. The Investment team analyses a range of investment factors to adjust the actual asset allocation of each investment option over the cycle. These factors include the evolution of the economic cycle, valuation signals of asset classes and slower-moving secular factors that impact growth, inflation and interest rates over the long run. These factors inform our current portfolio and how it may evolve over the next three years. The three-year investment horizon enables the Investment team to plan for how the portfolio will be positioned through the economic cycle, while considering portfolio risk, liquidity and deployment opportunities for each asset class.

When investing in unlisted assets, our Investment team focuses on the long-term risk-adjusted return potential of each asset in the portfolio.

#### **8.86 How does the future Trump presidency feature in your investment thinking?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

#### **8.87 How has the plus billion dollar loss earlier in the year affected the returns for this financial year please?**

While this outcome with Pluralsight is disappointing, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. The valuation has been fully accounted for in the 2024 financial year. Therefore, the Balanced option's return of 8.46% for the one year ending 30 June 2024 includes the returns of all asset returns in the portfolio, including the write-down of this asset.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **8.88 How have the increasing tensions in the Middle East and Europe affected investment decisions and what plans or strategies have been put in place for different potential outcomes in those situations should they have a broader impact?**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

**8.89 How is Australian Super positioning its portfolio for de-globalisation - the idea that the world is becoming less interconnected through trade, which has the potential to hurt financial markets, GDP growth and corporate profits. Christian, Melbourne**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

Deglobalisation, or de-risking of trade, is a key thematic that is being researched, including its implications for de-risking of supply chains, competition over technology and critical minerals, and a potential rise in geopolitical conflicts.

**8.90 How long do you expect to persist with an active investment strategy if performance continues to be below industry average. I have experience with a SuperFund who persisted with active management...and they no longer exist today!**

AustralianSuper has provided strong long-term performance\* by actively managing asset allocation and security selection. While short-term performance has been impacted by asset allocation decisions and the effect of higher interest rates on unlisted assets, our Investment team has significant experience with allocating and selecting assets that have the potential to outperform the broader market.

\*AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey - SR50 Balanced (60–76) Index to 30 September 2024.

**8.91 How much of the funds performance is linked to the US economy and how big an influence does the US market have on the funds risk management strategies?**

As the largest economy in the world, the US has a significant influence on global trade and capital markets. About 30% of the AustralianSuper portfolio is directly invested in US assets, as at 30 June 2024. The Investment team performs extensive research on the US, including its economy, fiscal and monetary policy and the outlook for US investments. A range of scenario tests are performed to examine the effect of geopolitical or market events that could impact the value of assets in the portfolio.

AustralianSuper invests in a diversified range of regions and asset classes to help members achieve their best financial position in retirement. This approach provides global diversification in order to meet the investment objectives of each option.

**8.92 How the Choice Income" could be made better with its performance?"**

The investment options super and Choice Income accounts invest in the same underlying pool of assets based on their investment objectives. The investment options for Choice Income accounts typically have higher performance than super options during rising markets since Australian taxes do not apply to investment earnings.

**8.93 How to calculate daily estimated return ? My wife is getting less daily return than mine even if she has more money by \$100,000. We are in the same Balance Option.**

The daily performance on a percentage basis should be the same for each member in the same investment option. Member accounts may differ due to different transactions that occur. Please contact our client service team on **1300 300 273** to further research the potential difference.

**8.94 How will AustralianSuper be tracking the performance of the newly established UK and USA teams ?**

AustralianSuper has investment governance processes and portfolio oversight procedures that monitor the investment success of both internal and external managers, which also includes the contribution of our global offices. The Investment Committee has oversight of the investment program. The Chief Investment Officer and Heads of Portfolio Groups report to the Investment Committee on a regular basis.

### **8.95 How will Trumps election as President of the US impact our super?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

### **8.96 I believe EFT's are a high growth investment trend currently, which are yielding great returns. Will or does Australian Super invest in these products?**

AustralianSuper primarily invests through direct investments, futures or options. ETFs often have higher costs to access the same investment exposure to markets.

### **8.97 I notice that the returns on fixed interest were negative. What were the reasons for this?**

Fixed interest assets have an inverse relationship with interest rates. When interest rates rise, the capital value of fixed interest assets decreases. This can lead to negative returns for fixed interest assets.

### **8.98 I read recently that Warren Buffet was moving a large amount of his investment portfolio out of equities and into cash. What defensive strategies are in place to reduce the risk of a potential crash (as an extreme example, nuclear war?)**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

### **8.99 I understand the parallels being drawn with the US economy with regards to the outlook for super growth. But, how is the AusSuper research ensuring that we reduce the dependency on the US economy to project on our own?**

AustralianSuper invests in a mix of Australian and international investments, with about 50% of the portfolio in Australian investments as at 30 June 2024. Our investment process includes research on domestic and international economies and integrates that research into investment decisions that are made in each asset class in the portfolio.

AustralianSuper invests in a diversified range of regions and asset classes to help members achieve their best financial position in retirement. This approach provides global diversification in order to meet the investment objectives of each option.

### **8.100 I was burnt by unlisted property trusts years ago when the exits were crowded! How do you manage the risk of selling unlisted investments at an unfavourable time (no buyers)?**

Recent market conditions have put pressure on the valuations of property assets in the portfolio. The property portfolio includes exposure to retail and office properties that have faced significant headwinds over the last five years with reduced rental incomes and higher interest expenditures. The valuations of these assets have been updated based on revenue and operational conditions.

The Fund's exposure to office and retail property investments has been reduced over the years in favour of investment opportunities in mixed-use estates and development properties. Our current strategy of investing in assets like data centres, industrial parks, and residential and intermodal precincts provides an opportunity to improve the future performance of the portfolio over the longer term.

The illiquidity of unlisted assets is a trade-off of the potential benefit of better risk-adjusted returns compared to listed assets. During distressed market environments, it can be challenging to sell unlisted assets at a fair or reasonable price. We have been successful in selling some property assets in the portfolio that are not part of our current strategy.

### **8.101 In terms of BRICS-what is your strategy on investing under International Shares Portfolio?**

The international shares portfolio's benchmark is the MSCI All Country World ex Australia Index. This index includes exposure to emerging countries and this exposure is managed based on the investment outlook of our internal and external portfolio managers. AustralianSuper has divested from Russian assets.

### **8.102 In the investment strategy review there was no mention of China, our biggest trading partner, which seems to be not travelling well at the moment. What does a weakened China mean for the strategy and the Australian economy, and hence the ASX.**

China is the second largest economy in the world and is a significant trading partner with Australia. Our Investment team has researched the macro-economic policies, consumer trends and potential growth drivers in China. Low consumer confidence levels and depressed property market conditions are having an impact on the current China economy. We are monitoring the implementation of economic policies to build our future market expectations in China, as well as the impact on the Australian economy and investment markets.

### **8.103 Is there any change in investment strategy due the election outcome for the US President.**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

### **8.104 Is there any video that can guide us how to locate the detail of each investment options?**

The following resources can be used to find out more information about the investment options:

Educational videos and webinars that sometimes profile investment options are available at:  
[australiansuper.com/tools-and-advice/events-and-seminars](https://australiansuper.com/tools-and-advice/events-and-seminars)

The *Investment Guide* includes option descriptions, risk and strategic asset allocations:  
[australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide)

See the Portfolio Holdings Disclosure for a list of securities where each option is invested:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

Investment articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

[australiansuper.com/investments/investment-articles/2024/04/compare-investment-options](https://australiansuper.com/investments/investment-articles/2024/04/compare-investment-options)

### **8.105 It would be useful to have on line access to owned unit numbers and corresponding price per unit. Currently this information is only available by requesting a statement. Thank You ! Mario**

AustralianSuper currently uses a crediting rate process rather than allocating units to members' accounts.

Both unit pricing and crediting rate processes are ways of calculating performance and allocating earnings to members. Either method is suitable to provide fair and reasonable outcomes to calculate performance for members. AustralianSuper has considered the possibility of transitioning to unit prices and is weighing the cost and benefits of moving to a unit pricing system.

### **8.106 no comment on the vastly different political situation in US and its implication for investment there, Why not?,**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

**8.107 On Marks slide of investment of \$100,000 over 20 years; resulting in \$453 848; were fees deducted within the process?**

The growth of \$100,000 chart is based on the following:

AustralianSuper investment returns are based on crediting rates, which are returns 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 all administration, insurance and other fees and costs that are deducted from account balances.

**8.108 Paul , As Scott Pape mentioned on the weekend , Warren Buffet is currently cashing up as he sees the market is overpriced . Do you see the same?**

Our Investment team's analysis suggests some improvement in economic conditions, with a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. We do remain cautious in our outlook, considering the potential lagged effects of higher interest rates and geopolitical risks that could affect future returns.

**8.109 Q for Mark Delaney - What risk management strategies are utilized in mitigating downside risks of investment in i) Infrastructure ii) International shares given geopolitical factors such as Middle East Conflict.**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

**8.110 Question for Mark Delaney on 5/10/2024 the AFR reported that Aussuper wrote off \$1.1billion investment in an online start up company. How could an investment of this kind be an appropriate use of a members retirement funds?**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to, and prudent management of, investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset class over five and 10 years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our

investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term, while providing stability in your returns during times of market volatility.

#### **8.111 Question For Mark Delany As Asian share markets have under performed both Europe and the USA does Aust super see an opportunity here especially Japan**

Although we're expecting improvement in global economic conditions, we're maintaining a cautious outlook, considering the potential lagged effects of higher interest rates and geopolitical risks that could affect future returns.

The results of the US election also have the potential to affect foreign trade, which could negatively impact growth prospects for European and Asian economies and potentially impact asset prices.

#### **8.112 Question for Mark: Given the poor 10-year returns from Private Property, why bother with this asset class?**

Over the longer term, investments in unlisted assets such as property have provided the potential to achieve higher risk-adjusted returns when compared to listed equivalents.

Recent market conditions have put pressure on the valuations of property assets in the portfolio. The property portfolio includes exposure to retail and office properties that have faced significant headwinds over the last five years with reduced rental incomes and higher interest expenditures. The valuations of these assets have been updated based on revenue and operational conditions.

The exposure to office and retail property investments has been reduced over the years in favour of investment opportunities in mixed-use estates and development properties. Our current strategy of investing in assets like data centres, industrial parks, and residential and intermodal precincts provides an opportunity to improve the future performance of the portfolio over the longer term.

#### **8.113 Returns have been strong for several years now, are you expecting a negative return in the next couple years?**

Our Investment team's analysis suggests some improvement in economic conditions, with a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. We do remain cautious in our outlook, considering the potential lagged effects of higher interest rates and geopolitical risks that could affect future returns.

#### **8.114 Tell us about the disappointing performance with PLURALSIGHT**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to, and prudent management of, investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset class over five and 10 years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

**8.115 Thank you thank you thank you Australian Super for your effective management of my super, as a member for over two decades. Question - how does the \$1B++ saving from internalising" investments work?"**

Internalisation provides the benefits of lowering costs by reducing the fees we pay to external managers. It also improves our ability to source new investments, as well as oversee and efficiently manage the portfolio, by reducing our reliance on external managers.

We forecast our investments internalisation program could reduce the Fund's running costs by more than \$1.5 billion annually by 2030. This will be achieved by managing more assets through our internal teams rather than using external managers and incurring fees.

Lower costs can help provide a higher net benefit for members.

**8.116 Thanks for being transparent about the loss in the Pluralsight investment. What have we learned from this investment? How can we prevent this from recurring?**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

**8.117 The Balance showed a loss of 4% to 30 June 2024 due to the Pluralsight \$1.1 Billion write down. Will further losses also be incurred this FY due to the Pluralsight loss and what impacted is it expected to have to the value of the Balanced Portfolio.**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.



The Balanced option returned 8.46% for the one year to 30 June 2024.

**8.118 The funds investment ranking has continued to slide over time and this will feed into future long term returns. Why should members stay with the Fund>**

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

AustralianSuper is a top long-term performer, has low administration fees and has won awards for outstanding value and most trusted super.

You can compare AustralianSuper against other super funds on our website: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

**8.119 The investment options are heavily geared to members in Accumulation and not suitable to retirees. The few options for retirees who require a focus on defence are very low performers. When will the fund improve the performance of retiree options**

The performance of the more conservative options, such as the Conservative Balanced and Stable options, has been challenged in recent years due to the lower level of interest rates that provided lower cash returns, subsequently followed by an increase in market interest rates that reduced returns for fixed interest assets due to their prices having an inverse relationship with interest rates.

Looking ahead, AustralianSuper recognises the shift in demographic trends, which includes the shift from accumulation to decumulation in the superannuation system and the increasing need for income strategies to support retirees. The Investment team is reviewing ways to tailor the strategy of the conservative options to meet the needs of members.

**8.120 the investment outlook did not mention China , Why not?**

China is the second largest economy in the world and is a significant trading partner with Australia. Our Investment team has researched the macro-economic policies, consumer trends and potential growth drivers in China. Low consumer confidence levels and depressed property market conditions are having an impact on the current China economy. We are monitoring the implementation of economic policies to build our future market expectations in China, as well as the impact on the Australian economy and investment markets.

**8.121 The performance of the Australian Super Stable investment option over the last 5 years have been below the average inflation rate for the same period. Are there any plans to change the portfolio mix for the Stable option to improve this performance?**

AustralianSuper recognises the shift in demographic trends, which includes the shift from accumulation to decumulation in the superannuation system and the increasing need for income strategies to support retirees. The Investment team is reviewing ways to tailor the strategy of the conservative options, like the Conservative Balanced and Stable options, to meet the needs of members.

**8.122 To Mark Delaney With the Balanced option, the % amount thats allocated to international shares, how much of that % is allocated to the USA stock markets?"**

About 60% of the AustralianSuper international shares portfolio is directly invested in US assets as at 30 June 2024.

**8.123 To Mark. What are the lessons learned in the Pluralsight investment in the US? and how will these be included in future investments of this nature?thanks Luke**

We are extremely disappointed by the outcome at Pluralsight. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset class over five and 10 years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **8.124 Warren Buffet is selling shares & increasing cash reserves, are you considering doing the same?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

#### **8.125 Was wondering what the current investment strategy is with the investment that Australian Super have with Mineral resources and the scandal with Chris Ellison. Is Australian super hanging onto some stake with Mineral resources or cutting the loses?**

There has been an independent review of Mineral Resources that has outlined views on governance in the company. The Fund supports the Board's initial response to the views of the independent review. There remains significant work to be done to improve governance standards so that the company can return to focus on delivering long-term value to shareholders. We continue to assess the long-term growth prospects of the company.

#### **8.126 We have seen global markets sail through crisis like the GFC and the COVID-19 pandemic, is there any potential for markets to be severely impacted over the long term? Do we know where this risk could come from and what we would do in response?**

Our Investment team's analysis suggests some improvement in economic conditions, with a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. We do remain cautious in our outlook, considering the potential lagged effects of higher interest rates and geopolitical risks that could affect future returns.

We expect the future to be different from the past ten to 30 years. Key investment themes that may affect the economy and markets include technological change, the energy transition, geopolitical risks and higher structural interest rates. Outcomes to some of these factors mean that companies could face higher costs as well as there may be more inflation risks due to changes in the supply chain, higher demand for capital, and government fiscal policies. As part of our investment process, we incorporate the changing economic and investment landscape into our investment decisions and seek to add assets to the portfolio that have the potential to grow members' balances over the long term.

### **8.127 What are fund views about the impacts of Trump government in terms of fund performance in the next 4 years?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

### **8.128 What are the total funds invested by Australian Super in the build to rent to own space. Does this pose a risk to members funds ie. write downs/losses etc"**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens. We support finding real and scalable solutions to Australia's housing supply challenges and believe we can be part of a broader solution while still delivering on our purpose for members. That's why, in 2020, the Fund made a cornerstone investment in specialist housing developer Assemble. This was a landmark investment for the Fund, advancing members' best financial interests and facilitating build-to-rent-to-own (BTRTO) housing – a rental pathway to housing ownership. In the four years since, AustralianSuper has committed nearly \$500 million to a pipeline of five Assemble housing development projects.

You can read more about this investment in the Annual Financial Report:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

### **8.129 What factors influenced AustralianSuper's position to block the \$20b bid for Origin Energy? Were there factors beyond the fund acting in Members Best Financial Interest? Did you receive external advice?**

The key to being an active, long-term investor is to identify companies that will enhance returns for members. Once we invest in companies, we then monitor – and may engage with – these companies to ensure they are working to unlock the value we have identified.

The Origin Energy takeover vote in December 2023 is an example of our long-term and active approach to investing. We voted against the takeover scheme because we thought the price offered undervalued Origin's highly strategic portfolio of assets. These assets will be crucial as Australia works through the energy transition in a reliable and cost-effective manner.

As with all the companies we invest in, we are open to providing capital to Origin as it seeks to create long-term value for its shareholders.

### **8.130 What impact on investments do you see resulting from the recent US presidential election? Kate**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

### **8.131 What investments are Private Equity and Unlisted Infrastructures? Can you please provide some examples?**

AustralianSuper members have benefitted from the Fund's investments in unlisted assets. Private equity and unlisted infrastructure have been two of AustralianSuper's top-performing asset classes over 15 years, delivering average annual returns of 11.8% and 10.6%, respectively. These returns have outperformed our Australian equities portfolio and the ASX 200, which delivered 9.8% and 8.9%, respectively (as at 30 June 2024).

Through AustralianSuper, members have a stake in critical services and infrastructure that more than millions of people rely on every day, such as Perth Airport in Australia, Chesapeake toll road network in the US, and Vantage

Data Centers in Europe. Through the Fund, members are also investing in private equity opportunities spanning IT, industrials, financial, healthcare and consumer staples across North America, Australia, Europe and Asia.

For more information, please refer to our Portfolio Holdings Disclosure for a full list of securities where the Fund is invested: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **8.132 What is Australian Super's strategy against a possible recession?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

### **8.133 What is AustraliaSupers position towards investing in Australian Agriculture; a sector which is actively sought by overseas pension funds.**

Agriculture investments are not currently a focus for the AustralianSuper portfolio. Several themes are shaping the investment opportunities that we see in real assets (property and infrastructure), such as digitisation, decarbonisation and demographic shifts.

### **8.134 What is Austrslian Supers view on the RBA inflation target band 2 -÷ 3% Is it still appropriate?**

We believe the long run inflation rate of 2–3% is reasonable based on the Reserve Bank of Australia's (RBA) monetary policies to target this inflation band over time. We use a 2.5% long-run inflation rate in our modelling.

### **8.135 what is the average of interest % on super every year**

The rate of return on super is based on the investment option in which you invest. AustralianSuper provides a range of PreMixed and DIY Mix options for members to choose from.

### **8.136 What is the current portfolio allocation of Australian Super between liquid and illiquid assets? Are there any concerns regarding liquidity risks for the fund overall?**

AustralianSuper invests to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio, including liquid and illiquid asset classes. The Australian Equities, International Equities, Fixed Interest and Cash portfolios, which would traditionally be viewed as liquid asset classes, currently account for ~77% of the Fund's total assets as at 30 June 2024. Public equity markets will always be the largest proportion of the portfolio as we seek to meet our members' needs to drawdown over time.

The Fund's liquidity risk is managed on a daily basis in accordance with the Fund's Liquidity Management Plan and Investment Strategy. Stress testing and scenario analysis are completed on a regular basis. The Fund's approach to managing liquidity is to ensure that, as far as possible, it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

For more information, see the liquidity risk section in the *Annual Financial Report* (p51):

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

### **8.137 What is the Estimated Return as opposed to the Investment returns? This is a change I have seen on my Balance Details that occurred in late Oct. Thank you**

Estimated returns are calculated by applying the daily crediting rates to the balance of your account since the time investment returns were last applied, plus any applied returns from any investment switches you have made.

There was an update in October 2024 to ensure that the estimated return included any switching activity that has been performed in the account between 30 June and the current date.

#### **8.138 What is the funds outlook for the AUD and how do you see this impacting the portfolio?**

In the PreMixed options, foreign currency is managed at the option level based on the strategic asset allocation targets.

As part of our investment process, we analyse and monitor long-term themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. Based on the uncertainty around these factors, the current foreign currency position is managed close to the Fund's strategic asset allocation targets.

#### **8.139 What is the likely effect on super should China attack Taiwan ? Peter.**

AustralianSuper monitors China very closely, including potential foreign policy action. China is the second largest economy in the world and is a significant trading partner with Australia. Our Investment team has researched the macro-economic policies, consumer trends and potential growth drivers in China. Low consumer confidence levels and depressed property market conditions are having an impact on the current China economy. We are monitoring Chinese foreign policy, the implementation of economic policies to build our future market expectations in China, as well as the impact on the Australian economy and investment markets.

#### **8.140 What is the ratio of internal and external management of portfolios. What strategy provides the best returns and what is the outlook for the future.**

As at 30 June 2024, over 55% of the portfolio was managed by AustralianSuper's internal team.

Internalisation provides the benefits of lowering costs by reducing the fees we pay to external managers. It also improves our ability to source new investments, as well as oversee and efficiently manage the portfolio, by reducing our reliance on external managers. We forecast our investments internalisation program could reduce the Fund's running costs by more than \$1.5 billion annually by 2030. Lower costs can help provide a higher net benefit for members.

With that being said, while internalisation of our investment capabilities is a strategic priority for our investments team, there are some asset classes where we believe greater value can be captured for members by partnering with external managers – such as in private credit, private equity and fixed income. Hence, we are only internalising the parts of the portfolio where we believe it will generate a net benefit to members over the long term.

Our Investment team's analysis suggests some improvement in economic conditions, with a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. We do remain cautious in our outlook, considering the potential lagged effects of higher interest rates and geopolitical risks that could affect future returns.

#### **8.141 What is your outlook on the Chinese economy and Chinese equity markets over the next three to five years.**

China is the second largest economy in the world and is a significant trading partner with Australia. Our Investment team has researched the macro-economic policies, consumer trends and potential growth drivers in China. Low consumer confidence levels and depressed property market conditions are having an impact on the current China economy. We are monitoring the implementation of economic policies to build our future market expectations in China, as well as the impact on the Australian economy and investment markets.

#### **8.142 What is your strategy to cut your losses from under performance investment, example Plurasight" before it make a big dent in your performance."**

We are extremely disappointed by the outcome of our investment in Plurasight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to, and prudent management of, investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **8.143 What lessons have you directly learnt in the case of PluralSight?**

We are extremely disappointed by the outcome of our investment in PluralSight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

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Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **8.144 While the next year performance is 8.46%, why is the 3 year performance predicted to be only 4.51%?**

4.51% is the three-year average annual return of the Balanced option to 30 June 2024. AustralianSuper does not forecast future returns for investment options.

**8.145 While the performance for %u201CBalanced%u201D funds is predicted to be 8.46% over the next one year, why is the 3 year performance predicted to be only 4.51% ? Avoidance of obfuscations would be appreciated GL**

8.46% is the one-year return and 4.51% is the three-year average annual return of the Balanced option to 30 June 2024. AustralianSuper does not forecast future returns for investment options.

**8.146 Who in AustralianSuper can provide details as to how the gain or loss is calculated when switching investment options?**

The following *How crediting rates and investment returns work* fact sheet provides details on the calculation of crediting rates and when returns are applied to your account:

**[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf)**

**8.147 Who is responsible for the Pluralsight investment loss and what responsibility has been taken by the Board for such a massive loss?**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

**8.148 Why can't we switch a loss off in the app? For example I can see that I lost \$1000 that day, I should have a choice to stop the losses!!**

AustralianSuper invests in a diverse mix of assets to achieve the investment objectives of each investment option. As part of this process, investment risk is taken to pursue the performance objectives, which means that each of the options has a risk of negative returns in the short term.

While it can be difficult to focus on the long term when there is market volatility, the economy goes through periods of growth and contraction and markets also rise and fall in cycles. Short-term fluctuations are a normal part of investing when saving for retirement. The day-to-day performance of investment markets is often driven by investor sentiment and can lead to large fluctuations in value.

AustralianSuper does offer the ability to switch your options and we provide a range of investment choices that may meet your investment objectives. The sections on the website below provide tips on managing risk and considerations for switching options:

[australiansuper.com/investments/change-your-investment](https://australiansuper.com/investments/change-your-investment)

[australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option)

#### **8.149 why do we need to be a active investor when index diversified returned a higher return last year and S & P 500 returning 11.3% over the last 20 years**

While the recent performance of the Indexed Diversified option has been favourable compared to the Balanced option which has a similar risk profile, it is largely due to the higher performance of Australian and international shares compared to private markets.

The AustralianSuper Investment team has been successful at active asset allocation, security selection and investing in private markets, which has led to the Balanced option being a top-performing fund\* over the long term.

Members can choose which strategy is most suitable for them with the selection of options that are available.

\*AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey, SR50 Balanced (60-76) Index to 30 June 2024. Returns from equivalent investment options of the ARF and STA super funds are used for periods before 1 July 2006. Investment returns are not guaranteed. Past performance is not a reliable indicator of future returns.

#### **8.150 Why has the Property portfolio performed poorly when this sector is booming across domestic and commercial fronts ???**

Unlisted property continues to face the structural headwinds affecting office and retail properties. The impact of higher interest rates on valuations across all sectors and the ongoing structural headwinds from 'work from home' for offices and online retail means the outlook for the asset class remains very challenged. Our current strategy of investing in mixed-use estates and development properties provides opportunities to improve future performance over the longer term.

#### **8.151 With private equity market growing, what is your strategy in relation to this for future**

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy for the asset class continues to focus on identifying and partnering with best-in-class private equity managers, developing strategic relationships to access co-underwrite and co-investment opportunities, as well as making fund investments.

As we scale our investments in unlisted assets – including private equity – we will be increasingly dependent on networks with investment partners. By building out our capabilities in London and New York, we can be closer to deal research, origination and execution in these key markets. It also improves our access to global investment partners and our oversight of the assets we're investing in on behalf of members.

#### **8.152 With the ballooning numbers of retirees projected for the next decade, how will you ensure the fund is sufficiently liquid to pay current members? Chris, Melbourne**

As Australia's largest super fund, we have continued to experience strong inflows in recent years. However, future cash flows are a consideration of the long-term Fund strategy, and we are managing the portfolio for the long term. The goal of super is to return savings back to members.

As part of our long-term investment strategies, the Investment team is planning for changing member demographics which can lead to adjustments to cash flow in the future as well as a shift to more members being in the retirement phase. Part of this analysis is ensuring that liquidity obligations are met for both portfolio management and member cashflow needs.

For more information, see the liquidity risk section in the *Annual Financial Report*.

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)



**8.153 Would like to understand the Australian Super Funds strategy for investing in emerging economies, particularly India."**

AustralianSuper invests to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries, securities and geographies. As at 30 June 2024, the Fund had about 5% of assets invested in emerging markets. This includes a significant ongoing investment in the National Investment and Infrastructure Fund of India (NIIF).

For more information about specific investments, please refer to our *Portfolio Holdings Disclosure* for a full list of securities where the Fund is invested: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

**8.154 You have shown a graph with 100K AUD becoming 430K in 20years without any new contributions? In that case what about charges, charges for various indicators you are taking or we are paying for?, which are increasing year on year. Still we get it that**

Comparing performance after all fees and costs is the best method for an apples-to-apples comparison. Net benefit performance is after administration fees as well as investment fees and costs and transaction costs.

The Compare Us section of our website provides net benefit examples:

[australiansuper.com/compare-us](https://australiansuper.com/compare-us)

The *MySuper dashboard* also provides net benefit returns for the Balanced option:

[australiansuper.com/compare-us/mysuper-dashboard](https://australiansuper.com/compare-us/mysuper-dashboard)

**8.155 You illustrated how the Australian Super Balanced fund compares to the median of all funds. How does Australian Super Balanced fund compare to the best performing fund in Australia?**

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20 years: 2

While the Balanced option has achieved its objective of outperforming the median balanced fund over the medium to longer term and is ranked as a top-performing fund, recent performance over one year has been below the median.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

SuperRatings publishes a performance and fee comparison of the top funds on their website:

[superratings.com.au/top-10-super-funds](https://superratings.com.au/top-10-super-funds)

**8.156 You mentioned a particular unlisted asset did not do well, can you share more details on what went wrong and how did your governance model work in that situation**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset class over five and 10 years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

**8.157 Your performance this year has been solid, but not outstanding. It seems unlisted investments are underperforming despite trends showing outsized performance. Will you provide more transparency on quarterly performance of unlisted investments?**

The returns of unlisted assets and values can be market-sensitive information. Detailing them may impede our ability to achieve the best price for an asset in a sale process and may mean we don't get as good a return as possible when we make investment decisions about them.

The unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

For more information about our valuation process, please read this article:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

The *Annual Financial Report* which provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

**8.158 The Coalition proposes a scheme to allow homeowners to borrow up to \$50k of their superannuation towards the deposit on purchase of a home, but with this amount and its share of capital gains repaid to the super fund on sale of the property. A form of investment in real estate in which the owners have a vested interest in protecting. This will also save the owners quite a lot on any mortgage insurance premiums. What is the board's view on accessing some super as proposed?**

The objective of superannuation is to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way.

We believe allowing early access to super for housing will further ingrain intergenerational inequality. Australians shouldn't have to choose between financial security in retirement and a roof over their heads. No other generation has had to make this choice. Preserving savings over the length of a working life enables the benefits of compounding interest and long-term investment to maximise financial outcomes.

Access to safe, secure and affordable housing is a challenge across the Australian community and needs all parties – governments at all levels, investors, planning, land release, construction providers and more – to support long-term solutions at scale.

### **8.159 In the media I hear about Government "interest" in requiring super companies to invest funding in socially affordable housing and infrastructure. What is the latest information on that push and Australian Super's view on where this idea might go please?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens. We support finding real and scalable solutions to Australia's housing supply challenges and believe we can be part of a broader solution while still delivering on our purpose for members. That's why, in 2020, the Fund made a cornerstone investment in specialist housing developer Assemble. This was a landmark investment for the Fund, advancing members' best financial interests and facilitating build-to-rent-to-own (BTRTO) housing – a rental pathway to housing ownership. In the four years since, AustralianSuper has committed nearly \$500 million to a pipeline of five Assemble housing development projects.

You can read more about this investment in the Annual Financial Report:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

### **8.160 What is the long term outlook for Readymade Balanced plan?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets, such as listed shares, may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

### **8.161 How active (how often reviewing assets and allocation/ reallocation) is for premix how growth investment option please?**

AustralianSuper's investment approach can be considered in three ways: strategic asset allocation, active asset allocation and security selection.

1. Strategic asset allocation is reviewed annually and broadly represents the risk and return profile of the portfolio we expect to hold over the long term in each investment option.

2. Our ongoing active asset allocation approach means that the holdings and amount invested in each asset class for each investment option can change throughout the year. The Investment team analyses a range of investment factors to adjust the actual asset allocation of each investment option over the cycle. These factors include the evolution of the economic cycle, valuation signals of asset classes and slower-moving secular factors that impact growth, inflation and interest rates over the long run. These factors inform our current portfolio and how it may evolve over the next three years. The three-year investment horizon enables the Investment team to plan for how the portfolio will be positioned through the economic cycle while considering portfolio risk, liquidity and deployment opportunities for each asset class.

3. Security selection within each asset class means that the portfolio managers can adjust and change holdings within the portfolios at any time. For most portfolios, the Investment team takes an approach to invest in assets that are expected to add value over a longer period of time.

### **8.162 What information from 3rd parties do you rely on to make investment decisions?**

AustralianSuper runs a hybrid investment model whereby we combine internal investment management and independent asset consultants. Frontier Advisors and JANA Investment Advisers both provide strategic advice and research on specific asset sectors. They also provide input to strategic and active asset allocation decisions and present to the Investment Committee on a regular basis.

AustralianSuper also uses other specialist advisers to assist in portfolio construction, investment research and the identification of quality managers where required. These specialist consultants review opportunities and undertake due diligence for recommendation to AustralianSuper's internal team.

**8.163 This year Australian Super balanced had an investment performance below the median. I understand this was because Australian Super started the year with a different investment strategy than other funds. What is the Australian Super governance arrangement that sets investment strategy? What is the highest level in the fund that sets the strategy?**

AustralianSuper has a delegated model for investment decision-making. The Board is responsible for the overall governance and strategic direction of the Fund. The Investment Committee has oversight of the investment program. The investment decision-making is delegated to the Chief Investment Officer, with the Heads of Portfolio Groups being responsible for asset class mandates and portfolio managers being responsible for security selection in each portfolio mandate.

As part of our Investment Governance Framework, we continuously monitor and assess the performance of our internal and external portfolios and act when a strategy isn't working.

**8.164 What's the forecast performance of Balanced portfolio?**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

**8.165 Given the strong run of equities returns and high valuations, how does the fund protect members assets from a large correction**

AustralianSuper invests in a diverse mix of assets to achieve the investment objectives of each investment option. As part of this process, investment risk is taken to pursue the performance objectives, which means that each of the options has a risk of negative returns in the short term.

While it can be difficult to focus on the long term when there is market volatility, the economy goes through periods of growth and contraction and markets also rise and fall in cycles. Short-term fluctuations are a normal part of investing when saving for retirement. The day-to-day performance of investment markets is often driven by investor sentiment and can lead to large fluctuations in value.

**8.166 Will you be divesting from Lifestyle Communities in the wake of the ABC story and tanking share price. I don't want my retirement funded by the misery of others.**

AustralianSuper makes all investment decisions based on comprehensive research into a company's ability to generate value over the long term.

We have extensively reviewed the issues raised in the recent ABC 7.30 Report and engaged with the company on these matters. We believe they are focused on addressing the issues raised in a consistent and considered manner.

We believe the company has a strategy and plan to be successful in the long term, which is why the Fund remains comfortable with the company as a long-term investment.

**8.167 The Balanced investment option seems to be providing steady returns except for early August. Has investment strategy changed since early August? Do you expect returns to continue steadily under this option for the rest of the financial year? Thanks.**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a

moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

#### **8.168 Do you anticipate that the conflict in the Middle East will impact Australian Super's Investment strategy and anticipated returns to Members?**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

#### **8.169 Is Australia Super now finding it difficult to make investments due to the large size of funds that need investing?**

An area of focus for the Investment team is to have an appropriate investment model and strategy in place to meet the growing size of member assets. Part of our research involved looking at the models of other large pension funds around the world to recognise that size has not impacted their ability to invest. Our investment strategy considers how each investment will contribute to the whole portfolio. We also manage our transaction execution and portfolio liquidity to be able to implement investment decisions in a timely manner.

We believe our size and scale help to deliver better outcomes for members. For example, we use our size and scale to access deal flow and larger transactions that may not be available to smaller funds. It enables us to reduce costs per member through economies of scale, including our ability to drive better fee outcomes with external managers. It also enables us to attract and retain top talent – which is increasingly important as we internalise more of our investment capabilities – as well as speak with a stronger voice and advocate for better policy outcomes on behalf of members.

#### **8.170 Has the Balanced Fund Investment returns improved 2023-2024, will it improve more going forward in the next couple of years?**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

#### **8.171 What mix of world economies and stock sectors are included in the international shares portfolio? Is there any hedging involved?**

The international shares portfolio's benchmark is the MSCI All Country World ex Australia Index which includes developed and emerging markets, as well as diversification across all international shares sectors. The active management approach means that the exposure to a specific location or sector can vary from the benchmark. The International Shares option is unhedged. In the PreMixed options, foreign currency is managed at the option level based on the strategic asset allocation targets.

The annual report includes the list of share markets where the international shares portfolio invests:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Portfolio holdings disclosures also include the list of securities held in the international shares portfolio and their location:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

**8.172 3. AS has written of a Hugh investment of \$1.1B in Pluralsight. Why such a big investment in one company? Mark Hargreaves has said He added that the valuation has been fully accounted for, assuring “there will be no impact on members’ future earnings”. How so? Please explain**

We are extremely disappointed by the outcome at Pluralsight. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members’ future earnings.

AustralianSuper’s purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

AustralianSuper takes controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board’s risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement.

Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio.

Taking this risk means that not every asset in the portfolio will be successful. However our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

**8.173 How do you identify investment opportunities across the world? Is it by independently researching and analysing or using referrals?**

AustralianSuper uses a mix of internal and external managers to source investment opportunities on behalf of members. Equities managers may use fundamental or quantitative investment techniques to select securities that have the potential to outperform over the long term. Meanwhile, in private markets, we build strong relationships with investment partners to conduct deal research, origination and execution. Having an on-the-ground presence in key markets improves our access to global investment partners and our oversight of the private assets we’re investing in on behalf of members.

**8.174 I am not a finance expert but keep track of my super everyday so I see the rises and falls as they happen. I trust AusSuper to do the right thing and invest wisely on my behalf. How does the investment team take their responsibility?**

When it comes to your super, we invest with one goal in mind: to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens. Through AustralianSuper, members have global teams of more than 350 investment professionals (as at 30 June 2024), working on opportunities to protect, invest and grow their retirement savings over the long term. We also partner with external managers where we believe greater value can be captured for members. And we use our size and scale to influence companies the Fund is invested in to focus on long-term value creation for members.

**8.175 Will funds be invested in Government promoted schemes and if so, how can members be sure that returns won't be disadvantaged?**

An ageing population, increasing urbanisation, migration, advancements in technology and the changing nature of work are likely to increase demand for social infrastructure – including health and aged care, education, housing and recreation – as well as communities' expectations on its accessibility and quality.

AustralianSuper invests across a range of social infrastructure, including Axiom education schools in Sydney, as well as specialist property developer Assemble supporting social and affordable housing in Australia. Investing in these sectors provides benefits to the community – however, we will never sacrifice member returns.

AustralianSuper only considers investment opportunities with the potential to deliver appropriate risk-adjusted returns for members.

**8.176 Has a strategy to manage risk of the portfolio been developed that includes Donald Trump being president of the USA?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

**8.177 With the aging population, does Australian Super foresee a time when there will be a net outflow of funds? If so, how does Australian Super see this affecting the price of stocks on the ASX?**

AustralianSuper has researched demographic trends which includes Australia's ageing population. This will have several effects, including the shift from accumulation to decumulation in the superannuation system and the increasing need for income strategies to support retirees.

From an investment perspective, the demographic shifts also affect labour supply, fiscal policies and investment behaviour, which may impact the level of inflation. In terms of impact on share markets, the demographic trend would have to be considered in coordination with other macroeconomic trends, including technological change, the energy transition and geopolitical risks.

**8.178 Why did management think investing 1.1 billion in an Online education start-up and how much will/has the loss affected member's 2024 returns? Are there any other similar risky investments members should know about?**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful.

However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **8.179 The Balanced Option has been underperforming other superfunds for years. It's still underperforming this year. Why is this problem continuing? Haven't you fixed anything?**

The Balanced option underperformed the SuperRatings SR50 Balanced (60–76) Index in FY2023 and FY2024.

Our Investment team actively manages the portfolio based on the Fund's outlook for the economy and investment markets. For the 18 months to 31 December 2023, we believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. During this time, many of the PreMixed options, including the Balanced option, were more defensively positioned. This meant that the portfolios had less exposure to listed shares and higher exposure to more defensive assets like fixed interest compared to our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions, we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, unlisted infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **8.180 Can super funds in Australia gain exposure to BTC via ETFs yet?**

AustralianSuper does not have any plans to invest directly in crypto-currencies at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for members' retirement savings, we don't think it's prudent to invest super in speculative financial instruments.

#### **8.181 Does Australian super funds looks abroad (developing countries) for future investment**

AustralianSuper invests to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries, securities and geographies. AustralianSuper invests globally with about 50% of the Fund's investments in international markets, as at 30 June 2024. AustralianSuper can invest across developed and emerging markets in listed shares, private equity, infrastructure, property, credit, fixed interest and cash. For more information about specific investments, please refer to our Portfolio Holdings Disclosure for a full list of securities where the Fund is invested:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

#### **8.182 what affect will the USA presidential change have on Australian and Global investments Australian Superannuation holds or intends to buy / sell.**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.



### **8.183 In the balanced option what percentage is invested in International or ETFs**

AustralianSuper currently does not use ETFs in our investment portfolio as at 30 June 2024. Investment exposure in shares and fixed interest is primarily obtained through direct investments, futures or options.

As at 30 June 2024, 33% of the Balanced option was invested in international shares and about 50% of the portfolio was invested in international assets across all asset classes in the portfolio, including shares, private equity, infrastructure, property, credit and fixed interest.

### **8.184 pls provide more info of ur int shares strategy**

The international shares portfolio uses a mix of internal and external managers to invest in high-quality companies that possess sustainable competitive advantages. Fundamental and quantitative strategies are used in the portfolio as well as a mix of growth, value and core investment approaches. The benchmark for international shares is MSCI All Country World ex Australia Index, which includes investments in both developed and emerging markets.

### **8.185 I would like to understand the governance, or lack there that led to a loss of \$1.1 billion ~3%.**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

### **8.186 Can investment options be more specific like Gold, Lithium, Banks, Grain crops, Crypto, small group of companies in specific fields etc etc.**

Investing large amounts of the portfolio or having an investment option that focuses on specific sectors would not be prudent in terms of diversification and risk.

AustralianSuper's investment strategies are designed to be in line with the requirements of the SIS Act Section 52 and the Prudential Standards. These requirements involve managing assets in the best interests of beneficiaries (members), which includes the prudent management of risk, composition of investments and ensuring adequate diversification.

AustralianSuper invests in a manner that is appropriate to help members achieve their best possible retirement outcome. This is achieved by setting investment objectives and taking a sufficient level of risk to meet the Fund's investment return objectives.

**8.187 Could you please discuss the issue raised by a financial journalist from the ABC online around the risk of currency hedging and the probability that this could have a severe adverse impact on the stability and performance of the fund? More broadly how are major and systemic risks managed?**

Managing currency:

AustralianSuper manages currency as an asset class in the portfolio. We also incorporate our investment market outlook in determining the level of foreign currency exposure in the PreMixed options. Our analysis includes looking at economic factors that affect currency exchange rates over the short, medium and long term.

You can view the foreign currency exposure targets for each of the PreMixed investment options here:

**[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-we-manage-currency.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-we-manage-currency.pdf)**

Managing our counterparty exposures, including the settlement of FX and derivative contracts, is a process that is closely monitored and managed. Key aspects of our approach to managing risks are to deal with highly rated counterparties, ensure collateral is maintained and mark-to-market exposures, to minimise counterparty risk. Mark-to-market processes enable AustralianSuper to exchange collateral on an ongoing basis so that the outstanding exposure or liability of derivative positions is reduced.

Investment risk:

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor in assets, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

AustralianSuper takes controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent manage of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

**8.188 Best investments next year?**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

**8.189 How is the fund adapting its investment strategy in light of current economic uncertainties and inflation, and how does that impact long-term growth for members?**

Key investment themes that may affect the economy and markets include technological change, the energy transition, geopolitical risks and higher structural interest rates. Outcomes to some of these factors mean that companies could face higher costs as well as there may be more inflation risks due to changes in the supply chain, higher demand for capital, and government fiscal policies. As part of our investment process, we incorporate the changing economic and investment landscape into our investment decisions and seek to add assets to the portfolio that have the potential to grow members' balances over the long term.

**8.190 The returns of the Balanced option used to be market leading. What has changed in your investment team and or strategy to so negatively impact where the balanced option now sits compared to market leaders?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

**8.191 In today's volatile market how AustralianSuper is making sure to invest in the best sectors to get high returns?**

The Investment team seeks to select high-quality, well-managed investments that have the potential to outperform the market over the long run. The investment teams perform deep fundamental research and analysis of companies, industries and economies and seek to invest in high-quality businesses with sustainable competitive advantages. We invest to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries and securities.

AustralianSuper uses a mix of internal and external managers to research investments to include in the portfolio. Equities managers may use fundamental or quantitative investment techniques to select securities that have the potential to outperform over the long term. In private markets, we also build strong relationships with investment partners to originate and implement investment deals.

**8.192 If there is a stock market crash, what protection do superannuation investors have?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor in assets, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option.

The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

**8.193 Given the current economic climate, what strategies are you taking to maximise return and protect investments?**

The Investment team seeks to select high-quality, well-managed investments that have the potential to outperform the market over the long run. The investment teams perform deep fundamental research and analysis of companies, industries and economies and seek to invest in high quality businesses with sustainable competitive advantages. We invest to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries and securities.

AustralianSuper uses a mix of internal and external managers to research investments to include in the portfolio. Equities managers may use fundamental or quantitative investment techniques to select securities that have the potential to outperform over the long term. In private markets, we also build strong relationships with investment partners to originate and implement investment deals.

While it can be difficult to focus on the long term when there is market volatility, the economy goes through periods of growth and contraction and markets also rise and fall in cycles. Short-term fluctuations are a normal part of investing when saving for retirement. The day-to-day performance of investment markets is often driven by investor sentiment and can lead to large fluctuations in value.

#### **8.194 When investing in a company, what is the decision based on & what is the authorisation level of your fund managers?**

The Investment team seeks to select high-quality, well-managed investments that have the potential to outperform the market over the long run. The investment teams perform deep fundamental research and analysis of companies, industries and economies and seek to invest in high quality businesses with sustainable competitive advantages. We invest to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries and securities.

AustralianSuper uses a mix of internal and external managers to research investments to include in the portfolio. Equities managers may use fundamental or quantitative investment techniques to select securities that have the potential to outperform over the long term. In private markets, we also build strong relationships with investment partners to originate and implement investment deals.

AustralianSuper has a delegated model for investment decision-making. The Board is responsible for the overall governance and strategic direction of the Fund. The Investment Committee has oversight of the investment program. The investment decision-making is delegated to the Chief Investment Officer, with the Heads of Portfolio Groups being responsible for asset class mandates and portfolio managers being responsible for security selection in each portfolio mandate.

#### **8.195 Where will you invest the Super funds?**

The Investment team seeks to select high-quality, well-managed investments that have the potential to outperform the market over the long run. The investment teams perform deep fundamental research and analysis of companies, industries and economies and seek to invest in high quality businesses with sustainable competitive advantages. We invest to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries and securities.

AustralianSuper uses a mix of internal and external managers to research investments to include in the portfolio. Equities managers may use fundamental or quantitative investment techniques to select securities that have the potential to outperform over the long term. In private markets, we also build strong relationships with investment partners to originate and implement investment deals.

#### **8.196 What will Australian Super be doing differently to put them at the top of the investment return list?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. Looking ahead, the global economic outlook will likely be dominated by the pace, scale and effectiveness of central bank easing. If central banks implement interest rate cuts at a relatively aggressive pace in the coming months, the global economy may be poised for stronger growth in the year ahead.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

#### **8.197 If I roll in 120k, how can I know when off market investments are correctly priced. Also what is the % of off market in the Balanced fund.**

As at 30 June 2024, the Balanced option had 29.3% in unlisted assets across private equity, infrastructure, property and credit.

The valuations of AustralianSuper's investment assets are updated regularly and in accordance with approved accounting standards and other applicable regulatory guides. This article provides information about our valuation process:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

The following unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

The *Annual Financial Report* provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

### **8.198 How often are all fund reviewed and is there an early warning system or active management to prevent losses? Chosen funds that performed well in past just to incur losses along the way. Should we use external advisors and switch all the time between fund that perform better?**

AustralianSuper invests in a diverse mix of assets to achieve the investment objectives of each investment option. As part of this process, investment risk is taken to pursue the performance objectives, which means that each of the options has a risk of negative returns in the short term.

While it can be difficult to focus on the long term when there is market volatility, the economy goes through periods of growth and contraction and markets also rise and fall in cycles. Short-term fluctuations are a normal part of investing when saving for retirement. The day-to-day performance of investment markets is often driven by investor sentiment and can lead to large fluctuations in value.

AustralianSuper does offer the ability to switch your options and we provide a range of investment choices that may meet your investment objectives. The following sections on the website below provide tips on managing risk and considerations for switching options.

Read more at:

[australiansuper.com/investments/change-your-investment](https://australiansuper.com/investments/change-your-investment)

[australiansuper.com/investments/choosing-the-right-option](https://australiansuper.com/investments/choosing-the-right-option) to large fluctuations in value.

### **8.199 What is the investment strategy for the next two years?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. Looking ahead, the global economic outlook will likely be dominated by the pace, scale and effectiveness of central bank easing. If central banks implement interest rate cuts at a relatively aggressive pace in the coming months, the global economy may be poised for stronger growth in the year ahead.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

### **8.200 How is it that the Canadian Public service funds invests in more Australian real estate than your fund???**

In recent years, AustralianSuper has reduced its weight to property due to the significant headwinds faced by the asset class in the current market and economic environment. This is due to our outlook that the risk-adjusted returns for property are not as favourable as other asset classes in the portfolio.

As at 30 June 2024, the Balanced option had a 4.2% weighting to property with about 60% of the asset class invested in Australian property.

## **8.201 The majority of investment choices are utterly meaningless by merely referring to a class of security and a lazy benchmark hurdle. I do not wish to actively manage myself with DIY; that's what you are rewarded for. Kindly provide more colour and points of difference relating to asset allocation.**

AustralianSuper's investment approach can be considered in three ways: strategic asset allocation, active asset allocation and security selection.

1. Strategic asset allocation is reviewed annually and broadly represents the risk and return profile of the portfolio we expect to hold over the long term in each investment option.
2. Our ongoing active asset allocation approach means that the holdings and amount invested in each asset class for each investment option can change throughout the year. The Investment team analyses a range of investment factors to adjust the actual asset allocation of each investment option over the cycle. These factors include the evolution of the economic cycle, valuation signals of asset classes and slower-moving secular factors that impact growth, inflation and interest rates over the long run. These factors inform our current portfolio and how it may evolve over the next three years. The three-year investment horizon enables the Investment team to plan for how the portfolio will be positioned through the economic cycle while considering portfolio risk, liquidity and deployment opportunities for each asset class.
3. Security selection within each asset class means that the portfolio managers can adjust and change holdings within the portfolios at any time. For most portfolios, the Investment team takes an approach to invest in assets that are expected to add value over a longer period of time.

Our active management approach to investing has delivered long-term outperformance. The Balanced option delivered 8.07% per annum over the last 10 years to 30 June 2024, compared to 6.98% for the median manager. Our 1.09% outperformance per annum is a result of our active asset allocation and active security selection decisions.

## **9 Investment Strategy**

### **9.1 How do you manage risk and security? How are my funds deversified safely?**

Establishing and maintaining sound risk management processes is a key component of AustralianSuper's Risk Management Strategy. The Fund's approach to risk is grounded in the understanding that risk is inherent in every decision, made or not made, by the Fund and in all its actions, and it must be managed accordingly. One of the ways we manage risk is through diversification. For example, the Balanced option's portfolio is diversified across a wide range of asset classes, industries/sectors and geographies.

### **9.2 Is Australian Super's property portfolio over-valued and therefore a source of risk?**

The valuations of AustralianSuper's investment assets are updated regularly and in accordance with approved accounting standards and other applicable regulatory guides. The following article provides information about our valuation process:

**[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)**

The following unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

**[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)**

The *Annual Financial Report* provides details about the fair value measurement of financial assets and liabilities:

**[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)**

**9.3 With the expected increase in cash outflows of income accounts over the next decade/s, how will you manage the investment risk profiles and liquidity risks of accumulation members against the cash needs of the funds overall..**

As Australia's largest super fund, we have continued to experience strong inflows in recent years. However, future cash flows are a consideration of the long-term Fund strategy, and we are managing the portfolio for the long term. The goal of super is to return savings back to members.

As part of our long-term investment strategies, the Investment team is planning for changing member demographics which can lead to adjustments to cash flow in the future as well as a shift to more members being in the retirement phase. Part of this analysis is ensuring that liquidity obligations are met for both portfolio management and member cashflow needs.

For more information, see the liquidity risk section in the *Annual Financial Report*:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

**9.4 How well are the investments being made?**

The Balanced option, where most members are invested, returned 8.46% for Super accounts and 9.25% for Choice Income (pension) accounts during the 2023–24 financial year.

**9.5 I have seen a devaluation of over a billion dollars on one investment. How does this effect the overall investment strategy of the group and how much money do we have invested in total.**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

**9.6 What strategies are in place to hedge against the possibility of an economic collapse**

AustralianSuper's approach to risk management is grounded in the understanding that risk is inherent in every decision, made or not made, by the Fund and in all its actions, and it must be managed accordingly. The Investment team monitors the possibilities of economic slowdowns and market sell-offs. Some of the ways we manage this type of risk are through asset allocation and portfolio diversification. For example, the Balanced option's portfolio is diversified in a number of ways, such as by asset class, industry/sector and geography. As an active manager, we closely follow changes in the economic environment and respond opportunistically.

**9.7 How is the fund managing investment risks in the current economic climate to ensure sustainable returns for members?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

**9.8 My question relates to performance. Australian Super balanced fund in accumulation has not even achieved "benchmark" for past 3 years. How does Australian Super intend to turn this around? Quoting past performance and spreading risk won't address this question.**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more

defensive positioning of many of the PreMixed options, including the Balanced option, resulting in lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20\* years: 2

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

Compare super funds on our website for more details: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

\*Returns from equivalent options of the ARF and STA super funds are used in calculating return for periods that begin before 1 July 2006.

### **9.9 What returns are expected from Balance over the next year and the five year forecast?**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **9.10 What is exposure to commercial real estate assets and how have valuations moved since the transition to Work From Home .**

The property portfolio includes exposure to retail and office properties that have faced significant headwinds over the last five years with reduced rental incomes and higher interest expenditures. The valuations of these assets have been updated based on revenue and operational conditions. The exposure to these investments has been reduced over the years in favour of investment opportunities in mixed-use estates and development properties.

Our portfolio holdings disclosure provides details of our holdings: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

The valuations of AustralianSuper's investment assets are updated regularly and in accordance with approved accounting standards and other applicable regulatory guides. The following article provides information about our valuation process:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

The following unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:



[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment-fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment-fact-sheets/australiansupers-unlisted-assets.pdf)

The *Annual Financial Report* provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

### **9.11 In view of global economic environment is it prudent to maintain funds in the CASH portfolio**

All PreMixed and DIY Mix options are required to hold at least a relatively small exposure to cash, regardless of the current economic environment. This necessary cash exposure acts as a liquidity buffer, facilitating things like the switching of members between investment options, payments made to members in retirement and the buying and selling of shares in the portfolio, ensuring we don't put through large transactions in a short timeframe that could impact the market. Per our *Investment Guide*, our definition of cash includes short-term securities such as deposits, bank bills and short-term bonds that are issued by governments and companies.

### **9.12 I am more interested in good performance than in 'ESG' goals or 'climate change policies'. How do I ensure that AustralianSuper is investing in profitable businesses with good returns (including, and perhaps especially, mining and fossil fuels)? Which reports do not hide the actual stocks invested in?**

Our purpose is to help members achieve their best financial position in retirement. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. We manage over \$341 billion on behalf of over 3.4 million members (as at 30 June 2024) who have diverse values, preferences and attitudes when it comes to investing, which is why we have a variety of investment options for members to choose from. Our portfolio holdings disclosure provides details of all of our holdings: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **9.13 With the mining sector taking a dive, how is that affecting the fund and where will you focus your future investments on?**

Our portfolio managers don't focus on investing in specific sectors – they seek to select high-quality, well-managed investments that have the potential to outperform the market over the long run. The investment teams perform deep fundamental research and analysis of companies, industries and economies and seek to invest in high quality businesses with sustainable competitive advantages. We invest to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries and securities.

### **9.14 Australian Super is doing pretty well in the Accumulation phase, however, is not even making top 10 in returns in the retirement phase. Can you explain why please.**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance. With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

The main difference between the Balanced option for Super and Choice Income accounts is the treatment of tax, where investment earnings for members in the pension phase are generally not taxable. They otherwise have the same structure, strategic asset allocation, holdings and investment objectives. Therefore, for the same option when they have positive returns, Choice Income options outperform Super options due to lower tax treatment for the Choice Income option.

The Balanced option for Choice Income accounts has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Pension Fund Crediting Rate Survey – SRP50 Balanced (60–76) Index. It's worth noting, the Balanced option performance rankings aren't materially different between Super and Choice Income:

Superannuation\*: 1-year: 35/49 | 10-year: 3/41 | 15-year: 2/30

Choice Income\*\*: 1-year: 36/45 | 10-year: 4/40 | 15-year: 1/25

\*AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey, SR50 Balanced (60-76) Index to 30 September 2024. Returns from equivalent investment options of the ARF and STA super funds are used for periods before 1 July 2006. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

\*\*AustralianSuper Balanced investment option compared to the SuperRatings Pension Fund Crediting Rate Survey, SRP50 Balanced (60-76) Index to 30 September 2024. Investment returns aren't guaranteed. Past performance isn't a reliable indicator of future returns.

### **9.15 What is the current assessment of, and forecast for performance in AusSuper's investment into BCI Minerals/Salt? The CAPEX forecasts appear to be blown out and there is significant question on the feasibility of the project. Please advise the future strategy for this investment.**

AustralianSuper's portfolio managers select securities based on their potential to outperform over the long term. We continue to view the investment as a strong long-term investment for members.

### **9.16 Our family has retirements savings with Aus Super due to above system returns, how confident are you that you can deliver returns above the benchmark as FUM continues to grow?**

As member assets continue to grow, we intend to continue using our size, investment capability and global reach to access opportunities that may not be available to smaller funds. Over time, we expect to add additional exposure to private market assets — like private equity, infrastructure and private credit – with the intention of enhancing long-term risk-adjusted returns. Although we are the largest superannuation fund in Australia, there are larger pension funds around the world that we will continue to watch to understand how they have scaled effectively and maintained performance.

### **9.17 Could you confirm if funds (such as ethical) will lend money to firms it wouldn't consider buying shares of and if so what the logic of that is,?**

We don't classify our investments as being 'ethical investments/non-ethical investments'. We integrate ESG considerations in our investment decision-making through the lens of creating better long-term returns for members. We invest in a diversified portfolio of assets across different sectors of the economy, including the fossil fuels and gambling industries. The application of our ESG and Stewardship program varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers or whether our investment is actively or passively held. We know members have diverse personal views when it comes to investing, so we have a range of investment options for members to choose from, including the Socially Aware investment option. We also publish details of our holdings on our website every six months:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in).

### **9.18 How has the high risk fund performed over the last year, what events have impacted performance and what strategy will be employed in the coming year?**

The High Growth option returned 10.20% for Super accounts and 11.25% for Choice Income accounts for the financial year ending 30 June 2024.

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed

shares, compared to peer funds, we have seen a short-term impact on our relative performance. However, an improved outlook led to a moderate increase in our exposure to growth assets, like listed shares, during the second half of FY24.

The High Growth option will continue to invest in a wide range of assets with a high focus on growth assets, offering more exposure to assets like listed shares. With improving economic conditions we're continuing to review and adjust the portfolio and maintaining a moderate increase in our exposure to growth assets like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

#### **9.19 What steps will be taken to improve the investment returns so that Aust Super returns to the top 20 Money magazine listed funds?**

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions, we're continuing to review and adjust the portfolio.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.20 Keen to receive the fund investment strategies on emerging markets such as India**

AustralianSuper invests to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means that our holdings include exposure to a variety of industries, securities and geographies. As at 30 June 2024, the Fund had about 5% of assets invested in emerging markets. This includes a significant ongoing investment in the National Investment and Infrastructure Fund of India (NIIF). For more information about specific investments, please refer to our Portfolio Holdings Disclosure for a full list of securities where the Fund is invested:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

#### **9.21 What actions Australian Super is taking to bring back the returns on the Balanced Portfolio to be within the top 5 performers?**

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions, we're continuing to review and adjust the portfolio.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.22 What's your strategy for high growth investments in the next five years.**

The High Growth option invests in a wide range of assets with a high focus on growth assets, offering more exposure to assets like listed shares relative to the Balance option. The *Investment Guide* discloses the strategic asset allocation for each investment option: [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide)

With improving economic conditions, we're continuing to review and adjust the portfolio. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

#### **9.23 What is your current risk tolerance to investing in the housing market**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens. We support finding real and scalable solutions to Australia's housing supply challenges and believe we can be part of a broader solution while still delivering on our purpose for members. That's why, in 2020, the Fund made a cornerstone investment in specialist housing developer Assemble.

This was a landmark investment for the Fund, advancing members' best financial interests and facilitating build-to-rent-to-own (BTRTO) housing – a rental pathway to housing ownership. In the four years since, AustralianSuper has committed nearly \$500 million to a pipeline of five Assemble housing development projects.

You can read more about this investment in the Annual Financial Report:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

#### **9.24 Is it the intention of Australian Super to quarantine climate change related investments in specific investment options so that I am only exposed to them by choice?**

With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as fossil fuels. For more details on the exclusion of companies involved in the production of tobacco products, see our *Investment Guide*.

Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential.

All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

AustralianSuper believes that, in most instances, advocating for change through stewardship activities will result in better outcomes on ESG issues than divestment. AustralianSuper has committed to achieving net zero emissions by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals.

Our approach to managing climate change risks and opportunities and the net zero transition in the portfolio includes the way we invest and our actions as owners. We're also monitoring progress towards our net zero commitment through our internal carbon tracking activities.

You can read more about our approach to managing climate change risk in our *Climate Change Report*, available at [australiansuper.com/investments/how-we-invest/climate-change](https://australiansuper.com/investments/how-we-invest/climate-change)

#### **9.25 To the CEO, What is your immediate key factors and changing of tac in optimising funds to get a more beneficial outcome for investors? Furthermore, where are you concentrating growth outcomes in the next 6-12 months?**

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions we're continuing to review and adjust the portfolio.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.26 What is the average rate of return that yo are aiming to achieve in your balanced investment option over the next 10 years?**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **9.27 Australian Super investment performance compared to other funds appears to be declining. What is being done to address this?**

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions we're continuing to review and adjust the portfolio.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

### **9.28 What is the strategy when market is going down ?**

Market ups and downs are a normal part of investing. While downturns can be unsettling, they can provide opportunities for active managers like AustralianSuper to invest in assets that we believe are mispriced relative to our cyclical and longer-term views, as well as in a mix of quality assets globally. This can help deliver strong long-term performance. As we progress through market cycles, we manage the portfolio accordingly. It's important to remember, super is a long-term investment.

### **9.29 Can you detail the strategy behind the broad acceptance of risk from the private equity fund managers**

Private equity has been one of AustralianSuper's top-performing asset class over five and ten years, delivering average annual returns of more than 10% and 12% during that period, respectively (as at 30 June 2024). The private equity portfolio is positioned with the goal of achieving strong returns and delivering a premium over listed equities over the longer term. Our investment approach includes investing with General Partner's funds, co-investing alongside them and co-underwriting investments.

### **9.30 That is the spread of asset class in the balanced fund? How will you divest underperforming assets?**

AustralianSuper invests to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio with exposure to a variety of asset classes. For more information about the strategic asset allocation of each investment option, please refer to:

[australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice](https://australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice)

Our Investment team actively manages the Fund's portfolio. We have an investments governance process in place to review assets that may not be achieving their objectives.

### **9.31 I'm a long time happy AustSuper member. The power play of the fund was always the MySuper option. Its consistency was amazing. But in the last three years it's gone from rooster to feather duster. Its long run returns are strong but the last three FY returns have been very weak. What's going on?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

### **9.32 Why are you not the top performing industry fund?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

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When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

### **9.33 What are the key investments for the future?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

### **9.34 What kind of financial performance and overall growth % to our super balance, we can expect for the next 3-4 years horizon?**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **9.35 With the current challenging environment, what are the sectors that have massive impact to the current investments? And the strategies that are placed to mitigate loss.**

AustralianSuper invests to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means our holdings include exposure to a variety of geographies, industries and securities, which helps to avoid overconcentration in the portfolio and mitigate the potential impact of any single investment. For more information about specific investments, please refer to our Portfolio Holdings Disclosure for a full list of securities where the Fund is invested:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **9.36 What's the rough split between passive and active management in the Balanced Fund also what's the split between inhouse and external management??**

As at 30 June 2024, about 4% of the Balanced option is invested in passive strategies. We believe an active management approach is the best way to invest. That's why we select specific sectors, assets and stocks that we

believe will outperform the broader market. This is supported by quality research, experienced investment specialists and a disciplined investment process.

We also use index managers in some options to lower overall portfolio costs or where active management opportunities are smaller.

We manage a range of asset classes internally – over 55% of all member assets as at 30 June 2024 – and our goal is to do more of this over time. This strategy aims to deliver significant cost savings, which will go back to members in the form of better net returns.

### **9.37 How do you deal with the investment in SYR, as a biggest holder in that company?**

AustralianSuper's portfolio managers select securities based on their potential to outperform over the long term. Once we own a security, we use our rights and responsibilities of being a large shareholder to communicate our investment interests to companies in a way that is consistent with maximising long-term value. We seek to influence listed companies through our engagement and voting activities.

Our stewardship approach is available at:

[australiansuper.com/investments/how-we-invest/esg-management](https://australiansuper.com/investments/how-we-invest/esg-management)

### **9.38 When comparing Australian Super Balanced fund performance, it appears that the ranking has deteriorated over the last say ten years. Please explain.**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20\* years: 2

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

Compare super funds on our website for more details: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

\*Returns from equivalent options of the ARF and STA super funds are used in calculating return for periods that begin before 1 July 2006.

### **9.39 Please confirm the valuation methodology for holdings of private equity and private credit.**

The valuations of AustralianSuper's investment assets are updated regularly and in accordance with approved accounting standards and other applicable regulatory guides. This article provides information about our valuation process:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

This unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

The *Annual Financial Report* provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

### **9.40 Why has the Aust Super performance for last 3 years been poor compared to other leading funds. 10 years performance on par - last 3 underperforming compared to Other top funds. Why?**

Our Investment team actively manages the portfolio based on the Fund's outlook for the economy and investment markets. For the 18 months to 31 December 2023, we believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. During this time, many of the PreMixed options, including the Balanced option, were more defensively positioned. This meant that the portfolios had less exposure to listed shares and higher exposure to more defensive assets like fixed interest compared to our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions, we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, unlisted infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

### **9.41 How is the Balance Sheet? Going Forward Do Australia Super see any opportunities for Merger Acquisitions - Either buy another fund out,, Or buy an asset - cattle farm for example..Thanks**

You can find more about our Balance Sheet in the Annual Financial Report:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

AustralianSuper invests to help members achieve their best financial position in retirement. Consistent with this purpose, we invest in a diversified investment portfolio. This means our holdings include exposure to a variety of geographies, industries and securities. Several themes are shaping the investment opportunities that are available when investing in real assets such as infrastructure and property. These include digitisation, energy transition, estates, toll roads and transport logistics. For more information about specific assets in which we are invested, please refer to our Portfolio Holdings Disclosure: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in).

Regarding mergers, we are continually looking for opportunities to scale, organically and inorganically, to provide the benefits of scale back to members.

### **9.42 Where are international shares invested? , as the daily credit rates for international shares often do not reflect the daily international stock market indices, particularly the U.S stock market**

There are two primary reasons why the performance of the International Shares investment option would be different from the performance of a single-country benchmark.



It is important to compare investment option performance to the appropriate benchmark based on similar characteristics and investment exposures. The International Shares investment option's benchmark is the MSCI All Country World ex Australia Index adjusted for tax. While the investment option does have about 60% invested in US shares, it is also diversified among other countries around the world, which makes its investment exposure broader than that covered by a US benchmark.

An additional factor is currency. US benchmarks, such as the S&P 500 Index, are priced in US dollars. The International Shares investment option is priced in Australian dollars. Any currency movements would adjust the performance of an international security when translated into Australian dollars.

Portfolio holdings disclosure has a full list of securities where the International Shares option is invested:

<https://www.australiansuper.com/investments/what-we-invest-in>

#### **9.43 What lessons has Australian Super learnt from the past few years of weaker performance relative to its Industry Super Fund competition?**

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With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.44 Australian Super performance has declined compared to other funds e.g ART. Why?**

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The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

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10 years: 3

15 years: 2

20\* years: 2

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

Compare super funds on our website for more details: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

\*Returns from equivalent options of the ARF and STA super funds are used in calculating return for periods that begin before 1 July 2006

#### **9.45 Could you please explain more detail about investment in private equity**

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 30 June 2024). Looking ahead, we intend to allocate more to unlisted assets, like private equity, which we believe have strong relative risk-adjusted return potential to help deliver sustainable, long-term performance for members. Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term, while providing stability in your returns during times of market volatility.

#### **9.46 My Super measured against the ASX seems to have done less well the last financial year compared to earlier years. Can you explain please?**

Since the Balanced option invests in a mix of assets, it is not a suitable comparison to benchmark it against an index that is 100% equities, such as a stock market benchmark like the S&P/ASX 300 Index or S&P/ASX 200 Index.

The returns of the PreMixed options, like the Balanced option, reflect the returns of the underlying asset classes that are held in the portfolios, which include Australian shares, international shares, private equity, property, infrastructure, credit, fixed interest and cash. This diversity of exposures enables the investment options to meet their long-term investment objectives while providing a reduced level of portfolio volatility compared to investing in a single asset class such as Australian or international shares.

#### **9.47 How is Australian super managing member's risk when electing for different investment options. Could you provide outlook on reducing risk in the future and discuss trends from the past.**

We recognise that members have a variety of investment objectives and views about risk. This is why AustralianSuper offers a range of investment options that have different levels of potential return and volatility: [australiansuper.com/investments/your-investment-options](https://australiansuper.com/investments/your-investment-options)

You can also read more here:

[australiansuper.com/investments/investment-articles/2024/04/compare-investment-options](https://australiansuper.com/investments/investment-articles/2024/04/compare-investment-options)

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets, and our focus remains on positioning the investment portfolios to deliver the best outcome for members over the long term. The asset allocation and investment approach of each investment option considers the investment objective of the option, the long-term return forecasts of assets, investment cost and risk of each asset class. In the PreMixed options, we adjust the overall risk level of the options based on our analysis of the economic and investment environment.

#### **9.48 Why has AS performance deteriorated so much?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24 when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.49 Why is AS performance deteriorating**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

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When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.50 How do you see the Chinese economy performing over the next 2-3 years and what impact is that having on your investments in the Asian region.**

China is the second largest economy in the world and is a significant trading partner with Australia. Our Investment team has researched the macro-economic policies, consumer trends and potential growth drivers in China. Low consumer confidence levels and depressed property market conditions are having an impact on the current China economy. We are monitoring the implementation of economic policies to build our future market expectations in China.

#### **9.51 The net of fees investment returns by Australian Retirement Trust & Unisuper are consistently trending higher causing thoughts of switching. When decision to have investment teams in house rather than pay high fees to external fund managers was made, it was expected that net of fees return would be higher after due consideration to risk management. Please explain. Tnx**

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When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

### **9.52 How does AS undertake horizon scanning to invest in emerging technology (public) companies ahead of the trend**

As an active manager, we closely follow emerging trends and monitor specific companies and the broader economic environment to invest opportunistically. For example, we have been following developments in AI and its impact on productivity, company earnings and investment markets more broadly. This current era is reminiscent of past periods when significant technological advancements have led to substantial growth and investment opportunities. We are actively capitalising on this trend by increasing our allocation to equities, with a keen focus on Australian and international technology stocks. We believe that AI will continue to be a key driver of market growth, and our strategic shift in investment approach is designed to harness these gains. Our commitment to members is to deliver strong long-term investment performance. Recognising the potential of AI, we're positioning ourselves to invest in opportunities that have the potential to grow your savings.

### **9.53 What is the outlook for you privately held assets?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term. Looking ahead, we intend to allocate more to unlisted assets, like private equity, which we believe have strong relative risk-adjusted potential to help deliver sustainable, long-term performance for members. Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

### **9.54 Which key sectors does the Board and Senior Management Team foresee as positive financial investments for shareholders and super holders within Australian Super?**

As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio.

### **9.55 Please explain what is being done to improve performance relative to peers for similar risk**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

### **9.56 What's the exposure of AusSuper to unlisted assets ( % of specific portfolios )and what's the valuation risk management process in place .**

The Balanced option had more than 25% invested in unlisted assets as at 30 June 2024. The valuations of AustralianSuper's investment assets are updated regularly and in accordance with approved accounting standards and other applicable regulatory guides. This article provides information about our valuation process:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

This unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

The *Annual Financial Report* provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

#### **9.57 What exposure does Australian Super have to commercial office real estate?**

Many of the PreMixed options have exposure to commercial office real estate. Our portfolio holdings disclosure provides a list of these assets available at:

[australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

#### **9.58 Investment performance, strategy, fees, policy, economic outlook**

We provide a range of investment updates to members, including the following:

Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Video updates and bi-annual member webinars about investment performance:

[australiansuper.com/investments](https://australiansuper.com/investments)

Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

#### **9.59 Do you have any plans to have more transparency regarding the investment strategy and the next level of detail on an ongoing basis. If you are expecting changes in economic conditions in the coming months, how are these plans being adapted?**

We provide a range of investment updates to members, including the following:

Annual member statements and quarterly Member Fund Update emails

Quarterly investment performance articles:

[australiansuper.com/investments/investment-articles](https://australiansuper.com/investments/investment-articles)

Video updates and bi-annual member webinars about investment performance:

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Messages from the Investment Committee Chair and Chief Investment Officer in the Annual Report:

[australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

Members can also see the performance of AustralianSuper's investment options on our website:

[australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

As always, we welcome members' feedback on how we can improve our communications approach and engagement.

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances,

such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions, we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, unlisted infrastructure and private credit.

#### **9.60 Why has Australian Super underperformed the benchmark in almost all categories for 1 and 3 year returns and dropped out of the list of top performing funds? Can we expect this situation to continue?**

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With improving economic conditions, we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20\* years: 2

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

Compare super funds on our website for more details: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

\*Returns from equivalent options of the ARF and STA super funds are used in calculating return for periods that begin before 1 July 2006.

#### **9.61 Do you have any specific plans for your US investment policy in the event of a Trump victory in the forthcoming presidential election?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

## **9.62 What is predicted forecast of financial status of the fund.**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

## **9.63 Australian Super Investments in the commercial real estate area (domestic/international) & in Private Credit are not performing ( according to AFR news reports). If true, what is the projected/anticipated hit to our returns in the current year ?**

Our investment exposure to retail and office properties has faced headwinds over the last five years with reduced rental incomes and higher interest expenditures. The valuations of these assets have been updated based on revenue and operational conditions. Any revaluations undertaken during the 2024 financial year would have been captured then and will not impact members' future earnings in the current financial year. The exposure to retail and office property investments has been reduced over the years in favour of investment opportunities in mixed-use estates and development properties. Our portfolio holdings disclosure provides details of our holdings: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

## **9.64 What is the overall mandate for offshore asset allocation?**

Each investment option holds assets with the aim of achieving its investment objectives. While there is not a specific investment target for offshore assets, AustralianSuper invests in several asset classes that have international exposure, including international shares, private equity, infrastructure, property, credit and fixed interest. As at 30 June 2024, about half of AustralianSuper's total investments are in international assets.

As one of the largest pension funds in the world, investing overseas allows us to expand our investable universe and reduce the Fund's portfolio concentration risk in Australia. By 2030, we expect \$7 out of every \$10 of new inflows will be invested outside of Australia to help deliver the best net returns for members.

For more information on the strategic asset allocation of the PreMixed options, see the *Investment Guide*: [australiansuper.com/InvestmentGuide](https://australiansuper.com/InvestmentGuide)

## **9.65 Approach to hedging overseas equity and fixed interest.**

In the PreMixed options, currency is managed at the option level, with foreign currency exposures set for each option.

See the *How we manage currency* fact sheet:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-we-manage-currency.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-we-manage-currency.pdf)

In the DIY Mix options, the International Shares option is unhedged, while in the Diversified Fixed Interest option, the foreign currency exposures are hedged.

## **9.66 1. Why Australian Super does NOT appear in the list of best performing funds inn Money Magazine ?. 2. How does the performance of the Balance fund compare with the Bench mark in the last 3 years ? 3. What steps are being taken to improve the performance of the Balanced fund??**

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As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

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20\* years: 2

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

Compare super funds on our website for more details: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

\*Returns from equivalent options of the ARF and STA super funds are used in calculating return for periods that begin before 1 July 2006.

### **9.67 How is the value of private assets calculated? (public asset prices are listed i.e. stocks, bonds etc)**

The valuations of AustralianSuper's investment assets are updated regularly and in accordance with approved accounting standards and other applicable regulatory guides. This article provides information about our valuation process:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

This unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

The *Annual Financial Report* provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

### **9.68 Is the investment performance bit struggling this year?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.



When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.69 Is precious metals (Gold, Silver) something you are looking at more closely now?**

Currently, AustralianSuper does not invest directly in gold. However, members can access investments in ETFs that have exposure to commodities such as gold through the Member Direct platform: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/guides/member-direct-investment-menu.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/guides/member-direct-investment-menu.pdf)

#### **9.70 Given the current trend of rising interest rates, what is the strategic investment plan, and how will these changes positively impact the members' returns and overall financial growth?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

#### **9.71 What's strategy to unlisted assets**

Unlisted assets are an integral part of member investment options as they can provide diversification, relative return stability, better risk-adjusted returns and a long-term focus. Several themes are shaping the investment opportunities that are available when investing in real assets. These include digitisation, energy transition, estates, toll roads and transport logistics.

Additional exposure will be added to unlisted assets over time as investment opportunities arise. We expect that unlisted assets may outperform listed equivalents over the medium to longer term.

This unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

#### **9.72 given the China eco downturn, will Aussie Super continue to invest**

Our direct investments in China are about \$2.5 billion of total assets, or less than 1% of total assets, as at 30 June 2024. Most of these investments are in international shares, where we hold a weight that is in line with the equity benchmark. There are no current plans to divest from China.

#### **9.73 How much money has been invested in private equity and safeguards are in place to protect these funds given the opaque nature of private equity?**

The Balanced option had approximately 5% invested in private equity, as at 30 June 2024. Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 30 June 2024). To enhance our risk mitigation, we are reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

The valuations of AustralianSuper's investment assets are updated regularly and in accordance with approved accounting standards and other applicable regulatory guides. This article provides information about our valuation process:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

This unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

The *Annual Financial Report* provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

#### **9.74 What are the key strategies over the next 5 to 10 years to ensure good returns and low fees?**

We expect the future to be different from the past ten to 30 years. Key investment themes that may affect the economy and markets include technological change, the energy transition, geopolitical risks and higher structural interest rates. Outcomes to some of these factors mean that companies could face higher costs as well as there may be more inflation risks due to changes in the supply chain, higher demand for capital, and government fiscal policies. As part of our investment process, we incorporate the changing economic and investment landscape into our investment decisions and seek to add assets to the portfolio that have the potential to grow member's balances over the long term.

A key input into our investment planning is the goal to deliver outperformance while optimising investment and transaction costs in the portfolio. AustralianSuper seeks to outperform peer funds while managing costs within the portfolio.

#### **9.75 Will there be an increased focus on private debt and, if so, what are the consideration in terms of interest rates expectations**

We continue to view the private credit asset class as playing an important role within the broader diversified portfolio. We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that unlisted assets are expected to outperform listed equivalents over the medium to longer term.

As the higher interest rate regime slowly changes and economic conditions improve, we're continuing to review and adjust the portfolio. Over time, we expect to add additional exposure through private market assets, like private credit. We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility.

#### **9.76 There's been talk in the media about industry super funds backing away from investing in build to rent because of poor returns. Given the scale of the domestic housing crisis, is there scope to offer products with suboptimal returns for those of us members who want to play an active role in building more social, cooperative and affordable housing?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens. We support finding real and scalable solutions to Australia's housing supply challenges and believe we can be part of a broader solution while still delivering on our purpose for members. That's why, in 2020, the Fund made a cornerstone investment in specialist housing developer Assemble. This was a landmark investment for the Fund, advancing members' best financial interests and facilitating build-to-rent-to-own (BTRTO) housing – a rental pathway to housing ownership. In the four years since, AustralianSuper has committed nearly \$500 million to a pipeline of five Assemble housing development projects.

You can read more about this investment in the Annual Financial Report:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

#### **9.77 Prediction on investment performance, outlook and other relevant subjects**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the

portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

#### **9.78 What is the investment strategy used in the DIY area for Australian and International shares?**

In the Australian and international shares portfolios, our portfolio managers seek to select high-quality, well-managed companies that have the potential to outperform the market over the long run. Our portfolio managers perform deep fundamental research and analysis of companies, industries and economies. They seek to invest in high-quality businesses with sustainable competitive advantages.

#### **9.79 When will you stop investing Capital in Syrah (SYR) ? Seems like a lost cause to me.**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor in assets, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Over the long term, we have the view that the potential returns from investing in Syrah Resources Limited are commensurate with the risk of the investment.

#### **9.80 When will we see better performance on investments? Do investments need to be changed/addressed?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.81 Investment performance has been consistently going down in last 3 or more years. What is the fund doing to fix this?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances,

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### **9.82 Given the current economic climate and global uncertainties, how is Australian Super planning to adapt its investment strategy to ensure continued growth and sustainability for its members in both the short and long term?"**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

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We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks including geopolitical issues.

### **9.83 What is the strategy to poise Aussuper for the economic turning point to possible lower interest rate?**

As the higher interest rate regime slowly changes, we believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

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We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are dealing with interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

### **9.84 How will Australian Super increase earnings and stability in the coming year for members? Thank you for your ongoing efforts.**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

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We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological

developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

### **9.85 What changes have been made to Investment Process over the last 12 months?**

With improving economic conditions, we've continued to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

### **9.86 What's your investment strategy in the next interest rate cycle?**

As the higher interest rate regime slowly changes, we believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are dealing with interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

### **9.87 Australian Super's 1-year performance for Cash Option was 4.3% to 30 June 2024. This figure was approx 0.5% lower than the term depot rate in most Australian Banks over the same 1-year period. Please explain why this was so when, presumably, Aust Super would not have had significant management or administration costs.**

The Cash option's investment objective is to beat the return of the Bloomberg AusBond Bank Bill Index over one year. The option has achieved this objective over the 2023/24 financial year.

The Cash option holds a diversified blend of short-term money market instruments with a range of terms and maturity dates. As the money market instruments in the Cash option mature, they can be reinvested in securities at current market interest rates.

Differences in the returns between money market securities and the rate that banks pay to savers are due to the structure of the financial market. The RBA official cash rate target is a basis for short-term interest rates. Supply and demand for each of the money market instruments also impact the rate of return on each security. Money markets include the cash, repo, bank bills, FX swaps and Treasury Notes markets. These markets provide banks and other entities with access to short-term funding and offer investors liquid, short-term instruments that are issued by highly rated counterparties. As a comparison, the rates that a bank pays on deposits is dependent on supply and demand and the bank's discretion to attract deposits from households and businesses. Since deposits are the main source of funding for banks, they will adjust rates paid to savers and lending rates to maintain profitability and competitiveness.

**9.88 - Are there any legislative requirements that dictate how frequently superfunds must revalue their unlisted assets? If there is no such legislation, how frequently does AustralianSuper conduct these revaluations? In addition, with recent reporting on the infiltration of organised crime into CFMEU and AustralianSuper's close relationship with the union movement.**

For more information about our valuation process, please read this article:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

This unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

You may also like to view the *Annual Financial Report*, which provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

AustralianSuper does not pay money to unions for political purposes or donations, but we do buy services from a range of organisations, some of which are unions.

**9.89 What does an Australian economy and investment market look like medium term post mining boom?**

We believe that economic indicators suggest there is a higher potential for the economy to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term. The Reserve Bank of Australia (RBA) indicated that inflation has fallen substantially since the peak in 2022, but they have yet to follow other central banks in cutting interest rates. Even if the RBA keeps the cash rate unchanged for the time being, we may see the positive influence of lower global policy rates on our market.

**9.90 What strategy do you have to improve the investment returns**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the Balanced option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance. With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

**9.91 How are you accounting for global investment risk in current environment and how are you making sure less liquid assets pricing is accurate ?**

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term. We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility. This includes examining how central banks and economies are coping with higher interest rates, how technological developments like AI impact productivity, company earnings and investment markets, and potential risks, including geopolitical issues.

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[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

### **9.92 Growth of Australian super high growth funds have been lower than other funds with growth of 15-20%. What is the strategy for FY25 to improve returns for members**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

Compare super funds on our website for more details: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

### **9.93 I'm a young person still a long way from retirement, and I've been advised that a high-growth option is best suited for someone in my position. While AustralianSuper is a leading fund for balanced options, I've noticed that it doesn't rank in the top 5 for high-growth funds. Given that AustralianSuper has one of the largest memberships and manages a significant amount of money, I'd expect it to be a leader in high-growth investment options. Could you explain what AustralianSuper is doing to improve its high-growth offerings and how it plans to stay competitive in this space?**

The Investment team actively manages the portfolio based on our outlook for the economy and investment markets. In FY23–24, when interest rates were rising, our Investment team believed the chances of economic slowdown were heightened, which would negatively impact listed share market performance. This led to more defensive positioning of many of the PreMixed options, including the High Growth option, resulting in a lower exposure to listed shares compared to some of our peers. In contrast, domestic and international share markets delivered strong returns over the period. This was largely due to buoyant consumer spending and technology advances, such as AI, which provided solid earnings growth for listed companies. Because of our lower weighting to listed shares, compared to peer funds, we have seen a short-term impact on our relative performance.

With improving economic conditions we're continuing to review and adjust the portfolio. This has meant a moderate increase in our exposure to growth assets, like listed shares, during the 2024 calendar year. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

You can find out more information about our various investment options and how they can help you achieve your best financial position in retirement: [australiansuper.com/investments/your-investment-options](https://australiansuper.com/investments/your-investment-options)

#### **9.94 Can you please share your view on the forecasted fund performance and return for Australian Super as a whole and by each sector?**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

#### **9.95 Why do you not have gold or a gold etf of some sort as an investment option? Safe investments are only limited to "cash". All other investments decline during underperformance economic times (incl fixed interest, which is odd) - allowing members alternative safe haven investments should be an investment option, and to be able to select gold in some form of investment would be helpful.**

Currently, AustralianSuper does not invest directly in gold. However, members can access investments in ETFs that have exposure to commodities such as gold through the Member Direct platform: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/guides/member-direct-investment-menu.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/guides/member-direct-investment-menu.pdf)

#### **9.96 How has the Investment in the Honolulu shopping Center been progressing**

Consumer demand and retail foot traffic are showing signs of improvement, which supports retail property assets like Ala Moana. The valuation of Ala Moana has been updated to reflect current investment and economic conditions.

#### **9.97 Will Australian Super invest in AI?**

The technology boom, particularly in the field of Artificial Intelligence (AI), is a megatrend that is impacting economies and investment strategies globally. This era is reminiscent of past periods when significant technological advancements have led to substantial growth and investment opportunities.

The AI revolution is akin to the Industrial Revolution or the advent of the internet and mobile phones, which heralded long-term productivity gains and economic growth. At AustralianSuper, we are actively capitalising on this trend by increasing our allocation to equities, with a keen focus on Australian and international technology stocks. We believe that AI will continue to be a key driver of market growth, and our strategic shift in investment approach is designed to harness these gains.

As a Fund, we are leveraging AI not only for our investments but to internally increase our productivity. We are implementing AI to drive better-informed decisions and create better member experiences. It also frees up time for staff to focus on higher-value tasks.

Our commitment to members is to deliver strong long-term investment performance. Recognising the potential of AI, we're positioning ourselves to invest in opportunities that have the potential to grow your savings.

#### **9.98 Risk incl losses v Returns: Private Credit**

We continue to view the private credit asset class as playing an important role within the broader diversified portfolio. We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that unlisted assets are expected to outperform listed equivalents over the medium to longer term.

As the higher interest rate regime slowly changes and economic conditions improve, we're continuing to review and adjust the portfolio. Over time, we expect to add additional exposure through private market assets, like private credit. We continue to monitor economic and market conditions to consider how we can best position the portfolio to balance growth opportunities with diversification and provide stability during times of market volatility.



### **9.99 What is your estimate for performance of gains over the next three years time.**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **9.100 What's the fund's outlook on Ev and Lithium industry for the long term. What is the exposure as a % into this industry.**

Within the portfolio, AustralianSuper does invest in assets that support the supply chain and production of electric vehicles. As at 30 June 2024, the Fund had roughly \$13 billion invested in the Australian critical minerals industry, which we believe will play an essential role in leading Australia's energy transition.

### **9.101 Does Australian Super have any mechanism in place to minimise any considerable downward financial loss in member portfolio should a financial global situation arise - ie stop losses on share portfolios so portfolio does not move below previous year figureetc.**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor in assets, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option.

The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

### **9.102 how do you rebalance the investment options while the market is volatile? and how often do you rebalance the profile ?**

Rebalancing is undertaken primarily for the purpose of risk management. Investment exposures are managed consciously to target levels to ensure that an appropriate amount of risk is taken in each PreMixed option. The portfolio weights in the PreMixed options are monitored daily by the Investment team and compared against the rebalancing ranges for each asset class. If a rebalance is required, the team will coordinate the rebalancing process while considering the impacts of rebalancing costs and tracking error. The level of rebalancing needed is affected by the relative market returns of asset classes and member-directed cashflow. By netting these impacts into a single rebalancing decision, we can minimise transaction costs.

### **9.103 What steps is Australian Super putting in place to prevent another Pluralsight education start-up loss?**

We are extremely disappointed by the outcome at Pluralsight. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

To enhance our risk mitigation, we have made several changes to the strategy going forward, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

**9.104 I'd like to hear about Australian Super's investment in Private Equity/Private Credit, particularly given the recent \$1bn+ write off relating to Pluralsight. I understand the value of a diversified portfolio to offset losses such as this, and I understand higher risk = higher reward, but I'd like to hear about future % allocation to this asset class - is it going to increase significantly or remain close to current levels? Note: I am in the High Growth option, which has the greatest allocation at 6% of portfolio, but obviously the question holds true for all portfolios exposed to this asset class.**

We are extremely disappointed by the outcome at Pluralsight. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

To enhance our risk mitigation, we have made several changes to the strategy going forward, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

Looking ahead, we intend to allocate more to unlisted assets, like private equity and credit, which we believe have strong relative risk-adjusted potential to help deliver sustainable, long-term performance for members.

**9.105 Who is responsible for the Pluralsight investment failure, how many other Pluralsight type investments are held and what does the fund consider to be an appropriate level of risk investing in unlisted tech assets and private credit?**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

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**9.106 Approx 1billion was reported in the AFR and 3 other sources. Isn't private equity, venture capitalism and the tech sector a bit overheated and overvalued at the moment? Only 2% increase ytd so nothing like the 8% from previous years (balanced fund). Shouldn't you be more CAREFUL with OUR MONEY ??**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

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### **9.107 What happened with the Pluralsight venture capital investment and how can we trust this won't repeat?**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

### **9.108 How are my and other member super's going to recover from the \$1.1billion write off in Vista (Pluralsight), all while super fees keep increasing?**

We are extremely disappointed by the outcome at Pluralsight. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

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Investment fees and costs include a range of expenses incurred, which include internal and external management costs, as well as custody, derivative, audit and administration costs relating to investments. These costs can vary from year to year and have trended lower over the past seven years due to the reduced cost of internal management and benefits of scale as member assets increase. This financial year had relatively small changes to fees and costs in each of the components for the Balanced option. The fees and costs include the costs across every asset class held in the portfolio.

### **9.109 Explain the AustralianSuper's \$1.1b Pluralsight loss and any impacts it will have on members.**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

### **9.110 Why is Australian Super investing so much in one private equity scheme - as a percentage of the whole member holdings eg billion Pluralsight loss. Why is AustralianSuper investing in build to rent when current build cost is \$800,000 per proptry BEFORE holding costs and anticipated increase in building costs with a 5 year horizon for these properties?**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens. AustralianSuper supports finding real and scalable solutions to Australia's housing supply challenges. We believe we can be part of a broader solution while delivering on our purpose for members.

### **9.111 Why did you lose 1 billion dollars of our money chasing dodgy unlisted investments**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members.

Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

AustralianSuper takes controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **9.112 How does your 1.1billion loss affect us**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

#### **9.113 One of the investments we were invested in went into receivership and cause a loss of over \$1billion. How will this effect the returns this financial year?**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

#### **9.114 Can Australian Super advise the impact of the recent \$1B investment loss through Vista Equity Partners on member returns for this financial yearloss**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

#### **9.115 This year Australian Supa invested with an American learning institute, suffered a substantial loss. Can you please provide details and the likelihood of any recovery of investment from the Administrator. Thank you.**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **9.116 What went wrong with the investment loss of 1.1billion our money?**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **9.117 Please elaborate on how outcomes from investments in 'Pluralsight' will affect returns for people selecting the 'balanced' option on their portfolios in the next 12 months, the medium and next 5 years. Please also elaborate if there are other similar outcomes expected and if there are anticipated market conditions that may have an adverse impact and the severity of such impacts. Thanks.**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However, our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

#### **9.118 Given the recent \$1.1billion capital write-off in US private credit, was measures have the AustralianSuper investment team implemented to mitigate this risk in future and reduce exposure to these positions?**

We are extremely disappointed by the outcome at Pluralsight. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

To enhance our risk mitigation, we have made several changes to the strategy going forward, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

#### **9.119 What lessons did Aust Super learn from purchase and subsequent \$1b+ right off?**

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Looking ahead, we intend to allocate more to unlisted assets, like private equity and credit, which we believe have strong relative risk-adjusted potential to help deliver sustainable, long-term performance for members.

#### **9.120 The billion dollar loss that took place?how does that affect our personal return on our superannuation?**

We are extremely disappointed by the outcome of our investment in Pluralsight. However, it is one investment in the broader private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the Pluralsight valuation was fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

#### **9.121 The impact of the 1billion dollar loss you had on our super**

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#### **9.122 Given the recent write down of member funds of 1.1 billion dollars, can you explain what steps are or have been taken to reduce this kind of loss and what transparency measures are being considered to avoid this kind of future risk.**

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To enhance our risk mitigation, we have made several changes to the strategy going forward, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

We provide regular and transparent disclosure on the Fund's investment holdings and updates on the Fund's overall performance at the end of each financial year, including on our website.

#### **9.123 Going forward what measures have you taken to avoid big losses investing such as the recent one with Pluralsight.**

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#### **9.124 Impact to member's funds, and lessons learnt, about the \$1.1 billion loss, as a result of its co-investment in education software group, Pluralsight.**

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**9.125 What was the huge write-down in asset value about that the media reported a couple of months back?**

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**9.126 I heard the Australian Super has lost 1.1 bn, what happened and how are you going to recover it?**

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**9.127 Please explain the \$1.1 billion dollar loss in the Pluralsight investment and how it effected the performance of the Balanced fund and what action Australian super is taking to prevent further losses in such investments. I have concerns over the management team handling such investments**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

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**9.128 steps being taken to reduce future risk on poor investments such as the recent billion dollar loss and the governance being put in place?**

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**9.129 Re the reported \$1.1bn loss from Pluralsight. Could this have been avoided? What are you doing to address APRA's findings particularly the "gaps in board skillset issue" ?**

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AustralianSuper takes controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. We undertake an annual evaluation of our Board's performance, including against its objectives, the skills and culture of the Board, and its composition. We also engage a third-party expert to conduct an independent assessment of the Board at least every three years. Based on the most recent review, we believe that the current structure of the Board (including its composition and the number of Directors) is appropriate to help us deliver the best financial outcomes for members.

**9.130 What happened with \$1.1 billion right off of a failed investment. Very quiet about our lose!**

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**9.131 What learnings on governance from the \$1.1bn investment loss in Pluralsite does AustralianSuper take to avoid future losses?**

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**9.132 What safeguards are exercised prior investment of funds? This is in context of recent investment with a start up in the US that went bad and a billion dollars were lost. Thank you!**

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AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often



dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

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#### **9.133 Please could you explain the impact of the Pluralsight writedowns on balanced fund returns**

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#### **9.134 Please explain the \$1.1Billion investment loss tied to an American online education start-up and how much this loss would have affected members returns**

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#### **9.135 As a member I would like to know how you lost us close to one billion in that failed investment**

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#### **9.136 I know this isn't FY24. However, I would like to hear a full, Open & Honest explanation on why AS lost \$1 Billion of OUR money on an investment that was "heading South" for a long time? What are AS doing to ENSURE that this apparent "failure" never happens again. Super and Pensions are Long Term financial tools and should not have huge risk items that us, the client aren't aware of!**

During 2023, Pluralsight's circumstances changed rapidly due to several unforeseen factors, including the impact of the COVID pandemic, volatile macroeconomic conditions, rising interest rates and increasing competition, which, when combined, have significantly impacted the business and its ability to service its debt.

When it became clear that the company's circumstances had deteriorated significantly, AustralianSuper revalued its investment in Pluralsight. All options to preserve or restore Pluralsight's equity value were explored. However, ultimately, these challenges led to a decision to restructure the company, with 100% of the equity being transferred to the debt holders. We are extremely disappointed by this outcome.

Although these types of situations are rare, they do happen from time to time and reinforce the benefit of a diversified portfolio. While this outcome with Pluralsight is disappointing, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. The valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

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#### **9.137 What was the logic behind the bad investment through Vista Equity Partners into Pluralsight?**

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#### **9.138 Start ups are speculative - what is Investment Risk Management doing to minimise losses like Pluralsight?**

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#### **9.139 I'd like more information about how you list \$1b**

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#### **9.140 Will Australian Super stop investing in speculative start-ups or will you continue to chase the next 'unicorn'?**

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As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

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#### **9.141 Australia Super has invested in an unlisted entity and subsequently written off the value of this investment, please provide details of its impact on member investment account**

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#### **9.142 What risk management steps are in place for investing \$500m in BTRTO projects especially after writing off \$1.1b in equity and loans with Pluralsight**

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#### **9.143 Can you elaborate on the recent report regards a 1 billion loads in a private credit deal loss**

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#### **9.144 Please provide insights about past worst investments in last 5 years including recent over a billion dollar write off.**

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We provide regular and transparent disclosure of the Fund's holdings and updates on the Fund's overall performance at the end of each financial year, including on our website.

#### **9.145 Can you address the recent \$1.1m AUS loss in a US start up & balance it of against what gains AUSTSUPER have made investing in this riskier area**

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**9.146 1) has a review been undertaken on the \$1bil PE in US? What impacts on staff.2) pls describe how unlisted assets are re valued. How often is this done**

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For more information about our valuation process, please read this article:

[australiansuper.com/investments/investment-articles/2023/05/understanding-valuations](https://australiansuper.com/investments/investment-articles/2023/05/understanding-valuations)

This unlisted assets fact sheet provides an overview of AustralianSuper's approach to unlisted assets and how we invest:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/australiansupers-unlisted-assets.pdf)

You may also like to view the *Annual Financial Report* which provides details on the fair value measurement of financial assets and liabilities:

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

**9.147 Can you comment on the more than \$1.1 billion in equity and loans tied to the American online education start up Pluralsight. What due diligence was done prior to investing? What lessons have been learned and what processes are in place to avoid losses like this in the future?**

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**9.148 Is or should Mark Hargraves have a job at Aust. super after overseeing the private equity investment strategy and realising a 1.1 billion\$ loss to the fund. And how long can you keep blaming Covid for that loss.**

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**9.149 Aus Super reported a loss of \$1bn (~1/350th of the funds value) on Private Equity investments. Please detail why, what actions are being taken to ensure this doesn't happen in the future, and is anyone being held responsible?**

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Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

**9.150 Can you provide more information on the \$1B Pluralsight venture capital loss, how can similar losses be prevented in future.**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the private equity portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

**9.151 Given the 1.1 billion loss on Pluralsight, how are you managing risk on the unlisted space? Especially in regards to private equity and private loans?**

We are extremely disappointed by the outcome of our investment in Pluralsight. The investment was overseen by our global team and subject to rigorous oversight. Unfortunately, this was a situation where circumstances changed very quickly. To enhance our approach and risk mitigation, we have made some changes, including reducing the concentration of exposures in the portfolio. We have also grown our team and capability in New York to be closer to the deal flow and build stronger relationships with partners in that market.

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens.

As with any investment, an asset may gain or lose value over time, depending on market conditions. As a long-term investor, the Investment team must consider that the returns generated from an investment are often dependent on the relevant investment horizon for each asset. They also need to think about whether the asset will produce a reasonable return for the risk we take and consider the amount of exposure that we put in an asset in the context of its contribution to the whole portfolio.

We take controlled and deliberate risks within a strongly managed and highly regulated environment. We do this within boundaries defined by the Board's risk appetite and the best long-term financial interests of members to help them achieve their best financial position in retirement. Appropriate exposure to and prudent management of investment risk is essential for achieving the investment objectives of each investment option. The portfolio needs to take sufficient risk to achieve these investment objectives while monitoring the exposure to risk that has potential downside outcomes for the portfolio. Taking this risk means that not every asset in the portfolio will be successful. However our investment approach enables us to dynamically respond to shifting risk profiles, emerging opportunities and interactions between assets in the portfolio to enhance long-term returns.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility

**9.152 How will the fund strategy will affect and increase performance in the next 3 years?**

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, like listed shares. Over time, we expect to add

additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions we're continuing to review and adjust the portfolio.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.153 What is your strategy to get back to being a leading performer within the top tier of super funds?**

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions we're continuing to review and adjust the portfolio.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **9.154 Are you inviting our money to make maximum profits for us?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Hence, we are focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

## **10 Member Direct**

#### **10.1 Will it be possible in the future to seamlessly combine two member direct accounts without having to sell all the equities in one account?**

AustralianSuper currently offers the ability to seamlessly transfer Member Direct investments from super to a new Choice Income account without needing to sell down and repurchase investments, thereby avoiding brokerage fees and avoiding triggering a capital gains tax event. You will need to hold term deposits and/or listed securities in your current Member Direct account in super for this to occur, and you will need to transfer all of your Member Direct investments. Partial transfers are not permitted. For more information, please refer to the Member Direct investment option guide, available at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

#### **10.2 Can you please explain why members in the direct equities option cannot participate in share purchase plans offered to the main fund and what happens to my entitlement if it is taken up by the main fund.**

Share Purchase Plans (SPPs) are generally made available for all direct ASX-listed shares held in the Member Direct investment option. However, if an SPP would result in the holding of any derivative, such as an option to purchase more shares, then AustralianSuper may withhold participation in the SPP as we are not able to hold or manage derivatives in Member Direct. AustralianSuper does not participate in its own right on any SPPs not taken up by members for their holdings in Member Direct.

#### **10.3 Member direct is doing very well for me. While it is a smaller part of my superannuation balance it is outperforming other parts. I would appreciate if I could have access to international shares as well as the ASX options. 2nd a very large NYSE listed EFT is listed on the ASX. I am unable to buy it in member direct.**

Share Purchase Plans (SPPs) are generally made available for all direct ASX-listed shares held in the Member Direct investment option. However, if an SPP would result in the holding of any derivative, such as an option to purchase more shares, then AustralianSuper may withhold participation in the SPP as we are not able to hold or manage derivatives in Member Direct. AustralianSuper does not participate in its own right on any SPPs not taken up by members for their holdings in Member Direct.

#### **10.4 When will Member Direct offer the same ETF's my ETF Broker offers?**

There are over 300 exchange traded funds or products (ETFs) listed on the ASX and hence available to any broker. AustralianSuper engages LONSEC, an independent third-party rating agency, to recommend a range of the best available diversified and single asset class or sector ETFs and LICs. The Member Direct investment menu is reviewed annually, and ETFs and LICs are added or removed based on their quality and suitability while considering demand from members and/or advisers. There are currently over 60 ASX-listed ETFs on the Member Direct investment menu available at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

#### **10.5 I would like more information about the Member Direct options**

You can find more information about our Member Direct investment option at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect) including our Member Direct investment option guide, Member Direct investment menu and our Member Direct online platform terms and conditions. Once you have registered for Member Direct, you can access market data, news and company research from third-party providers, such as UBS and Morningstar, for no additional cost.

#### **10.6 Member Direct fees and cost**

We charge an additional portfolio administration fee for the Member Direct investment option depending on the level of access selected, to cover additional costs that we incur to provide platform and administration services to members who invest in the option. Brokerage fees are charged whenever you buy or sell listed securities, and these are passed 100% through to our broker. We periodically review our pricing to ensure Member Direct remains competitive against our industry fund peers who offer a similar product.

#### **10.7 Vanguard recently released a Bitcoin ETF (VBTC) to the ASX. With demand for cryptocurrency growing, will Aus Super offer exposure to VBTV or other cryptocurrency ETFs on the ASX via MembersDirect?**

AustralianSuper does not have any plans to offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for our members' retirement savings, we don't think it's prudent for members to invest their super in speculative financial instruments.

#### **10.8 Is there an opportunity to diversify into the newly available cryptocurrency ETFs?**

AustralianSuper does not have any plans to offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for our members' retirement savings, we don't think it's prudent to invest member's money in speculative financial instruments.

#### **10.9 Would there be a possibility to invest the crypto currency EFT?**

AustralianSuper does not have any plans to offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for our members' retirement savings, we don't think it's prudent for members to invest their super in speculative financial instruments.

#### **10.10 Is precious metals (Gold, Silver) something you are looking at more closely now?**

Our Member Direct investment option allows members to invest up to 25% of their account balance in the Global X Physical Silver and/or the Global X Physical Gold exchange traded products which aim to mirror the Australian dollar price of the physical asset, less management fees paid to the product issuer. Additional fees also apply to access the Member Direct investment option – refer to [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

#### **10.11 Why do you not have gold or a gold etf of some sort as an investment option? Safe investments are only limited to "cash". All other investments decline during underperformance economic times (incl fixed interest, which is odd) - allowing members alternative safe haven investments should be an investment option, and to be able to select gold in some form of investment would be helpful.**

Our Member Direct investment option allows members to invest up to 25% of their account balance in the Global X Physical Silver and/or the Global X Physical Gold exchange traded products which aim to mirror the Australian



dollar price of the physical asset, less management fees paid to the product issuer. Additional fees also apply to access the Member Direct investment option – refer to [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

#### **10.12 When switching to Pension phase - can I retain the Member Direct Cash account plus the Australian Super Cash account?**

AustralianSuper offers the ability to seamlessly transfer Member Direct investments from super to a new Choice Income account without needing to sell down and repurchase investments, thereby avoiding brokerage fees and triggering a capital gains tax event. You will need to hold term deposits and/or listed securities in your current Member Direct account in super for this to occur, and you will need to transfer all of your Member Direct investments. Partial transfers are not permitted, so you will not be able to retain your Member Direct Cash Account in your super account. However, once the seamless transfer is complete, and assuming you leave some money in your super account, if you meet the minimum requirements, you can re-register for Member Direct in your existing super account and perform a Cash transfer from your PreMixed or DIY Mix options into your Member Direct cash account in your super account.

## **11 Product**

#### **11.1 Will there be an opportunity for AustSuper to offer financial savings/investment products outside of super?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. This drives the work we do and the decisions we make every day. While we recognise that investments outside of super may play a role in achieving this goal for some members, the expenditure required to set up this functionality would likely outweigh any benefits and would not be in the best financial interests for the majority of our members. As such, we currently have no plans to offer investment products outside of super.

#### **11.2 Can we have an update on what has been done to address the need for comprehensive income products for retirement CIPRs?**

AustralianSuper has collaborated with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life. We are assessing the business case for launching the product.

#### **11.3 Does the fund have plans to provide indexed options outside of member direct? In light of the best financial interests duty, indexed options seem essential to reduce investment management costs given the evidence that active management does not reliability increase returns, but does increase costs.**

AustralianSuper has offered an Indexed Diversified investment option since 2011. The option invests in a range of assets using indexing strategies with a focus on growth assets and is designed to have medium to long-term growth with possible short-term fluctuations. You can find out more information at: [australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice](https://australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice).

#### **11.4 Any plans to introduce more index investing options? such as high growth index option like in Hostplus.**

At this time, AustralianSuper is not seeking to add additional index investment options. There are a number of index exchange traded funds (ETFs) available through our Member Direct investment option. For more information on our Member Direct investment option, visit [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

#### **11.5 Any plan to start international shares index only investment option?**

At this time, AustralianSuper is not seeking to add an international share index investment option. There are a number of international share index exchange traded funds (ETFs) available through our Member Direct investment option. For more information on our Member Direct investment option, visit [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

**11.6 As a member who uses Member Direct, the obvious question is when will we have access to international shares and Crypto. Cheers.**

While we understand that there is some member demand for access to international listed shares via Member Direct, this would require a significant uplift in our Member Direct online platform capability at significant associated cost, which we don't believe is in members' best financial interest at this time. Member Direct does offer a range of ETFs that provide exposure to international markets. Detailed information on these products is available on the Member Direct investment menu, available at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

AustralianSuper does not have any plans to offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for our members' retirement savings, we don't think it's prudent for members to invest their super in speculative financial instruments.

**11.7 Since Jan 2024 number of Bitcoin ETFs sponsored by largest asset managers are trading on US and Australia stock exchanges. In the first year of operation these investment vehicles already has shown themselves as the most successful ETFs in history. Does and when Australian super plan to add Members Direct option to invest into one or several of ASX/CBOE traded Bitcoin ETFs? What exposure limits Australian super would be recommending/establishing?**

AustralianSuper does not have any plans to offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for our members' retirement savings, we don't think it's prudent for members to invest their super in speculative financial instruments.

**11.8 Hi guys just wondering if Australia super members direct investment option will be adding ETF Bitcoin investment to members direct**

AustralianSuper does not have any plans to offer crypto-currency ETFs on Member Direct at this time. In our view, crypto-currencies carry significant risks and have little to no regulation. As fiduciaries for our members' retirement savings, we don't think it's prudent for members to invest their super in speculative financial instruments.

**11.9 Member Direct is a great product but has some major limitations. What enhancements are planned? Access to large actively managed ETFs (e.g. Dimensional DACE, DGCE, DFGH) would be welcome. The ability to specify which shares/ETFs to dispose off on sale (LIFO vs average cost base) would benefit members by minimising capital gains.**

AustralianSuper engages LONSEC, an independent third-party rating agency, to recommend a range of the best available diversified and single asset class or sector ETFs and LICs. The Member Direct investment menu is reviewed annually, and ETFs and LICs are added or removed based on their quality and suitability while considering demand from members and/or advisers. We will ask LONSEC to consider DACE, DGFE and DFGH in the next review due early 2025.

AustralianSuper has no plans to offer members the ability to modify the default parcel selection methodology for tax purposes.

**11.10 In transferring investments from Choice account to Members Direct I only want to select one of my investment options, from Choice, this is not possible; why? My reason for the transfer is to have an interest bearing option.**

Currently, Member Direct does not support choosing PreMix or DIY options during the cash transfer process; however, this is currently under review.

**11.11 Is AustralianSuper planning to expand its Member Direct investment option to allow members to invest directly in international markets, beyond just Australia?**

While we understand that there is some member demand for access to international listed shares via Member Direct, this would require a significant uplift in our Member Direct online platform capability at significant associated cost, which we don't believe is in members' best financial interest at this time. Member Direct does offer a range of ETFs that provide exposure to international markets. Detailed information on these products is available on the Member Direct investment menu, available at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

**11.12 Hi, Why is it that Members Direct product would not allow for international shares, especially those in the US market?**

While we understand that there is some member demand for access to international listed shares via Member Direct, this would require a significant uplift in our Member Direct online platform capability at significant associated cost, which we don't believe is in members' best financial interest at this time. Member Direct does offer a range of ETFs that provide exposure to international markets. Detailed information on these products is available on the Member Direct investment menu available at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

**11.13 What are new changes coming to member direct investment options? Will you make it more user-friendly to invest in whole investment in one asset like eft?**

In October 2024, the overall account level 80% exposure limit was removed from ETFs and LICs in Member Direct. Members must still maintain minimum account balances and adhere to individual ETF and LIC investment limits, which are set to ensure appropriate diversification and are outlined in the Member Direct investment menu, available at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

**11.14 With Member Direct investment options which international markets can we invest in now and is there any plans to expand it to growth markets like China and India directly?**

While we understand that there is some member demand for access to international listed shares via Member Direct, this would require a significant uplift in our Member Direct online platform capability at significant associated cost, which we don't believe is in members' best financial interest at this time. Member Direct does offer a range of ETFs that provide exposure to international markets. Detailed information on these products is available on the Member Direct investment menu available at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

**11.15 Products for direct investment in Chinese Companies or ETF's using Hong Kong/China exchanges - NOT USA/UK**

While we understand that there is some member demand for access to international listed securities via Member Direct, this would require a significant uplift in our Member Direct online platform capability at significant associated cost, which we don't believe is in members' best financial interest at this time. Member Direct does offer a range of ETFs that provide exposure to international markets. Detailed information on these products is available on the Member Direct investment menu available at [www.australiansuper.com/MemberDirect](https://www.australiansuper.com/MemberDirect)

**11.16 The option Australian super has which is similar to a complete SMSF, where members can take limited control over their super investments, I've been informed when doing this the chosen investments must be within those already listed with Australian super's platform, and after seeing the fees associated with doing this would only be profitable to Australian super and/or its brokers. Being this is the case why even offer such an option., also regarding investments that could be profitable to members how about offering ETFs. It just seems to me the only ones here making a decent profit from investments are the ones sitting at the top of the chain here leaving members the drips and drabs.**

Our Member Direct investment option offers AustralianSuper members more control and choice over the investment of their super. Through the Member Direct investment option you can invest in S&P ASX 300 shares and selected ASX listed Exchange Traded Funds (ETFs) and Listed Investment Companies (LICs). Additional fees apply - for more information refer to [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

**11.17 Is it possible to expand the investor platform to encompass additional markets, such as the United States?**

While we understand that there is some member demand for access to international listed securities via Member Direct, this would require a significant uplift in our Member Direct online platform capability at significant associated cost, which we don't believe is in members' best financial interest at this time. Member Direct does offer a range of ETFs that provide exposure to international markets. Detailed information on these products is available on the Member Direct investment menu available at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

#### **11.18 Why does the smart default pension require 6% withdrawal from age 60-79?**

Smart Default is designed to be a simple way to set up your Choice Income or Transition to Retirement (TTR) account. The 6% withdrawal is designed to start you with a steady income stream to work alongside any Age Pension entitlement or other income you may have and to meet minimum drawdown requirements set by the Government. You can change the income level at any stage to a rate you choose so long as you withdraw the minimum drawdown amount each financial year for Choice Income, and for TTR, withdraw the minimum drawdown amount but do not exceed the maximum drawdown amount each financial year, as set by the Government.

#### **11.19 Can you provide an update on whether AustralianSuper will provide lifetime annuities as part of its product offering?**

We are not looking to offer annuity products at this stage. AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life. We are currently assessing the business case for launching the product.

#### **11.20 I would like to invest my money in 100% green investment (like Australian Ethical) are you planning that option? What are your future plans in this regard?**

Since our Socially Aware investment option was designed in 2016, we recognise there have been developments in the responsible investment area – including increasing recognition of ESG issues and evolving member expectations.

We have been undertaking a comprehensive review of the Socially Aware investment option for some time – looking beyond its existing screens – to ensure it continues to meet members' expectations and its investment objectives.

We are pleased to confirm that we will be launching a revised Socially Aware investment option and expect to communicate about these changes to members in April 2025.

#### **11.21 Could Australian Super offer funds for investment outside of superannuation?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. This drives the work we do and the decisions we make every day. While we recognise that investments outside of super may play a role in achieving this goal for some members, the expenditure required to set up this functionality would likely outweigh any benefits and would not be in the best financial interests for the majority of our members. As such, we currently have no plans to offer investment products outside of super.

#### **11.22 Are there any new strategies or Products being acted upon, for Choice Members.?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement and we conduct regular reviews of all of our products, including surveying our member base to ensure products align with member expectations. Any initiatives are carefully assessed to ensure they are in the best financial interests of our members as a whole. We're not able to disclose initiatives that are currently being considered prior to their approval and implementation outside of those posted publicly on our website – see [australiansuper.com/about-us/newsroom](https://australiansuper.com/about-us/newsroom)

#### **11.23 Can we have some detail of Australian Super's lifetime pension planned for next year? When will this be offered?**

AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life. We are currently assessing the business case for launching the product.

#### **11.24 Are we able to modify investments into individual stocks/indices?**

AustralianSuper's PreMixed and DIY Mix investment options are designed to be in line with the requirements of the SIS Act Section 52 and the Prudential Standards. These requirements involve managing assets in the best interests of members, which includes the prudent management of risk and the composition of investments to ensure adequate diversification. Our Member Direct investment option offers access to S&P ASX 300 shares and

selected ASX listed Exchange Traded Funds (ETFs) and Listed Investment Companies (LICs) that provide more concentrated exposure to specific sectors and indices. This is our most hands-on investment option and is available for an additional fee – refer to [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

#### **11.25 Is Australian Super looking at providing an annuity option in addition to Choice Income ?**

We are not looking to offer annuity products at this stage. AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

#### **11.26 Are there other new products and/or features to look forward to in the very near future?**

There are a number of initiatives underway as a result of us reviewing our products and services that we offer to members. Depending on the change that is being made, information will be made available either at the time of implementation or shortly after it is made available.

#### **11.27 As more and more Australian Super clients are retiring or near retiring age and would love to have stable retirement pension income as part of their portfolio, can you advise what the funds plan to develop and execute an annuity like account?"**

We are not looking to offer annuity products at this stage. AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

#### **11.28 Can the investment profile of Choice Income ABPs be changed over time?**

You can make a change to how your Choice Income account balance is invested or which investment options your income payments are made from at any time. You can do this through the AustralianSuper App or through the AustralianSuper Member portal.

#### **11.29 Can you give more detail about your new life time annuity**

We are not looking to offer annuity products at this stage. AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

#### **11.30 Could you explain the reasoning for investments to go into the cash option after a members death, and can the member opt for it to remain invested as it was?**

#### **11.31 Concerned on the change of investment when you die from your investment option to cash their has been no explanation of why or the reason assume easier for Australian Super to implement the payout to the beneficiaries?However if this was to take months my account is actually disadvantaged with the lower investment option we need more reason for the change and estimated timeframe to payout payout to**

#### **11.32 Not happy about how my Account is invested when I die. The account was suppose to be invested for my Partner the way that it is Invested for me.**

AustralianSuper is constantly looking to improve member outcomes and improve our service to members' beneficiaries. The change aims to preserve the capital and protect the account of a late member from market volatility on behalf of their beneficiaries by switching their account to the Cash investment option. This helps safeguard the account until the benefit is transferred/paid to a beneficiary, who can then decide how the benefit is to be invested, given beneficiaries are unable to make a switch to the way a late member's account is invested while a claim is being processed.

AustralianSuper is not able to keep the late member's account invested in the same investment option(s) they had chosen (or the Balanced option if they didn't make an investment choice) after AustralianSuper is notified of their death. This recent change was disclosed in the Product Disclosure Statement and via the Significant Event Notice sent to members.

**11.33 Could you please explain the rationale for the recent change to convert members funds to the cash option on death and prior to payment to beneficiaries, noting that lower returns in the class. Also on death of a member how long does it take to make**

AustralianSuper is constantly looking to improve member outcomes and improve our service to members' beneficiaries. The change aims to preserve the capital and protect the account of a late member from market volatility on behalf of their beneficiaries by switching their account to the Cash investment option. This helps safeguard the account until the benefit is transferred/paid to a beneficiary, who can then decide how the benefit is to be invested, given beneficiaries are unable to make a switch to the way a late member's account is invested while a claim is being processed.

The late member's account will be invested in the Cash investment option after AustralianSuper is notified of their death. This investment switch will be made within the following timeframes:

- for PreMixed and DIY Mix investment options, within two business days of AustralianSuper being notified of their death.
- for the Member Direct investment option, generally within 14 business days of AustralianSuper being notified of their death to allow sufficient time to sell down their Member Direct investments. The switch could be further delayed if there are dividends due but not yet paid, pending corporate actions, or restricted or suspended securities on the account.

**11.34 Could you please provide some information on the proposed Income For Life product, including when it may be launched? David**

We are not looking to offer annuity products at this stage. AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

**11.35 Do you have plans to provide fixed income" or "income for life" type investment options in the near future?"**

We are not looking to offer annuity products at this stage. AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

**11.36 I would like own some physical gold in my superannuation. Could AS provide that facility ? BTW not an ETF**

AustralianSuper has no plans to allow members to hold physical gold in their super. Our Member Direct investment option allows members to invest up to 25% of their account balance in the Global X Physical Gold exchange traded products, which aim to mirror the Australian dollar price of the physical gold asset, less management fees paid to the product issuer. Additional fees also apply to access the Member Direct investment option – refer to [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

**11.37 In the Choice Income product, why dont you have a Lifecycle option which automatically adjusts the investment mix for risk as you age?"**

Lifecycle and investing to support retirement income more broadly will be considered as a program of work in 2025.

**11.38 Is there capacity for a member to manage their investment portfolio by monetary value, as well as the current percentage splits across products.**

Members are able to manage how their current balance is invested across the available investment options split by percent and how future contributions are invested across the available investment options split by percent. It is not currently possible for a member to change how their balance or future contributions are invested by dollar value or to do so across different products.

**11.39 Recently AustralianSuper announced revised arrangements for the treatment of investments when a member dies. Is it possible for Members to opt out of this change and have their investment continue in the member's chosen investments options?**

AustralianSuper is constantly looking to improve member outcomes and improve our service to members' beneficiaries. The change aims to preserve the capital and protect the account of a late member from market volatility on behalf of their beneficiaries by switching their account to the Cash investment option. This helps safeguard the account until the benefit is transferred/paid to a beneficiary, who can then decide how the benefit is to be invested, given beneficiaries are unable to make a switch to the way a late member's account is invested while a claim is being processed.

AustralianSuper is not able to keep the late member's account invested in the same investment option(s) they had chosen (or the Balanced option if they didn't make an investment choice) after AustralianSuper is notified of their death. This recent change was disclosed in the Product Disclosure Statement and via the Significant Event Notice sent to members.

**11.40 What is the justification for the clawback mechanism in the Balance Booster. This is a members money (unrealised capital gains not taxable on transition to retirement) not Australian Super.**

Thank you for the question; we have had feedback on a number of aspects of Balance Booster, including the reason for applying a clawback of the payment amount when withdrawals are made within the first financial year. We are currently reviewing Balance Booster generally and if the application of a clawback should continue. Any changes to Balance Booster will be communicated through our website and Product Disclosure Statements.

**11.41 When will more detail be available to members, particularly retirees, on the pension for life option proposed for next year?**

AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life. We are currently assessing the business case for launching the product. If approved, more information will be made available to members once a clear date for launch is known.

**11.42 Why does a members portfolio change to 100% cash on their death. Capital gains tax would be triggered. Why not leave the portfolio as is - particularly if the member's spouse will rely on capital growth into the future for another 10 to 20 years?"**

AustralianSuper is constantly looking to improve member outcomes and improve our service to members' beneficiaries. The change aims to preserve the capital and protect the account of a late member from market volatility on behalf of their beneficiaries by switching their account to the Cash investment option. This helps safeguard the account until the benefit is transferred/paid to a beneficiary, who can then decide how the benefit is to be invested, given beneficiaries are unable to make a switch to the way a late member's account is invested while a claim is being processed.

**11.43 Why has AustralianSuper changed its policy on the death of members to switch to cash funds from the funds members identified in their risk choice?"**

AustralianSuper is constantly looking to improve member outcomes and improve our service to members' beneficiaries. The change aims to preserve the capital and protect the account of a late member from market volatility on behalf of their beneficiaries by switching their account to the Cash investment option. This helps safeguard the account until the benefit is transferred/paid to a beneficiary, who can then decide how the benefit is to be invested, given beneficiaries are unable to make a switch to the way a late member's account is invested while a claim is being processed.

**11.44 Why when a pension fund transfers to a reversionary beneficiary upon the death of a member of would you transfer the balance of the fund to cash? Very few people would successfully invest for the long term using cash only**

AustralianSuper is constantly looking to improve member outcomes and improve our service to members' beneficiaries. The change aims to preserve the capital and protect the account of a late member from market volatility on behalf of their beneficiaries by switching their account to the Cash investment option. This helps

safeguard the account until the benefit is transferred/paid to a beneficiary, who can then decide how the benefit is to be invested, given beneficiaries are unable to make a switch to the way a late member's account is invested while a claim is being processed. The reversionary beneficiary process is unchanged, other than the switch to the Cash investment option while the claim is being processed.

#### **11.45 Will the Income for Life product be available to those currently on the Choice Income product?**

AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life. We are currently assessing the business case for launching the product. The product would be available to existing Choice Income account holders subject to meeting the product's eligibility criteria, including age and minimum investment. Complete details will be made available in the Target Market Determination and Product Disclosure Statement.

#### **11.46 With the growth of Self Managed Super Funds in Australia, do you plan to offer new investment products to tap into this growing segment of investors?**

AustralianSuper has no plans to offer a Self-Managed Super Fund (SMSF) product. Our Member Direct investment option offers access to S&P ASX 300 shares and selected ASX-listed Exchange Traded Funds (ETFs) and Listed Investment Companies (LICs) for an additional fee. For more information, refer to [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect).

We believe the Member Direct investment option may be a suitable alternative for some members who would otherwise consider an SMSF. However, we recognise that Member Direct does not allow members to hold individual shares listed on overseas exchanges or direct property or business assets, so it may not be suitable for all members considering an SMSF.

#### **11.47 You offer investment categories like Conservative, etc. Would you consider a new category, high risk high return - to invest in assets like Crypto, start-ups in the early stages, not when their growth is proven - but limit customer investment to 5%?**

AustralianSuper does not have any plans to offer a high-risk investment option that would invest in cryptocurrency or start-ups at this time. In our view, cryptocurrencies carry significant risks and have little to no regulation, and start-ups are best invested in as part of a broader private equity portfolio as a building block to our PreMixed investment options. As fiduciaries for our members' retirement savings, we don't think it's prudent for members to invest their super in very high-risk assets in isolation.

#### **11.48 Why can't Australian Super provide better transparency around the Balance Booster. This is members money (unrealised capital gains) and Australian Super provides only vague information about how this is calculated and the impacts of member switches.**

We are sorry you have been disappointed with the information provided about Balance Booster. Balance Booster is designed to provide an additional investment into a new Choice Income account that is reflective of your super balance's contribution to the amount set aside for taxes. The calculation seeks to maximise your share of this amount that has been set aside by taking into account the time period you have been invested, market performance during that time, your investment choices and the allowance for tax accrued during those periods. The calculation is made on the day you transfer into Choice Income and will go back to the commencement of your super or Transition to Retirement account. You can get an estimate of your Balance Booster entitlement by calling our Contact Centre.

## **12 Retirement**

#### **12.1 Is Australian Super considering a Life Strategy option that automatically adjusts the investment mix as the member gets older?**

AustralianSuper has no immediate plans to offer a life-stage product that automatically reduces exposure to growth assets and associated risks as members age. However, we are planning to review our default MySuper offer (currently our Balanced investment option), as well as potential tailored glidepath solutions in retirement over the course of the next year, which will likely include consideration of life-stage products.



## **12.2 What innovative retirement products do you have or are developing (beyond a simple allocated pension) ?**

AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

## **12.3 Do you have a plan to provide income guaranteed retirement investment plan**

AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life. We are currently assessing the business case for launching the product.

## **12.4 On retirement, do you provide products that guarantee income for specified chosen periods, or lifetime?**

AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life. We are currently assessing the business case for launching the product.

## **12.5 Is Australian Super looking to provide annuities in the future**

We are not looking to offer annuity products at this stage. AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

## **12.6 Will you be offering Annuities as part of income stream**

We are not looking to offer annuity products at this stage. AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

## **12.7 Provide an update on the progress of the retirement longevity products.**

AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life. We are currently assessing the business case for launching the product.

## **12.8 Do you offer annuities to retirees**

We do not offer annuity products to members. However, AustralianSuper is collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

## **12.9 Interested in products for retirement**

AustralianSuper offers Choice Income, our account-based pension, which can turn your retirement savings into a flexible income stream. We are continuing to assess the right mix of products to assist our members with retirement income.

## **12.10 How can Australian Super safeguard members' fund after their retirement, what are the super fund recommended for retirees ?**

AustralianSuper offers Choice Income, our account-based pension, which can turn your retirement savings into a flexible income stream, or you can select to leave your money in an accumulation account. For help and guidance, please visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

## **12.11 Is there a retirement bonus when opening up an ABP account? What are the eligibility criteria? Does a member have to be on minimum membership years to qualify? Thanks**

AustralianSuper members moving from an AustralianSuper superannuation or Transition to Retirement account, which has been open for a full calendar month or more and has been invested in one (or more) of the eligible investment options, may qualify for a Balance Booster payment on commencement of a Choice Income account.

You can contact AustralianSuper on **1300 300 273** for an estimated amount. Eligibility criteria applies. You can read more about it here: [australiansuper.com/retirement/balance-booster](https://australiansuper.com/retirement/balance-booster)

### **12.12 Retirement Income Solutions**

AustralianSuper offers an account-based pension called Choice Income. You can read more here: [australiansuper.com/retirement](https://australiansuper.com/retirement).

AustralianSuper is also collaborating with our life insurer to develop a new income product. Invested with AustralianSuper, insured by TAL with an income payable for life.

### **12.13 Will AS allocate greater resources to assisting members moving into retirement? Current process is cumbersome and involves too much friction (some as result of gov policy)**

Yes. AustralianSuper has a fund-wide retirement enhancement initiative underway, led by a dedicated Retirement Domain that reports to the Fund's Chief Officer Retirement. The fund has also formed a Retirement Network comprising colleagues from across the Fund and is implementing a series of workstreams with oversight by a newly formed Retirement Committee comprising senior management. AustralianSuper continues to advocate on behalf of members for positive policy reform to simplify the system and make it easier for members to transition into the retirement phase.

### **12.14 what are you doing to cater more for retired and elderly members as todyas focus is more on products and services aimed at younger people who want to invest in growth strategies?**

AustralianSuper's Retirement Income Strategy (RIS) is designed to meet the diverse retirement income needs of our members throughout their entire retirement journey, from approaching retirement, where they might still be transitioning in and out of work, to mid and late retirement. It sets out our plan to assist members to achieve their retirement goals through maximising the income they receive during their retirement period, as well as managing expected risks such as investment, longevity and inflation, while also providing flexible access to their savings when they need it. A Retirement Domain has been established at the Fund to ensure appropriate expertise, focus and capacity to oversee the implementation of the RIS, which is also monitored closely by the Board.

### **12.15 What is the board doing to improve services and support for those moving from accumulation to retirement.**

Improving members' retirement outcomes is a strategic priority for the Board, and work is underway to deliver an enhanced retirement solution that has been designed to address the diverse needs and preferences of our members, to be delivered via tailored guidance throughout their retirement journey. The solution will help members navigate the complicated financial and life decisions they have to make, such as product choice, investment strategies, and retirement income and spending needs (how much do they need and how long will it last). In the meantime, as we continue to work to deliver this new retirement solution, the Fund has also invested in a shorter-term project that aims to provide a seamless process for members as they move from accumulation to retirement, addressing key pain points that some of our members experience.

### **12.16 Does the pension account allow for a "bucket strategy" whereby a years worth of income can be held in cash to provision for pension payments whilst the rest of the funds are invested for 3-5 years?**

Our Smart Default option invests your account in Cash 12% and Balanced 88%. The income is drawn from Cash first until it is exhausted, then Balanced. There is no ongoing automated bucketing available in the product; however the product can be manually managed for a similar outcome.

### **12.17 What is the choice income stream for retirement?**

Choice Income is an account-based pension which for eligible members can turn their superannuation into a flexible income stream upon meeting a condition of release, such as ceasing employment after age 60 or turning age 65.

## 13 Service

### 13.1 When will you add a Search Engine function to the Fund's website to make it easier to find fund information/documents etc on the website

We recognise that the search function on our website isn't meeting expectations and sometimes fails to effectively retrieve the information members/users are looking for. We are currently conducting a thorough review of the search functionality, aiming to enhance its performance and working to ensure ongoing optimisation for a better user experience.

### 13.2 The AUS Super website is below the standard expected of a large organisation and the information provided is simplistic which has caused many people to switch to SMSFs. What is Aus Super doing to provide world class IT, Performance and information standards?

### 13.3 What is Australian Super doing to correct its website software to prevent these frustrations for both myself and your own staff?

We're sorry to hear that our website hasn't met your expectations. We understand the need for improvement and are currently redesigning the AustralianSuper public website and Member Portal to uplift the overall experience. This includes enhancing the information architecture and content components to make navigation easier, improve self-service options, and provide better content discoverability and personalisation.

We also acknowledge the performance and service availability issues some members have experienced since our last major update. While we've made steady improvements, we remain committed to strengthening our digital resilience. Ongoing initiatives are in progress to ensure that members can continue to access their accounts, even during occasional disruptions in our backend systems. More broadly, AustralianSuper is committed to a process of continuous improvement, which means most of our digital channels are being constantly improved and uplifted based on member feedback such as yours, along with maintaining a best practice security posture. These improvements are rolled out regularly, in some cases as frequently as every fortnight.

### 13.4 Is there a timeframe for when all internal processes are likely to match the communication preferences of members? A recent example is when I requested a tax certificate for additional contributions but this was sent by default in the post, despite all my preferences being email.

We acknowledge there are gaps in our process where certain member communications do not fully align with the preferences set by our members.

To address this, we have initiated a comprehensive review of our communication processes. As part of this effort, we are exploring the introduction of a communication inbox feature, a centralised hub within our Member Portal and app, where members can easily access key communications, such as statements. Additionally, we are prioritising efforts to align more of our communication letters with members' preferences, closing existing gaps.

This initiative is a high priority for the current financial year, with progressive improvements expected to be delivered throughout this year and into the next.

### 13.5 Why doesn't AustralianSuper provide ALL the necessary forms for Claiming after death to be available from its website under FORMS? It would assist members to prepare all the relevant documentation for the beneficiaries before their member passes away? The current process disadvantages beneficiaries by not having all the details transparently available before hand.

We apologise if the absence of all the 'Claiming After Death' application forms on our website has caused any inconvenience or frustration during such a challenging time.

In general, for sensitive events and claims, we intentionally avoid providing all forms up front, recognising that each situation is unique and that receiving all information at once can feel overwhelming. To ensure a better experience, we believe it's more effective to assess each case through a direct conversation with our team. This allows us to provide only the relevant information and any necessary forms tailored to the individual's specific circumstances.

Earlier this year, we brought death claims management in-house and established a new Bereavement Centre, providing members with peace of mind. This helps ensure that their loved ones and beneficiaries receive the compassionate, direct service they deserve without the need to go through a third party.

We're also working on updating our website content to provide a more informative experience for people claiming a death benefit.

### **13.6 Could all correspondence please be forwarded via email rather than conventional mail?**

We acknowledge there are still gaps in our process where certain member communications do not fully align with the preferences set by our members.

To address this, we have initiated a comprehensive review of our communication processes. As part of this effort, we are exploring the introduction of a communication inbox feature, a centralised hub within our Member Portal and app, where members can easily access key communications, such as statements. Additionally, we are prioritising efforts to align more of our communication letters with members' preferences, closing existing gaps.

This initiative is a high priority for the current financial year, with progressive improvements expected to be delivered throughout this year and into the next.

### **13.7 Why can't we change the pension amount easily online???**

You can adjust your pension payment amount through the Member Portal. After logging in, simply click on the Transactions tab, then go to the Income Payments page. Here, you can view your current payment settings and make changes to the payment amount, frequency, and payment date.

We understand that navigating the Portal may not always feel straightforward. That's why we're working on several enhancements to improve the Portal's interface, making it more intuitive and user-friendly. We're also introducing guided digital assistance to help you along the way. This initiative is a top priority for the current financial year, with ongoing improvements set to roll out progressively this year and into the next.

### **13.8 What are you doing to improve efficiency and accountability of your services**

We've made some significant improvements to our services, including bringing death claims management in-house and increasing our complaints handling capability. We will also transition our Contact Centre to a new provider who is a national leader in customer service. Please visit the AustralianSuper website for more information: [australiansuper.com/employers/employers-articles/2024/03/improving-member-services](https://australiansuper.com/employers/employers-articles/2024/03/improving-member-services).

### **13.9 Where can I get face to face service to use online services please**

AustralianSuper has members all over the country. To support our members, we offer access to online tools, calculators and phone services to ensure all members, regardless of location, have equal access to support. In addition, dealing with us online can mean quicker resolution of issues and greater security. Our digital assets, including our website, secure Member Portal and app, are being enhanced and improved continually. But if you need support, we have live chat online or an onshore contact centre with extended hours to help. We offer access to financial advice – whether you require simple personal advice on your AustralianSuper account or more comprehensive advice. You can also attend an education seminar in person. Check our website for upcoming education sessions close to you, as well as virtual live education webinars online. To learn more about accessing advice or attending a webinar, visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

### **13.10 Why doesn't Australian Super have face to face branches ?**

AustralianSuper has members all over the country. To support our members, we offer access to online tools, calculators and phone services to ensure all members, regardless of location, have equal access to support. In addition, dealing with us online can mean quicker resolution of issues and greater security. Our digital assets, including our website, secure Member Portal and app, are being enhanced and improved continually. But if you need support, we have live chat online or an onshore contact centre with extended hours to help. We offer access to financial advice – whether you require simple personal advice on your AustralianSuper account or more comprehensive advice. You can also attend an education seminar in person. Check our website for upcoming education sessions close to you, as well as virtual live education webinars online. To learn more about accessing advice or attending a webinar, visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

**13.11 Why is there no opportunity to speak with anyone face to face - like a typical drop in help centre for Apple, Banks or Insurers e.g. HCF or similar - where you can take a number and wait for some support. It can be a long time on the phone and then questions can sometimes not be fully answered ... it would be much quicker to just get face to face help. Understood it couldn't happen over COVID and liabilities around super management lie with the customer.**

AustralianSuper has members all over the country. To support our members, we offer access to online tools, calculators and phone services to ensure all members, regardless of location, have equal access to support. In addition, dealing with us online can mean quicker resolution of issues and greater security. Our digital assets, including our website, secure Member Portal and app, are being enhanced and improved continually. But if you need support, we have live chat online or an onshore contact centre with extended hours to help. We offer access to financial advice – whether you require simple personal advice on your AustralianSuper account or more comprehensive advice. You can also attend an education seminar in person. Check our website for upcoming education sessions close to you, as well as virtual live education webinars online. To learn more about accessing advice or attending a webinar, visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

**13.12 When does AustralianSuper expect to offer better reporting support for members that are tax residents in countries other than Australia?**

AustralianSuper continues to advocate with governments and global tax regulators to achieve better outcomes for all members globally, including residents in overseas jurisdictions, as part of the renegotiation of bilateral tax treaties. In this regard, more recently AustralianSuper has also obtained confirmation from the Australian Taxation Office that medical certificates issued by registered medical doctors of recognised governing medical authorities of foreign jurisdictions can be accepted for the purposes of the concessional Australian tax treatment on certain disability benefits paid to members that are non-residents.

**13.13 Why were mid-year, end of financial year, statements discontinued? For a citizen of a country where annual taxes are filed based on the calendar year, it is burdensome to estimate earnings and fees.**

The introduction of the Member Portal, which allows members to see their estimated balance at any time, made the need for the six-monthly 'Snapshot' redundant and helped cut down costs. Members are able to download a Member Profile Report at any time from their online account, which shows them all their transactions for the relevant financial year.

**13.14 when will I receive my statement for ye 30 June 24 ?**

We started sending the FY24 statements in September and intend to complete the lodgement of these statements by mid to late November. The annual statements are sent based on your preference to receive it via post or online account.

**13.15 As at 20 September 2024, why have member statements for the year ending 30 June 2024 not been issued?**

We started sending the FY24 statements in September and intend to complete the lodgement of these statements by mid to late November. The annual statements are sent based on your preference to receive it via post or online account.

**13.16 Why the End of year financial statement released after 6 months or longer? It should be released to members within 3 months**

We make every effort to ensure the data and information provided on the annual statements are accurate and compliant. Sometimes this can take a bit longer than usual, thus delaying the lodgement of the annual statements soon after the end of the financial year. Rest assured, we successfully lodge all statements within the legislative timeframe.

**13.17 The amount of super which is taxable or non-taxable used to be clearly shown on the statements but I can't find it. It is a very important issue.**

We show a breakdown of members' preservation components of their balance, but we have not historically shown their taxable and tax-free components. Members are able to log in to their online account at any given time and generate a benefit quote that will show them their taxable and tax-free components.

**13.18 Why can't I send Euro currency into my account from abroad?**

AustralianSuper does not allow members to make contributions in any other currency than AUD due to potential issues with reporting the amounts to the ATO, as they will depend on the currency exchange rates at the time. This may result in a member over contributing into their account and potentially breaching their contribution cap or contributing lesser than intended.

**13.19 How often do I get a statement so I know how much balance my account is paid every month please**

We only issue annual statements after the financial year has ended. However, you're able to log in to your online account via the AustralianSuper website or the AustralianSuper app and keep an eye on your super, as well as any transactions contributions that come into your super account.

**13.20 Australian Super annual statements net off fees and investment returns. Why don't you show proper analysis of both?**

While your estimated balance is shown net of fees and investment returns, there is a breakdown of all fees charged and all investment returns (whether positive or negative) provided in the annual statement as well.

**13.21 Why does Australian Super have such a bad online review for anything service related, personally I have suffered from Months of just ignoring my emails and recently misdirection in investigations. Given peoples "time of need" you simply ignore emails and provide poor service, what systems are used to allow this to happen and how will it change? .**

We recognise that our member servicing has not always met our members' needs, and we apologise for this. Improving member service is a key priority for the Fund and includes significant investment in the uplift of our contact channels. We will be changing our Contact Centre service provider from November 2024, moving to a provider that has demonstrated excellence in customer service, alongside investment in new systems and platforms to manage customer contact. In addition, we have undertaken a review of how we onboard our agents, with an overhaul of training, knowledge and process underway to ensure members get fast, efficient and accurate service.

**13.22 Why is it so hard to contact you? I always get redirected to the web page, which is of no help hence why I make a phone call. An office would be even better.**

There are multiple channels through which we can be contacted: phone, click-to-chat messaging or via our Contact Us page. The average speed of answer for phone calls has been under two minutes for over a year. However, we recognise that contact via messaging or the Contact Us page has seen some wait times over the period and the Fund has committed to addressing this in FY25. As we have members all over Australia, it would be very challenging to have offices accessible for everyone, and we aim to keep costs low for all members. If you need support, we have different options available to you, such as live messaging online, an onshore Contact Centre with extended hours and education seminars and webinars. We also offer access to financial advice. To learn more about your advice and education options, visit [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options)

**13.23 Why do you not have a normal email address. Your faux email address is very limited in capacity**

We recognise that our member servicing has not always met our members' needs, and we apologise for this. Improving member service is a key priority for the Fund and includes significant investment in the uplift of our contact channels. We will be changing our Contact Centre service provider from November 2024, moving to a provider that has demonstrated excellence in customer service, alongside investment in new systems and platforms to manage customer contact. In addition, we have undertaken a review of how we onboard our agents,

with an overhaul of training, knowledge and process underway to ensure members get fast, efficient and accurate service.

**13.24 When will something be done to improve the service when clicking on the contact us tab. Once we manage to get passed the automated response the staff know nothing and dont bother to refer to the necessary dept to get an answer. They just refer to standard answers theve been given. It is unsatisfactory. us**

AustralianSuper is committed to uplifting service in FY25, and we are currently exploring the best channel for members who wish to communicate in a written format. We suggest you use our online chat messaging channel, where you can still contact us in a written format at any time of day you wish. You can request the chat history be emailed to you for future reference/record keeping.

**13.25 what has been done to improve contact points when there is a real problem with Australian Super**

Improving member service is a key priority for the Fund and includes significant investment in the uplift of our contact channels. We will be changing our Contact Centre service provider from November 2024, moving to a provider that has demonstrated excellence in customer service, alongside investment in new systems and platforms to manage customer contact. In addition, we have done a review of how we onboard our agents, with an overhaul of training, knowledge and process underway to ensure members get fast, efficient and accurate service.

**13.26 How can you improve your services to provide better hardship assistance to members that may have certain personal circumstances that require them to withdraw funds sooner than allowed?**

Release of funds due to financial hardship is only allowed under the legislated eligibility requirements. As this is part of legislation, AustralianSuper does not have any ability to override or change the requirements. We are always aiming to improve our services to members and have committed to improving service in FY25. This includes the launch of our Vulnerable Members Policy, and we will be implementing new processes in line with that. Please see the following link for more information: [australiansuper.com/superannuation/access-your-super-early](https://australiansuper.com/superannuation/access-your-super-early)

**13.27 Are there any plans to further assist rural members better?**

As we have members in all areas of Australia, our servicing model is via our online channels (including live webinars) and our Contact Centre. Any servicing needs can be fulfilled via messaging, phone, the Contact Us page, our Member Portal and our app.

**13.28 How can I best access administrative services particularly for older (and now long-time) retired members?**

We have servicing options for members of all ages. Our Member Portal and app are widely used by our retired members, or you can contact our onshore Contact Centre from 8am–8pm AEST/AEDT.

**13.29 What are you doing to make it easier for people with disabilities to obtain their own super funds?**

We are actively working on several initiatives to make it easier for people with disabilities to obtain their own super funds:

1. Simplifying super: we have developed presentations and resources to simplify superannuation for various groups, including unions. These resources aim to demystify superannuation and make it more accessible and understandable.
2. Financial hardship access: we offer options for members to access their super due to financial hardship. This includes provisions for those receiving Commonwealth income support payments and those who are unable to meet reasonable and immediate family living expenses.
3. Member support and advice: we provide access to general and simple personal advice to members on their AustralianSuper account over the phone at no additional cost. This includes guidance on topics such as retirement options, adding extra to super, investment choice and personal insurance.

4. Digital accessibility: we are dedicated to ensuring that our digital platforms are accessible and inclusive for all users. To achieve this, we aim to adhere to the Web Content Accessibility Guidelines (WCAG), an internationally recognised standard designed to make web content more accessible to people with disabilities.

These initiatives are part of our ongoing commitment to support all members, including those with disabilities, in managing their super funds effectively.

### **13.30 What security measures taken to tackle fraud?**

AustralianSuper has rigorous systems to protect members from fraud, with preventative and detective controls in place to mitigate the risk of both internal and external fraud. AustralianSuper has internal policies and procedures that detail the principles, strategies, and controls in place to avoid and mitigate the risk of fraud and corruption.

### **13.31 According to APRA data there was a 13% increase in Members from FY22 (2,876,270) to FY23 (3,255,344). How was that achieved and is that sustainable?**

AustralianSuper was able to achieve this rate of growth as a result of a long-term approach to building a trustworthy brand, ensuring the product offering and net benefit are competitive, and through diversifying how prospective members can join AustralianSuper. Additionally, AustralianSuper merged with ClubPlus and LUCRF during this time period, combining the funds' membership bases. This multi-faceted and long-term approach has seen membership growth of similar rates over a number of years.

From a sustainability perspective, this growth delivers greater scale benefit to members through increased product and service capability without requiring regular adjustment of member fees; and greater investment capability to assist members in achieving their best financial outcome in retirement.

### **13.32 I am a seasonal worker in Australia with Costa group,,my weekly deduction is on my payslip,,i have completed 2 yrs with 2 yrs left..am I eligible for withdrawal after my work is completed**

If you're a temporary resident who has earned super while working and living in Australia, you can apply to have your super paid to you as a Departing Australia Superannuation Payment (DASP) after you leave. More information can be found in the following fact sheet: <https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/temporary-residents-and-superannuation/departing-australia-superannuation-payment-dasp>

### **13.33 I have experienced repeated terrible customer service on systemic levels. What is management doing to improve this poor customer service and empower employees to respond to concerns and complaints with some empathy.**

### **13.34 Why have I not received responses to any of the complaints raised?**

We acknowledge that service has not been as good as it could be. To address this, we have moved our complaints management process from an outsourced provider to within AustralianSuper and are in the process of moving our contact centre to another provider. The training these agents have received is focused on resolving member issues with empathy, so we expect that incidents like you've experienced will decrease.

### **13.35 How many complaints that meet the definition of RG 271 did you receive in the FY 2024? How many of these complaints were resolved internally rather than by referral to AFCA?**

We believe in transparency and encourage our members to express their dissatisfaction when our services fail to meet their fair and reasonable expectations. Our complaint volumes are published in our Annual Report each year. For FY2024, the Fund received 32,510 complaints. The number of complaints referred to AFCA was 862.

### **13.36 I am not getting annual statement as I used to get**

Please give us a call or message us to rectify this on **1300 300 273**, between 8am and 8pm AEST/AEDT weekdays.



### **13.37 Can i take out my Super early if i have an illness that will not allow me to work anymore.**

In certain situations you may be able to access your super. The following fact sheet explains the options in more detail: [australiansuper.com/superannuation/access-your-super-early](http://australiansuper.com/superannuation/access-your-super-early). If you're diagnosed with a terminal illness or are permanently incapacitated, you may be able to claim some or all your super. For detailed guidance and support through this situation, please call us between 8am and 8pm AEST/AEDT weekdays.

### **13.38 When are you going to stop holding up payment requests - my last one took nearly 3 months because you said I did not exist**

We sincerely apologise for the delay in processing your recent payment request. A three-month turnaround is beyond our expected service standards. We are committed to addressing your concerns and would welcome the opportunity to discuss your specific circumstances. Please use the complaint form on our Contact Us page of our website to get in touch with us, and we will assist you in resolving this matter.

### **13.39 Are there any plans to make it possible to transfer Kiwisaver funds from NZ to Australian Super.**

#### **13.40 The Best Method of Transferring Australian Super to Kiwi Super Schemes?**

To be eligible to transfer your AustralianSuper account to your KiwiSaver, you must:

- have an active KiwiSaver account and your provider must be able to accept transfers from Australia
- have permanently emigrated to New Zealand
- transfer your entire AustralianSuper balance to your KiwiSaver account.

To apply to transfer your account, you will need to:

1. complete a *Transfer your AustralianSuper account to your KiwiSaver* form, available on our website: [australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/forms/withdraw-or-transfer-your-super/transfer-your-account-to-kiwisaver.pdf](http://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/forms/withdraw-or-transfer-your-super/transfer-your-account-to-kiwisaver.pdf)
2. provide supporting documents:
  - a) proof of residence in New Zealand
  - b) letter of compliance from your KiwiSaver Scheme
  - c) a signed Statutory Declaration stating you have permanently emigrated to New Zealand
  - d) proof of your identity (ID).

Further information regarding the supporting documents and certification can be found on the form.

3. Send the signed certified supporting documents and completed forms back to us.

#### **13.41 How quickly does Aust Super pay Insurance claims, and Super Fund withdrawals?**

Once a lump sum disability claim has been approved by the Insurer and the member has given us payment instructions, the payment will be made within five business days.

With regards to withdrawals, AustralianSuper typically processes clean withdrawals within three business days. However, some requests may take longer if they are incomplete, ineligible, or require further review due to account activity. As part of ensuring timely payments to members, we regularly review resource requirements, technology, and processes.

#### **13.42 Aus Super is justly well regarded for its investment performance. However, it is also much commented on at financial planner level, that ist member-facing services are (to be frank) pretty bad. Are you aware of this reputation? If so, do you have any plans to address it?**

Thank you for your feedback. We are always looking to improve our member services, and all feedback is encouraged and appreciated

### **13.43 How many of AusSuper services are outsourced to foreign entities and what due diligence is undertaken before selecting these entities**

The Fund maintains a register of entities associated with Material Outsourcing services, as defined within the APRA Prudential Standard SPS 231 Outsourcing. The register is published in the Annual Report (latest FY24) and includes service provider name, provider service type, and ABN registration # for Australian entities. Due diligence (DD) and risk assessments are undertaken for all service providers on a risk-based approach based on services provided and includes consideration of entity location, operational locations, and industry.

While the Fund does maintain information on all engaged service providers and their country of registration, this information does not maintain details of whether the service is considered outsourcing, excluding those defined as Material Outsourcing.

As a global organisation with offices in the UK and USA the Fund has engaged service providers to support those offices. Entities based in the UK or USA engaged by those AustralianSuper offices would not be considered as foreign entities.

The Fund publishes a Modern Slavery Statement annually and this includes information on the third-party risk management (TPM) approach, including:

- periodic reviews of Fund policies, standards, and procedures. For example, during the reporting period we reviewed and updated risk and procurement documents such as the TPM Framework, TPM Policy, TPM Standard, Outsourcing Policy, and Outsourcing Procedure
- monitoring the number of suppliers party to procurement contracts with the Fund with template contract terms requiring disclosure of suspected modern slavery practices and engagement with those suppliers
- undertaking due diligence on new suppliers and existing suppliers where required and assessing the level of disclosure garnered from suppliers on their modern slavery approaches.

### **13.44 Does OzSuper outsource administration? If so to whom is it outsourced to?**

Yes, AustralianSuper outsources its administration to MUFG.

### **13.45 How will you keep members who are no longer resident in Australia informed about changes to requirements, regulations and laws around superannuation?**

The Fund has a dedicated team responsible for communicating to members – the Member Communications team. This team is responsible for communicating to members, whether domestic or overseas, on a variety of matters, which include:

- information directly related to individual member accounts
- details about ways in which members may wish to engage with their super
- general help and guidance in relation to super, the Fund, retirement etc., and
- updates on Fund or industry matters of relevance, including changes to requirements, regulations and laws around superannuation.

For overseas members, the team uses a number of vehicles and channels, including email, the Fund website, Member Portal and app, podcasts, social media, webinars, and disclosure documentation such as members' annual statements.

If you would like to subscribe to receive information from the Fund (outside of information we are legally obliged to provide to you, such as annual statements, Significant Event Notices etc.), please log in to the Member Portal and visit the Communications Preferences centre where a number of options are available to you.

### **13.46 Can Australian Super please improve their website, app and customer service as it takes too long now to check my funds. Thanks**

We apologise if our customer service or digital service channels have not met your expectations. At AustralianSuper, we are dedicated to listening to our members and using their feedback to enhance all aspects of our website, online account, mobile app and customer services.

If you have specific concerns regarding delays in accessing your fund information, please don't hesitate to contact us. We're here to assist in resolving your inquiry. Visit our Contact Us page for details on the various ways to reach us.

**13.47 How are you managing the reputational risk that member services (outside of insurance and bereavements) that Australian Super is a poor performer? This has been my experience, call centers are slow, unresponsive, and often give poor advice.**

We acknowledge that service has not been as good as it could be. To address this, we have moved our complaints management process from an outsourced provider to within Australian Super and are in the process of moving our Contact Centre to another provider. With the new provider, we're focused on providing empathetic service that resolves the member query on first contact.

**13.48 How will Australian Super support non-resident Australians, both in terms of making use of the app & call centre possible from overseas and in terms of ensuring communication of changes to regulations, laws and requirements to members living overseas**

We are continuously enhancing the features of our online account, mobile app and website to empower you with more control over your account.

We understand, however, that there are times when you may need assistance. Recently, we improved our messaging channel within the online account and mobile app to enable seamless verification without requiring additional steps to confirm your identity. This feature is particularly useful for members who may be unable to contact us during our Contact Centre's operating hours (8am–7:30pm AEST/AEDT weekdays). We encourage our members living overseas to ensure contact information is up to date, including a valid email address, to ensure important communications are received.

Our website also serves as a valuable resource for updates on regulations, laws, and requirements affecting members living overseas. While we've recently enhanced the website's information architecture to make content more accessible, we acknowledge that finding personalised information can still be a challenge. In the future, we aim to offer more tailored experiences based on member attributes.

Thank you for your feedback. We remain committed to improving how we present information to ensure clarity and accessibility across all our digital platforms. Your input is invaluable in guiding these enhancements.

**13.49 I dont understand what the new role of Concentrix will be vs what will be the continuing role of MUFG. If it was identified that MUFG needed to be replaced why do they still have a continuing role with members and admin?**

We have committed to continuing our partnership with MUFG as our administrator for at least another three years. This includes processing payments, transactions and other non-customer-facing administrative tasks. Concentrix will be the main interface with our customers and members via the Contact Centre, answering queries etc. via phone and messaging.

**13.50 Is Aus Super looking to upgrade the partial withdrawal process from a paper-based application with to an on-line process like Hostplus does AND if not, why do you require me to supply my POI documents each time I make a partial withdrawal even though**

We apologise if our fully digital withdrawal application was not easy to locate. We understand that paper-based applications may not provide the best experience for our members. That's why, in 2023, we enhanced our Member Portal with a fully digital process, including electronic verification, to streamline withdrawals.

To make a full or partial withdrawal online, please register for an online account if you haven't already. Once registered, log in to your account, navigate to the Transactions tab, and select Make a Withdrawal.

Thank you for your feedback. We are committed to improving how we present information, ensuring it is clear and accessible across all our digital platforms. Your input will help guide future enhancements.

**13.51 is it possible to split a choice income account between cash and balanced, with draw down coming from the cash element?**

A Choice Income account allows you to select which investment options your balance is invested in and which option your income payments, withdrawals and fees are deducted from. For a new account, you can make both selections on the application form, selecting your investments and the payment order of those investments. You may also like to consider the Choice Income Smart Default option which is preset to be invested 12% in Cash and 88% in Balanced, with your income drawn from the cash option. It also has a preset payment frequency and drawdown rate that adjusts with your age.-For an existing account, you can make the same changes by making an investment change online or on the form downloaded from the website.

**13.52 Is the balance shown in my super account the actual payout amount on that day or is it just an indicative number?**

The estimated account balance is a calculation of the balance of your account at today's date, and includes:

- all contributions that we've received and allocated
- fees, charges and taxes that have been deducted from your account
- estimated returns, which are calculated by applying the daily crediting rates to the balance of your account since the time investment returns were last applied
- the estimated value of the Member Direct option, which is calculated by multiplying.

Some transactions may not be reflected. For example, if you've made a contribution recently, we may not have received and allocated it to your account yet. Deductions for taxes, and fees and costs may not be up to date. Transactions and values are estimates and will be confirmed in your annual member statement or an exit statement if you close your account.

**13.53 Is there an Australian Super office in Sydney that you can make an appointment and seek advice face to face rather than through the phone calls.**

We have a mix of advice options to help you every step of the way – online, over the phone and in person. AustralianSuper has a nationwide network of financial advisers available to help you. To get started, you can register your enquiry at [australiansuper.com/advice](https://australiansuper.com/advice) and one of our team members will reach out to arrange a meeting.

**13.54 My recent experiences (August, September 2024) with contacting AusSuper via the telephone ( I wish to talk to a person) has been extremely frustrating; hard to understand the Customer Service Officer, due to strong non-english accent.**

Our Contact Centres are Australian-based and employ people from a diverse range of backgrounds. Perhaps you could try Messaging via the Portal or app instead. Our Messaging team are also Australian-based, but accents aren't an issue in written format.

**13.55 My wife and I both have Choice Income, but for some reason after 6 months she has higher earning than me, even although with start off with the same amounts.**

The daily performance on a percentage basis should be the same for each member in the same investment option. Member accounts may differ due to different transactions that occur. Please contact our client service team at **1300 300 273** to further research the potential difference.

**13.56 Question for Rose Are there any member services contracted out? If so, which services are contracted out and to which companies?**

Yes, our administrative services are outsourced to MUFG, Insurance to TAL and our Contact Centre is with Concentrix.

**13.57 Question to Chairman Call centre takes over 30 minutes to answer a call .What is being done to improve this ? Maria**

We apologise that there have been sporadic periods over the last year where we have had longer than usual wait times due to unexpected call volume. The average speed of answer for our calls has been less than two minutes for the past 16 months. We increased resourcing in the Contact Centre over a year ago to ensure that we provide efficient servicing and will continue to do so moving forward.

**13.58 To Chairman When I first joined Australian super it took a few minutes for someone to answer. Last week my phone rang out 3 times and it took 30 minutes. The quality of information was below standard and the stock answer was you can do it on line**

We apologise that there have been sporadic periods over the last year where we have had longer than usual wait times due to unexpected call volume. The average speed of answer for our calls has been less than two minutes for the past 16 months. We increased resourcing in the Contact Centre over a year ago to ensure that we provide efficient servicing and will continue to do so moving forward. We do always offer the digital option to our members first, as these are the most efficient options for members. However, there are always other options, such as forms, if you do not want to transact online. For the security of your account, our Contact Centre agents cannot transact on your behalf.

**13.59 Where will the new contact centre be located?**

The new Contact Centres are located in Brisbane and Townsville.

**13.60 why does it take around 3 days for money to move to a different investment option**

When you change (switch) investment options within your account, the daily crediting rate will be applied to your account for your previous investment choice up to the date of the switch. Your new investment choice will be effective at the start of the next business day after you make your switch (if received before 4pm AEST/AEDT [Melbourne time] on a business day). The crediting rates are applied to your account once they are updated in the Administrator's records. Investment switches typically take two to three full business days to appear in your online account and mobile app. This delay is due to the processing steps required to update the Administrator's records. Please note that the effective date of the transaction is based on when you perform the switch, which is different from when you may see the update appear in your account.

For more details, see:

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/fact-sheets/how-crediting-rates-and-investment-returns-work.pdf)

**13.61 Why dont you have a normal email address. And where can I find button by button the "range of channels " to give feedback?"**

Member feedback is critical to understanding and improving the experiences members have with us. As a fund, we don't have a single email address available for member feedback – it would simply be too big to manage. Instead, you are welcome to provide feedback at any time via the channels listed on the contact us page:

[australiansuper.com/contact-us](https://australiansuper.com/contact-us) This page offers several options for contact, including 'send us an enquiry' which will be replied to via email. You may also notice feedback tabs on website pages and receive invites to surveys, which invite feedback.

**13.62 Why is it whenever I call customer service, they struggle to understand my questions, And they always refer me to a financial advisor, after speaking to a financial advisor, they also were confused why I was referred to them**

We apologise if the agent you dealt with did not seem to understand your questions. Our agents are trained in effective questioning, so they should have been able to get to the core of your request. Our Contact Centre is not licensed to give financial advice, and can provide factual information only. Many queries that seem simple are in fact questions that require advice to be provided, under the definition of advice. To ensure that we are adhering to our regulatory requirements, we will always offer you an advice appointment if the conversation requires it. If it was not clear to the advisor why you were provided an appointment, we apologise.

**13.63 Why is Super Trustees team not accessible to members to raise questions directly with them or to lodge complaints with? This is particularly key when current process of complaints resolution has failed.**

We have multiple channels of engagement with Fund representatives. Our Contact Centre is available between the hours of 8am to 8pm, on **1300 300 273**. It is expected that all channels of engagement enable our members to lodge complaints – refer to our website for more detail on how to submit a complaint. We apologise that the current process has failed you and would value the opportunity to rectify that.

## **14 Member**

**14.1 Would it be possible for AustralianSuper to block members from making nonconcessional payments to their super accounts which result in them exceeding either the 1 year or 3 year caps to avoid members inadvertently exposing themselves to a significant tax bill?**

AustralianSuper does not have visibility of contributions members may have made to another super fund, or an understanding of a member's intention with regard to contributions that would provide us with the information required to identify members who have reached their concessional contributions cap and block a member's contributions.

**14.2 2. Why does Australian Super not offer a non-lapsing Binding Death Benefit Nomination? I know of one Industry Fund that does. Thank you**

AustralianSuper will be offering non-lapsing Binding Death Benefit Nomination from the 6th of December 2025. The updated AustralianSuper Binding Death Nomination form can be found at [australiansuper.com/tools-and-advice/forms-and-fact-sheets](https://australiansuper.com/tools-and-advice/forms-and-fact-sheets)

**14.3 At the last Member Meeting we were informed that work was being done in the background to avoid the beneficiary forms having to be re-done every 3 years. Can you advise on the progress of this please. Thanks.**

AustralianSuper will be offering non-lapsing Binding Death Benefit Nomination from the 6th of December 2025. The updated AustralianSuper Binding Death Nomination Form can be found at [australiansuper.com/tools-and-advice/forms-and-fact-sheets](https://australiansuper.com/tools-and-advice/forms-and-fact-sheets)

**14.4 Beneficiary nominations need renewing every three years - given that a substantial proportion of members will live into their 80s and some will suffer dementia why can we not have non lapsing nominations?**

AustralianSuper will be offering non-lapsing Binding Death Benefit Nomination from the 6th of December 2025. The updated AustralianSuper Binding Death Nomination Form can be found at [australiansuper.com/tools-and-advice/forms-and-fact-sheets](https://australiansuper.com/tools-and-advice/forms-and-fact-sheets)

**14.5 I check the balance and movement of my account regularly and occasionally I notice that there are errors in the amount reported. Is management aware of this problem? and if yes, what is being done about it? Thank you.**

We apologise if your experience viewing your balance movements in your online account did not meet your expectations. Please note that the estimated account balance is a calculation of the balance of your account at today's date and includes:

- all contributions that we've received and allocated
- fees, charges and taxes that have been deducted from your account
- estimated returns, which are calculated by applying the daily crediting rates to the balance of your account since the time investment returns were last applied
- the estimated value of the Member Direct option, which is calculated by multiplying for details on how returns from the Member Direct option are calculated. Please see the Member Direct Guide at [australiansuper.com/](https://australiansuper.com/)

</media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/guides/member-direct-guide.pdf>

Some transactions may not be reflected. For example, if you've made a contribution recently, we may not have received and allocated it to your account yet. Deductions for taxes, and fees and costs may not be up to date. Transactions and values are estimates and will be confirmed in your annual member statement or an exit statement if you close your account.

We are not aware of any systemic issues affecting the accuracy of balance displays. If you believe the balance shown in your online account is incorrect, please don't hesitate to contact us so we can assist you in resolving your concern. Visit our Contact Us page for details on the various ways to reach us.

#### **14.6 The return on Mobile App is for FYD whereas on the computer is FYD projected to 30 June 2025, why a misleading projection?**

We apologise if you found interpreting your returns confusing.

The estimated return for the Financial Year to Date (FYTD) is the same figure displayed in both our Member Portal and Mobile App. This reflects the estimated returns you have earned so far for the current financial year. Please note that neither platform provides a projected return for the remainder of the financial year.

Investment returns are calculated based on your opening balance, plus contributions received minus any payments made, fees, charges, and taxes deducted from your account. However, deductions for taxes, fees, and costs, such as insurance and administration fees, may not always reflect the most up-to-date information.

For more details, please visit our FAQ pages: [australiansuper.com/tools-and-advice/mobile-app/faqs](https://australiansuper.com/tools-and-advice/mobile-app/faqs)

If you notice a discrepancy between the figures displayed in the Member Portal and the mobile app, please don't hesitate to contact us. Visit our Contact us page for information about the various ways you can reach us.

Thank you for your feedback. We continuously review how we present information to make it clearer and easier to understand across all our digital platforms. Your input will be considered in future improvements.

#### **14.7 Why do nominated beneficiaries have to be renewed every 3 years. I had to buy an envelope and one stamp and post my form to get it to you**

AustralianSuper will be offering non-lapsing Binding Death Benefit Nomination from the 6th of December 2025. The updated AustralianSuper Binding Death Nomination Form can be found at [australiansuper.com/tools-and-advice/forms-and-fact-sheets](https://australiansuper.com/tools-and-advice/forms-and-fact-sheets)

#### **14.8 Why has there been a rise in complaints from members and has there been a particular trend of complaints.**

On a rolling three-month basis, the number of complaints per 10,000 members has been decreasing significantly. As at the end of June 2023, the Fund was receiving 159 complaints per 10,000 members. As at the end of October 2024, the Fund was receiving 52 complaints per 10,000 members. The Fund has made a significant investment in improving the services and experiences we provide our members. We acknowledge we still have work to do. We analyse complaints data to identify trends that inform where we direct our efforts to make further progress towards consistently meeting our members' fair and reasonable expectations.

#### **14.9 Why is it taking so long to respond to member complaints?(exceeded the regulatory timeframe) I have first hand knowledge**

We recognised that the delivery of complaint management services could be improved and made the decision in December 2023 to bring this critical member service in-house. The transition of this service from our Administrator into the Fund commenced in June 2024. We are currently investing in building our internal capacity and capability and acknowledge that whilst we do that, the timeliness of the delivery of this service is being impacted for some members. We apologise for the impact this has had on your experience and assure you we are committed to achieving the delivery of best-practice over the coming months.

**14.10 I learn more about issues at Australian Super from reading the AFR than from the Fund. Can Australia Super please consider providing more regular and detailed member communications on current issues so that we can rely less on the media.**

**14.11 I learn more about Australian Super in the media than from Australian Super. What is Australian Supers Communication Strategy?**

The Fund has a dedicated team responsible for communicating to members – the Member Communications team. This team is responsible for communicating to members on a variety of matters, which include:

- information directly related to individual member accounts
- detail on ways in which members may wish to engage with their super
- general help and guidance in relation to super, the Fund, retirement etc., and
- updates on Fund or industry matters of relevance.

The team uses a number of vehicles and channels to reach members, including email; the Fund website, Member portal and app; via employers or advisers; podcasts; social media; events, seminars and webinars; and disclosure documentation such as members' annual statements.

The frequency with which these communications are delivered to members varies. We are conscious of delivering the right message at the right time via the right channel, while ensuring we don't overwhelm members with information. For this reason, any issues as they may relate to the Fund would be delivered to members via very deliberate communication vehicles, so as to be noticed, legible and understood.

Specifically:

- the Fund's principal member communication vehicle – the Member Fund Update which is delivered via email on a quarterly basis
- emails and letters sent directly to members who may be impacted by such issues are produced and distributed accordingly
- front-line staff receive significant briefings as and when such issues arise so as to be able to respond effectively to any member queries, which may be received via our call centre, Chatbot, webinars and seminars etc., and
- annual statements are accompanied by an update direct from our CEO, Paul Schroder, which may touch on such issues, as well as any supporting documentation as required.

If you would like to subscribe to receive information from the Fund (outside of information we are legally obliged to provide to you such as annual statements, Significant Event Notices, etc.) please log in to the Member Portal and visit the Communications Preferences centre where a number of options are available to you.

**14.12 The AFR appears to provide a more detailed and prompt understanding of Australian Super investment performance. Why does Aust Super not provide this information to its members directly as opposed to reading about it via other channels?**

The Fund has a dedicated team responsible for communicating to members – the Member Communications team. This team is responsible for communicating to members on a variety of matters, including the Fund's investment performance. The principal communication vehicles utilised to ensure members receive timely updates on the investment performance of the Fund are:

- the Member Fund Update - an e-newsletter delivered via email on a quarterly basis – features updates specific to the investment choice the individual member has made, as well as the Fund's overall performance
- our education program, which is delivered via a comprehensive series of webinars and in-person seminars, which members can register for directly via the Fund website: [australiansuper.com/tools-and-advice/events-and-seminars](https://australiansuper.com/tools-and-advice/events-and-seminars)
- videos produced at mid-year and EOFY, which provide updates from AustralianSuper experts on Fund performance and future outlooks: [australiansuper.com/investments](https://australiansuper.com/investments)
- annual member statements, which contain details on the rate of return achieved by the member's specific investment option or options.



The Fund also features comprehensive information on the Fund website about our performance, investment options and how we invest members' money, which members can visit at any time:

[australiansuper.com/investments](https://australiansuper.com/investments)

The Member Portal and app also provide information in relation to the rate of return achieved on each individual member account, according to their investment choice.

If you would like to subscribe to receive information from the Fund in relation to investment performance, please login to the Member Portal and visit the Communications Preferences centre and select Get the most from your super to receive the Member Fund Update and Hear about our events to receive updates regarding when the next seminar may be taking place in your area.

#### **14.13 What is your roadmap in improving the member channels for engagement?**

We are actively focused on enhancing and expanding the channels through which our members can interact and engage with us. Our focus is to make it as easy as possible to engage with us via our digital channels. We have a number of initiatives planned to encourage members to take up a digital account and are actively building out the functionality of our digital channels (especially our member portal and mobile app) based on member feedback. We're also improving our contact centre so it's quicker to get in touch and have queries resolved, either by phone or messaging.

#### **14.14 Is it possible to include the benchmark performance with the reporting of the funds performance? This was not in the information sent out earlier this month.**

Each investment option's performance compared to benchmark is available for download at the bottom of the performance page on a quarterly basis: [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

There is a delay in the publication of this data, as the SuperRatings benchmarks that are used for most of the PreMixed options are only released around the third week of the following month. The CPI, which is used for the benchmark of the Indexed Diversified option, is not available for about four weeks after the end of a quarter. We seek to update the information on the website soon after all the relevant benchmark data is available.

## **15 Operations**

### **15.1 How accurate are generated account Benefit Estimates" if it takes 3 or 4 months to supply an accurate Annual statement, and so how long would it take to close and receive proceeds from said account**

The estimated account balance is a calculation of the balance of your account at today's date and includes:

- all contributions that we've received and allocated
- fees, charges and taxes that have already been deducted from your account
- estimated returns, which are calculated by applying the daily crediting rates to the balance of your account since the time investment returns were last applied plus any applied returns made from any investment switches you have made
- the estimated value of the Member Direct option (if applicable), which is calculated by multiplying the number of shares held by the share price at the date the current estimate is being performed.

Some transactions may not have been added your estimated account balance. For example, if you've made a recent contribution, we may not have received and allocated it to your account yet. Also, this account balance may not yet include all deductions for taxes, and fees and costs because these are applied at specific times.

The value of your investment returns, fees and other costs are confirmed in your annual member statement or an exit statement if you close your account.

When you withdraw and close your account, the actual account balance is calculated as at the day of your request.

Requests to close your account generally take 3–5 business days to process, which we confirm by letter. If you've provided your mobile number, you'll receive an SMS when a payment is made to your bank account.

**15.2 The Australian EOFY statement is very standardised and does not appear to be customised to individuals actual investment options sections. is there a view to improve this over coming years or with the focus on AI - build an online reporting function?**

AustralianSuper is exploring the use of AI to improve processes and customise data for members.

We endeavour to make all our communications valuable for members and are committed to incorporating feedback and suggestions on what to include.

**15.3 When is AustralianSuper going to accept Kiwisaver rollovers?**

While AustralianSuper does accept transfers from overseas pension funds, we currently do not offer Trans-Tasman portability (KiwiSaver scheme) into an AustralianSuper account and do not currently have plans to explore this.

**15.4 Why is my 2024 annual statement still not appearing in my online account? It is now 4 and a half months since the end of the 23/24 financial year! I have called Aust Super 4 times already regarding this.**

While the financial year ends on 30 June, AustralianSuper takes time to reconcile all member accounts to ensure they are accurate and we meet our regulatory obligations on the Annual Statements. AustralianSuper endeavours to distribute all member statements by the end of December. We apologise for the inconvenience this has caused you. If you have access to your AustralianSuper account online you can view all transactions and activity for the 2024 financial year.

**15.5 I understand that insurance payouts have been slow and this has caused frustration. Of concern to me and generally to all members is how other admin issues are handled. How can these be improved?**

AustralianSuper insourced the management of death claims this year. The Bereavement Centre was launched on 2 April 2024 as part of AustralianSuper's efforts to insource the management of death claims. This initiative aims to better support members and their loved ones by providing case management services and utilising new technology and data solutions.

Disability insurance claim assessment was moved back to our Insurer TAL in May 2023. This change achieved a more efficient and sustainable claims management model by reducing duplication of administration and reporting, while improving the overall claims experience for members. TAL, along with AustralianSuper, is dedicated to continuously improving processes and capabilities to meet regulatory requirements and enhance service and support for members.

**15.6 I'm concerned about the efficiency of Aus Super's back-office admin. Having heard about the poor service from Link in relation to Cbus what is AusSuper doing about ensuring that the day-to-day operation is efficient. Bring admin back in house?**

**15.7 i had the misfortune to deal with Linkt and made a formal complaint to Australian Super about this. i want to know following the 730 report what AS is doing to improve and who or how will AS provide the services linkt used to provide - LINKT are about as bad as it gets -**

As part of the transition to the new Contact Centre provider, AustralianSuper has developed a new training and induction program for customer service. AustralianSuper has brought the development of Contact Centre training in-house, providing greater control over training delivery. As such, we are ensuring that agents are fully equipped to answer any queries. We have implemented close monitoring of member interactions to ensure that any training gaps are swiftly identified and addressed.

**15.8 Why is taking so long for fund withdrawals to be processed, 3 to 5 business days, it takes a lot longer. Have been advised there is a backlog, why is there a backlog and what are you going to do about it so members can receive their funds in the timeframe of 3 to 5 businesses days?**

**15.9 Why is taking so long for members withdrawals to be processed, it has been nearly 4 weeks the request was requested. We have been told that there is a backlog, what is being done to improve these services so members receive their funds more quickly?**

We apologise for the delay in processing your withdrawal request. To better understand what has occurred with your specific request, please confirm if you're comfortable for the Fund to contact you via phone to discuss your experience.

AustralianSuper typically processes withdrawals within three to five business days. However, some withdrawal requests may take longer if they are incomplete, ineligible, or require further review due to account activity.

As part of ensuring timely payments to members, we regularly review resource requirements, technology, and processes.

## **16 Strategy**

**16.1 Can you please tell us how AustralianSuper differentiates from its peers moving forward ? Is there any material difference in strategy/approach to investing?**

AustralianSuper has established itself as the largest superannuation fund, which has allowed us to build critical capabilities and benefits associated with scale. Moving forward, we will look to differentiate ourselves from our peers by focusing on more advanced and sophisticated opportunities while many peers are either in the process or only just beginning to develop the capabilities that are already well-established and mature in our organisation. Our leadership in building out our global investment expertise, while maintaining competitive fees, is a testament to this advantage.

**16.2 Do you see further consolidation in Industry Super funds into a few mega funds such as Australian Super and ART?**

We believe that industry super funds will continue to seek scale. The growing expectations on superannuation funds on multiple fronts (delivering more on service, navigating a complex investment landscape, supporting members more on retirement, etc.) will require funds to build capabilities that are generally done best and in members' best financial interests, when done at scale.

**16.3 What size and scale does the fund aspire to get to to justify the continued marketing spend?**

While managing our marketing spend continues to be a focus, it is important to consider that achieving continued growth in member numbers and assets will support the Fund to deliver even greater benefits to all members through economies of scale. This can range from more competitive insurance through 'risk pooling' to lower external spend with suppliers through our bargaining power. Annually, as part of our Member Outcomes Assessment, we evaluate how we have performed in translating scale into member benefits. The latest review identified benefits across insurance, investment opportunities, procurement, and also determined that our operating cost per member outperformed other Funds (better than median).

**16.4 fund merger acquisitions in the next 24 months.**

Given AustralianSuper's strong organic growth and momentum, we only selectively consider M&A opportunities where there is significant value to members that justify the costs and execution risk.

**16.5 What will be Superannuation 10 years from now**

The superannuation landscape is expected to undergo changes and advancements over the next 10 years. Projections indicate that the superannuation market will continue to expand, with increases in total assets under management and growth in the number of members. Drivers of this growth are expected to include increase in the Super Guarantee, demographic changes and population growth including due to immigration. We expect the

system to be worth \$7 trillion in 10 years. Technological advancements will be pivotal in enhancing member engagement and improving investment strategies. Innovations in digital tools and personalised financial advice are expected to provide members with more tailored and efficient services. Member services will also improve. Digital tools, retirement planning resources, and personalised advice will help members achieve their retirement goals more effectively. Investment strategies will continue to be adapted to meet emerging risks and opportunities. Factors such as climate change and global economic shifts will influence how superannuation funds allocate their investments. Lastly, the superannuation system will continue to make a positive economic and social impact. The system will continue to support a stable and secure retirement for Australians and contribute to the national economy. We are committed to staying ahead of these trends and ensuring that members receive the best possible outcomes.

## **16.6 Your strategy**

### **16.7 long term strategy**

The Board has recently approved the Fund's '2035 Strategy'. While the strategy is new, the Fund's purpose remains the same: to help members achieve their best financial position in retirement. The 2035 Strategy aims to position the fund as Australia's leading superannuation provider and will achieve this by focusing on five key strategic pillars. The first goal is to deliver market-leading net performance, to achieve top decile returns in the Balanced option. Secondly, the strategy highlights the importance of personalised guidance at scale, ensuring every member is able to receive affordable, quality guidance tailored to their needs. Thirdly, the Fund is committed to maintaining its reputation as a trustworthy financial institution. To do this, the Fund will aim to deliver on our promise to members by doing what we say, and saying what we do. The strategy emphasises offering value at a competitive cost, aiming to provide a level of service and performance that other funds would find challenging to match. Data, analytics and technology are foundational to delivering this outcome. 'Talent and culture' is core to the strategy, with a clear focus on our members-first culture. The ambition is to have the best talent in the best place to work in finance globally. We currently have high engagement scores, and we're committed to ensuring our colleagues are enabled to continue to deliver for members. Overall, the 2035 Strategy is designed to ensure the fund remains competitive, delivers exceptional value to members, and continues to grow sustainably over the long term.

### **16.8 Will you offer at some stage the ability for members to invest funds outside of Super, something that shadows the Funds investment strategies?**

AustralianSuper has no plans to create a fund management business outside of the superannuation system.

## **17 Performance**

### **17.1 How do you believe the decline in the Chinese economy will affect investment returns given its significance to the Australian economy.**

China is the second largest economy in the world and is a significant trading partner with Australia. Our Investment team has researched the macro-economic policies, consumer trends and potential growth drivers in China. Low consumer confidence levels and depressed property market conditions are having an impact on the current China economy. We are monitoring the implementation of economic policies to build our future market expectations in China, as well as the impact on the Australian economy and investment markets.

### **17.2 How well does Australian Super perform in comparison to the best performing super funds worldwide?**

From an investment performance perspective, it can be challenging to directly compare funds from around the world due to different base currencies, tax regimes, cost structures and investment mandates.

### **17.3 How would you rank Australian industry supers performance compare with other providers to its members in three years time from now in terms of diversified fixed interest, thank you."**

It is difficult to predict specific returns, regardless of time horizon.

In addition, the investment objectives of fixed interest options can vary at different providers based on regions invested (Australian, international or a combination), composition of investments in terms of government, corporate or asset-backed bonds, exposure to private credit and duration positioning.

Members should be sure to understand the composition of the fixed interest option where they invest, as there can be significant differences in investment objectives and portfolio holdings.

The AustralianSuper Diversified Fixed Interest option has the following characteristics:

Description:

Invests in a wide range of Australian and international bonds and loans by actively investing in the fixed interest, credit and cash asset classes.

It aims to outperform a mix of Australian and international bond indices over the medium term.

Investment objective:

To beat a composite of 50% Bloomberg Global Aggregate Total Return Index hedged to AUD and 50% Bloomberg AusBond Composite 0+ Year Index over the medium term.

More information is available at:

[australiansuper.com/investments/your-investment-options/diy-mixed-investment-choice](https://australiansuper.com/investments/your-investment-options/diy-mixed-investment-choice)

[australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/guides/investment-guide.pdf](https://australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/investment/guides/investment-guide.pdf)

#### **17.4 when does australian super believe that our investment returns will improve as compared to other industry super funds**

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, such as listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions we're continuing to review and adjust the portfolio.

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

#### **17.5 Why Australian super stopped appearing under the Best super funds in the Money Magazine for the last few years . Is it due to relatively poor performance of the balanced funds???**

Money superannuation awards are based on a variety of factors including performance, best value, most innovative and best-value insurance. When ranking super funds for performance, the best super funds can be different based on whether the time period is over one year or over a longer period, like ten or 20 years.

Over the one and three years to 30 June 2024, the performance of the AustralianSuper Balanced option has been lower than peers due to defensive positioning during the 18 months to 31 December 2023, as well as the comparative lower performance for unlisted markets (private equity, infrastructure, property and private credit) compared to listed assets (Australian shares and international shares). Over the longer term, the Balanced option has been a top-performing fund, ranking highly among peer funds due to its active investment approach and ability to invest in unlisted markets.

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20\* years: 2

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

Compare super funds on our website for more details: [australiansuper.com/compare-us](https://australiansuper.com/compare-us)

\* Returns from equivalent options of the ARF and STA super funds are used in calculating return for periods that begin before 1 July 2006.

**17.6 It is impossible to reconcile your International Sector performance to the benchmark because of 'tax'. Please provide a reconciliation ie what your performance is, what the tax is and what the benchmark is? If you look at Sep 24 performance the Vanguard Super Intl unhedged is 21.09 whilst AusSuper is 18.94. The bench is the same ex excluded nuclear, tobacco and controversial weapons. Please explain why there would be tax differences between Vanguard Super and Australian Super? This is a very material difference in perf versus benchmark for AusSuper. Please explain. And, should the tax differences be similar for June 24 one year data. thanks**

There are a few differences between these two portfolios to consider:

1. The benchmarks are different. The AustralianSuper International Shares benchmark is the MSCI All Country World ex Australia Index adjusted for tax, while the Vanguard option is benchmarked to MSCI World ex Australia, ex Tobacco, ex Controversial Weapons, ex Nuclear Weapons (with net dividends reinvested) Index. The AustralianSuper benchmark includes All Countries, which is Developed and Emerging Markets exposure, while the Vanguard benchmark is only Developed Markets and has exclusions.

2. AustralianSuper has an active investment approach where we seek to invest in companies that have the opportunity to outperform the benchmark over time, while Vanguard's investment objective for their international shares option is to match the performance of the benchmark.

Over the long term, AustralianSuper's active management approach has achieved its objective of outperformance over the benchmark, while security selection in the short-term has led to underperformance over the past year.

Both options would face similar tax treatment based on tax rates applicable to superannuation funds.

Performance vs benchmark comparisons are available in the downloadable spreadsheets at the bottom of the performance web page: [australiansuper.com/compare-us/our-performance](https://australiansuper.com/compare-us/our-performance)

As at 30 September 2024, the AustralianSuper International Shares option for super accounts had the following performance compared to its benchmark:

1 year: 18.94% compared to 20.39%

5 years: 10.79% pa compared to 10.70% pa

10 years: 11.32% pa compared to 10.88% pa

20 years: 8.36% pa compared to 7.68% pa

Sources: AustralianSuper and Vanguard.

## **17.7 Whats the projector returns for the next 5yrs**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **17.8 how the super annuation growth looks like for next 10 years**

It is difficult to predict specific returns, regardless of time horizon. The AustralianSuper Investment team is focused on generating the best possible risk-adjusted returns for members. For each of the investment options, the portfolios are managed to meet the investment objectives. For the Balanced option, the investment objectives are to beat the median balanced fund and the CPI + 4% per annum over the medium to longer term.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted assets are expected to outperform listed equivalents over the medium to longer term.

### **17.9 Can you advise what the impact to funds invested was as a result of negative returns from private equity investments undertaken by Aus Super?**

The main impact was to the performance of the private equity asset class, which is included in the asset allocation of High Growth, Balanced, Socially Aware, Conservative Balanced and Stable investment options.

We are extremely disappointed by the outcome at Pluralsight. However, it is one investment in the private equity portfolio – an asset class that has provided strong long-term returns for members. Additionally, the valuation has been fully accounted for in the 2024 financial year, so there will be no impact on members' future earnings.

Private equity has been one of AustralianSuper's top-performing asset classes over five and ten years, delivering average annual returns of more than 10% and 12% during that period respectively (as at 31 July 2024). Our investment strategy continues to focus on balancing potential growth opportunities with diversification to deliver positive returns to members over the long term while providing stability in your returns during times of market volatility.

### **17.10 I am perplexed at the low returns recorded by the Diversified Fixed Interest category over several recent years. Increasingly, retail funds are on offer in the market to individual investors on this product area with more appealing return than has been the case with the AusSuper offering.**

The main impact to the performance of the Diversified Fixed Interest option was due to rising interest rates and the inverse relationship between interest rates and the price of fixed interest assets in the portfolio. Over the medium to longer term to 30 June 2024, the Diversified Fixed Interest option has been a top-ranking option in the SuperRatings SR25 Diversified Fixed Interest survey.

Members should be sure to understand the composition of the fixed interest option where they invest, as there can be significant differences in investment objectives and portfolio holdings.

### **17.11 What is the plan to better the returns offered by retail funds over the last year?**

The main difference between options like the AustralianSuper Balanced option and some retail funds is the composition of the portfolio. Any funds that had a higher proportion of listed assets (Australian shares and international shares) performed better than those invested in unlisted markets (private equity, infrastructure, property and private credit). Over the longer term, the Balanced option has been a top-performing fund\*, ranking highly among peer funds due to its active investment approach and ability to invest in unlisted markets, which have contributed to performance over the long term.

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions we're continuing to review and adjust the portfolio.

\*SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index to 30 June 2024.

**17.12 the performance of our balanced fund over last three years has been terrible ,the markets are at all time highs ,why isnt the performance better,the writing down of pluralsight in US a shocking investment the only people hurting are the members,how can you tell me this performance will be improved ,are our IM up to the task ,who reviews Mr Delaneys performance and his tenure in the job**

The Investment team is taking steps to improve relative performance. During the 2024 calendar year, this has meant a moderate increase in our exposure to growth assets, like listed shares. Over time, we expect to add additional exposure through private market assets, like private equity, infrastructure and private credit. And with improving economic conditions we're continuing to review and adjust the portfolio.

When it comes to super, it's important to think about the long-term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down.

AustralianSuper has a delegated model for investment decision-making. The Board is responsible for the overall governance and strategic direction of the Fund. The Investment Committee has oversight of the investment program. The investment decision-making is delegated to the Chief Investment Officer, with the Heads of Portfolio Groups being responsible for asset class mandates and portfolio managers being responsible for security selection in each portfolio mandate.

We have an established Investment Governance Framework, which allows us to continuously monitor and assess the performance of our internal and external portfolios and act when a strategy isn't working.

**17.13 How has the fund's performance compared to similar funds and market benchmarks over the last 5 to 10 years?**

The Balanced option has an investment objective to beat the median balanced fund over the medium to longer term, as measured by the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index. This survey includes about 50 peer funds.

As at 30 June 2024, the Balanced option ranked the following in the survey:

1 year: 35

5 years: 11

10 years: 3

15 years: 2

20\* years: 2

The APRA performance test compares superannuation products against tailored market benchmarks. All AustralianSuper trustee-directed products have passed the performance test.

**[apra.gov.au/annual-superannuation-performance-test](https://apra.gov.au/annual-superannuation-performance-test)**

When it comes to super, it's important to think about the long term. Over the short term, the rankings of different investment options can vary from one month to another. As with other super funds, our shorter-term performance rankings move around as markets move up and down. Compare super funds on our website for more details:

**[australiansuper.com/compare-us](https://australiansuper.com/compare-us)**

\* Returns from equivalent options of the ARF and STA super funds are used in calculating return for periods that begin before 1 July 2006.

**17.14 What will happen to returns based on current geopolitical conditions**

It is difficult to predict specific returns, regardless of time horizon. As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and established key actions to take when a global event occurs.

We believe that economic indicators suggest there is a higher potential for major global economies to grow at trend levels and a reduced likelihood of a significant economic slowdown in the near term. These factors support the prospect that growth assets like listed shares may provide higher returns than fixed interest assets, while unlisted



assets are expected to outperform listed equivalents over the medium to longer term. Although we're expecting improvement in global economic conditions, we're maintaining a cautious outlook, considering the potential lagged effects of higher interest rates and geopolitical risks that could affect future returns.

#### **17.15 Given the performance of commercial property, has Australian super made any representations to owned companies or government regarding return to office"?**

AustralianSuper supports a blended working approach which is used as the work guidelines for AustralianSuper staff. We focus on balancing productivity, safety, risk, performance and outputs rather than presenteeism. There is an expectation that colleagues maintain regular access and connection to the office to support collaboration, coaching and development.

AustralianSuper seeks to integrate consideration of material ESG workforce issues into investment processes and stewardship activities to promote long-term value for members. AustralianSuper has engaged with some of the companies in our internally managed fundamental portfolios in the Australian shares asset class, and some assets in the infrastructure and property asset classes, on workforce issues including health and safety, sexual harassment, labour practices and workforce engagement, in addition to modern slavery. We also hosted a forum for some of our Australian infrastructure and property assets focusing on health and safety, including best practice in health and safety culture, psychosocial hazards, contractor safety and reporting, and best practice in relation to modern slavery.

## **18 ESG**

#### **18.1 Is AustralianSuper asking companies like Woodside and Santos to end their capital-intensive expansion plans and focus on shareholder returns instead?**

Engagement with companies provides us with an opportunity to encourage management of ESG issues that we believe can impact members' investment returns. Our engagement with Woodside and Santos (via ACSI) is focused on maximising long-term value for members.

#### **18.2 A number of super funds are giving members more say in how their super fund votes in company AGMs What steps is Australian Super taking to give members more say?**

Voting on resolutions at general meetings is a key ownership right and responsibility of company shareholders. For AustralianSuper, voting presents an opportunity to communicate our view on how companies are performing in creating long-term investment value for members. It has particular importance given our often large shareholding size. We understand that members have diverse views on how they think we should vote. However, we consider resolutions on their merits through the members' best financial interest lens.

#### **18.3 Approach to climate change is quite different across the political spectrum. How do you gauge members views of whether they agree with your approach?**

We understand that members may have different views on climate change. Our approach to managing the risks and opportunities of climate change is made through the members' best financial interest lens. We believe that climate change is one of the most significant investment issues today. A such, climate change presents risks and opportunities for the investments in our portfolio. A range of activities are undertaken by the Investment team to manage climate change risk and opportunities and the net zero transition in the portfolios. These are conducted across four core areas: integration, stewardship, advocacy and measurement and disclosure.

You can find out more about our approach to managing climate change risks and opportunities and the net zero transition in the portfolio on our website and in our *Climate Change Report*, available at:

[australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange)

#### **18.4 How much exposure do we have to ESG investments and are they actually profitable?**

We don't consider investments as 'ESG investments.' We integrate ESG considerations in our investment decision making through the lens of creating better long term returns for members. Our investment decision-making considers a range of factors, including company financials, qualitative data and ESG issues. The application of our ESG and Stewardship program varies by asset class and characteristics of our investment, including whether we're

investing directly or through external managers, or whether our investment is actively or passively held. More information on how we invest is available on our website: [australiansuper.com/investments/ResponsibleInvestment](http://australiansuper.com/investments/ResponsibleInvestment). We also publish details of our holdings on our website every six months: [australiansuper.com/investments/what-we-invest-in](http://australiansuper.com/investments/what-we-invest-in)

### **18.5 Are all investments in line with the ESG goals/policy?**

AustralianSuper believes that companies with good ESG management provide better long-term returns. We integrate ESG considerations in our investment decision making through the lens of creating better long term returns for members. The application of our ESG and Stewardship program varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. More information on how we invest is available on our website: [australiansuper.com/investments/ResponsibleInvestment](http://australiansuper.com/investments/ResponsibleInvestment)

### **18.6 What is Australian Super's strategy for investing in more sustainable enterprises?**

AustralianSuper believes that companies with good ESG management provide better long-term returns. We integrate ESG considerations in our investment decision making through the lens of creating better long term returns for members. Our investment decision-making considers a range of factors, including company financials, qualitative data and ESG issues. The application of our ESG and Stewardship program varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. More information on how we invest is available on our website: [australiansuper.com/investments/ResponsibleInvestment](http://australiansuper.com/investments/ResponsibleInvestment). We also publish details of our holdings on our website every 6 months: [australiansuper.com/investments/what-we-invest-in](http://australiansuper.com/investments/what-we-invest-in)

### **18.7 I want to know the ratio of ethical investments, and how much is toward the more problematic industries like fossil fuels, gambling industries etc.**

We don't classify our investments as being 'ethical investments/non-ethical investments'. We integrate ESG considerations in our investment decision making through the lens of creating better long term returns for members. We invest in a diversified portfolio of assets across different sectors of the economy. including the fossil fuels and gambling industries. The application of our ESG and Stewardship program varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. We know members have diverse personal views when it comes to investing, so we have a range of investment options for members to choose from, including the Socially Aware investment option. We also publish details of our holdings on our website every six months: [australiansuper.com/investments/what-we-invest-in](http://australiansuper.com/investments/what-we-invest-in).

### **18.8 you provide greater transparency and details on fund investments to ensure ethical and sustainable futures**

At AustralianSuper, investing responsibly means being an active investor and steward on environmental, social and governance (ESG) issues, with the aim of creating better long-term financial outcomes for members. You can find out more about our ESG and Stewardship program in our annual report and website. We also publish details of our holdings on our website every six months: [australiansuper.com/investments/what-we-invest-in](http://australiansuper.com/investments/what-we-invest-in)

We also have a range of investment options for members to choose from, including the Socially Aware investment option. You can view our investment options here: <https://www.australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice>

### **18.9 Details of investment in industries directly and indirectly related to the mining and resources industry. Include scope of portfolio and proportion of overall investments. Include investments in carbon off sets, which offsets and why. Long term strategy for investment in this sector?**

AustralianSuper invests in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value creation potential within their sector. The energy transition is a key theme in our investment portfolio. We believe members can benefit from quality investments exposed to the energy transition. The transition in the energy mix is creating investment opportunities across a range of

sectors. We have a number of holdings in the resources sector and mining-related companies, including those involved in critical minerals.

We recognise that the net zero transition in the economy will not be linear, and decarbonisation pathways will differ across regions and sectors. Carbon credits are expected to play a role in this shift, particularly for hard-to-abate sectors which are reliant on developing technologies. We engage with the larger contributors to emissions in our internally managed fundamental portfolios in the Australian shares asset class to better understand their emissions reduction commitments and climate transition action plans. You can find out more about our climate change approach at <https://www.australiansuper.com/climatechange>

We also publish details of our holdings on our website every 6 months: [australiansuper.com/investments/what-we-invest-in](https://www.australiansuper.com/investments/what-we-invest-in)

#### **18.10 What specific, measurable ESG targets has Australian Super set for the next 5 years, and how will progress towards these goals be tracked and reported to members?**

AustralianSuper has made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve this commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We monitor progress towards our net zero commitment through our internal carbon tracking activities and communicate our progress in our Annual Report: [australiansuper.com/about-us/governance-and-reporting](https://www.australiansuper.com/about-us/governance-and-reporting), and on our website <https://www.australiansuper.com/investments/how-we-invest/climate-change>

#### **18.11 Why are you still supporting fossil fuel industry investments and limited transparency of green washing**

With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as fossil fuels. For more detail on the exclusion of companies involved in the production of tobacco products, see our Investment Guide.

Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential.

All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

AustralianSuper believes that, in most instances, advocating for change through stewardship activities will result in better outcomes on ESG issues than divestment. AustralianSuper has committed to achieve net zero emissions by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals.

Our approach to managing climate change risks and opportunities and the net zero transition in the portfolio includes the way we invest and our actions as owners. We're also monitoring progress towards our net zero commitment through our internal carbon tracking activities.

You can read more about our approach to managing climate change risk in our Climate Change Report available at <https://www.australiansuper.com/investments/how-we-invest/climate-change>

#### **18.12 What is your policy or views with regards to climate change strategy**

#### **18.13 What is Australian Super doing in terms of investment strategy to prevent, mitigate or manage climate change and environmental protection for the benefit of future generations?**

We believe that climate change is one of the most significant investment issues today. A range of activities are undertaken by the investments team to manage climate change risk and opportunities and the net zero transition in the portfolios. These are conducted across four core areas: Integration, Stewardship, Advocacy and Measurement & Disclosure.

We've made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve this commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. Our approach to managing the transition to a net zero 2050 investment portfolio includes the way we invest and our actions as owners. We use internal carbon footprint analysis to monitor the investment portfolio's progress towards net zero. We engage with the larger contributors to emissions in our internally managed fundamental portfolios in the Australian shares asset class to better understand their emissions reduction commitments and climate transition action plans. And we exercise our ownership rights through our share voting practices. We also engage collectively with other investors through industry groups and investor networks including the Australian Council of Superannuation Investors (ACSI) and Climate Action 100+. You can find out more about our approach to managing climate change risks and opportunities and the net zero transition in the portfolio in our Climate Change Report available at: [australiansuper.com/ClimateChange](http://australiansuper.com/ClimateChange).

**18.14 What, if any, investments does Australian Super hold in the fossil fuel industry ? And what is Australian Super's contribution towards achieving net zero emission in the near future ?**

AustralianSuper invests to help members achieve their best financial position in retirement. We invest in a diversified portfolio of assets across different sectors of the economy, including fossil fuels. We know members have diverse personal views when it comes to investing, so we have a range of investment options for members to choose from, including the Socially Aware investment option. We also publish details of our holdings on our website every 6 months: [australiansuper.com/investments/what-we-invest-in](http://australiansuper.com/investments/what-we-invest-in).

We believe that climate change is one of the most significant investment risks and opportunities today. We've made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). We monitor progress towards our net zero commitment through our internal carbon tracking activities. Our ability to achieve this commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. Our approach to managing the transition to a net zero 2050 investment portfolio includes the way we invest and our actions as owners. We use internal carbon footprint analysis to monitor the investment portfolio's progress towards net zero. We engage with the larger contributors to emissions in our internally managed fundamental portfolios in the Australian shares asset class to better understand their emissions reduction commitments and climate transition action plans. And we exercise our ownership rights through our share voting practices. We also engage collectively with other investors through industry groups and investor networks including the Australian Council of Superannuation Investors (ACSI) and Climate Action 100+. You can find out more about our approach to managing climate change risks and opportunities and the net zero transition in the portfolio in our Climate Change Report available at: [australiansuper.com/ClimateChange](http://australiansuper.com/ClimateChange).

**18.15 Climate change is resulting in lots of costly issues for Australia. My insurances have gone up by double dpi in each of the last few years and this is related to increased climate related claims. With the Government having a 2030 target to reduce Carbon emissions who is Australian Super doing to assist meet the target. When will you stop investing in Coal, oil and gas?**

We believe that climate change is one of the most significant investment issues today. A range of activities are undertaken by the investments team to manage climate change risk and opportunities and the net zero transition in the portfolios.

We've made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve this commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. Our approach to managing the transition to a net zero 2050 investment portfolio includes the way we invest and our actions as owners. We use internal carbon footprint analysis to monitor the investment portfolio's progress towards net zero. We engage with the larger contributors to emissions in our internally managed fundamental portfolios in the Australian shares asset class to better understand their emissions reduction commitments and climate transition action plans. And we exercise our ownership rights through our share voting practices. We also engage collectively with other investors through industry groups and investor networks including the Australian Council of Superannuation Investors (ACSI) and Climate Action 100+.

Our purpose is to help members to achieve their best financial position in retirement. Every investment decision is considered through that lens. We believe that, in most instances, advocating for change through stewardship activities will result in better outcomes on ESG issues than divestment.

You can find out more about our approach to managing climate change risks and opportunities and the net zero transition in the portfolio in our Climate Change Report available at: [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange).

**18.16 As a younger investor, I'm concerned more with social outcomes than growth. How is AustralianSuper investing in reducing the impacts of the housing crisis on everyday Australians? How can we as investors encourage more domestic BTR investment?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. Every investment decision we make is considered through that lens. We support finding real and scalable solutions to Australia's housing supply challenges and believe we can be part of a broader solution while still delivering on our purpose for members. That's why, in 2020, the Fund made a cornerstone investment in specialist housing developer Assemble. This was a landmark investment for the Fund, advancing members' best financial interests and facilitating build-to-rent-to-own (BTRTO) housing – a rental pathway to housing ownership. In the four years since, AustralianSuper has committed nearly \$500 million to a pipeline of five Assemble housing development projects.

You can read more about this investment in the *Annual Financial Report*.

[australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/financial-statements/2024-fund-annual-financial-report.pdf)

We believe companies with good Environmental, Social and Governance (ESG) management provide better long-term returns. Read more about our approach at: [australiansuper.com/investments/how-we-invest/esg-management](https://australiansuper.com/investments/how-we-invest/esg-management)

**18.17 Considering the behaviour of these companies globally, do you think investing in IT organisations like Facebook, Google etc aligns with your ethical investment pillar?**

The focus of our ESG and Stewardship program is integration and stewardship. This involves integrating ESG considerations when deciding which assets and companies to invest in and assessing their investment value. It also involves stewardship where we exercise our rights and responsibilities as an asset owner through company engagement and voting.

This approach enables us to use our ownership rights to advocate for improved performance on ESG issues that we believe can impact members' investment returns. Excluding companies from the investment universe takes away our ownership rights while also reducing diversification – both can impact the risk/return profile of the portfolio.

The application of our approach varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers or whether our investment is actively or passively held. We also understand that members have diverse values, preferences and attitudes when it comes to investing. We also offer members a choice of investment options, including the Socially Aware option. For more on this option, visit [australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice](https://australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice)

**18.18 Do you have any investment option that does NOT include any ESG, emissions monitoring or other climate-related activity? I ask because I think all stuff this is a waste of my money.**

AustralianSuper believes that companies with good ESG management provide better long-term returns. We integrate ESG considerations in our investment decision-making through the lens of creating better long-term returns for members. Our investment decision-making considers a range of factors, including company financials, qualitative data and ESG issues.

**18.19 Does AS have a strategy for avoiding indirectly profiting from conflict?**

AustralianSuper invests to help members achieve their best financial position in retirement. We invest in a diversified portfolio of assets across different sectors of the economy. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries. Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential.

**18.20 Given that accusations of greenwashing in your ethical stream in July this year drew scrutiny from ASIC, and further condemnation in October regarding failure to omit investment in nuclear weapons, do you plan to update the screening for this stream?**

Since the Socially Aware investment option was designed in 2016\*, we recognise that there have been developments in the responsible investment area – including increasing recognition of ESG issues and evolving member expectations.

We have been undertaking a comprehensive review of the Socially Aware investment option for some time – looking beyond its existing screens – to ensure it continues to meet members' expectations and its investment objectives.

We are pleased to confirm that we will be launching a revised Socially Aware investment option and expect to communicate about these changes to members in April 2025.

\*The option was previously known as the Sustainable Balanced option before 30 May 2016.

**18.21 What is the sustainability policy for Australian super and how does it determine how our money is invested**

You can read about our ESG and Stewardship program and view our ESG & Stewardship policy at [australiansuper.com/investments/how-we-invest/esg-management](https://australiansuper.com/investments/how-we-invest/esg-management)

**18.22 There has been a gradual global growth in impact investment - shifting capital for social as well as environmental returns. What is Australian Supers stance in respect of this growing investment sector according to the GIIN.**

AustralianSuper is not an impact investor. We believe that companies with good ESG management provide better long-term returns. We integrate ESG considerations in our investment decision-making through the lens of creating better long-term returns for members. Our investment decision-making considers a range of factors, including company financials, qualitative data and ESG issues.

**18.23 There was a lot of emphasis on the governance of companies that Aus Super has stakes in. With recent reports on the governance issues at CBUS and the CFMEU, how does Aus Super respond to issue around governance?**

As an active owner, we exercise the rights and responsibilities of being a large shareholder. We aim to communicate our investment interests to companies in a way that is consistent with maximising long-term value for members.

Governance is one of our nine key ESG issues. We believe a company's board plays an important role in driving future value. We meet with the chairs and board members of ASX-listed companies (individually or via investor networks) on ESG issues that we believe can impact investment value. We also have voting rights, where we can communicate our view on how companies are creating long-term investment value for members. We vote on company and shareholder resolutions for Australian and international listed companies. Every year, we vote on resolutions on issues such as director elections and remuneration plans.

**18.24 If nuclear becomes available, could we please support it with our investments before any alternative energy option?**

**18.25 What is Australian Supers attitude towards investing in the future into Nuclear energy - The alternative government is clearly looking at the option of developing it a major contributor to our energy mix**

AustralianSuper invests with the purpose of helping members achieve their best financial position in retirement. We assess investment opportunities based on their ability to deliver long-term investment performance for members.

**18.26 What is Australian supers process for its share voting rights and making sure your voting in line with the members.**

You can view our voting approach at [australiansuper.com/-/media/australian-super/files/about-us/governance/share-voting-approach.pdf](https://www.australiansuper.com/-/media/australian-super/files/about-us/governance/share-voting-approach.pdf)

**18.27 What super funds compete with you for environmental impact and how do you conlare against them?**

At AustralianSuper, investing responsibly means being active on ESG issues as an investor and steward with the aim of creating better long-term financial outcomes for members. AustralianSuper recognises climate change as a significant investment issue. Climate change will impact economies, industries, societies and the environment. Climate change has the potential to impact long-term asset valuations and investment performance. We have made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments.

We believe a just and orderly net zero transition over time will deliver the best investment outcomes for members. We monitor progress towards our net zero commitment through our internal carbon tracking activities rather than comparing ourselves against competitors. We also engage collectively with other investors through industry groups and investor networks including the Australian Council of Superannuation Investors (ACSI) and Climate Action 100+. For more information on our net zero commitment visit [australiansuper.com/ClimateChange](https://www.australiansuper.com/ClimateChange)

**18.28 With increased number of conflicts around the world, how the fund assure the investment portfolio isn't support activities that bring destruction and harm to other human being. How do I know where my super invested and name of companies that is invested in?**

We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world.

AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to particular conflicts, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members.

We believe companies with good Environmental, Social and Governance (ESG) management provide better long-term returns. AustralianSuper considers a range of ESG issues but prioritises those which we believe are likely to have the greatest financial impact on members' investment returns. Our approach is more developed on some issues than others. Guiding principles on labour standards and human rights including those from the International Labour Organization and the United Nations inform our work. The application of our ESG and Stewardship program varies by asset class and the characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held.

We publish a comprehensive list of investments twice a year on our website. You can find the list of investments here: [australiansuper.com/investments/what-we-invest-in](https://www.australiansuper.com/investments/what-we-invest-in)

**18.29 Please outline the three major governance risks impacting the Fund and how these are being addressed and overseen by the Board.**

You can read about the overall governance and strategic direction of the Fund and our various committees on page 71 of our Annual Report <https://www.australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf>.

**18.30 What is your strategy to invest in renewables related entities and what are the long, medium and short term prospects?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens.

AustralianSuper invests in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value-creation potential within their sector. We believe members can benefit from quality investments exposed to the energy transition. The transition in the energy mix will create investment opportunities across a range of technologies, including renewable energy and climate change solutions. Some of these technologies are still in the early stages, and as a long-term investor, we are well-positioned to support the transition as these solutions scale and the global economy decarbonises. We currently invest in energy solutions, including renewable energy, energy efficiency and supporting infrastructure, in the Australian shares, international shares, and unlisted infrastructure asset classes. You can find out more about our investments in energy solutions in our climate report: [australiansuper.com/investments/how-we-invest/climate-change](https://australiansuper.com/investments/how-we-invest/climate-change)

### **18.31 Where can we find how our shares are voted at annual general meetings of companies?**

We publish our share voting records on our website quarterly at [australiansuper.com/about-us/governance-and-reporting](https://australiansuper.com/about-us/governance-and-reporting)

### **18.32 Why does AustralianSuper continue to invest more than \$1 billion in nuclear weapons companies when nuclear weapons are now illegal under international law? The UN Treaty on the Prohibition of Nuclear Weapons prohibits such investments.**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens.

AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate.

We invest in a globally diversified portfolio of assets in different sectors of the economy and seek to identify companies that provide the best long-term value-creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures.

With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as nuclear weapons manufacturing. For more details on the exclusion of companies involved in the production of tobacco products, see our *Investment Guide*.

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

### **18.33 Will AS offer a portfolio option which absolutely negatively screens for companies (and third parties) involved in fossil fuels, breaches of human rights, uranium, gambling, weapons, tobacco, native forest logging, land clearing and tax havens?**

Since the Socially Aware investment option was designed in 2016\*, we recognise that there have been developments in the responsible investment area – including increasing recognition of ESG issues and evolving member expectations. We have been undertaking a comprehensive review of the Socially Aware investment option for some time – looking beyond its existing screens – to ensure it continues to meet members' expectations and its investment objectives. We are pleased to confirm that we will be launching a revised Socially Aware investment option and expect to communicate about these changes to members in April 2025.

\*The option was previously known as the Sustainable Balanced option before 30 May 2016.

### **18.34 I am a long time member of Australian Super with over \$290,000 invested personally, and over \$500,000 invested in conduction with my husband. My question is - why does Australian Super's environmental, social, and governance (ESG) policy not include any ethical screening for industries such as weapons manufacturing, companies breaching human rights obligations, and/or countries engaging in conflicts that contravene United Nations resolutions? Is the board concerned that this lack of governance on ethics presents a risk to the fund and members?**

At AustralianSuper, investing responsibly means being an active investor and steward on ESG issues, with the aim of creating better long-term financial outcomes for members.



With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves (see Investment Guide p.30 for details), we do not screen out particular industries or companies from our other investment options. We believe integrating ESG considerations into our investment decision-making processes is more effective in creating long-term value for members. This approach enables us to use our ownership rights to advocate for improved performance on ESG issues that we believe can impact members investment returns. Excluding companies from the investment universe takes away our ownership rights, while also reducing diversification – both can impact the risk/return profile of the portfolio.

Our ESG and Stewardship program involves integrating ESG considerations when deciding which assets and companies to invest in and assessing their investment value. It also involves stewardship where we exercise our rights and responsibilities as an asset owner through company engagement and voting. The application of our ESG and Stewardship program varies by asset class and investment characteristics, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. You can read more about our ESG and Stewardship program at [australiansuper.com/ResponsibleInvestment/](https://australiansuper.com/ResponsibleInvestment/)

AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to particular conflicts, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

### **18.35 What investment strategies are in place to promote climate targets and reduce corruption?**

At AustralianSuper, investing responsibly means being an active investor and steward on environmental, social and governance (ESG) issues, with the aim of creating better long-term financial outcomes for members.

AustralianSuper's ESG and Stewardship program is managed by a dedicated global team of 18, based in Australia, the US and the UK/Europe. The team works with the Asset Class teams to integrate consideration of relevant ESG factors into our investment decision-making and stewardship processes. The application of our approach varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. AustralianSuper considers a range of ESG issues but prioritises those which we believe are likely to have the greatest financial impact on members' investment returns. This can include risks, which can have a negative impact, and opportunities, which can have a positive impact. Our approach is more developed on some issues than others and may vary depending on the asset class and characteristics of our investment. We have committed to achieve net zero emissions by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve this commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals. We are also monitoring progress towards our net zero commitment through our internal carbon tracking activities. You can read more about how we are progressing towards our net zero commitment on our website and in our 2023 Climate Change Report.

More information on our ESG and Stewardship program is available at [australiansuper.com/ResponsibleInvestment](https://australiansuper.com/ResponsibleInvestment) or in one of our various reports, including our Annual Report, Climate Change Report, and Modern Slavery report and the responsible investment section of our Annual Report.

### **18.36 Will you stop investing in retirement villages that charge exit fees and place residents who want to leave in dire financial straits?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens. Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

### **18.37 Will you be divesting from Lifestyle Communities in the wake of the ABC story and tanking share price. I dont want my retirement funded by the misery of others.**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens. Our investment in Lifestyle Communities is based on our assessment of the company's long-term

value. The Fund has held the stock since 2015 and believes the company has a strategy and plan to be successful in the long term.

**18.38 With the growth in AI/Data Banks there is a proportional growth in Energy Demands are we considering investment Energy Assets like Micro - Nuclear Generators to keep up with this step wise demand. Thank you**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens.

AustralianSuper invests in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value-creation potential within their sector. We will continue to assess investment opportunities on a risk-adjusted returns basis, including those in the energy sector.

**18.39 Would Australia Super commit to reporting annually on the methane emissions associated with its investment portfolio?**

We undertake internal carbon tracking analysis annually and external carbon analysis every two years to measure GHG emissions in the investment portfolio. This analysis includes the main greenhouse gases, including methane.

Our external analysis is reported on our website and in our *Climate Change Report*. It tracks the CO<sub>2</sub>e emissions in the Australian shares and international shares asset classes and includes scope 1, scope 2 and non-electricity first-tier supply chain emissions. The analysis covers approximately 49% of our total portfolio as at 30 June 2023.

Our internal analysis at 30 June 2023 measures the emissions (scope 1 and scope 2) of approximately 64% of our investment portfolio, including investments in the Australian shares, international shares, unlisted and listed property, and unlisted and listed infrastructure asset classes based on their current commitments. An example of this analysis is provided on our website and in our annual report. You can read more about our approach to climate change on our website: [australiansuper.com/investments/how-we-invest/climate-change](https://australiansuper.com/investments/how-we-invest/climate-change)

**18.40 What is Australian Super doing to influence and improve the financial outcomes for residents wanting to exit retirement villages that you are significant shareholdings in following the appalling reports this year of the excessive and complex fee structures being imposed on them.**

Our role as an investor is to help members achieve their best financial position in retirement. We assume in your question that you are referring to the report about Lifestyle Communities this year. As there are legal proceedings underway, it would not be appropriate for AustralianSuper to comment on specific issues, but we have engaged with the company and believe they are focused on addressing the issues raised in a consistent and considered manner.

**18.41 are there plans to divest from weapons manufacturers and oil?**

With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as fossil fuels and weapons. For more detail on the exclusion of companies involved in the production of tobacco products, see our Investment Guide.

Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential.

All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members to achieve their best financial position in retirement. AustralianSuper believes that, in most instances, advocating for change through stewardship activities will result in better outcomes on ESG issues than divestment. AustralianSuper has committed to achieve net zero emissions by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals. Our approach to managing climate change risks and opportunities and the net zero transition in the portfolio includes the way we invest and our actions as owners. We are also monitoring progress towards our net zero commitment through our internal carbon tracking activities. You can read more about these activities at [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange)

We have a variety of investment options to choose from, including Socially Aware and Member Direct.

#### **18.42 How is Australian Super going to continue improvement to reduce fossil fuel and industry investment, and increase renewables investment?**

AustralianSuper has committed to achieve net zero emissions by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals. Our approach to managing climate change risks and opportunities and the net zero transition in the portfolio includes the way we invest and our actions as owners. We are also monitoring progress towards our net zero commitment through our internal carbon tracking activities. The transition in the energy mix will create investment opportunities across a range of technologies, including renewable energy and climate change solutions with new technologies developed as the world decarbonises. We currently invest in energy solutions, including renewable energy, energy efficiency and supporting infrastructure, in the Australian shares, international shares, and unlisted infrastructure asset classes. You can find out more about our approach to managing climate change risks and opportunities and the net zero transition in the portfolio at [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange)

#### **18.43 I would like to understand transparency around Environmental, Social & Governance investment strategies as past performance is not sound given member expectations around corporate responsibilities.**

AustralianSuper believes that companies with good ESG management provide better long-term returns. We integrate ESG considerations in our investment decision making through the lens of creating better long term returns for members. The application of our ESG and Stewardship program varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held.

We value transparency and believe it's important to keep members informed of our ESG and stewardship program activities. We have various reports available on our website including the Annual Report, Climate Change Report, Modern Slavery Report, which outline our responsible investment approach. We also publish information on our voting approach and quarterly share voting records. For more information visit [australiansuper.com/ResponsibleInvestment](https://australiansuper.com/ResponsibleInvestment)

#### **18.44 How does AustralianSuper ensure both ethical and moral governance as well as compliance with investment strategy when assets are one of the largest of all superfunds? Media reports have AustralianSuper reaching \$AU1Trillion**

We believe companies with good ESG management provide better long-term returns. Our purpose is to help members achieve their best financial position in retirement. At AustralianSuper, investing responsibly means being an active investor and steward on environmental, social and governance (ESG) issues, with the aim of creating better long-term financial outcomes for members. AustralianSuper's ESG and Stewardship program is managed by a dedicated global team of 18, based in Australia, the US and the UK/Europe. The team works with the Asset Class teams to integrate consideration of relevant ESG factors into our investment decision-making and stewardship processes. AustralianSuper considers a range of ESG issues but prioritises those which we believe are likely to have the greatest financial impact on members' investment returns. This can include risks, which can have a negative impact, and opportunities, which can have a positive impact. Our approach is more developed on some issues than others and may vary depending on the asset class and characteristics of our investment. You can read more about our ESG and Stewardship program at [australiansuper.com/ResponsibleInvestment](https://australiansuper.com/ResponsibleInvestment)

#### **18.45 Please let us know how you ensure positive ESG outcomes whilst avoiding Greenwashing / box-ticking**

Our responsible investment approach is applied through the lens of creating better long term returns for members. At AustralianSuper, investing responsibly means being an active investor and steward on environmental, social and governance (ESG) issues, with the aim of creating better long-term financial outcomes for members. AustralianSuper's ESG and Stewardship program is managed by a dedicated global team of 18, based in Australia, the US and the UK/Europe. The team works with the Asset Class teams to integrate consideration of relevant ESG factors into our investment decision-making and stewardship processes. The application of our approach varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held.

AustralianSuper considers a range of ESG issues but prioritises those which we believe are likely to have the greatest financial impact on members' investment returns. This can include risks, which can have a negative impact, and opportunities, which can have a positive impact. Our approach is more developed on some issues than others and may vary depending on the asset class and characteristics of our investment. You can read more about our ESG and Stewardship program at [australiansuper.com/ResponsibleInvestment](https://australiansuper.com/ResponsibleInvestment) or in one of our various reports available on our website, including our Annual Report, Climate Change Report, and Modern Slavery report and the responsible investment section of our Annual Report.

**18.46 Hi, my question relates to ethical investing (EI). What is Australian Super's current position on EI and do you have a strategy to develop an increased focus in this area - in particular environmental governance?**

At AustralianSuper, investing responsibly means being an active investor and steward on ESG issues, with the aim of creating better long-term financial outcomes for members.

With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves (see Investment Guide p.3130 for details), we do not screen out particular industries or companies from our other investment options. We believe integrating ESG considerations into our investment decision-making processes is more effective in creating long-term value for members. This approach enables us to use our ownership rights to advocate for improved performance on ESG issues that we believe can impact members investment returns. Excluding companies from the investment universe takes away our ownership rights, while also reducing diversification – both can impact the risk/return profile of the portfolio.

Our ESG and Stewardship program involves integrating ESG considerations when deciding which assets and companies to invest in and assessing their investment value. It also involves stewardship where we exercise our rights and responsibilities as an asset owner through company engagement and voting. The application of our ESG and Stewardship program varies by asset class and investment characteristics, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. You can read more about our ESG and Stewardship program at [australiansuper.com/ResponsibleInvestment/](https://australiansuper.com/ResponsibleInvestment/)

**18.47 Will you please outline your policies in relation to DEI for the organization and also what impact DEI plays in the assessment of assets into which you might invest. When answering would you specifically address how DEI secures the best people for roles and best assets to invest in? 2. What percentage of the fund is invested in "green energy" or projects which might be connected with green energy? Of these projects how many receive government subsidies? If these subsidies are removed would the economics of these projects still stack up? 3. Do Women being defined as "adult biological females have exclusive spaces such as toilets and change rooms? If not, why not? If not how is this attracting women to the organization.**

AustralianSuper believes that a safe, ethical and inclusive workplace encourages diversity of thought, better investment decision-making, and ultimately, improved outcomes for members. The Fund's diversity, equity and inclusion (DEI) priorities encourage colleagues to bring their whole selves to work, allowing them to be more productive and connected. Our approach and initiatives related to DEI in hiring, workplace conditions, career development, investing and share voting are outlined in our Annual Report, our careers webpage, and our responsible investment webpage.

The Diversity Council Australia's Inclusion@Work index shows that inclusive organisations have improved performance and innovation as well as better customer service, more satisfied and secure staff, and less harassment and discrimination\*. DEI is one of the one of the we may prioritise when identifying and assessing ESG risks and opportunities for the assets in which we invest, and throughout our ownership. For example, we've been engaging with some of the companies in our internally managed fundamental portfolios in the Australian shares asset class on sexual harassment, employee engagement and diversity, and equity and inclusion related issues. Our approach is more developed on some ESG issues than others and varies depending on the asset.

We currently invest in energy solutions, including renewable energy, energy efficiency and supporting infrastructure, in the Australian shares, international shares, and unlisted infrastructure asset classes. You can find out more about our investments in energy solutions in our climate report available at [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange). We publish details of our holdings on our website every 6 months: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in).

\* Diversity Council Australia Inclusion @ Work Index Gender equality and intersecting forms of diversity  
<https://www.wgea.gov.au/gender-equality-and-diversity>

**18.48 Given the mounting regulator pressure on the gambling industry along with decreased participation (less punters and lower \$ amounts) and in particular with the dramatic drop off in TAH shares, are there any plans to re-evaluate the funds position as the majority shareholder of both TLC (The Lottery Corporation) and TAH (Tabcorp). Could the \$1bn invested be put to better use?**

AustralianSuper invests in a diversified portfolio of assets across different sectors of the economy. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as gambling. For more detail on the exclusion of companies involved in the production of tobacco products, see our Investment Guide.

All investment decisions, including decisions to exit/sell any holdings we have, are underpinned by our purpose to help members to achieve their best financial position in retirement. We believe that companies with good ESG management provide better long-term returns, and that in most instances, advocating for change through stewardship activities will result in better outcomes than divestment.

We regularly engage with ASX-listed companies either individually or with other investors to better understand their initiatives to deliver responsible gaming practices and appropriate governance practices. We will continue to engage with companies on these initiatives. You can read more about our ESG and Stewardship program at [australiansuper.com/ResponsibleInvestment](http://australiansuper.com/ResponsibleInvestment)

**18.49 What guarantees are there that green investment is truly green**

It is challenging to guarantee that green investments are truly green as there is currently no universally accepted standard definition of what constitutes a green investment. While we don't specifically classify investments as 'green', we do draw on globally recognised frameworks when assessing environmental risks and opportunities in some investment opportunities. These may include ESG ratings and benchmarking tools such as the Sustainable Development Investments Asset Owner Platform (SDI-AOP), Global Real Estate Sustainability Benchmark (GRESB), ISCA; global reporting standards such as TCFD, GRI and ISSB; climate research such as physical risk analysis and carbon footprinting and other frameworks from the collaborative investor initiatives in which we participate including the Climate Action 100+ Net Zero company benchmark. Our approach varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. You can find out more about our climate change approach in our Climate Change report

**18.50 What are key initiatives AustralianSuper have completed to become a more sustainable super fund provider? Please share some real-life impact cases.**

We've been named as a Responsible Super Fund Leader\* in RIAA's 2023 Responsible Investment Super Study. Leaders were recognised for their commitment to transparency, good

governance and accountability, and implementation of responsible investment approaches through activities such as engagement, voting and ESG integration.\* Information on how AustralianSuper is delivering for members, and examples of our actions as a responsible investor can be found in our Annual Report: [australiansuper.com/about-us/governance-and-reporting](http://australiansuper.com/about-us/governance-and-reporting)

\* Responsible Super Fund Leaders refers to super funds that have achieved a score of 70% or more on RIAA's Framework of Good Responsible Investment Governance. For more information visit

<https://responsibleinvestment.org/resources/super-study>. Awards are only one factor to be taken into account when choosing a super fund.

**18.51 What is the investment strategy for investing in sustainable investments based on the UNSDG? Which of your investment managers make this part of their investment process or a concentrated portfolio and by how much are they beating the ASX300 if local or MSCI if global?**

We do not have a strategy for specifically investing in assets aligned to particular UN Sustainable Development Goals. However, we do measure the contribution of our investments in the Australian shares, international shares

and fixed interest asset classes to the SDG using data from the Sustainable Development Investments Asset Owner Platform (SDI-AOP). The SDI-AOP is an asset owner-led platform that supports investors in identifying Sustainable Development Investments (SDIs), which the platform categorises based on their level of revenue aligned to the SDGs. You can view our contribution to the SDG's in our Annual Report. For more information on our responsible investment approach, please go to: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in) and [australiansuper.com/investments/ResponsibleInvestment](https://australiansuper.com/investments/ResponsibleInvestment).

#### **18.52 What is the percentage and dollar value of assets managed by female or minority investment professionals?**

We believe in the power of the collective investment knowledge of our asset class teams, and our portfolio allocation is not deployed by individuals within our investments teams. However, we do take diversity, in all its forms very seriously, to ensure we have a range of decision-making perspectives providing input to our decisions. From a gender perspective, our investment team globally is comprised of 42.8% women and 57.2% men (as at 30 Sept 2024).

#### **18.53 Aus super commitment to gender equity through investment.**

We believe companies with good Environmental, Social and Governance (ESG) management provide better long-term returns. AustralianSuper considers a range of ESG issues but prioritises those which we believe are likely to have the greatest financial impact on members' investment returns. This can include risks, which can have a negative impact, and opportunities, which can have a positive impact. Diversity, equity and inclusion is one of the themes that we may consider in our ESG and Stewardship program and we've been engaging with some of the companies in our internally managed fundamnetal portfolios in the Australian shares asset class on this topic. We also expanded our board gender diversity voting approach from 1 January 2024 to advocate for 30% female representation on boards for companies in the S&P/ASX 200 index. You can read more about our voting approach here: <https://www.australiansuper.com/-/media/australian-super/files/about-us/governance/share-voting-approach.pdf>

#### **18.54 I am concerned that the green left is trying to hi jack sensible investment strategies that will grow our super. These people are in pursuit of agendas that do not reflect common sense.**

We believe companies with good Environmental, Social and Governance (ESG) management provide better long-term returns. At AustralianSuper, investing responsibly means being an active investor and steward on environmental, social and governance (ESG) issues, with the aim of creating better long-term financial outcomes for members. The application of our approach varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. AustralianSuper considers a range of ESG issues but prioritises those which we believe are likely to have the greatest financial impact on members' investment returns. This can include risks, which can have a negative impact, and opportunities, which can have a positive impact. Our approach is more developed on some issues than others and may vary depending on the asset class and characteristics of our investment. You can read more about our responsible investment approach on our website: <https://www.australiansuper.com/investments/how-we-invest/esg-management>

#### **18.55 What ESG Tools do you use to evaluate companies?**

AustralianSuper uses a variety of ESG tools and research resources in its integration and stewardship activities. These may include red flag reviews, data collection from assets, ESG ratings and benchmarking tools, global reporting standards, broker ESG research, climate research such as physical risk analysis and carbon footprinting. The application of our approach varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held.

#### **18.56 Can you assure me that you are not involved with coal, gas or retirement homes ?**

AustralianSuper invests to help members achieve their best financial position in retirement. We invest in a diversified portfolio of assets across different sectors of the economy, including fossil fuels and retirement living. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves (see Investment Guide p.30 for details), we do not screen out particular industries or companies from our other investment options. We believe integrating ESG considerations into our investment

decision-making processes is more effective in creating long-term value for members. Our investment decision-making considers a range of factors, including company financials, qualitative data and ESG issues. The application of our approach varies by asset class and characteristics of our investment, including whether we're investing directly or through external managers, or whether our investment is actively or passively held. More information on how we invest is available on our website: [australiansuper.com/investments/ResponsibleInvestment](https://australiansuper.com/investments/ResponsibleInvestment).

**18.57 Please could you explain your current policy with regards to fossil fuel investments, gambling, alcohol and tobacco companies?**

Our role is to help members achieve their best financial position in retirement. We invest in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as gambling and alcohol. For more detail on the exclusion of companies involved in the production of tobacco products, see our Investment Guide. We publish details of our holdings on our website every 6 months: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in).

**18.58 Thanks for looking after my money. Please outline how your ethical and balanced policies avoid investment in fossil fuels, gambling and tobacco.**

Our Balanced option: We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens. AustralianSuper invests in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value-creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, including fossil fuels and gambling. For more details on the exclusion of companies involved in the production of tobacco products, see our *Investment Guide*. Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

Our Socially Aware option: Our Socially Aware option invests in a wide range of assets with a focus on growth assets. The option is designed to have medium to long-term growth with possible short-term fluctuations. AustralianSuper's ESG and Stewardship program and tobacco exclusion apply to the Socially Aware option. In addition, the option excludes certain assets based on environmental, social and governance (ESG) screens. These screens – including their descriptions, how they are applied and their exceptions – are disclosed to members in our *Investment Guide* (p.31) for super accounts or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website.

**18.59 More than a million Australians currently experience gambling-related harm, either directly or because they live with a problem gambler. The single greatest source of gambling-related harm in Australia is poker machines, which were responsible for half of the estimated \$32b in gambling losses in 2022-23. The global design and production leader in poker machines is Aristocrat Leisure, whose shares are included in AustralianSuper's 'Socially Aware' pre-mix investment option. It is hard to imagine that AustralianSuper members who are attracted by "socially aware", ethical investment options would genuinely want to support gambling interests. Question: Could you please revise the screening criteria for AustralianSuper's 'Socially Aware' investment option so that gambling interests are excluded, in line with the screening policies of many other superannuation funds with similar options?**

Since the Socially Aware investment option was designed in 2016\*, we recognise that there have been developments in the responsible investment area – including increasing recognition of ESG issues and evolving member expectations. We have been undertaking a comprehensive review of the Socially Aware investment option for some time – looking beyond its existing screens – to ensure it continues to meet members' expectations and its

investment objectives. We are pleased to confirm that we will be launching a revised Socially Aware investment option and expect to communicate about these changes to members in April 2025.

\*The option was previously known as the Sustainable Balanced option before 30 May 2016.

### **18.60 How is Aussie Super supporting the causes of superannuation gender gap, energy transition, planetary degradation and UN Sustainable Development Goals?**

AustralianSuper has been advocating for policies to help close the gender super gap, including paying super on paid parental leave, expanding the low-income superannuation tax offset, and supporting gender equality initiatives in the workforce.

We believe that climate change is one of the most significant investment issues today. A range of activities are undertaken by the Investment team to manage climate change risk and opportunities and the net zero transition in the portfolios. These are conducted across four core areas: integration, stewardship, advocacy and measurement and disclosure. You can find out more about our approach to managing climate change risks and opportunities and the net zero transition in the portfolio on our website and in our *Climate Change Report*, available at: [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange)

Nature is one of the priority issues in our ESG and Stewardship program. We're exploring the issue to determine how to include nature risks and opportunities in our ESG integration and stewardship activities.

AustralianSuper jointly established the Sustainable Development Investments Asset Owners Platform (SDI-AOP) in 2020 with leading global asset owners APG, British Columbia Investment Management Corporation (BCI) and PGGM. The SDI-AOP is an asset owner-led platform that supports investors in identifying Sustainable Development Investments (SDIs), which the platform categorises based on their level of revenue aligned to the SDGs. You can see how in our Annual Report.

You can also read about our activities to address the super pay gap and climate change and how we're using the SDI-AOP data to measure the contributions of our investments to the SDGs in our Annual Report: [australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/annual-reports/2024-annual-report.pdf)

### **18.61 Does AustSuper hold any assets that are directly or indirectly funding the civil war in Sudan?**

AustralianSuper does not have any direct investment exposure to Sudan. We publish details of our investment holdings on our website every 6 months: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in).

### **18.62 do you invest in armaments or uranium**

Our role is to help members achieve their best financial position in retirement. We invest in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries such as armaments and uranium.

We understand that members have diverse values, preferences and attitudes when it comes to investing. We have a range of investment options for members to choose from, including the Socially Aware option. The Socially Aware option excludes certain assets based on environmental, social and governance (ESG) screens. These screens – including their descriptions, how they are applied and their exceptions – are disclosed to members in our Investment Guide (p.31) for super accounts, or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website.

We publish details of our holdings on our website every 6 months: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in).



**18.63 Is it ethical that Australian super is investigating in weapons manufacturers built on illegal settlements in Israel(Elbit systems) especially when Israel is likely to be committing genocide according to the international court of justice?**

Our role is to help members achieve their best financial position in retirement. AustralianSuper complies with the relevant sanctions laws in the jurisdictions in which we operate and invest. We invest in accordance with the law and do not engage in activities which contravene the regulations under which we operate. We invest in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as weapons manufacturing. For more detail on the exclusion of companies involved in the production of tobacco products, see our Investment Guide. You can find out more about our ESG and Stewardship program at

<https://www.australiansuper.com/investments/how-we-invest/esg-management>

**18.64 Does Australian Super have a policy of not investing in arms manufacture, including nuclear weapons, and what steps are taken to implement this policy?**

**18.65 I would like to know if investments are being made with companies associated with countries potentially committing war crimes, and if so, why, and are you looking at divesting from them.**

Our role is to help members achieve their best financial position in retirement. AustralianSuper invests in accordance with the law and does not engage in activities which contravene the regulations under which we operate. We invest in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries. For more detail on the exclusion of companies involved in the production of tobacco products, see our Investment Guide. We publish details of our holdings on our website every 6 months: [australiansuper.com/investments/what-we-invest-in](https://www.australiansuper.com/investments/what-we-invest-in).

**18.66 What is Australian Super's position on investments in arms manufacturers, including nuclear weapons, especially in light of the fact that the UN Treaty on the Prohibition of Nuclear Weapons makes them illegal under international law?**

Our role is to help members achieve their best financial position in retirement. AustralianSuper complies with the relevant sanctions laws in the jurisdictions in which we operate and invest. We invest in accordance with the law and does not engage in activities which contravene the regulations under which we operate. We invest in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as nuclear weapons manufacturing. For more detail on the exclusion of companies involved in the production of tobacco products, see our Investment Guide. You can find out more about our ESG and Stewardship program at <https://www.australiansuper.com/investments/how-we-invest/esg-management>

**18.67 Is Australian Super taking steps to withdraw from any investments related to nuclear weaponry?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens. We invest in a globally diversified portfolio of assets in different sectors of the economy and seek to identify companies that provide the best long-term value-creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures. With the exception of companies

involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as nuclear weapons manufacturing. For more details on the exclusion of companies involved in the production of tobacco products, see our *Investment Guide*.

#### **18.68 is Australian Super investing in any kind of companies which makes any sort of missiles and explosives which then used to kill the innocent civilians anywhere in the world?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens.

AustralianSuper invests in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value-creation potential within their sector. This means that our holdings include exposure to a variety of industries and countries around the world and include those held in passive portfolios that invest in market indexes with broad regional exposures. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries. For more details on the exclusion of companies involved in the production of tobacco products, see our *Investment Guide*.

#### **18.69 Funds current and future investment in industries contributing to global carbon dioxide (CO2) emissions**

AustralianSuper has made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve this commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We monitor progress towards our net zero commitment through our internal carbon tracking activities and communicate our progress in our Annual Report You can read more about our approach to climate change at [australiansuper.com/investments/how-we-invest/climate-change](https://australiansuper.com/investments/how-we-invest/climate-change)

#### **18.70 What is the strategy towards investing in nature capital assets, such as plantations forestry and agriculture?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens.

AustralianSuper invests in a globally diversified portfolio of assets in different sectors of the economy and seeks to identify companies that provide the best long-term value-creation potential within their sector. Our investment decision-making considers a range of factors, including company financials, qualitative data and ESG issues.

Nature is one of the priority issues in our ESG and Stewardship program. We're exploring the issue to determine how to include nature risks and opportunities in our ESG integration and stewardship activities. You can find out more about our ESG & and Stewardship program at [australiansuper.com/investments/how-we-invest/esg-management](https://australiansuper.com/investments/how-we-invest/esg-management)

#### **18.71 How is my money being used to protect the environment rather than harm it further?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens.

At AustralianSuper, investing responsibly means being an active investor and steward on environmental, social and governance (ESG) issues, with the aim of creating better long-term financial outcomes for members.

AustralianSuper considers a range of ESG issues but prioritises those that we believe are likely to have the greatest financial impact on members' investment returns. Issues we may prioritise from an environmental perspective include climate change, circular economy and nature. You can find out more about our ESG and Stewardship program in our annual report and on our website.

You also read about our approach to climate change and net zero commitment at [australiansuper.com/investments/how-we-invest/climate-change](https://australiansuper.com/investments/how-we-invest/climate-change)

**18.72 Given recent indiscretions by significant members of listed ASX companies, how will AustralianSuper adjust its screening process for Governance in its existing ESG filters**

Governance is an important theme in our ESG and Stewardship program. Voting on resolutions presents an opportunity for us to communicate our view on how companies are creating long-term investment value for members, including voting on directors. We also meet with the chairs and board members of ASX-listed companies (individually or via investor networks) on ESG issues that we believe can impact long-term value.

**18.73 What is Australian Supers due diligence to identify and address potential human rights impacts, including in regards to conflict.**

We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions to identify issues that may impact investment returns for members. As part of our investment process, we analyse and monitor long-run themes that may affect the macroeconomic landscape and investments in the portfolio. These themes include technological change, the energy transition, geopolitical risks and the potential impact that these factors have on assets in the portfolio. As part of this analysis, we have developed a framework to assess potential risks and have established key actions to take when a global event occurs.

We believe companies with good Environmental, Social and Governance (ESG) management provide better long-term returns. AustralianSuper considers a range of ESG issues but prioritises those that we believe are likely to have the greatest financial impact on members' investment returns. Our approach is more developed on some issues than others. Guiding principles on labour standards and human rights, including those from the International Labour Organization and the United Nations, inform our work. The application of our ESG and Stewardship program varies by asset class and the characteristics of our investment, including whether we're investing directly or through external managers or whether our investment is actively or passively held.

**18.74 Environment, Social & Governance is a World Economic Forum idea and must be thrown out. I do not want my super fund being controlled by Marxists**

We believe companies with good Environmental, Social and Governance (ESG) management provide better long-term returns. A number of academic studies have been conducted which demonstrate the link between ESG and improved company performance\*.

Our purpose is to help members achieve their best financial position in retirement. At AustralianSuper, investing responsibly means being an active investor and steward on environmental, social and governance (ESG) issues, with the aim of creating better long-term financial outcomes for members. You can read more about our responsible investment approach on our website: <https://www.australiansuper.com/investments/how-we-invest/esg-management>

\* 'ESG and Financial Performance: Uncovering the Relationship by Aggregating Evidence from 1,000 Plus Studies Published between 2015-2020', Whelan, Atz, Van Holt and Clark, 2021, Rockefeller Asset Management & New York University and 'From the Stockholder to the Stakeholder: How Sustainability Can Drive Financial Outperformance', Clark, Viehs and Feiner, 2014, Arabesque Partners & Oxford University.

**18.75 Does AusSuper believe Woodside and Santos' boards have the necessary skills required for the energy transition, and if not, would you consider putting forward your own director nominees?**

Over the last two years, Woodside has added directors with expertise in the energy transition. In addition, Woodside is proactive in its engagement with investors, including AustralianSuper, on its approach to climate change and the energy transition.

Our holding in Santos is relatively small and held through passively and quantitatively managed strategies. Our stewardship program, including engagement on board skills, is applied through the Australian Council of Superannuation Investors (ACSI). For further information on our voting approach for companies held in these strategies, see [australiansuper.com/-/media/australian-super/files/about-us/governance/share-voting-approach.pdf](https://australiansuper.com/-/media/australian-super/files/about-us/governance/share-voting-approach.pdf) Given the above, we don't consider it necessary to put forward our own director nominees for these companies.

### **18.76 Will Australian Super be changing its approach to investment in nuclear weapon companies?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens. Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential.

With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as nuclear weapons manufacturing. For more detail on the exclusion of companies involved in the production of tobacco products, see our *Investment Guide*.

All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

### **18.77 My neighbour recently replaced all his solar panels after 8 years of operating life. Clearly this outcome is bad for the environment in that the panels did not even produce enough power to compensate for the embedded energy due to their manufacture (let alone they may have gone to landfill!). I need to be assured that investment decisions by Australian Super, based on environmental principles, are actually good for the environment rather than being superficial box ticking that actually is bad for the environment. Can you reassure me?**

AustralianSuper considers a range of ESG issues but prioritises those which we believe are likely to have the greatest financial impact on members' investment returns. This can include risks, which can have a negative impact, and opportunities, which can have a positive impact. From an environmental perspective, issues we may prioritise include climate change, circular economy and nature. Our approach is more developed on some issues than others and may vary depending on the asset class and characteristics of our investment. You can read more about our ESG and Stewardship program at [australiansuper.com/ResponsibleInvestment](https://australiansuper.com/ResponsibleInvestment). We currently invest in energy solutions, including renewable energy, energy efficiency and supporting infrastructure, in the Australian shares, international shares, and unlisted infrastructure asset classes. You can find out more about our investments in energy solutions in our climate report (accessible from the link above).

## **19 Fossil fuels**

### **19.1 Does Aust Super invest in any fossil fuel companies?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens.

AustralianSuper invests in a diversified portfolio of assets across different sectors of the economy. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as fossil fuels.

Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential.

We recognise that as the global economy transitions to net zero, the composition of the world energy mix will change. While fossil fuels will continue to play a role in the energy mix early in the transition, we expect their role will diminish over time as renewable energy sources become a larger proportion of the mix and other climate change solutions are developed.

AustralianSuper believes that, in most instances, advocating for change through stewardship activities will result in better outcomes on ESG issues than divestment. You can read more about our ESG and Stewardship program at [australiansuper.com/ResponsibleInvestment](https://australiansuper.com/ResponsibleInvestment)

### **19.2 Does AustralianSuper invest in any companies involved in producing fossil fuels or weapons manufacturers?**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens.

AustralianSuper invests in a diversified portfolio of assets across different sectors of the economy. With the exception of companies involved in the production of tobacco products, including companies that grow or process

raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as fossil fuels and weapons manufacturers.

Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential.

We recognise that as the global economy transitions to net zero, the composition of the world energy mix will change. While fossil fuels will continue to play a role in the energy mix early in the transition, we expect their role will diminish over time as renewable energy sources become a larger proportion of the mix and other climate change solutions are developed.

AustralianSuper believes that, in most instances, advocating for change through stewardship activities will result in better outcomes on ESG issues than divestment. You can read more about our ESG and Stewardship program at [australiansuper.com/ResponsibleInvestment](https://australiansuper.com/ResponsibleInvestment)

### **19.3 Has AusSuper run an assessment of its exposure to methane emissions thru investments in fossil fuel industry?**

We undertake internal carbon tracking analysis annually and external carbon analysis every two years to measure GHG emissions in the investment portfolio. This analysis includes the main greenhouse gases, including methane.

Our external analysis is reported on our website and in our *Climate Change Report*. It tracks the CO2e emissions in the Australian shares and international shares asset classes and includes scope 1, scope 2 and non-electricity first-tier supply chain emissions. The analysis covers approximately 49% of our total portfolio as at 30 June 2023.

Our internal analysis at 30 June 2023 measures the emissions (scope 1 and scope 2) of approximately 64% of our investment portfolio, including investments in the Australian shares, international shares, unlisted and listed property, and unlisted and listed infrastructure asset classes based on their current commitments. An example of this analysis is provided on our website and in our annual report. You can read more about our approach to climate change on our website: [australiansuper.com/investments/how-we-invest/climate-change](https://australiansuper.com/investments/how-we-invest/climate-change)

### **19.4 Has Australian Super divested from fossil fuel companies? If not then when will this happen?**

### **19.5 What action will you be taking to ensure investment in fossil fuel projects/companies will stop?**

### **19.6 What is the plan to stop investing in fossil fuel energies?**

### **19.7 Any investments in fossil fuel stocks actively supports fossil fuel industries. When will this change?**

### **19.8 What actions are you taking to increase options in your different funds to divest from the fossil fuel industry?**

### **19.9 Is Australian Super planning to stop investing in fossil fuel extracting projects and companies? If so, what is the timeline for this?**

With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as fossil fuels. For more details on the exclusion of companies involved in the production of tobacco products, see our *Investment Guide*.

Our focus is on identifying and investing in high-quality businesses with sustainable competitive advantages that have the best long-term value creation potential.

All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

AustralianSuper believes that, in most instances, advocating for change through stewardship activities will result in better outcomes on ESG issues than divestment. AustralianSuper has committed to achieving net zero emissions by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals.

Our approach to managing climate change risks and opportunities and the net zero transition in the portfolio includes the way we invest and our actions as owners. We're also monitoring progress towards our net zero

commitment through our internal carbon tracking activities. We have a variety of investment options to choose from, including Socially Aware and Member Direct.

You can read more about our approach to managing climate change risk in our *Climate Change Report*.

#### **19.10 Has AustralianSuper considered integrating Environmental, Social, and Governance (ESG) principles into its corporate operations, in addition to its focus on ESG in investment activities?**

In addition to our ESG and Stewardship program for investments, some of the other initiatives in our corporate operations include considering ESG factors in procurement, monitoring our carbon footprint as an organisation, conducting a materiality assessment to understand what matters to our stakeholders, committing to achieve gender equity in pay and a number of First Nations initiatives.

#### **19.11 Having a net zero by 2050 target means that AusSuper will at some point need to phase out exposure to companies building new fossil fuel projects. Does the fund have a timeline for doing this?**

We recognise that as the global economy transitions to net zero, the composition of the world energy mix will change. Fossil fuels will continue to play a role in the energy mix early in the transition, but we do expect their role will diminish over time as renewable energy sources become a larger proportion of the mix and other climate change solutions are developed.

You can find out more about our approach to managing climate change and the net zero transition at [australiansuper.com/investments/how-we-invest/climate-change](https://australiansuper.com/investments/how-we-invest/climate-change)

#### **19.12 How Australian super is prepared for the energy transition & long term view on the energy taking note oversupply & low prices of lithium currently.**

We recognise that as the global economy transitions to net zero, the composition of the world energy mix will change. Fossil fuels will continue to play a role in the energy mix early in the transition, but we do expect their role will diminish over time as renewable energy sources become a larger proportion of the mix and other climate change solutions are developed. We believe members can benefit from quality investments exposed to the energy transition. The transition in the energy mix is creating investment opportunities across a range of sectors and technologies, including renewable energy and climate change solutions. We have a number of holdings in the resources sector and mining-related companies, including those involved in critical minerals.

#### **19.13 Climate change has the potential to seriously disrupt the Australian and world economy. Warmer temperatures, sea level rise and extreme weather will damage property and critical infrastructure, impact human health and productivity, and negatively affect sectors including agriculture, forestry, fisheries and tourism. AustralianSuper has significant investments in the fossil fuel industry, which affords short and medium term gains for members. However in the long term, the continued use of fossil fuels will negatively impact the economy and therefore negatively impact the long term returns to members. Will AustralianSuper use its influence as a financier of the fossil fuel industry to stop the establishment of new fossil fuel projects? Will AustralianSuper use its influence as a financier of the fossil fuel industry, to stop the fossil fuel lobby hindering effective climate action? Will AustralianSuper vote to depose board members of fossil fuel companies who ignore these request for action?**

AustralianSuper invests to help members achieve their best financial position in retirement. We invest in a diversified portfolio of assets across different sectors of the economy, including fossil fuels. We recognise that as the global economy transitions to net zero, the composition of the world energy mix will change. Fossil fuels will continue to play a role in the energy mix early in the transition, but we do expect their role will diminish over time as renewable energy sources become a larger proportion of the mix and other climate change solutions are developed.

We believe that climate change is one of the most significant investment risks and opportunities today. We've made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). We monitor progress towards our net zero commitment through our internal carbon tracking activities. Our ability to achieve this commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. Our approach to managing the transition to a net zero 2050 investment portfolio includes the way we invest and our actions as owners. We use internal carbon footprinting analysis to monitor the investment portfolio's progress towards net zero. We engage

with the larger contributors to emissions in our internally managed fundamental portfolios in the Australian shares asset class to better understand their emissions reduction commitments and climate transition action plans. And we exercise our ownership rights through our share voting practices. We also engage collectively with other investors through industry groups and investor networks, including the Australian Council of Superannuation Investors (ACSI) and Climate Action 100+. You can find out more about our approach to managing climate change risks and opportunities and the net zero transition in the portfolio in our *Climate Change Report*, available at: [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange)

**19.14 I am worried about climate change and the impact that it will have on our immediate family, our grand children and the broader community. It is my understanding Australian Super is investing in fossil fuel companies like Indonesian's coal miner Adaro, Canadian oil and gas company Baytex and US-based Magnolia Oil and Gas. While this investment may provide some short term gain, it will cause all of us long term pain and possibly directly and indirectly financial loss. Apart from being carbon neutral by 2050, Australian Super has an opportunity to set our investment strategy for our long term benefit. What are Australian Super's plans to improve the lot of all our members by moving away from Fossil Fuel investments?**

AustralianSuper invests to help members achieve their best financial position in retirement. We invest in a diversified portfolio of assets across different sectors of the economy, including fossil fuels. We recognise that as the global economy transitions to net zero, the composition of the world energy mix will change. Fossil fuels will continue to play a role in the energy mix early in the transition, but we do expect their role will diminish over time as renewable energy sources become a larger proportion of the mix and other climate change solutions are developed.

We believe that climate change is one of the most significant investment risks and opportunities today. We've made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). We monitor progress towards our net zero commitment through our internal carbon tracking activities. Our ability to achieve this commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. Our approach to managing the transition to a net zero 2050 investment portfolio includes the way we invest and our actions as owners. We use internal carbon footprinting analysis to monitor the investment portfolio's progress towards net zero. We engage with the larger contributors to emissions in our internally managed fundamental portfolios in the Australian shares asset class to better understand their emissions reduction commitments and climate transition action plans. And we exercise our ownership rights through our share voting practices. We also engage collectively with other investors through industry groups and investor networks, including the Australian Council of Superannuation Investors (ACSI) and Climate Action 100+. You can find out more about our approach to managing climate change risks and opportunities and the net zero transition in the portfolio in our *Climate Change Report*, available at: [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange)

**19.15 How will Australian Super hasten its exit out of fossil fuel investments?**

**19.16 Why does Aussie Super continue to invest in companies that are expanding fossil fuel Projects that is proven to result in catastrophic consequences for humanity? The benchmark balanced option has increased its exposure to such companies in the last 6 months Please do the right thing and stop funding new oil and gas projects. Please respond to this concern in the AGM.**

**19.17 Why does Aussie Super continue to invest in companies that are expanding fossil fuel Projects that is proven to result in catastrophic consequences for humanity? Can you please explain what you are doing to reduce exposure to organisations that continue to invest in fossil fuel projects?**

**19.18 Is AustralianSuper continuing to invest in fossil fuel producing companies?**

**19.19 What strategy does AustralianSuper have to divest 100% from Fossil Fuel (Coal & gas)? Does the Socially Aware option ensure I am not investing in companies contributing to the Fossil Fuel projects either directly or indirectly?**

We recognise that as the global economy transitions to net zero, the composition of the world energy mix will change. Fossil fuels will continue to play a role in the energy mix early in the transition, but we do expect their role will diminish over time as renewable energy sources become a larger proportion of the mix and other climate change solutions are developed.

AustralianSuper believes that, in most instances, advocating for change through stewardship activities will result in better outcomes on ESG issues than divestment. AustralianSuper has committed to achieving net zero emissions

by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals. You can read more about our approach to managing climate change risk in our *Climate Change Report* at [australiansuper.com/investments/how-we-invest/climate-change](https://australiansuper.com/investments/how-we-invest/climate-change)

For our Socially Aware option, certain assets are excluded based on environmental, social and governance (ESG) screens. Companies that provide evidence of owning thermal coal, oil or gas reserves\* are excluded from the investment option within the Australian and international listed shares asset classes, alongside corporate securities within the fixed interest asset class.

For more information on these screens – including their descriptions, how they are applied and their exceptions – please see our *Investment Guide* (p.31) for super accounts or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website.

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

#### **19.20 Please describe clear actions taken to defund the biggest Fossil Fuel polluters companies**

AustralianSuper invests to help members achieve their best financial position in retirement. We invest in a diversified portfolio of assets across different sectors of the economy. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries. We have committed to achieve net zero emissions by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals. More information on our approach to climate change is at [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange).

#### **19.21 Has Australian Super fully divested from fossil fuels in the balanced investment option and the ethical investment option ?**

AustralianSuper invests in a diversified portfolio of assets across different sectors of the economy. With the exception of companies involved in the production of tobacco products, including companies that grow or process raw tobacco leaves, we do not apply sector exclusions or screens to particular industries, such as fossil fuels. We have a variety of investment options for members to choose from, including the Socially Aware option, which invests in a wide range of assets with a focus on growth assets. The option is designed to have medium to long-term growth with possible short-term fluctuations.

AustralianSuper's ESG and Stewardship program and tobacco exclusion applies to the Socially Aware option. In addition, the option excludes certain assets based on environmental, social and governance (ESG) screens. These screens – including their descriptions, how they are applied and their exceptions – are disclosed to members in our *Investment Guide* (p.31) for super accounts or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website.

#### **19.22 Would AusSuper consider setting specific targets for reducing methane emissions associated within its investment portfolio?**

AustralianSuper has committed to achieving net zero emissions by 2050 in our investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. We are engaging with the larger contributors to portfolio emissions in our internally managed fundamental portfolios in the Australian shares asset class and asking that they develop credible plans to achieve their net zero goals. You can read more about our approach to managing climate change risk in our *Climate Change Report*.



### **19.23 How my super is evolving itself due to climate changes**

Climate change is one of the most significant investment issues today. Climate change will impact economies, industries, societies and the environment. As such, climate change presents risks and opportunities for the investments in our portfolio. AustralianSuper has made a commitment to achieve net zero carbon emissions by 2050 in the investment portfolio (based on scope 1 and scope 2 emissions of portfolio investments). Our ability to achieve the net zero commitment is dependent on policymakers and portfolio companies making and delivering on their own net zero commitments. For more information on our climate change approach and actions visit [australiansuper.com/ClimateChange](https://australiansuper.com/ClimateChange)

### **19.24 Do you have any plans to divest from Israel give the recent ICJ advice? Does Aus Super have any investments in West Bank businesses? Thanks**

AustralianSuper invests in a diversified range of regions and asset classes to help members achieve their best financial position in retirement. This approach provides global diversification in order to meet the investment objectives of each option. This means that the portfolio does have investments in Israel and may have investments in companies that operate in the West Bank.

The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues, and stakeholders. AustralianSuper invests in a globally diversified portfolio of companies that have operations around the world. We comply with the relevant sanctions and laws in the jurisdictions in which we operate and invest. We invest in accordance with the law and do not engage in activities that contravene the regulations under which we operate. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement. We publish details of our holdings on our website every six months: [australiansuper.com/investments/what-we-invest-in](https://australiansuper.com/investments/what-we-invest-in)

### **19.25 Does Australian Super have a position on the ongoing conflict in Palestine? and do you intend to divest from the 96 companies profiting from the Israeli occupation?**

### **19.26 Does AustralianSuper intend to divest from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory?**

### **19.27 Is Australian Super worried about the reputational or financial risk of investing in companies identified by the United Nations as operating in Occupied Palestinian Territories? Are you considering divestment?**

The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members. AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to the conflict, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

- 19.28 Is Australian Super worried about the reputational or financial risk of investing in companies identified by the United Nations as operating in Occupied Palestinian Territories? Are you considering divestment?
- 19.29 Is AustralianSuper concerned about the financial risk of investing in controversial companies that have been identified by the United Nations as operating on illegally occupied territory in Palestine by Israel?
- 19.30 My wellbeing is financial & ethical. Given the ICJ has determined there is a plausible possibility of a genocide happening in Gaza and that the occupation of Palestine is illegal will Australian super disinvest from companies complicit in genocide
- 19.31 What power do members have to ensure our money is not being invested into companies doing the wrong thing, like those identified by the UN as operating in Occupied Palestinian Territory? How can we be heard by Aus Super?
- 19.32 You express desire to transition away from fossil fuels, can you also commit to divesting away from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory?
- 19.33 You've committed to take climate change into account when it comes to the Australian Super portfolio. Do you intend to extend this mindfulness to avoid the companies currently profiting from the ongoing genocide in Palestine?"
- 19.34 Will there be an option to divest completely (100%) from all companies complicit in the genocide in Gaza?
- 19.35 What actions has Australian Super taken since public revelations regarding its investments in weapon systems which are being used to resource the Gaza genocide by the apartheid State of Israel?
- 19.36 Given stated policy on ESG and being a signatory to the UNPRI, why is Australian Super still invested in companies deemed as conducting illegal activities in the West Bank via enabling the building of illegal settlements? I can clearly see a breach here of stated policies and 'greenwashing'. I've put several questions through to Australian Super with lacklustre responses. This is a very serious issue especially considering the comments recently made by the International Court of Justice, in respect to this very issue (i.e. illegal settlement activity and it being a breach of international law). Why is Australian Super not taking this seriously whilst continuing to espouse high so called ESG and Sustainability standards?
- 19.37 The US 'donor class' has subverted morality in that country, leading the US to, amongst other extremely dubious things, arm and back Israel as it carries out a campaign of mass slaughter and destruction against the Palestinian people. To what extent can Australian Super assure its members that it is on board with the BDS movement, regarding Israel, and, is not earning profits from other wars?
- 19.38 What steps are management taking in order to comply with international law and not invest our money into companies/fund that are operated and/or own by Israel or companies/funds that support Israel through their business dealings or financially. As we must all be aware Israel is currently in violation of international law by occupying Palestinian Territories and enacting a brutal genocide onto Palestinians. If you do not comply with international law you risk your customers being complicit in Israel's war crimes.
- 19.39 Is AustralianSuper concerned about the financial and social risk of investing in companies that have been identified by the United Nations as operating on illegally occupied territory in Palestine by Israel? With Israel being on trial for genocide by the highest court in the world, its Prime Minister pending arrest warrants from the International Criminal Court and the country's economy being downgraded by ratings agencies (Moody's downgraded again on 1-Oct-24 to Baa1), how does AustralianSuper justify the operating risk and moral accountability of investing in countries that are operating on illegally occupied land under a government responsible for the on of the highest cause of death for children worldwide under the age of 5?
- 19.40 Does AustralianSuper intend to divest from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory?

- 19.41 I am considering changing super funds as I have found AusSuper's heavy investment in businesses in Occupied Palestine and also in fossil fuel companies to be deeply problematic. Does AustralianSuper intend to divest from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory?**
- 19.42 Does AustralianSuper intend to divest from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory? It is obscene that the UN has listed companies as profiting in the illegal occupation of Palestinian territories by Israel, which Australian super invests in.**
- 19.43 Does Australian Super have a plan to divest away from the 96 companies listed by the UN as operating withing the illegally occupied territory of Palestine? Many members (including myself) have been horrified by the ongoing genocide being committed by the IDF against the people of Palestine and are concerned that our retirement might be financially contributing?(link: <https://apan.org.au/wp-content/uploads/23-06-30-Update-israeli-settlement-opt-database-hrc3136-1.pdf>)**
- 19.44 We have now seen an on-going genocide in Gaza for 13 months. The International Court of Justice has called on Israel to halt all activities that could perpetuate genocide, and on all governments to take steps to ensure they are not complicit in genocide. The ICJ has also ruled that Israel's occupation of the Palestinian territories is illegal and must cease as quickly as possible and that its form of governance is apartheid. Given these most grievous actions breaking international law what steps has Australian Super taken to ensure that they disinvest from companies complicit in or benefiting from the occupation and the genocide in Gaza? What steps has Australian Super taken to ensure that it is not involved in any form of economic relationship with the Israeli state?**
- 19.45 How does Australian Super plan to deal with the legal ramifications of investing in companies that are complicit in genocide or other human rights abuses, particularly in the Palestinian Occupied Territories?**

The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members. AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to the conflict, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

- 19.46 Does AS intend to divest from the 96 companies listed by the UN as operating in Occupied Palestinian Territory? AS claims that its ESG policy is developed in recognition of various initiatives including the UN Sustainable Development Goals. Number 16 of the SDGs is 'Peace, justice and strong institutions. Could you explain to your members how investing in companies identified by the UN as complicit in occupation, aligns with the UN SDGs, as well as your ESG policy? Thank you**
- 19.47 For context AustralianSuper claims that its ESG policy is “framed in recognition of various initiatives, including: ..... global initiatives such as the UN’s Sustainable Development Goals.”. The UNSDG state that “Goal 16 is about promoting peaceful and inclusive societies, providing access to justice for all and building effective, accountable and inclusive institutions at all levels.”. My question is, does AustralianSuper intend to divest from the 96 companies currently listed by the United Nations as operating in the Occupied Palestinian Territory? And if AustralianSuper does not intend to divest from these 96 companies can you please elaborate as to how continued investment aligns with both AustralianSupers ESG policy & the UN Sustainable Development goals given that these companies are complicit in an occupation that indisputably denies peaceful and inclusive society, access to justice for all and effective, accountable and inclusive institutions at all levels?**
- 19.48 Does AustralianSuper intend to divest from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory? AustralianSuper claims that its ESG policy is developed in recognition of various global initiatives, such as the UN Sustainable Development Goals. Number 16 of the Sustainable Development Goal is ‘Peace, justice and strong institutions’ - could you please explain to your members how investing in companies identified by the United Nations as complicit in an occupation, aligns with the UN Sustainable Development Goals, as well as your ESG policy? Is AustralianSuper concerned about the financial risk of investing in controversial companies that have been identified by the United Nations as operating on illegally occupied territory in Palestine by Israel?**
- 19.49 AustralianSuper claims that its ESG policy is developed in recognition of various global initiatives, such as the UN Sustainable Development Goals. Number 16 of the Sustainable Development Goal is ‘Peace, justice and strong institutions’ - could you please explain to your members how investing in companies identified by the United Nations as complicit in an occupation, aligns with the UN Sustainable Development Goals, as well as your ESG policy? Is AustralianSuper concerned about the financial risk of investing in controversial companies that have been identified by the United Nations as operating on illegally occupied territory in Palestine by Israel?**
- 19.50 AustralianSuper claims that its ESG policy is developed in recognition of various global initiatives, such as the UN Sustainable Development Goals. Number 16 of the Sustainable Development Goal is ‘Peace, justice and strong institutions’ - could you please explain to your members how investing in companies identified by the United Nations as complicit in an occupation, aligns with the UN Sustainable Development Goals, as well as your ESG policy?**
- 19.51 AustralianSuper claims that its ESG policy is developed in recognition of various global initiatives, such as the UN Sustainable Development Goals. Number 16 of the Sustainable Development Goal is ‘Peace, justice and strong institutions’ - could you please explain to your members how investing in companies identified by the United Nations as complicit in an occupation, aligns with the UN Sustainable Development Goals, as well as your ESG policy?**

**19.52 Does AustralianSuper intend to divest from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory? AustralianSuper claims that its ESG policy is developed in recognition of various global initiatives, such as the UN Sustainable Development Goals. Number 16 of the Sustainable Development Goal is 'Peace, justice and strong institutions' - could you please explain to your members how investing in companies identified by the United Nations as complicit in an occupation, aligns with the UN Sustainable Development Goals, as well as your ESG policy? Is AustralianSuper concerned about the financial risk of investing in controversial companies that have been identified by the United Nations as operating on illegally occupied territory in Palestine by Israel?**

It is the Fund's belief that ESG factors and our stewardship actions can affect the value of investments, particularly over the long-term investment horizon, which applies to the Fund's objectives. The objective of our ESG and Stewardship Policy is to ensure that ESG investment risks and opportunities are integrated into our investment processes and to guide the Fund's stewardship activities to promote long-term value for members. Our ESG and Stewardship policy and program is informed by various frameworks, including the UN Sustainable Development Goals (SDGs).

AustralianSuper jointly established the Sustainable Development Investments Asset Owners Platform (SDI-AOP) in 2020 with leading global asset owners APG, British Columbia Investment Management Corporation (BCI) and PGGM. The SDI-AOP is an asset owner-led platform that supports investors in identifying Sustainable Development Investments (SDIs), which the platform categorises based on their level of revenue aligned to the SDGs. You can see how in our Annual Report. . The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members. AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to the conflict, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

**19.53 Australian Super invests nearly a billion dollar in Israeli military companies who are supplying arms to an army who is committing a genocide of Palestinian people. How can you justify this unethical investment**

The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members. AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to the conflict, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement. We publish details of our holdings on our website every six months: [australiansuper.com/investments/what-we-invest-in](https://www.australiansuper.com/investments/what-we-invest-in)

**19.54 Does AustralianSuper intend to divest from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory?**

The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact

investment returns for members. AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to the conflict, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

**19.55 Does AustralianSuper intend to divest from the 96 companies listed by the United Nations as operating in Occupied Palestinian Territory? It is obscene that the UN has listed companies as profiting in the illegal occupation of Palestinian territories by Israel, which Australian super invests in.**

The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members. AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to the conflict, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

**19.56 How does Australian Super avoid indirectly investing in companies profiting from overseas warmongering, such as the occupation of Palestine?**

The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

**19.57 I was unhappy to see Aus Super invests in some of the companies identified by the UN as operating in Occupied Palestinian Territory. Can you tell me how this aligns with your ESG policy?**

It is the Fund's belief that ESG factors and our stewardship actions can affect the value of investments, particularly over the long-term investment horizon, which applies to the Fund's objectives. The objective of our ESG and Stewardship Policy is to ensure that ESG investment risks and opportunities are integrated into our investment processes and to guide the Fund's stewardship activities to promote long-term value for members. The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members.

**19.58 I would like to know whether or not the board is considering divesting from the 96 companies listed by the United Nations as operating and complicit in the Occupied Palestinian Territories ( See here – <https://www.https://www.ohchr.org/sites/default/files/documents/hrbodies/hrcouncil/sessions-regular/session31/database-hrc3136/23-06-30-Update-israeli-settlement-opt-database-hrc3136.pdf>). To my mind, this constitutes a financial risk as these companies are highly controversial as they are identified as operating within an apartheid occupation regime. If you are not considering divesting, could you explain why you think this should be exempt from Australian Super's ESG policy?**

It is the Fund's belief that ESG factors and our stewardship actions can affect the value of investments, particularly over the long-term investment horizon, which applies to the Fund's objectives. The objective of our ESG and Stewardship Policy is to ensure that ESG investment risks and opportunities are integrated into our investment processes and to guide the Fund's stewardship activities to promote long-term value for members. The current situation in the Middle East is deeply concerning for those impacted. Our thoughts remain with everyone affected by this conflict, which has touched many members, colleagues and stakeholders. We invest to help members achieve their best financial position in retirement. To enhance investment returns over the long term, AustralianSuper invests in a globally diversified investment portfolio. This means that our holdings include exposure to a variety of industries and countries around the world. We monitor ESG developments, trends and emerging risks in our investment jurisdictions, including the Middle East, to identify issues that may impact investment returns for members. AustralianSuper invests in accordance with the law and does not engage in activities that contravene the regulations under which we operate. If the United Nations Security Council (UNSC) and the Australian Government imposed sanctions related to the conflict, AustralianSuper would comply where relevant to our investment holdings. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

**19.59 AustralianSuper claims that its ESG policy is developed in recognition of various global initiatives, such as the UN Sustainable Development Goals. Number 16 of the Sustainable Development Goal is 'Peace, justice and strong institutions' - could you please explain to your members how investing in companies identified by the United Nations as complicit in an occupation, aligns with the UN Sustainable Development Goals, as well as your ESG policy?**

It is the Fund's belief that ESG factors and our stewardship actions can affect the value of investments, particularly over the long-term investment horizon, which applies to the Fund's objectives. The objective of our ESG and Stewardship Policy is to ensure that ESG investment risks and opportunities are integrated into our investment processes and to guide the Fund's stewardship activities to promote long-term value for members. Our ESG and Stewardship policy and program is informed by various frameworks, including the UN Sustainable Development Goals (SDGs).

AustralianSuper jointly established the Sustainable Development Investments Asset Owners Platform (SDI-AOP) in 2020 with leading global asset owners APG, British Columbia Investment Management Corporation (BCI) and PGGM. The SDI-AOP is an asset owner-led platform that supports investors in identifying Sustainable Development Investments (SDIs), which the platform categorises based on their level of revenue aligned to the SDGs. You can see how in our Annual Report.

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## 20 Engagement

### 20.1 Hi, the CEO spoke a bit about the importance of governance to AusSupers strategy. Can you please give some examples of specific outcomes AusSuper has achieved in influencing corporate governance?"

Board effectiveness, including gender diversity and executive remuneration, are priority topics in our ESG and Stewardship program. Here are our observations on these topics:

**Gender diversity:** we believe that gender diversity at board level is an essential element of good corporate governance and can positively impact long-term investment value. We introduced a gender diversity policy in 2017 where we voted against directors up for re-election on single-gender boards of ASX 200 companies. In 2017, we observed that 17 companies had no women on their boards. As of today, there are no ASX 200 companies with single-gender boards.

We expanded our policy to include ASX 200 companies with two or less female directors in 2020, and now advocate for 30% female representation on ASX 200 boards. We are engaging with companies impacted by this policy.

**Remuneration:** in 2023, we voted against four companies' remuneration reports. For the three companies we still held in 2024, all made improvements to their remuneration reports in the 2024 voting season. We subsequently voted in favour of these three companies' remuneration reports in 2024. It's worth noting that there were other companies in the portfolio that we voted against in 2024. We will engage with these companies ahead of the next AGM seeking improvements.

Find out more about our voting approach at [australiansuper.com/-/media/Australian-super/files/about-us/governance/share-voting-approach.pdf](https://australiansuper.com/-/media/Australian-super/files/about-us/governance/share-voting-approach.pdf)

### 20.2 Is Paul able to provide a tangible example of the influence and related benefits the fund has achieved through the funds governance work?

Board effectiveness, including gender diversity and executive remuneration, are priority topics in our ESG and Stewardship program. Here are our observations on these topics:

**Gender diversity:** we believe that gender diversity at board level is an essential element of good corporate governance and can positively impact long-term investment value. We introduced a gender diversity policy in 2017 where we voted against directors up for re-election on single-gender boards of ASX 200 companies. In 2017, we observed that 17 companies had no women on their boards. As of today, there are no ASX 200 companies with single-gender boards.

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Find out more about our voting approach at [australiansuper.com/-/media/Australian-super/files/about-us/governance/share-voting-approach.pdf](https://australiansuper.com/-/media/Australian-super/files/about-us/governance/share-voting-approach.pdf)

### 20.3 Will you be divesting from Lifestyle Communities in the wake of the ABC story and tanking share price. I dont want my retirement funded by the misery of others.

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens. Our investment in Lifestyle Communities is based on our assessment of the company's long-term value. The Fund has held the stock since 2015 and believes the company has a strategy and plan to be successful in the long term. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.



## **20.4 Is Paul able to provide a tangible example of the influence and related benefits the fund has achieved through the funds governance work?**

Board effectiveness, including gender diversity and executive remuneration, are priority topics in our ESG and Stewardship program. Here are our observations on these topics:

Gender diversity: we believe that gender diversity at board level is an essential element of good corporate governance and can positively impact long-term investment value. We introduced a gender diversity policy in 2017 where we voted against directors up for re-election on single-gender boards of ASX 200 companies. In 2017, we observed that 17 companies had no women on their boards. As of today, there are no ASX 200 companies with single-gender boards.

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Find out more about our voting approach at [australiansuper.com/-/media/Australian-super/files/about-us/governance/share-voting-approach.pdf](https://australiansuper.com/-/media/Australian-super/files/about-us/governance/share-voting-approach.pdf)

## **20.5 Will you be divesting from Lifestyle Communities in the wake of the ABC story and tanking share price. I dont want my retirement funded by the misery of others.**

We invest to help members achieve their best financial position in retirement. Every investment decision is made through that lens. Our investment in Lifestyle Communities is based on our assessment of the company's long-term value. The Fund has held the stock since 2015 and believes the company has a strategy and plan to be successful in the long term. All investment decisions, including decisions to exit any holdings we have, are underpinned by our purpose to help members achieve their best financial position in retirement.

## **21 Socially Aware**

### **21.1 I understand that, following a review, new exclusion screens will be applied to the Socially Aware option. Can you confirm whether these new screens will exclude gambling interests from the Socially Aware option?**

Since the investment option was designed in 2016\*, we recognise that there have been developments in the responsible investment area – including increasing recognition of ESG issues and evolving member expectations.

We have been undertaking a comprehensive review of the Socially Aware investment option for some time – looking beyond its existing screens – to ensure it continues to meet members' expectations and its investment objectives.

We are pleased to confirm that we will be launching a revised Socially Aware investment option and expect to communicate about these changes to members in April 2025.

\* The option was previously known as the Sustainable Balanced option before 30 May 2016.

- 21.2 Good to have a full response including discussion of future strategies in response to issues around general investment and ethical offerings around investments linked to fossil fuels, weapons and other issues as raised in reports like this one - <https://www.abc.net.au/news/2024-07-01/ethical-super-savings-found-in-controversial-weapons-makers-/104015686> and concrete actions to address these reports including plans to divest and under what timeframes. Thank you.**
- 21.3 I would like an update on the steps Australian Super is taking to make changes to its Socially Aware option as referenced in this article: <https://www.abc.net.au/news/2024-07-18/australian-super-socially-aware-option-lent-to-coal-oil-and-gas/104108152>. I am particularly concerned about investments in companies with a vested interest in fossil fuels and which are contributing to pollution and biodiversity decline. I would like to see more publicly available information on about how investments in this fund option are vetted and what the criteria for inclusion are.**
- 21.4 Is there going to be revision to the socially aware to ensure it meets expectations of the name?**
- 21.5 What has AustralianSuper learned from its recent allegations of misrepresentation of its socially aware fund. Is AS actively developing a strategy away from old fossil based energy technologies.**
- 21.6 Your ethical stream was first implicated in accusations of non-ethical investing in early July. Months later, why has there been no correspondence with members about this?**
- 21.7 I currently invest in the Socially Aware asset class for reasons of environmental awareness. Whilst companies that own fossil fuel reserves are excluded, companies that make significant revenue from the fossil fuel supply chain are not - for example a refiner or oil services company such as Halliburton. My expectation is that they should be, so has any analysis of exposure to these companies been done, and what change to investment returns might ensue if they were excluded?**
- 21.8 How it has been now addressed the investment of funds from ethical option in coal, oil and gas industries accusation? What about investment in Israeli industries?**
- 21.9 During 2024 Australian Super was one of many funds found to have questionable investments as part of the ethical portfolio option. What steps are being taken to address this?**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. We manage over \$341 billion on behalf of over 3.4 million members (as at 30 June 2024) who have diverse values, preferences and attitudes when it comes to investing. We have a variety of investment options for members to choose from, including the Socially Aware option that invests in a wide range of assets with a focus on growth assets. The option is designed to have medium to long-term growth with possible short-term fluctuations.

AustralianSuper's ESG and Stewardship program and tobacco exclusion applies to the Socially Aware option. In addition, the option excludes certain assets based on environmental, social and governance (ESG) screens. These screens – including their descriptions, how they are applied and their exceptions – are disclosed to members in our Investment Guide (p.31) for super accounts, or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website. Since the investment option was designed in 2016\* , we recognise there have been developments in the responsible investment area – including increasing recognition of ESG issues and evolving member expectations. We have been undertaking a comprehensive review of the Socially Aware investment option for some time – looking beyond its existing screens – to ensure it continues to meet members' expectations and remains in their best financial interests.

We are pleased to confirm that we will be launching a revised Socially Aware investment option and expect to communicate about these changes to members in April 2025.

\*The option was previously known as the Sustainable Balanced option before 30 May 2016.

### **21.10 What is Australian Super doing to contribute positively to 'Closing the Gap' outcomes for First Nations Australians? What proportion of the 'Socially Aware' allocation generates better social outcomes for First Nations people?**

AustralianSuper supports efforts to Close the Gap. AustralianSuper takes many steps for Aboriginal and Torres Strait Islander members, both within and outside of Reconciliation Action Plans, including to improve services; to provide financial education; to improve colleague cultural understanding; in employment; in Procurement; and visiting remote communities. We also have a page with resources and information for Aboriginal and Torres Strait Islander members and Financial Counsellors: <https://www.australiansuper.com/firstnations>. Highlights of some of our activities are in the 2024 Annual Report, available via <https://www.australiansuper.com/about-us/governance-and-reporting>.

AustralianSuper's ESG and Stewardship program and tobacco exclusion applies to the Socially Aware option. In addition, the option excludes certain assets based on environmental, social and governance (ESG) screens. These screens – including their descriptions, how they are applied and their exceptions – are disclosed to members in our Investment Guide (p.31) for super accounts, or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website: <https://www.australiansuper.com/investments/your-investment-options/pre-mixed-investment-choice>.

### **21.11 How does AustralianSuper ensure the integrity of its Socially Aware investment option?**

We believe our approach to designing the Socially Aware option supports the integrity of the product. Our approach considers various factors which all have risk/return implications for members, including:

- The option's investment objectives – which are based on a balanced approach that provides members the opportunity to grow their super over time and with diversification that reduces portfolio volatility. The option invests in a wide range of assets and aims to outperform the median balanced fund and CPI +3.5% over the medium- to longer term.
- What types of screens should be considered – this is where we conduct surveys with members to understand their values, preferences and attitudes towards investing, including the industries and activities they most want to avoid investing in. We monitor changes to member expectations over time and this helps to inform the screens we apply to the investment option, alongside other considerations including;
- The practical limitations of applying screens – noting it's challenging to screen some asset classes and investments due to two main factors
- Limited and less consistent company data available which makes it challenging to apply the screens appropriately

The ability to quickly sell out of unlisted assets that no longer meet screens (such as across private equity, infrastructure, property and credit). Being forced to sell illiquid assets at the wrong time risks meaningful losses to members, or if it can't be sold, holding assets that are no longer appropriate.

This is why the screens only apply to around 60% of the option's total assets. The screens - including their descriptions, how they are applied and their exceptions (including the asset classes that aren't screened) – are disclosed to members in our Investment Guide (p.31) for super accounts, or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website. We've also included information on the implementation and ongoing monitoring of the screens.

### **21.12 Could you advise on the efforts of AS to ensure integrity in its ethical investments**

We believe our approach to designing the Socially Aware option supports the integrity of the product. Our approach considers various factors which all have risk/return implications for members, including:

- The option's investment objectives – which are based on a balanced approach that provides members the opportunity to grow their super over time and with diversification that reduces portfolio volatility. The option invests in a wide range of assets and aims to outperform the median balanced fund and CPI +3.5% over the medium- to longer term.
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### **21.13 Why does the Socially Aware option not exclude all coal, oil and gas investments direct and indirectly? This option appears opaque and a greenwash.**

AustralianSuper's purpose is to help members achieve their best financial position in retirement. We manage over \$341 billion on behalf of over 3.4 million members (as at 30 June 2024) who have diverse values, preferences and attitudes when it comes to investing.

For our Socially Aware option, certain assets are excluded based on environmental, social and governance (ESG) screens. These screens – including their descriptions, how they are applied and their exceptions – are disclosed to members in our Investment Guide (p.31) for super accounts, or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website.

In designing the Socially Aware investment option, we have considered various factors which all have risk/return implications for members, including:

- The option's investment objectives – which are based on a balanced approach that provides members the opportunity to grow their super over time and with diversification that reduces portfolio volatility. The option invests in a wide range of assets and aims to outperform the median balanced fund and CPI +3.5% over the medium- to longer term.
- What types of screens should be considered – this is where we conduct surveys with members to understand their values, preferences and attitudes towards investing, including the industries and activities they most want to avoid investing in. We monitor changes to member expectations over time and this helps to inform the screens we apply to the investment option, alongside other considerations including;
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The ability to quickly sell out of unlisted assets that no longer meet screens (such as across private equity, infrastructure, property and credit). Being forced to sell illiquid assets at the wrong time risks meaningful losses to members, or if it can't be sold, holding assets that are no longer appropriate.

This is why the screens only apply to around 60% of the option's total assets. For more detail on the asset classes that aren't screened, please see the Investment Guide (p.31).

### **21.14 The majority of my super is in the Socially Aware fund. Does any of this support the fossil fuel industry?**

#### **21.15 Is the Socially Aware option completely free from investing in the Fossil Fuel industry?**

For our Socially Aware option, certain assets are excluded based on environmental, social and governance (ESG) screens. Companies that provide evidence of owning thermal coal, oil or gas reserves\* are excluded from the investment option within the Australian and international listed shares asset classes, alongside corporate securities within the fixed interest asset class.

For more information on these screens – including their descriptions, how they are applied and their exceptions – please see our *Investment Guide* (p.31) for super accounts, or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website.

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

### **21.16 Is the Socially Aware option likely to be affected significantly by the change in leadership in the USA?**

AustralianSuper's Investment team performs research on the macroeconomic and investment market implications of geopolitical events like elections. The results of the US election may impact corporate tax rates, tariffs, fiscal spending and foreign trade. When analysing investments in the portfolio, we are focused on the drivers of long-term returns, such as profitability and earnings growth of assets, to support growing member balances over time.

For the Socially Aware option, the effects of these impacts on the various sectors included in the portfolio may impact the level of returns compared to an investment option that does not have exclusions.

Elections often create additional market uncertainty and volatility in the short term. While we are seeing short-term volatility in markets, it is difficult to predict what the volatility and returns will be over the next few years.

### **21.17 Can you assure me that the Socially Aware portfolio does NOT support fossil fuel investments?**

For our Socially Aware option, certain assets are excluded based on environmental, social and governance (ESG) screens. Companies that provide evidence of owning thermal coal, oil or gas reserves\* are excluded from the investment option within the Australian and international listed shares asset classes, alongside corporate securities within the fixed interest asset class.

For more information on these screens – including their descriptions, how they are applied and their exceptions – please see our *Investment Guide* (p.31) for super accounts, or the relevant Product Disclosure Statement for TTR and Choice Income accounts. The screens are also explained on our website

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

### **21.18 Will the socially aware fund continue to invest in weapons?**

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### **21.19 What is the funds current investment plans with Woodside? Woodside's Burrup Hub is environmentally destructive and irresponsible. Many funds are removing their investments from Woodside.**

AustralianSuper's purpose is to help members to achieve their best financial position in retirement. Every investment decision we make is considered through that lens. Our investment decision making considers a range of factors, including company financials, qualitative data and ESG issues. The transition will not be linear, and decarbonisation pathways will differ across regions and sectors. Gas will continue to have a role to play and vary across developed and developing markets, and Woodside will have a role to play in that. In advanced economies, we expect gas to support energy stability and hard to abate industrial sectors. In developing economies where investment capacity in renewable energy is currently lagging, the demand for gas may be maintained for longer. AustralianSuper will continue to engage with Woodside on its approach to climate change and transition to a net zero economy.

## **21.20 Why do Aussie Super continue to have Santos and Woodside who are continuing to greenwash - Santos have been in Federal Court for misleading and deceptive conduct and Woodside wilfully ignore shareholder pressure to change their CTAP?**

AustralianSuper invests with the purpose of helping members achieve their best financial position in retirement. We assess investment opportunities based on their ability to deliver long-term investment performance for members. Our investment decision-making considers a range of factors, including company financials, qualitative data and ESG issues. We currently hold Woodside and a small holding of Santos in the portfolio. Woodside provided enhanced disclosure in its latest Climate Transition Action Plan and increased engagement. We voted against the 'Say on Climate' because the Climate Transition Action Plan, in our view, didn't articulate Paris Alignment. Woodside is continuing to engage with us on their decarbonisation plans. Our holding in Santos is relatively small and held through passively and quantitatively managed strategies, and our stewardship program is applied through the Australian Council of Superannuation Investors (ACSI). For further information on our voting approach for companies held in these strategies, see [australiansuper.com/-/media/Australian-super/files/about-us/governance/share-voting-approach.pdf](https://australiansuper.com/-/media/Australian-super/files/about-us/governance/share-voting-approach.pdf)

## **22 Government Relations & Public Policy**

### **22.1 There are concerns regarding government intervention in access to super funds for governments. What is your view on this? eg. Tax on balances over \$3 mil in super.**

Legislation is currently before the Australian Parliament to reduce the superannuation tax concessions available to individuals whose total superannuation balances exceed \$3 million. Should the Parliament pass this legislation, the changes would apply from 1 July 2025.

AustralianSuper continues to advocate for the indexation of the \$3 million threshold. Indexation is important to provide greater certainty and promote stability and confidence in the system, which is important given the long-term horizon of superannuation savings.

AustralianSuper has also argued that revenue from this measure should be used to increase LISTO (the low-income superannuation tax offset) to improve equity in super tax concessions for low-income earners.

### **22.2 Do you anticipate any changes in Australian government legislation related to superannuation?**

As a significant piece of public policy, our superannuation system is subject to ongoing reform by successive governments. AustralianSuper supports super system reform where it improves outcomes for members.

There are a number of proposals in relation to superannuation legislation that have been announced by the Australian Government. Some key changes include legislation to:

- reduce the superannuation tax concessions available to individuals whose total superannuation balances exceeds \$3 million (the legislation is currently before the Parliament)
- pay superannuation on government parental leave pay (this legislation has passed parliament. This will apply to eligible parents with babies born or adopted on or after 1 July 2025)
- require employers to pay employees' superannuation at the same time as their salary and wages (payday super) from 1 July 2026. This legislation is yet to be introduced into Parliament.

Importantly, the Federal Parliament has just passed legislation to establish an objective of superannuation. It means that to change superannuation laws, policymakers in government will be required to demonstrate how future changes are consistent with the Objective of Superannuation. The Objective of Superannuation is "to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way."

### **22.3 Is Australian Super aware of any potential changes by the Govt that will effect investment returns as a disadvantage to investors.**

We are not currently concerned that there are any specific changes by current Governments that will have significant adverse impacts on investment returns. Regulatory change can present both risks and opportunities for investors. AustralianSuper considers risks and opportunities arising from regulatory changes when we make and manage investments for AustralianSuper members.

AustralianSuper advocates for stable policy settings that provide certainty for investors and support long-term investment outcomes.

#### **22.4 Paul Schroder said that AS aims to be the best fund in the best superannuation system in the world". How is AS working to ensure our superannuation system is the best in the world?**

AustralianSuper is committed to being the leading superannuation fund in the world's best system, for members. AustralianSuper advocates for policy change that improves the financial outcomes that our super system delivers for members at retirement. To do this, we engage with:

- government and regulators on consultations to shape policy and implement reforms through written submissions and in-person meetings, and
- peak bodies such as the Super Members Council of Australia and the Association of Superannuation Funds of Australia to support and contribute to their submissions and advocacy where they improve outcomes for AustralianSuper members.

AustralianSuper made 23 policy submissions to the Government in the last financial year. These are published on our website at [australiansuper.com/about-us/advocacy](https://australiansuper.com/about-us/advocacy)

AustralianSuper members are more likely to be low and middle-income earners, and on average, female members will retire with less superannuation than male members. We advocate for policy measures that improve fairness in the outcomes our superannuation system delivers for these members. As superannuation is a long-term savings vehicle, we also advocate for stable policy settings that provide certainty for investors and support long-term investment performance.

Finally, as more Australians are moving towards retirement, we are advocating for changes to make retiring easier and less complex.

More information on our policy and advocacy work can be found in our Annual Report.

#### **22.5 Question for Paul. Keatings visionary superannuation model has been significantly modified over the past 4 decades. Does Australian Super lobby the Federal Treasurer to ensure the original model of Australians providing for their retirement?**

We advocate for sustainable and equitable public policy in superannuation, and financial services more broadly. The advocacy seeks to ensure genuine universality and fairness in the super system that improves financial outcomes at retirement for AustralianSuper members. To do this, we engage with:

- government and regulators on consultations to shape policy and implement reforms through written submissions and in-person meetings, and
- peak bodies such as the Super Members Council of Australia and the Association of Superannuation Funds of Australia to support and contribute to their submissions and advocacy where they improve outcomes for AustralianSuper members.

AustralianSuper made 23 policy submissions to the government in the last financial year. These are published on our website at [australiansuper.com/about-us/advocacy](https://australiansuper.com/about-us/advocacy)

We advocate for universality and fairness in the superannuation system, to improve financial outcomes at retirement for AustralianSuper members.

Superannuation is a long-term savings vehicle. We advocate for stable policy settings that provide certainty for investors and support long-term investment performance.

As more Australians are moving towards retirement, we are advocating for changes to make retiring easier and less complex. We believe the new Objective of Superannuation also provides an important opportunity to achieve policy and regulatory stability for the superannuation system going forward. The Objective of Superannuation is an important reference point that will help avoid short-term policy making which undermines long-term confidence in the system and unnecessary costs to superannuation funds and their members. Policymakers in Government will be required to demonstrate how future changes to superannuation law are consistent with the objective.

**22.6 I am worried about the proposed super legislation changes and implications for former public servants with super in a second super scheme. The changes will mean some of us will need to withdraw their Aussuper accounts to avoid the unrealised capital gains tax and the \$3m limit in super. (Also think there might be an error in the tax rates proposed in the leg ie the policy makers don't understand how the keg will work in practice) .**

Legislation to reduce the superannuation tax concessions available to individuals whose total superannuation balances exceed \$3 million is currently being considered by the Australian Parliament. If the legislation is passed, the changes would apply from 1 July 2025. AustralianSuper continues to advocate for the indexation of the \$3 million threshold. We believe indexation is important to provide greater certainty and promote stability and confidence in the system, which is important given the long-term horizon of superannuation savings.

We cannot provide advice on a member's personal situation in this forum. You may wish to seek professional financial advice on your personal situation. AustralianSuper offers access to a range of advice options and more information can be found at [australiansuper.com/tools-and-advice/your-advice-options](https://australiansuper.com/tools-and-advice/your-advice-options).

**22.7 Do you think the retirement age will continue to rise? If so what changes to government policy to help those in need access their super funds would you support.**

There is no fixed retirement age in Australia. However, it is important to be aware of some key milestones on when you can access Government Age Pension and super.

- You can get the Government Age Pension if you're 67 or older and meet other eligibility requirements.
- You can access your super when you reach 60 years of age and retire. The meaning of 'retire' depends on your age and how and when you finished work:
  - If you're 60–64:
    - › you stopped working permanently, or
    - › you stopped working for any employer after you turned 60.
  - If you're 65 or older, you can access all your super, even if you're still working.
  - Finally, if you're 60 years or over and still working, you may be able to access a regular income by opening a Transition to Retirement Income (TTR) account.

While there have been changes to these ages in recent years, we are not aware of any plans by the Government to make further changes to these ages.

**22.8 What is the government's plan on super medium term as far as taxes**

Legislation is currently before the Australian Parliament to reduce the superannuation tax concessions available to individuals whose total superannuation balances exceed \$3 million. If the legislation passes, the changes would apply from 1 July 2025. AustralianSuper continues to advocate for the indexation of the \$3 million threshold. We believe indexation is important to provide greater certainty and promote stability and confidence in the system, which is important given the long-term horizon of superannuation savings.

At present, we are not aware of any other plans by the Government to make changes to superannuation tax concessions. However, AustralianSuper is calling for an expanded and improved low-income superannuation tax offset (LISTO). This change would increase the superannuation balances of low-income earners. It would ensure that all low-income earners get a fair tax concession on their super and can benefit from an improved standard of living in retirement.