

Member Outcomes Assessment

Retirement Income product

Financial Year 2024



Each year, we're required to assess whether we have promoted the financial interests of members. The Annual Member Outcomes Assessment is a measure of how our products perform against various comparison and assessment factors.

The assessment examines fees, performance, investment risk, services and operating costs for our Retirement Income product.



This year, our assessment has determined that we have promoted the best financial interests of members.

As one of Australia's largest profit-for-member super funds, we're here to help you achieve your best retirement outcome. We measure success by whether our members feel confident they're prepared for retirement and can generate a comfortable retirement income.

In the 2024 financial year, we focused on implementing our Retirement Income Strategy. We enhanced My Retirement Planner™, a tool that measures how members are tracking towards achieving their personalised retirement income goals. We launched a public version that can be used by both members and non-members, helping all Australians reach their retirement income goals.

We also introduced two new 'help and advice' offers so members can more easily access expert guidance as they prepare for and move into retirement.

- **Super Helpful Check-in** – a no-extra cost¹ hybrid advice experience where our internal Advice team provides a personalised discussion about how much members need for retirement, how they're tracking and how they can improve their financial situation using My Retirement Planner.
- **Retire Ready** – a no-extra cost¹ personalised retirement advice service, designed to educate members on Government Age Pension entitlements, help them set up their Retirement Income account and provide guidance for key decisions in setting up their account.

In the 2024 financial year, we made My Retirement Planner™ available to both members and non-members to help all Australians achieve their retirement income goals.

¹ Members can get advice about their Aware Super accounts at no extra cost, or advice on their broader needs for a fee.

In this document, Retirement Income product refers to both the Retirement Income and Retirement Transition accounts. Retirement Income is our account-based pension, and Retirement Transition is our transition to retirement account.



Improving member outcomes

We've assessed our Retirement Income product based on two key areas.

- Comparing our performance with peers and benchmarks on:
 - Investment returns
 - Level of investment risk
 - Fees and costs
- Assessing the appropriateness of our:
 - Investment strategy
 - Fee setting and principles
 - Options, benefits, services and scale

Delivering strong long-term returns² for our members

Investment returns – Retirement Income Conservative Balanced option (our default option)

The graph on page 3 shows the performance of the Retirement Income Conservative Balanced option compared to the median performance of other retirement products' investment options with a similar risk profile. The median return is the one that falls in the middle of all returns in the comparison group.

Retirement Transition members should refer to our *Member Outcomes Assessment – Accumulation products* document for the investment returns, investment strategy and investment risks and targets for Retirement Transition. You can find this document on our [Corporate governance](#) page.

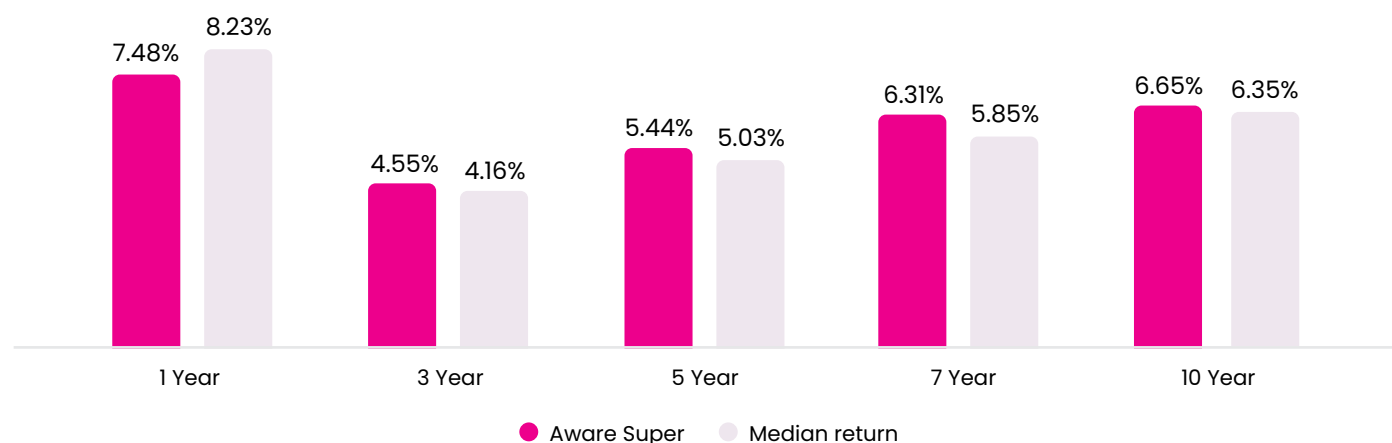


² The Aware Super Conservative Balanced option delivered an average return of 6.65% p.a. over 10 years to 30 June 2024 compared to the index median of 6.40% p.a. for the same period. Source: SuperRatings Pension Fund Crediting Rate Survey, June 2024. Based on the SRP25 Conservative Balanced (41-59) Index. Returns are after tax and investment management expenses but before the deduction of administration fees. Past performance is not an indicator of future performance.

How our Conservative Balanced option performed³

- The Conservative Balanced option has outperformed the median return over 3, 5, 7 and 10 years.
- The three-year performance for the Conservative Balanced option shows a reduced rate of return compared to other time periods, largely due to COVID-19 related market volatility.

Retirement Income Conservative Balanced



The returns for 3, 5, 7 and 10 years are annualised.

Source: SuperRatings Pension Fund Crediting Rate Survey, June 2024. Based on the Conservative Balanced (41-59) Index. Returns are after tax and investment management expenses but before the deduction of administration fees. Past performance is not an indicator of future performance.

Investment returns – Retirement Income options

How our Retirement Income options performed⁴

- Most of our Core Diversified options performed well on a comparative basis, outperforming the median return over three years or more.
- The Defensive option underperformed the median over 1, 5, 7 and 10 years. This can be attributed in part to the Defensive option having a lower allocation to growth assets compared to the relevant comparison group.
- Our Socially Conscious, Indexed, Australian Shares, International Shares and Cash investment options all outperformed compared to the median returns of the relevant comparison group over all time periods (refer to Table 1 on page 4).⁵
- The Property option has generally had lower returns than the median over the measured time periods. However, a change in investment strategy to a passively-managed portfolio of global listed property securities at the end of calendar year 2022 aims to help support more competitive outcomes relative to peers positioned in a similar manner.
- The Bonds option has also had lower returns than the median return over one year, although it exceeded its pre-tax benchmark over that same timeframe.

³ Past performance is not an indicator of future performance.

⁴ Source: SuperRatings Pension Fund Crediting Rate Survey, June 2024. Returns are after tax and investment management expenses but before the deduction of administration fees. Past performance is not an indicator of future performance.

⁵ Excludes the Conservative Socially Conscious, Conservative Balanced Indexed and Conservative Indexed investment options which commenced in 2022 and therefore do not yet have a 3, 5, 7 or 10 year performance history.

Table 1 shows the performance of the Retirement Income product options compared to the median returns of the relevant comparison group.

Table 1

The arrows in Table 1 show how Aware Super's options performed compared to the median return. For example, an up arrow means that the Aware Super option performed better than the median return.

Investment option	Returns							
	1 year		3 year		5 year		10 year	
	Aware Super (%)	Median (%)	Aware Super (% p.a.)	Median (% p.a.)	Aware Super (% p.a.)	Median (% p.a.)	Aware Super (% p.a.)	Median (% p.a.)
Diversified investment options								
High Growth	11.76 ↓	11.82	5.99 ↑	5.91	8.42 ↑	8.08	9.40 ↑	9.03
Balanced	10.47 ↑	10.21	5.12	5.12	7.03 ↑	6.63	8.07 ↑	7.78
Conservative Balanced	7.48 ↓	8.23	4.55 ↑	4.16	5.44 ↑	5.03	6.65 ↑	6.35
Conservative	6.19 ↓	6.27	3.64 ↑	2.55	4.25 ↑	3.51	5.62 ↑	4.66
Defensive	5.83 ↓	6.27	2.91 ↑	2.55	3.00 ↓	3.51	4.35 ↓	4.66
Conservative Balanced Socially Conscious	9.54 ↑	8.23	5.20 ↑	4.16	6.63 ↑	5.03	7.51 ↑	6.35
Conservative Socially Conscious ⁶	6.97 ↑	6.27						
Conservative Balanced Indexed ⁶	11.47 ↑	8.23						
Conservative Indexed ⁶	9.12 ↑	6.27						
Single asset class investment options								
Australian Shares	13.44 ↑	12.67	7.79 ↑	7.11	8.82 ↑	8.56	9.62 ↑	9.25
International Shares	20.58 ↑	18.23	11.07 ↑	7.22	12.87 ↑	10.92	12.59 ↑	11.01
Property	4.45	4.45	-0.80 ↓	1.90	2.12 ↓	2.44	6.61 ↓	6.97
Bonds ⁶	3.11 ↓	3.57						
Cash	5.00 ↑	4.68	3.03 ↑	2.61	2.19 ↑	1.83	2.29 ↑	2.03

Source: SuperRatings Pension Fund Crediting Rate Survey June 2024. Medians have been extracted from the applicable SuperRatings index and tables and compared against the relevant Aware Super option's hard close return over the stated period as at 30 June 2024. Returns are after tax and investment management expenses but before the deduction of administration fees. Past performance is not an indicator of future performance.

⁶ These options commenced on 3 November 2022. As a result, performance history is only available for the one-year time period.

Level of investment risk

Each investment option performs differently and carries different risks. Table 2 shows our estimated short-term risk measure for each Retirement Income option and comparable like-for-like funds. Short-term risk is the risk of not having enough time to recover from adverse market movements. This type of risk is also known as the Standard Risk Measure, and it classifies each investment option according to the likelihood of negative returns in a given year.

Overall, our short-term risk measures for the Diversified and Single asset class options are within a similar range for comparable investment options.

Table 2

Investment option – Retirement	Aware Super short-term risk/Standard Risk Measure (SRM) risk labels	Range of comparable Standard Risk Measure (SRM) risk labels
Diversified investment options		
High Growth	High	Medium to High – Very High
Balanced	High	Medium – High
Conservative Balanced	Medium	Low to Medium – High
Conservative Balanced Socially Conscious	Medium to High	Low to Medium – High
Conservative Balanced Indexed	High	Low to Medium – High
Conservative	Low to Medium	Low – High
Conservative Socially Conscious	Medium	Low – High
Conservative Indexed	Medium to High	Low – High
Defensive	Low to Medium	Low – High
Single asset class investment options		
Australian Shares	Very High	High – Very High
International Shares	Very High	High – Very High
Property	Very High	Medium to High – Very High
Bonds	Medium to High	Low – High
Cash	Very Low	Very Low – Low
Term Deposit ⁷	Very Low	N/A

Source: SuperRatings Pension Crediting Rate Survey – Standard Risk Measure and Aware Super analysis conducted in October 2024 of SuperRatings data in SMART portal, accessed October 2024. Data is subject to change.

⁷ There are no points of comparison for the Term Deposit investment option.

Fees and costs

As a profit-for-member fund, we set our fees to recover any costs we incur in running Aware Super (the Fund) and investing on behalf of our members. Our fees are categorised as follows.

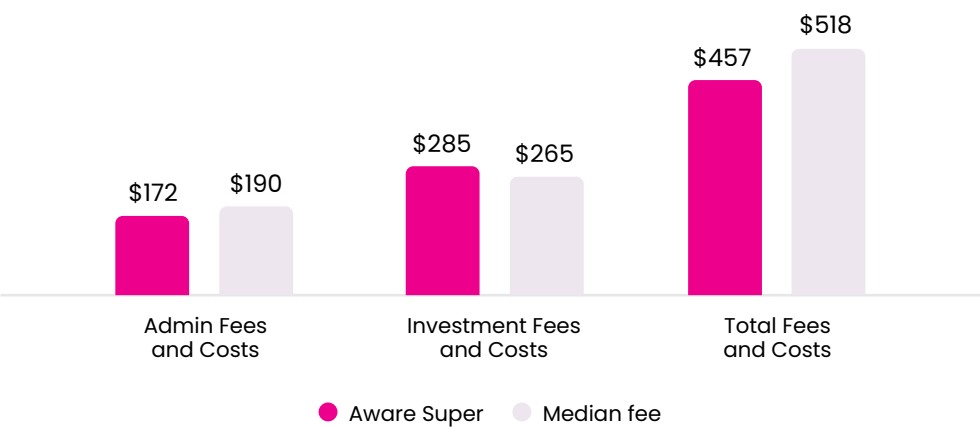
- Administration fees and costs (an account-keeping fee and administration fee)
- Investment fees and costs (including transaction costs)

The following fees and costs assessments are for Retirement Income only and do not include the Retirement Transition product. Industry comparisons for transition to retirement products on a total fee basis are not readily available.

Fees and costs – Retirement Income Conservative Balanced (our default option) based on a \$50,000 balance

Fees for our default Retirement Income Conservative Balanced option remain highly competitive, with the total fees and costs below the median compared with other retirement options with a similar growth/defensive allocation. We aim to continue reducing investment-related fees and costs by managing more of our assets in-house. We'll also continue to develop strategic partnerships with external investment managers and use our increasing scale to help ensure the fees we pay to external investment managers and other intermediaries are competitive.

Retirement Income (Conservative Balanced) \$50,000



Source: Aware Super's analysis conducted using the SuperRatings Member Outcomes Tool (data for June 2024) accessed in October 2024. This comparison is based on a member with a \$50,000 balance.

Fees and costs – Retirement Income options based on a \$50,000 balance

Total fees across all Retirement Income options remain highly competitive, with the total fees for all investment options below the median compared to other retirement options with a similar growth/defensive allocation.

Table 3: Total fees and costs on a \$50,000 balance

The arrows in Table 3 show how the fees for Aware Super's options compare to the median fee of the relevant comparison group. For example, a down arrow means that the Aware Super option has lower fees than the median option.

Investment option	Aware Super Fee (\$ p.a.)	Median Fee (\$ p.a.)
Diversified investment options		
High Growth	512 ↓	604
Balanced	477 ↓	580
Conservative Balanced	457 ↓	518
Conservative	387 ↓	510
Defensive	312 ↓	510
Conservative Balanced Socially Conscious	357 ↓	518
Conservative Socially Conscious	317 ↓	510
Conservative Balanced Indexed	212 ↓	518
Conservative Indexed	212 ↓	510
Single asset class investment options		
Australian Shares	207 ↓	570
International Shares	207 ↓	558
Property	412 ↓	534
Bonds	227 ↓	371
Cash	197 ↓	236
Term Deposit ⁸	172	N/A

Source: Aware Super's analysis conducted using the SuperRatings Member Outcomes Tool (data for June 2024) accessed in October 2024. This comparison is based on a member with a \$50,000 balance.

⁸ There are no points of comparison for the Term Deposit investment option.



Delivering value to Aware Super members

Our investment strategy

We've formulated an investment strategy for Aware Super and for each investment option offered, and collectively these strategies make up the investment strategy for the whole Fund.

We offer nine diversified investment options and six single asset class options for our Retirement Income and Retirement Transition accounts respectively. Within the diversified investment options, we offer three styles – Core, Socially Conscious and Indexed – to suit the varying needs of our members, with different return expectations, risk levels and costs. The single asset class options are all low-cost options predominantly using a passive investment style. If members don't make an investment choice, they're invested in our Conservative Balanced option.

We've reviewed our investment strategy for the retirement investment options and have determined that they are appropriate and in the best financial interests of members.

Fee setting and principles

Aware Super uses a combination of a fixed dollar account-keeping fee and a capped percentage administration fee for the Retirement Income and Retirement Transition products to help ensure fairness to all members, regardless of account balance. Our investment fees and costs are charged on a cost recovery basis.

Given this approach, our assessment concluded that our basis for setting fees is appropriate for the membership, helping ensure fees provide good value, remain competitive, and are sustainable.

Benefits of being an Aware Super member

Our role is to help our members achieve their best retirement outcome. We do this through the way we invest your money and the services we provide. Together, these tools and techniques are designed to give you the confidence to grow your retirement savings and meet your goals.

- **Strong long-term returns** – we're a top performing fund and our aim is to continue delivering strong long-term investment returns for income stream products.⁹
- **Size, scale and expertise** – with \$176.9 billion in funds under management as at 30 June 2024, we leverage our size and scale to drive down costs overall and keep our fees competitive. As one of Australia's largest profit-for-member super funds, we're able to access a wide range of investment opportunities and provide greater choice for members.
- **Responsible ownership** – we integrate environmental, social and governance (ESG) considerations into our investment processes. We do this before we invest and during our ownership. This helps us better manage risk and take advantage of opportunities to support the delivery of strong long-term returns for our members.¹⁰
- **A fund for your retirement** – our products and investment options help you make the most of the retirement you've worked hard for.
- **A dedicated Retirement Segment team** for members aged over 55. This team of retirement experts considers the end-to-end member experience and works with specialists to develop product design, service offerings, experiences and communications relevant to this segment.
- **Retirement guide and checklist** – tips, advice and real member stories to help you feel confident about planning and moving into retirement, plus a helpful checklist to break your retirement planning into manageable steps.
- **Secure access with our mobile app** – manage your retirement account when it suits you. Check your balance, update information, change investment options and more.
- **My Activities tracker** – track all your actions in our helpful My Activities tracker via our mobile app or member portal.
- **Education and support** – understand and manage your income stream with education events, on-demand videos, newsletters, webinars and seminars.
- **Help and guidance** – our range of advice options cater to simple or complex advice needs, with digital self-service, or face-to-face and online meetings with financial experts.
 - **Super Helpful Check-in** – a 45-minute video call where you can get advice about your Aware Super accounts at no extra cost.¹¹
 - **My Retirement Planner** – access your own digital planner with a personalised step-by-step plan on how to achieve the retirement you want.
 - For broader and more complex needs, you can get advice tailored to your financial goals for a fee.¹²
- **Efficient transactions** – most of our member transactions no longer require paper forms. A simpler, faster online digital process has reduced processing times.

9 The Aware Super Conservative Balanced option delivered an average return of 6.65% p.a. over 10 years to 30 June 2024 compared to the index median of 6.40% p.a. for the same period. Source: SuperRatings Pension Fund Crediting Rate Survey, June 2024. Based on the SRP25 Conservative Balanced (41-59) Index. Returns are after tax and investment management expenses but before the deduction of administration fees. Past performance is not an indicator of future performance.

10 For more information on our responsible ownership approach please refer to the *Retirement Income Product Disclosure Statement* at aware.com.au/pds

11 Members can get advice about their Aware Super accounts at no extra cost, or advice on their broader needs for a fee.

12 Fees are payable for comprehensive advice, including about your financial situation outside super. If you decide to move forward with comprehensive financial planning, we'll explain our fees before you begin.

During the financial year ending 30 June 2024, we supported:



809,899

calls, emails and
serviced walk-ins



11,107

Intra-fund advice
appointments



636 + 88

workplace
activities

public
seminars



248 + 219

workplace
webinars

public
webinars

Award-winning fund

Aware Super has been recognised by the industry's top rating agencies over the past 12 months as a leading fund for 2024. These awards acknowledge Aware Super's products in terms of the products' features, benefits and in certain circumstances, performance. You can feel confident retiring with an award-winning fund as we've been recognised this year by Chant West as the Fund of the Year and Pension Fund of the Year.

Highlights of awards received in 2024 include:

Chant West[^]



Super Ratings^{*}



Awards and ratings are only one factor to be taken into account when choosing a superannuation fund. For more on our awards see aware.com.au/awards

[^] Zenith CW Pty Ltd ABN 20 639 121 403 AFSL 226872/AFS Rep No. 1280401 Chant West Awards issued 22 May 2024 are solely statements of opinion and not a recommendation in relation to making any investment decisions. Awards are current for 12 months and subject to change at any time. Awards for previous years are for historical purposes only. Full details on Chant West Awards at chantwest.com.au/fund-awards/about-the-awards/

^{*} The rating is issued by **SuperRatings Pty Ltd** ABN 95 100 192 283 (SuperRatings) a Corporate Authorised Representative (CAR No.1309956) of Lonsec Research Pty Ltd ABN 11 151 658 561, AFSL No. 421445. Ratings are general advice only and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and SuperRatings assumes no obligation to update. SuperRatings use proprietary criteria to determine awards and ratings and may receive a fee for the use of its ratings and awards. Visit SuperRatings.com.au for ratings information. © 2024 SuperRatings. All rights reserved.



Acting in members' financial interests

Based on the assessments and comparisons summarised in this document, we've considered our performance compared to peers across fees and costs, investment risk and returns. We've determined that these are appropriate for our members and that we've been acting in members' best financial interests for our Retirement Income product.




Here are some of our key features and services available to members.

1. **Competitive total fees and costs**, compared to other retirement products.¹³
2. A **robust investment approach**, which seeks to optimise returns and manage a range of investment risks, including liquidity.
3. A broad range of **member services and access points**, including member seminars/webinars, digital tools, a mobile app, simple and comprehensive advice (including telephone, video and face-to-face), and walk-in service centres where members can seek help or guidance.
4. Proven merger capability to **deliver scale and invest in new services**, with four successful mergers completed since June 2019.

We aim to achieve strong long-term returns, with our ultimate goal to secure the best retirement outcomes for our members.

¹³ SuperRatings Member Outcomes Tool June 2024 accessed in October 2024 – ranked in the first and second quartile for the relevant investment option against the peer group median.

Contact us

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Important Information

This information is current at the time of publishing and is general advice only. We have not considered your objectives, financial situation, and needs. Before taking any action, you should consider whether the information contained in this document is appropriate for you and read our Product Disclosure Statement and Target Market Determination at **aware.com.au/pds** before acting. Consider obtaining professional advice if you need it or contact us to make an appointment to see one of our representatives. Personal financial advice services are provided by Aware Financial Services Australia Limited (ABN 86 003 742 756, AFSL 238430), wholly owned by Aware Super. Issued by Aware Super Pty Ltd (ABN 11 118 202 672, AFSL 293340), the trustee of Aware Super (ABN 53 226 460 365).