

Aware Super: The Future of Super

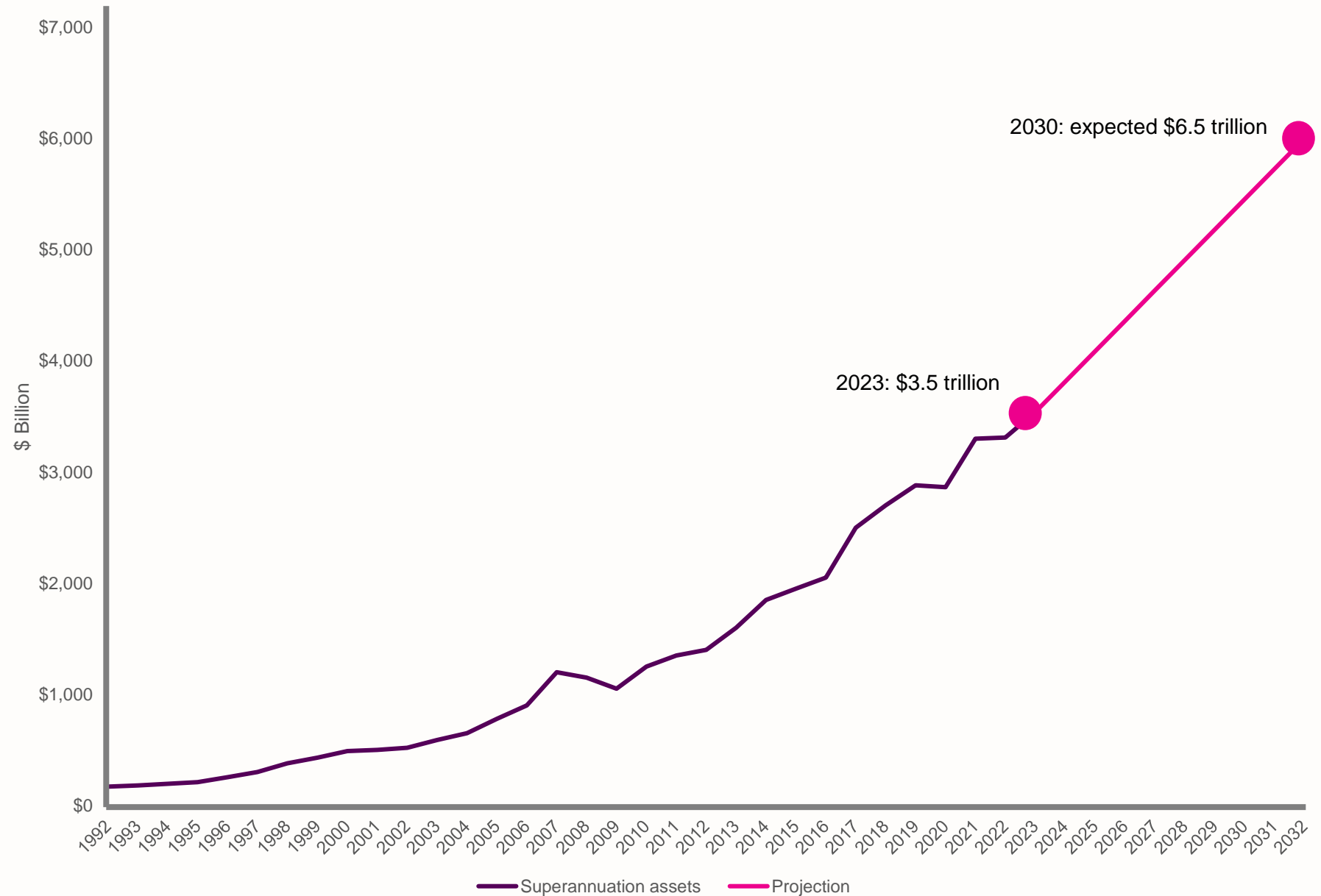
Presentation to PLSA
24th November 2023





Superannuation assets in Australia have been growing

Since 1992 assets have grown from \$170 billion to \$3.5 trillion in 2023.

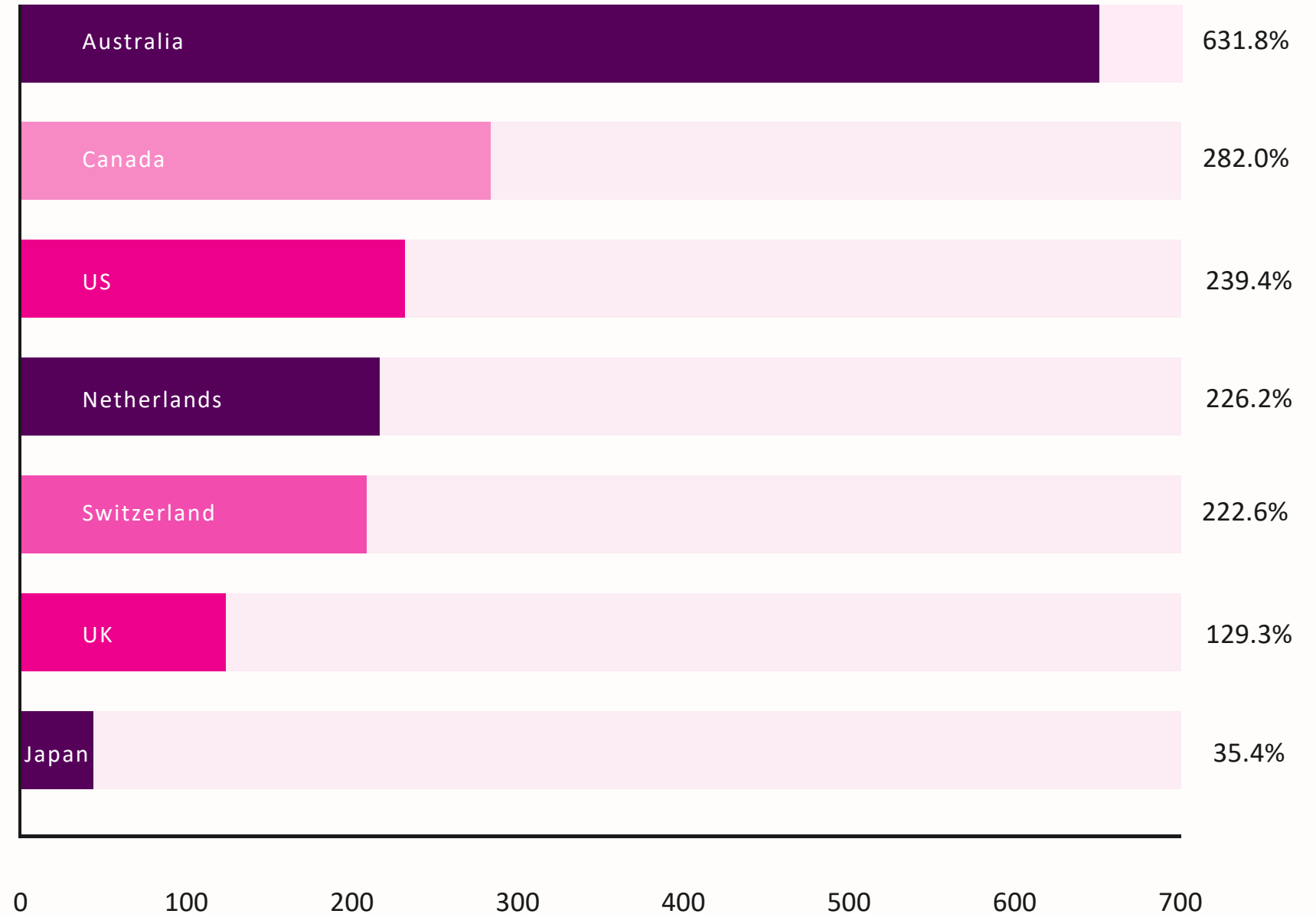


Source: APRA/ATO market statistics collected by Aware Super

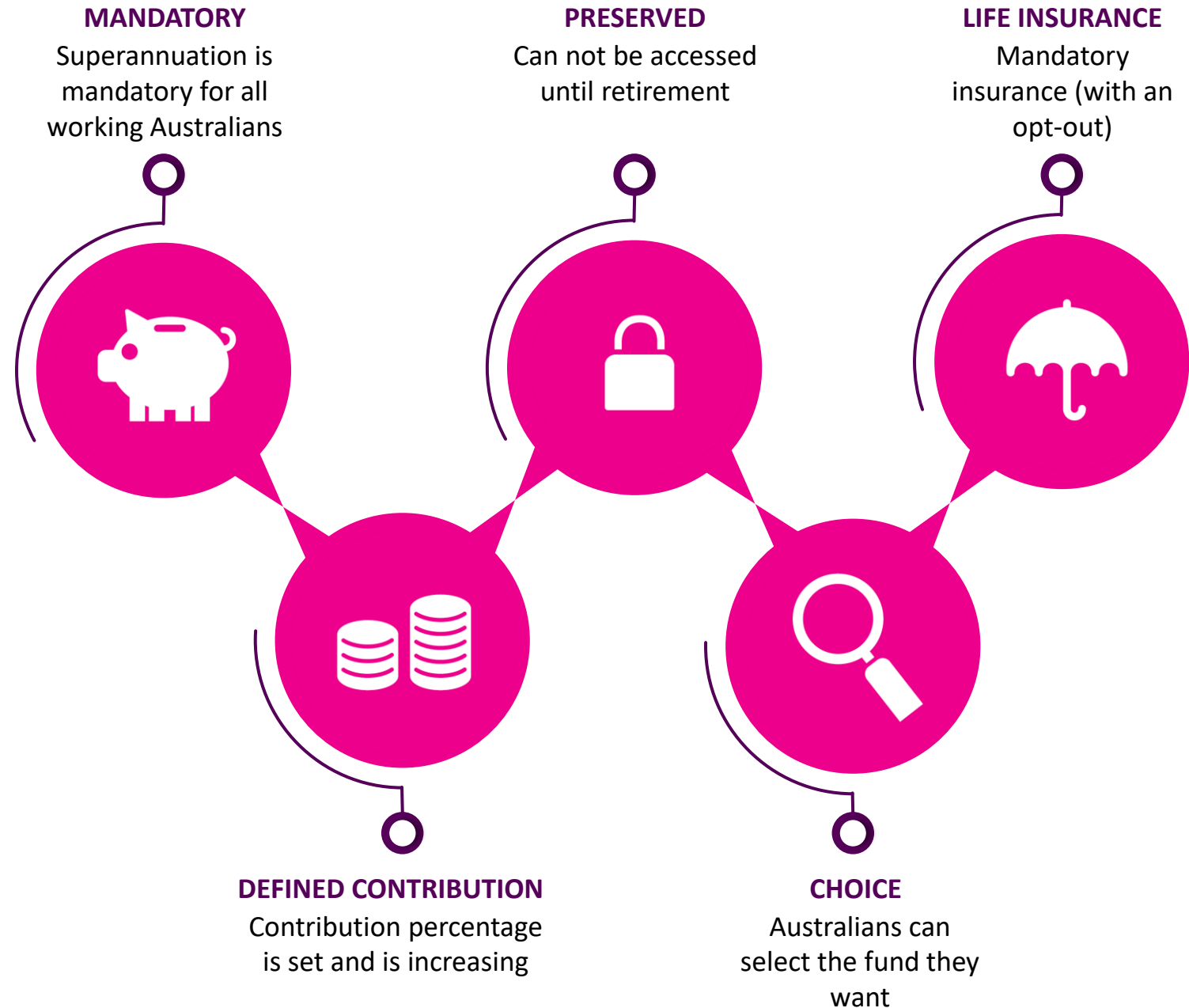
Australia pension tops growth worldwide

Changes in assets
amongst biggest
retirement systems
from 2002 to 2022

Source: Thinking Ahead Institute,
Bloomberg. November 2023.



Key elements of Australia's pension system



Key milestones in Australian super industry

1992

Superannuation Guarantee

- Employers must pay a percentage of salary or wages into a superannuation fund
- Today, that percentage is 11% and will increase to 12% in 2025

2021

Your Future, Your Super

- One Fund for Life – Stapling
- Annual Performance Test
- Best Financial Interests Duty

2024

Objective of Super

- “To preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way.”



Today we are a leading fund

One of Australia's top performing industry super funds



Our members



65% 35%



Member average age – Accumulation*

47 years



25 years+

providing financial advice#



Combined asset pool of

c.\$160 billion



Employers

35,000+



Our members' average account balances^

Accumulation

\$138,271

Pension

\$382,286



\$34 billion

in retirement assets



1.1 million

Members and clients



7+

Locations nationwide

Our three core elements



Super simple

We work to make our members' lives a little easier. As Australia's largest digital-first super fund, we've created a super simple member experience. So they get more from their super and their future.

Super helpful

We provide super advice along the way to guide and empower our members from day one to one day.

Super returns

A strong 9.3%* p.a. over ten years is great news for members invested in our High Growth option (the majority of members). Backed by a team of investments specialists, our expertise helps grow people's savings for their best retirement.

Delivering on our promise
for our 1.1m+ members

We are Australia's largest digital-first super fund

Our digital infrastructure can absorb future inorganic member growth seamlessly and efficiently

Project Catalyst: Introducing our new operational platform for the Fund of the Future



PROFOUNDLY SIMPLE

We deliver a *profoundly simple* experience for our members

1



MEMBER FIRST

We own the member experience by insourcing administration and delivering a new Value Stream model

2



DIGITAL FIRST

We deliver *digital first* channels for our members so they can get the information and help they need anywhere, anytime

3



TECHNOLOGY ECOSYSTEM

We consolidated our systems and built a strong operational backbone so the fund can safely scale up, reduce risk and costs to members

4

A Super Simple member experience

A true, digital-first management of accumulation and pension accounts



29

transactions digitally initiated or requested online



20

available in the Aware Super app

Key transactions that are STP (Straight Through Processed) and can tracked online:

- ✓ Investment Switch
- ✓ Financial Hardship claim
- ✓ Add bank account details
- ✓ Ad hoc withdrawals
- ✓ S290 Personal Tax Deductions
- ✓ Consolidations
- ✓ Insurance – Activate, cancel & PYS opt-in
- ✓ Revisionary Beneficiaries
- ✓ ID Verification
- ✓ Retirement Income change details
- ✓ Ad hoc personal contributions



We are replacing banks in the lives of retired Australians

Our digital platform empowers us to provide more efficient and effective services, at scale

Simplest, easiest digital experience ever delivered

- Reducing call volumes

Speed of digital helping members achieve objectives in time when it matters

- 97% transactions are now digital
- Use app to book advice appointments

Simplified menus of investment options and insurance solutions

- Benefits of scale – lower investment fees and best of breed investment options
- Exclusive 3 high-growth choice options: High Growth Active, Index, Socially Responsible

A fund which delivers the help our members need

- Case-management approach to our Member Support Team
- Account history integrated and visible at every service touchpoint

Efficiencies delivering lower administration costs

- Catalyst program will reduce admin costs in H2 FY24.
- Overall cost reduction for administration is 2bps by FY26
- A 33% reduction in the cost per member of administration platforms and direct support teams.





The Advice impact on retirement outcomes

Embedding greater confidence in stronger investment performance

1. Advised members are more likely take action...

- By contributing more into their super
- By reducing admin fees when consolidating multiple super accounts
- By optimising their CentreLink entitlements

2. and have more money for their retirement...

- 4% higher retirement balances
- 43% higher income stream payments

3. and are more confident about their financial futures*

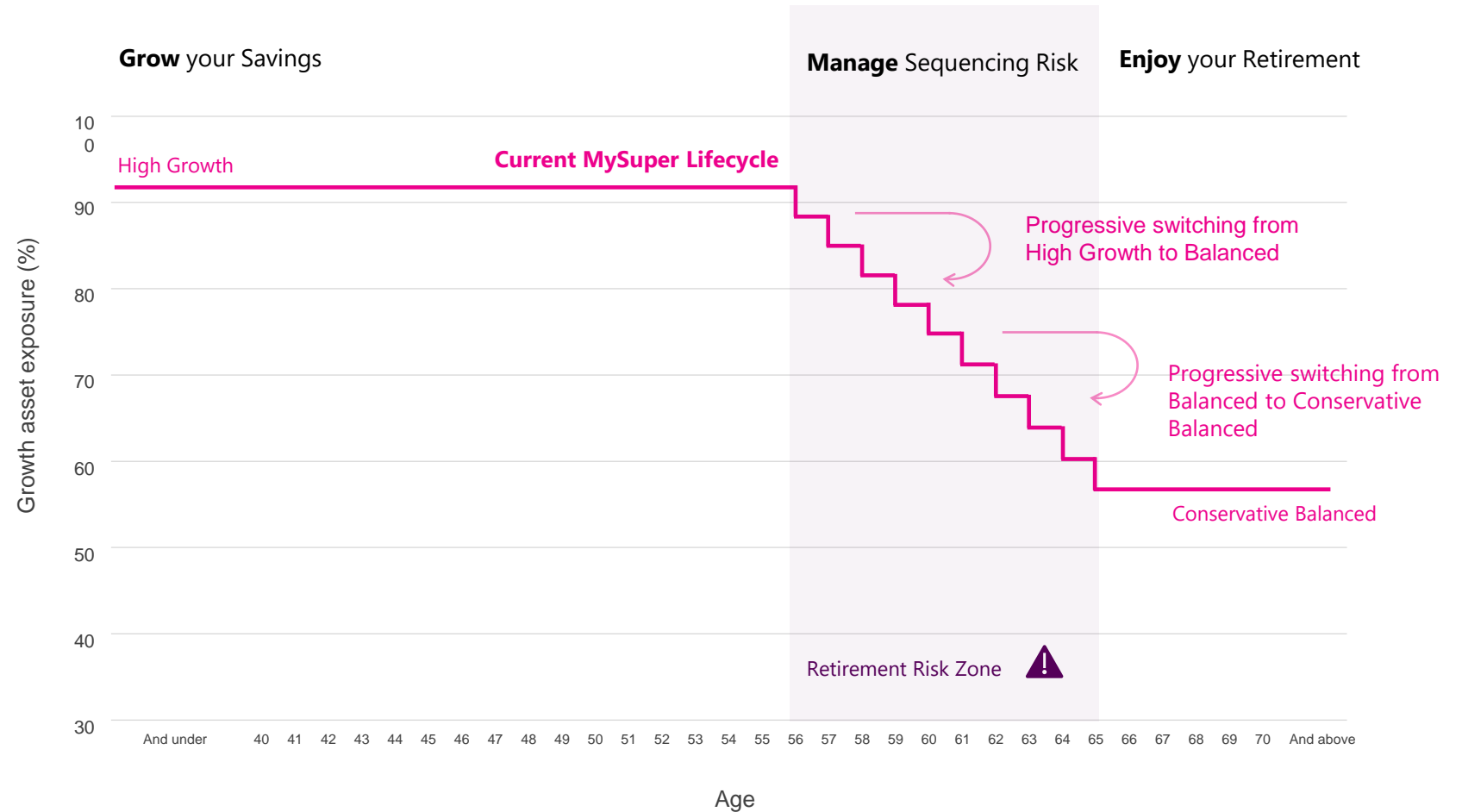


MySuper lifecycle design

Backed by rigorous investment research

Helping members to retire with more – 80% of accumulation members are in MySuper

- Adjusts investment mix based on a member's age.
- Invests mainly in growth investments to help a member's super grow faster when they're younger.
- Targets more stable returns in the lead up to retirement so members can still grow their savings, but with less risk



Aware Super: The Future of Super

Presentation to PLSA
24th November 2023

