

MEMBER OUTCOMES ASSESSMENT

THE INFORMATION IN THIS DOCUMENT RELATES TO
ANZ SMART CHOICE SUPER FOR EMPLOYERS
AND THEIR EMPLOYEES - MYSUPER
YEAR ENDED 30 JUNE 2023

Issuer: OnePath Custodians Pty Limited ABN 12 008 508 496, AFSL 238346,
RSE L0000673 (OPC) as the 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. You'll find a simple summary of the product features at anz.com.au/personal/superannuation/

The ANZ Smart Choice Super for employers and their employees product offers MySuper investment options known as Lifestage investments (**ANZ Smart Choice MySuper**). It adopts a lifecycle investment strategy. As you get closer to retirement age, we'll gradually replace a portion of the higher growth investments (such as shares and property) with more defensive investments (such as bonds and cash).



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

SUMMARY OF FINDINGS

Factor	Data source/timing ¹	Findings
Overall assessment		
MySuper Performance test	APRA ² Expanded Performance Test 2022-23	
Net investment returns	APRA Expanded Performance Test 2022-23 OPC STIC ³ 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 Product Ratings (SuperRatings and Chant West)	
Investment strategy	Investment Governance Framework – Superannuation (OPC) January 2024	
Basis for setting fees	OPC Financial Reports FY2023 ANZ Smart Choice Product Disclosure Statement	
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

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

² Australian Prudential Regulation Authority (APRA)

³ OPC Superannuation Trustee Investment Committee

PRODUCT COMPARISON, PERFORMANCE AND RATINGS

Net investment returns	<p>Net investment return is the return we deliver to you minus administration fees, investment fees and costs, and taxes.</p> <p>We've determined that the net investment returns for ANZ Smart Choice MySuper are promoting members' financial interests on the basis that it has:</p> <ul style="list-style-type: none"> • met their performance objective over their stated time horizon, • passed the annual Your Future your Super Performance Test, and • performed above the median for rolling 1, 3, 5, and 10 year periods against its peer median.
Fees & costs	<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 MySuper are promoting members' financial interests on the basis that they are below median compared to peers. Where fees and costs are higher than peers in the higher balances, these are in the lifecycle options where the net investment returns performance was above peer median.</p>
Level of investment risk	<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 for ANZ Smart Choice MySuper is promoting members' financial interests on the basis that in-scope investment options have appropriate returns compared to their risk profile.</p>
Options, benefits & facilities	<p>This evaluates your member services & benefits, your experience in accessing the services, and whether the fees & costs you pay are commensurate to what's offered.</p> <p>We've determined that the options, benefits and facilities for ANZ Smart Choice MySuper are promoting members' financial interests on the basis that a competitive offering in the marketplace is provided to members that is appropriately priced.</p>
Investment strategy	<p>This examines the investment objectives, asset allocations and associated risks of the investment options available to you to determine if they are on track to delivering your target returns in the future.</p> <p>We've determined that the investment strategy for ANZ Smart Choice MySuper is promoting members' financial interests on the basis that:</p> <ul style="list-style-type: none"> • Net investment returns and investment risk are determined to be promoting members' financial interest. • The investment strategy for ANZ Smart Choice MySuper is reviewed and approved annually by the OPC Board as continuing to be in members' best financial interests.
Basis for setting fees	<p>This determines whether the fee structure of the product is appropriate and fair.</p> <p>We've determined that the basis for setting fees for ANZ Smart Choice MySuper is promoting members' financial interests on the basis that:</p> <ul style="list-style-type: none"> • there is a demonstrated fee equity between members indicating minimal cross subsidisation; • 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 • fees charged to members cover the costs of the Fund to ensure long term sustainability.
Scale	<p>This measures whether OPC has sufficient scale to promote the financial interests of members.</p> <p>We've determined that OPC has sufficient scale to sustain member outcomes into the future and is therefore promoting members' financial interests.</p>

Operating costs	<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 not promoting 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	<p>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.</p> <p>We've determined that insurance strategy and fees for ANZ Smart Choice MySuper are promoting members' financial interests on the basis that:</p> <ul style="list-style-type: none"> • 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 determined that, overall, ANZ Smart Choice MySuper is promoting members' financial interests.

Their lifecycle stage investment options met the 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 peers.

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

We've sufficient scale to support long term outcomes for the members.

WE'RE HERE TO HELP

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

Customer Services

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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, comprising of Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate.

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