

# MEMBER OUTCOMES ASSESSMENT

THE INFORMATION IN THIS DOCUMENT RELATES  
TO ANZ SMART CHOICE SUPER FOR  
QBE MANAGEMENT SERVICES PTY LTD AND THEIR EMPLOYEES  
YEAR ENDED 30 JUNE 2023

Issuer: OnePath Custodians Pty Limited ABN 12 008 508 496, AFSL 238346,  
RSE L0000673 (OPC) as trustee of the Retirement Portfolio Service  
ABN 61 808 189 263 and issuer of the ANZ Smart Choice Super suite of products











Each year OnePath Custodians Pty Limited (OPC) is required to assess whether we've promoted the financial interests of members. The Member Outcomes Assessment is a measure of product appropriateness against key factors – listed in the diagram and table that follow – that can affect a superannuation product.

ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees (**ANZ Smart Choice QBE MySuper**) is the MySuper default option of the ANZ Smart Choice workplace product offered to QBE employees. It adopts a lifecycle investment strategy. The product was closed to new members on 12 June 2021.



The assessment uses industry benchmarking, comparative data, in-house data, and reviews performed by independent research houses.

## SUMMARY OF FINDINGS

Factor	Data source/timing <sup>1</sup>	Findings
Overall assessment		
MySuper Performance test	APRA <sup>2</sup> Expanded Performance Test 2022-23	
Net investment returns	APRA Expanded Performance Test 2022-23 OPC STIC <sup>3</sup> Quarterly Reporting SuperRatings Fund Crediting Rate Survey	
Fees & costs	SuperRatings SMART Tool 2023	
Level of investment risk	APRA MySuper Quarterly Statistics	
Options, benefits & facilities	OPC Service Provider Performance Reports FY2023	
Investment strategy	Investment Governance Framework – Superannuation (OPC) January 2024	
Basis for setting fees	Product Disclosure Statement OPC Financial Reports FY2023	
Scale	APRA Fund-level Superannuation Statistics	
Operating costs	OPC Financial Reports FY2023	
Insurance strategy & fees	APRA Life Insurance Claims and Disputes Statistics OPC Risk Appetite Statement July 2023	



'Promoting' the financial interests of members



'Partially promoting' the financial interests of members



'Not promoting' the financial interests of members

<sup>1</sup> Data source/timing as at 30 June 2023 unless otherwise stated

<sup>2</sup> Australian Prudential Regulation Authority (APRA)

<sup>3</sup> OPC Superannuation Trustee Investment Committee

## PRODUCT COMPARISON, PERFORMANCE AND RATINGS

<b>Net investment returns</b>	<p>Net investment return is the return we deliver to you minus administration fees, investment fees and taxes.</p> <p>We've determined that the financial interests of members are being <b>promoted</b>. This is on the basis that it has:</p> <ul style="list-style-type: none"> <li>met its performance objective over their stated time horizon,</li> <li>passed the annual Your Future your Super Performance Test, and</li> <li>performed above the median for rolling 1, 3, 5, and 10 year periods against its peer median.</li> </ul>
<b>Fees &amp; costs</b>	<p>These are the total costs. It includes administration and investment fees and costs, and transaction costs.</p> <p>We've determined that the fees and costs for ANZ Smart Choice QBE MySuper are <b>promoting</b> members' financial interests on the basis that they are below median compared to peers.</p>
<b>Level of investment risk</b>	<p>This is a measure of the risk profile of your investment in relation to performance, benchmarks and objectives.</p> <p>We've determined that the investment risk of the product is <b>promoting</b> members' financial interests on the basis that in scope investment options have appropriate returns compared to their risk profile.</p>
<b>Options, benefits &amp; facilities</b>	<p>This evaluates member services &amp; benefits, member experience in accessing the services, and whether the fees &amp; costs members pay are commensurate to what's offered.</p> <p>We've determined that the options, benefits and facilities are <b>promoting</b> members' financial interests on the basis that a competitive offering in the marketplace is provided to members that is appropriately priced.</p>
<b>Investment strategy</b>	<p>This examines the investment objectives, asset allocations and associated risks of the investment options available to determine if they are on track to delivering the target returns in the future.</p> <p>We've determined that the investment strategy <b>promotes</b> members' financial interests. This is based on:</p> <ul style="list-style-type: none"> <li>Net investment returns and investment risk are determined to be promoting members' financial interest.</li> <li>The investment strategy for ANZ Smart Choice QBE MySuper is reviewed and approved annually by the OPC Board as continuing to be in members' best financial interests.</li> </ul>
<b>Basis for setting fees</b>	<p>This determines whether the fee structure of the product is appropriate and fair.</p> <p>We've determined that, on the basis for setting fees, the product is <b>promoting</b> the financial interests of members on the basis that:</p> <ul style="list-style-type: none"> <li>there is a demonstrated fee equity between members indicating minimal cross subsidisation between members through 'user pay' fee structures and fee caps,</li> <li>large employers may negotiate discounts for members to reflect the benefits of bringing economies of scale to the fund as a result of the efficiencies created, and</li> <li>fees charged to members cover the costs of the fund to ensure long term sustainability.</li> </ul>
<b>Scale</b>	<p>This measures whether OPC has sufficient scale to promote the best financial interests of members.</p> <p>We've determined that OPC has sufficient scale to sustain member outcomes into the future and is therefore <b>promoting</b> members' financial interests.</p>
<b>Operating costs</b>	<p>This measures OPC's costs in operating the fund.</p> <p>We've determined that our operating costs, as the trustee of Retirement Portfolio Service, are <b>not promoting</b> members' financial interests due to increases to average costs per member and the impact of integration costs on overall operating expenses. We have initiated strategic initiatives to simplify and rationalise both products and service provider arrangements which should reduce operating costs over the long term.</p>

**Insurance strategy & fees**

This assesses whether OPC's insurance strategy and provision of insurance is appropriate for members and beneficiaries, and considers whether the fees (premiums) charged inappropriately erodes members' retirement savings.

We have determined that insurance strategy and fees for ANZ Smart Choice QBE MySuper are **promoting** members' financial interests on the basis that:

- We offer competitive products in the market; terms and conditions of the insurance offer are aligned to or better relative to comparable competitors.
- The average claim assessment duration is better than the market average against comparable segments and claim acceptance rates are within expectations.

## OVERALL CONCLUSION

We've determine that, overall, ANZ Smart Choice QBE MySuper is promoting members' financial interests.

Its lifecycle stage investment options met their performance objective over the stated time horizon, passed the annual Your Future Your Super Performance Test, and performed above the peer median for rolling 1, 3, 5, and 10 year periods.

Fees and costs are competitive in the marketplace being below median when compared against other MySuper products.

Default insurance is available and can be customised to meet your individual circumstance. Terms and conditions of the insurance offer are aligned to or better relative to comparable competitors.

## WE'RE HERE TO HELP

If you have any questions or would like further information about your account please contact us.

### Customer Services

 13 12 87 weekdays between 8.30am and 6.30pm (AEST)

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### Important information

This document has been issued by OnePath Custodians Pty Limited (Trustee, OPC) ABN 12 008 508 496, AFSL 238346 as Trustee of the Retirement Portfolio Service ABN 61 808 189 263. OPC is part of the Insignia Financial Group of companies, consisting of Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate.

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