



Annual outcome assessment

Financial year ended 30 June 2024

The Annual Outcome Assessment is a legislative requirement that demonstrates how Vision Super is acting in members' financial interests and helping them save and prepare for retirement.

This assessment examines fees, performance, investment risk, services and operating costs across our MySuper, Choice and income stream products.

Our story

Vision Super was founded in 1947 and today works on behalf of around 85,000 members' accounts. As at 30 June 2024, we administer approximately \$13.8 billion in retirement savings.

As a profit-for-members superannuation fund, everything we do is for our members, including working hard with the objective to maximise returns through our investment strategy and striving to keep fees as low as possible.



\$13.8b

Funds under
management



85,118

Member
accounts



Profit to
member fund

1. Summary

This assessment and comparison provides a meaningful review of the Trustee's performance and outcomes delivered to members with accumulation, choice, and income products for the 2024 financial year.

The results show Vision Super over the long term has continued to provide members with strong risk-adjusted returns. At the same time, we have maintained our commitment to cost consciousness, with MySuper fees remaining better than the industry median across all member cohorts. This commitment has seen the Fund continue to support members and provide a good net benefit.

Australian Prudential Regulation Authority (APRA) carries out an annual performance test to monitor and track performance, encourage lower fees, and protect members from poor financial outcomes. The assessment compares the fund's product performance to relevant benchmarks. Vision Super was rated performing for its MySuper product, meaning the product met or exceeds the performance test benchmark.

Vision Super can also confirm that insurance premiums do not inappropriately erode members' retirement benefits.

Comparison factors consists of:



Investment risk and return



Fees and costs

Assessment factors consists of:



Options, benefits and facilities



Investment strategy



Insurance



Scale assessment 2024

During the 2023/24 year, there has not been a significant change in the membership profile of the Fund. Assets in the Fund increased as we recorded positive investment results following negative returns in 2022/23.

As outlined elsewhere in this paper, Vision Super's members have not been disadvantaged in relation to:

- a The relationship between number of accounts and the operating costs of the business operations, including trends in cost per member measures and operating expense ratios
- b The impact of size on investment strategy, such as access to investments in certain asset classes
- c The degree of bargaining power with service providers and access to volume-related discounts
- d The ability to attract and retain key staff; or
- e The ability to pool risk, which is important in the context of certain retirement and insurance products.

On the basis that Vision Super has had sufficient scale since commencement, management believes that Vision Super continues to have sufficient scale to operate during the 2023/24 year and beyond.

Acting in your financial interests

Vision Super can confirm for the financial year ending 30 June 2024, the outcomes it seeks for the beneficiaries and the financial interests of the beneficiaries of the Fund who hold a MySuper, and choice products are being promoted by the Trustee.

This has been achieved by:

- > Delivering strong net returns over the long term for the Funds MySuper, Choice and Pension products, including better than median performance for the majority of options compared with peers, noting that the investment strategy remains appropriate
- > Managing risk across all investment options, noting the risk in the available options is broadly consistent with the level of risk for comparable options
- > A robust investment approach, which seeks to optimise returns and manage a ranges of investment risks including liquidity
- > Providing cost effective insurance cover that provides a reasonable safety net for members and that does not inappropriately erode the retirement balances of members
- > Supporting member with options, benefits and facilities that offer value for money and meet the needs of members at an appropriate cost
- > Managing cost of the operations. Vision Super's fees and costs are low compared with the median super industry across the balance bands accessed and remain appropriate.

2. MySuper – fees and costs, investment returns and risk

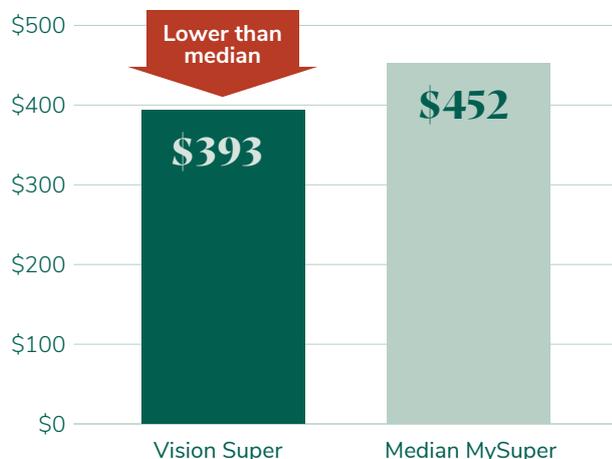
For members of our MySuper product, the fees and costs, returns and level of investment risk as benchmarked against other MySuper products and are given below:

Strategic theme	Metric	Benchmark	Result commentary
Fees and costs¹	Comparison of the fees and costs that affect the return to the beneficiaries holding a MySuper product	All MySuper products	Better than median fees and costs
Investment performance²	Comparison of the return for MySuper products (after the deduction of fees, costs and taxes)	All MySuper products	Exceeded median MySuper performance over 3, 5 and 10 years
Investment risk	Comparison of the level of investment risk for MySuper products	All MySuper products	The current risk rating is appropriate for Vision Super MySuper members and aligns closely enough with the majority of compared MySuper products

Fees and costs

Vision Super MySuper's fees and costs are on track and remain competitive. The Fund's fees for a \$50,000 balance are better than the median MySuper product. The chart below shows the total fees and cost for a representative MySuper member with a \$50,000 balance, and the median for all MySuper¹ products.

Statement of fees and costs:



Vision Super aims to maintain member fees that are sustainable, and as such has both a flat dollar fee and asset administration fee which is consistent across the industry and our peer group comparison. The administration fees and costs are the same for both MySuper and choice accumulation members and are made up of three components:

- > A flat dollar fee of \$1.50 per week (\$78pa)
- > An asset-based fee of 0.14% of members account balance, capped at \$540 pa, and
- > If charged, a reserving margin ranging from 0.00% to 0.02% which is reflected in the daily unit price. Currently the reserving margin is nil.

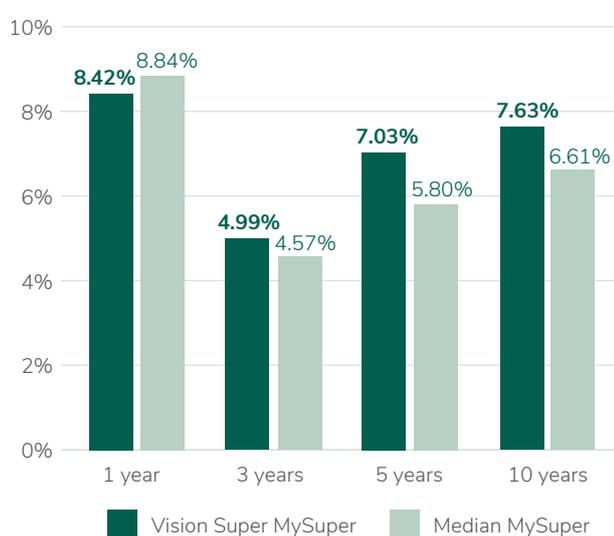
¹ APRA Quarterly Superannuation Product Statistics June 2024, total fees and costs representative member includes all MySuper options (single investment strategy and lifecycle products (life stage with the most similar asset allocation)).

² APRA Quarterly Superannuation Product Statistics June 2024, net return median includes all MySuper options (single investment strategy and lifecycle products (life stage with the most similar asset allocation)).

Investment returns

Vision Super's net returns are on track across all time periods and have achieved above median performance³ for our MySuper option across 3, 5 and 10 years to 30 June 2024.

Net return for representative MySuper member with a \$50,000 balance to 30 June 2024:



	One year	Three years	Five years	Ten years
Vision Super	8.42%	4.99%	7.03%	7.63%
Median MySuper	8.84%	4.57%	5.80%	6.61%

The Net Return is calculated for the applicable returns (1, 3, 5 and 10 years), less investment fees and costs, non-investment related fees and costs, and taxes. The net return is presented in respect of a representative member with a balance of \$50,000 to aid comparison.

The Fund has continued to deliver strong long term risk adjusted returns to members over the reporting period to 30 June 2024.

Investment risk

Vision Super's Balanced growth (including MySuper) investment risk remains on target. The investment risk for that investment option applicable is:

Level of investment risk:



High

Negative returns are expected 4 to less than 6 in every 20 years. The higher the return target, the more often you would expect a year of negative returns.

The risk of negative returns is based on a Standard Risk Measure which is based on industry guidance and allows you to compare investment options that are estimated to deliver a similar number of negative annual returns over any 20 year period.

Most single strategy MySuper products have a risk rating of 'medium-high' while the majority of Lifecycle MySuper products are high. Vision Super's 'high' rating means that there is an expected frequency of a negative annual return 4 to less than 6 out of every 20-year period. Vision Super believes a risk rating of 'high' is appropriate for our MySuper members as it reflects an appropriate balance of risk and return, to achieve the long-term objective of the fund's MySuper members.

³ APRA Quarterly Superannuation Product Statistics June 2024, net return median includes all MySuper options (single investment strategy and lifecycle products (life stage with the most similar asset allocation)).



The risk of negative returns is based on a standard risk measure (SRM), which is based on industry guidance and allows a comparison of investment options that are estimated to deliver a similar number of negative annual returns over any 20-year period. This risk measure is not a complete assessment of all forms of investment risk. For instance, it does not state what the size of a negative return could be or indicate the potential for a positive return to be less than a member may require to meet their objectives. It also does not consider the impact of administration fees and tax on the likelihood of negative returns.

Most single strategy MySuper products have a risk rating of 'medium-high' while the majority of lifecycle MySuper products are high. Vision Super's 'high' rating means that there is an expected frequency of a negative annual return 4 to less than 6 out of every 20-year period. Vision Super believes this risk rating is appropriate for our MySuper members as it reflects an appropriate balance of risk and return to achieve the long-term objective of the Fund's MySuper members.

Our MySuper product has a single investment strategy, which is designed to allow our members to build super savings from which they can draw in their retirement. Our MySuper members generally have a long timeframe to invest, meaning they can withstand short term downside risk, and our investment strategy therefore has the capacity to provide them with reasonably strong returns. The MySuper option is seeking high returns (CPI + 3.0% pa), net of fees and taxes in a well-diversified portfolio.

Historically, equities have produced the strongest long-term returns. However, equities also produce negative returns relatively frequently, sometimes quite sizable ones. A sizable allocation to equities makes sense for a long-term investor. We note that the SRM is just one measure of risk and is therefore limited. For example, it does not consider the magnitude of potential negative returns. Vision Super sets investment objectives and strategy considering risk more broadly than just the frequency of negative returns.

3. Choice – fees and costs, investment returns and risk

For members of choice products, the fees and costs, returns and level of investment risk as benchmarked against other products and are given below:

Strategic theme	Metric	Benchmark	Result commentary
Fees and costs	Comparison of the fees and costs that affect the return to the beneficiaries holding a choice product	Applicable SuperRatings peer group	Better than median fees and costs.
Investment performance	Comparison of the return for choice products	Applicable SuperRatings peer group	Exceeded median choice performance for most options over 5 and 10 years, however underperformed relative to median for most options over 1 and 3 years.
Investment risk	Comparison of the level of investment risk for MySuper products	Applicable SuperRatings peer group	The current risk rating is appropriate for Vision Super Choice options and aligns with the industry.

Fees and costs

Super (and NCAP) fees and costs as at 30 June 2024 for a \$50,000 representative member

Vision option	Peers group for fee comparison	\$50k balance	
		Vision Super	Industry median ⁴
Australian equities	Australian shares	\$273	\$510
Balanced growth	Balanced (60-76)	\$393	\$505
Balanced low cost	Balanced (60-76)	\$208	\$505
Balanced	Conservative balanced (41-59)	\$368	\$471
Cash	Cash	\$173	\$220
Conservative	Capital stable (20-40)	\$328	\$483
Diversified bonds	Diversified fixed interest	\$178	\$296
Growth	Growth (77-90)	\$423	\$527
Infrastructure	Infrastructure	\$648	NA
Innovation & disruption	International shares	\$458	\$423
International equities	International shares	\$313	\$423
Just shares	High growth (91-100)	\$293	\$550
Property	Property	\$443	\$515

⁴ The median fee used for this comparison has been taken from the SuperRatings Fee module, SuperRatings ABN 95 100 192 283 AFSL No. 311880. The fees used are those Funds in the applicable SuperRatings comparison universe and does not include all funds.

Investment returns

Investment returns as at 30 June 2024

Super (and NCAP) investment option returns and return targets

Investment option	SuperRatings peer group	1 year to 30 June 2024			3 years to 30 June 2024			5 years to 30 June 2024			10 years to 30 June 2024		
		Return	Objective	SR Median	Return	Objective	SR Median	Return	Objective	SR Median	Return	Objective	SR Median
Balanced growth	SR50 MySuper Index	8.42%	6.92%	9.00%	4.99%	8.47%	4.77%	7.03%	7.18%	6.13%	7.63%	6.24%	7.03%
Conservative	SR50 Capital Stable (20-40) Index	4.61%	5.37%	5.67%	2.94%	6.55%	2.35%	3.70%	5.44%	3.24%	4.65%	4.80%	4.28%
Balanced	SR25 Conservative Balanced (41-59) Index	6.54%	5.88%	7.27%	3.79%	7.42%	3.91%	5.43%	6.26%	4.79%	6.43%	5.52%	5.71%
Balanced low cost*	SR50 Balanced (60-76) Index	10.66%	6.40%	8.87%	4.59%	7.94%	4.72%	5.96%	6.67%	6.15%	NA	NA	NA
Growth	SR50 Growth (77-90) Index	10.35%	7.44%	10.73%	6.13%	8.99%	5.57%	8.52%	7.70%	7.50%	8.85%	6.75%	8.10%
Just shares	SR25 High Growth (91-100) Index	14.22%	14.62%	12.27%	7.23%	7.82%	6.11%	10.62%	9.44%	8.32%	10.25%	7.66%	8.58%
Australian equities	SR50 Australian Shares Index	11.82%	11.65%	11.45%	6.99%	6.52%	6.57%	8.43%	7.24%	7.59%	8.17%	6.77%	8.15%
International equities	SR50 International Shares Index	16.03%	17.00%	17.01%	6.42%	7.91%	6.83%	11.61%	10.52%	10.14%	11.66%	8.04%	10.10%
Innovation & disruption	SR50 International Shares Index	16.28%	17.00%	17.01%	-6.49%	7.91%	6.83%	10.89%	10.52%	10.14%	NA	NA	NA
Property	SR25 Property Index	-7.52%	6.40%	3.64%	1.73%	8.12%	2.11%	NA	NA	NA	NA	NA	NA
Infrastructure		4.45%	7.44%	NA	8.77%	8.99%	NA	NA	NA	NA	NA	NA	NA
Diversified bonds	SR25 Diversified Fixed Interest	1.89%	2.09%	3.18%	-2.56%	-2.45%	-1.76%	-0.61%	-0.83%	-0.32%	1.65%	1.76%	1.81%
Cash	SR50 Cash Index	3.98%	3.71%	4.05%	2.25%	2.07%	2.25%	1.57%	1.39%	1.57%	1.84%	1.52%	1.71%

Key:

Blue = Vision Super return exceeded return objective/peer median

Red = Vision Super return below return objective/peer median

Note: NA means the option does not have a return for the specified time period.

* Balanced low cost was previously named Sustainable balanced.

4. Retirement income strategy

For members of retirement products, the fees and costs, returns and level of investment risk as benchmarked against other products and are given below:

Strategic theme	Metric	Benchmark	Result commentary
Product offering	NA	NA	Vision Super currently offers an account-based pension with a number of features. Currently considering addition of a longevity product post-merger
Fees and costs	Comparison of the fees and costs that affect the return to the beneficiaries holding a pension product	Applicable SuperRatings peer group	Better than median fees and costs
Investment performance	Comparison of the return for pension products	Applicable SuperRatings peer group	Exceeded median pension performance for most options over 5 and 10 years, however underperformed relative to median for most options over 1 and 3 years
Investment risk	Comparison of the level of investment risk for pension products	Applicable SuperRatings peer group	The current risk rating is appropriate for Vision Super Pension options and aligns with the industry

Fees and costs

Retirement pension fees and costs as at 30 June 2024 for a \$50,000 representative member

Vision Option	Peers group for fee comparison	\$50k balance	
		Vision Super	Industry median ⁵
Australian equities	Australian shares	\$300	\$570
Balanced growth	Balanced (60-76)	\$420	\$547
Balanced low cost	Balanced (60-76)	\$235	\$547
Balanced	Conservative balanced (41-59)	\$395	\$515
Cash	Cash	\$200	\$235
Conservative	Capital stable (20-40)	\$355	\$520
Diversified bonds	Diversified fixed Interest	\$205	\$382
Growth	Growth (77-90)	\$450	\$604
Innovation & disruption	International shares	\$485	\$548
International equities	International shares	\$340	\$548
Just shares	High growth (91-100)	\$320	\$625

⁵ The median fee used for this comparison has been taken from the SuperRatings Fee module, SuperRatings ABN 95 100 192 283 AFSL No. 311880. The fees used are those Funds in the applicable SuperRatings comparison universe and does not include all funds.

Investment returns

Investment returns as at 30 June 2024

Retirement pension investment option returns and return targets

Investment option	SuperRatings peer group	1 year to 30 June 2024			3 years to 30 June 2024			5 years to 30 June 2024			10 years to 30 June 2024		
		Return	Objective	SR Median	Return	Objective	SR Median	Return	Objective	SR Median	Return	Objective	SR Median
Balanced growth	SRP50 Balanced (60-76) Index	9.25%	7.70%	10.11%	5.45%	9.26%	5.18%	7.79%	8.02%	6.90%	8.44%	7.16%	7.78%
Conservative	SR50 Capital Stable (20-40) Index	5.24%	5.88%	6.27%	3.25%	7.07%	2.74%	4.18%	6.07%	3.65%	5.24%	5.62%	4.84%
Balanced	SRP25 Conservative Balanced (41-59) Index	7.31%	6.66%	7.86%	4.22%	8.21%	4.22%	6.12%	7.09%	5.29%	7.19%	6.45%	6.40%
Balanced low cost*	SRP50 Balanced (60-76) Index	11.90%	7.18%	10.11%	5.37%	8.73%	5.18%	6.93%	7.50%	6.90%	NA	NA	NA
Growth	SRP50 Growth (77-90) Index	11.46%	8.21%	11.87%	6.80%	9.78%	5.97%	9.47%	8.48%	8.14%	9.83%	7.55%	8.96%
Just shares	SRP25 High Growth (91-100) Index	15.60%	16.51%	14.04%	8.06%	8.77%	6.95%	11.59%	10.56%	9.11%	11.24%	8.49%	9.41%
Australian equities	SRP50 Australian Shares Index	13.18%	13.26%	12.75%	8.06%	7.35%	7.21%	9.73%	8.18%	8.57%	9.46%	7.53%	9.25%
International equities	SRP50 International Shares Index	17.52%	19.04%	18.56%	7.06%	8.77%	7.33%	12.43%	11.68%	10.97%	12.51%	8.87%	11.07%
Innovation & disruption	SRP50 International Shares Index	18.23%	19.04%	18.56%	-7.18%	8.77%	7.33%	14.16%	11.68%	10.97%	NA	NA	NA
Diversified bonds	SRP25 Diversified Fixed Interest Index	2.21%	2.45%	3.61%	-2.68%	-2.91%	-2.03%	-0.41%	-1.00%	-0.38%	2.05%	2.04%	2.08%
Cash	SRP50 Cash Index	4.68%	4.37%	4.65%	2.61%	2.44%	2.61%	1.82%	1.64%	1.83%	2.12%	1.73%	2.03%

Key:

Green = Vision Super return exceeded return objective/peer median

Red = Vision Super return below return objective/peer median

Note: NA means the option does not have a return for the specified time period.

* Balanced low cost was previously named Sustainable balanced.

5. Options, benefits and facilities

Vision Super strives to ensure our products and services offer good value and meet the changing needs of members now and in the long run.

Members benefit from a range of quality services including access to a local call centre, education, intra fund advice and online account information at no additional cost to the administration fees paid.

Analysis shows that our options, benefits, and features are well utilised across all segments.

Vision Super's member fees across all balances remain below industry median, which reflects excellent value for money for members, contributing to member financial outcomes. Given the high utilisation and reasonable fee level, we have concluded that the cost of service is acceptable.



6. Investment strategy

Our aim is to continue delivering strong long-term investment returns for our members, which has been achieved for most options over the rolling 10 years to 30 June 2024.

The Board formulates the long-term investment strategy for each investment option, aligned to the option's investment objectives. Collectively these strategies, and the investment strategies for the investment options supporting our defined benefits plans, make up the investment strategy for Vision Super.

When setting the investment strategies, the Board takes explicit consideration of the trustee investment covenants as set out in section 52(6) of the *SIS Act 1993*. The Board is also guided by a set of Investment beliefs when decisions are made about the investment portfolio on behalf of members. The Board of Vision Super is committed to fostering healthy debate, a diversity of views and transparency within the context of these beliefs.

Along with determining long-term investment strategy for each investment option, Vision Super also considers the targeted allocation to asset classes through the course of the year, with adjustments made when there is sufficient change in the investment outlook (ie Dynamic Asset Allocation). The configurations of asset classes are considered at least once a year to take into account any risk/opportunities that may emerge as well as changes in the investment environment.

The Board confirms that the current investment objectives and strategies remain appropriate.

7. Insurance

Appropriateness of insurance strategy

Review of insurance strategy

Vision Super provides members with the option of death, total and permanent disablement (TPD) and income protection insurance cover that provides a reasonable safety net for members.

The Trustee has continued to review and monitor the insurance benefit design and has determined it remains appropriate and affordable for Vision Super members and confirms that default insurance premiums do not inappropriately erode members' retirement benefits.

Vision Super will merge with Active Super on 1 March 2025. Upon the successor fund transfer, existing members will retain their original insurance benefits. As part of the transaction and in recognition of immediate scale benefits Vision Super has already negotiated a 2% premium reduction across all plans which took effect from 1 October 2024.

Loss ratio

The proportion of premiums collected that are paid to members in claims (loss ratios) is monitored to ensure premiums charged are reasonable and sustainable. In line with general industry practice, we expect our loss ratios to sit in a range between 74% - 84%. In March 2024, our loss ratio was 82.4%, within this range this measure factors in the premium reduction which took effect from 1 October 2024.

Acceptance rates

The moment of truth for our insured members is if they need to claim on their cover. We remain committed to paying all legitimate claims that are eligible under the terms of the insurance policy we hold on behalf of members. For the 2023/24 financial year, our claim approval rates were met or exceeded, which indicates that the benefit design remains fit for purpose for our membership:

- > Death claims – 98% approved (target 94% - 98%)
- > TPD – 87% approved (target 85% - 90%)
- > Income protection – 95% approved (target 85% - 92%).

Insurance erosion of benefits

The target for age-based cohorts is to cost less than 1% of members' salaries on a lifetime basis.

Complete and updated salary data is not available to the Fund, so we estimate salaries based on member SG contribution levels. In calculating our position against this 1% target, we adopted the 'future lifetime method' which we considered the most balanced approach to measuring default design on the basis that:

- > It aligns to the philosophy of superannuation being a long-term proposition and therefore its design needs to reflect considerations of members being with the fund long term.
- > It takes into consideration the total future impacts of insurance premiums for members joining at any age and makes no assumptions about premiums paid prior to joining.

Under this method no cohorts are expected to breach the 1% target.

8. Operating costs

The level of operating costs remains a consistent focus, and the trustee has maintained annual budgets that do not increase relative to Fund growth year-on-year.

	30 June 2023	30 June 2024	Industry Median ⁶ 30 June 2024
Operating MER (bps)	25.4	27.8	31.9
Cost per Member	\$353	\$416	\$300

⁶ Sourced from APRA Annual Fund Level Statistics June 2024.

The operating costs for the year ending 30 June 2024 increased due to the proposed merger with Active Super. Despite this, operating cost measures have remained below the industry median. If the merger costs are excluded from the MER calculations, the 2024 MER is 23.0bp.

The merger costs are not inappropriately affecting the financial interests of Vision Super's beneficiaries as Vision Super has sufficient reserves to cover mergers costs and does not need to increase its fees to cover these costs. Once the merger is completed, it is expected that the level of operating costs will reduce.

The Trustee has determined that operating costs are not inappropriately affecting the financial interests of those beneficiaries.



8. Appendix

Annual outcome assessment (AOA) methodology

This section provides the methodology of Vision Super's outcomes assessment including the predetermined targets, the responsible persons and the overall determinations made by the Board.

The Annual Outcome Assessment will be undertaken in February each year and will relate to outcomes over the 12-month period to the previous 30 June. It will cover the following products:

- > MySuper
- > Choice product (Vision SuperSaver and Vision Personal)
- > Retirement products (Account Based Pension)

The outcomes assessment requires an RSE licensee to reach a conclusion about the financial interests of the beneficiaries that hold the product. See below how the factors are balanced by the Board in making its overall determination under Section 52(9) of the SIS act.

Methodology

Section 52(10) and Section 52(10A) of the SIS Act requires the following measures to be undertaken as part of the annual outcomes assessment:

	Measure	Description/target	Data source
MySuper – Performance, fees and risk	Fees and costs (MySuper)	Statement of fees and costs less than the median of all MySuper products	APRA (Quarterly Product Statistics)
	Net returns (MySuper)	Net return higher than the median of all MySuper products (after the deduction of fees, costs and taxes)	APRA (Quarterly Product Statistics)
	Level of investment risk (MySuper)	Comparison of risk metric (negative returns over 20-year period per the standard risk measure) is appropriate	APRA (Quarterly Product Statistics)
Choice – Performance, fees and risk	Fees and costs (Choice)	Statement of fees and costs less than the median of peer group	SuperRatings
	Net returns (Choice)	Net return higher than the median of peer group (after the deduction of fees, costs and taxes)	SuperRatings
	Level of investment risk (Choice)	Comparison of risk metric (negative returns over 20-year period per the standard risk measure) is appropriate in relation to other comparable products	Internal
Retirement Income Strategy (choice)	Product offering	Appropriateness of retirement products	Internal
	Fees and costs (Account based pension)	Statement of fees and costs less than the median of peer group	SuperRatings
	Net returns (Account based pension)	Net return higher than the median of peer group (after the deduction of fees, costs and taxes)	SuperRatings
	Level of investment risk (Account based pension)	Comparison of risk metric (negative returns over 20-year period per the standard risk measure) is appropriate in relation to other comparable products	Internal

In addition, Section 52(11) of the *SIS Act* requires the following measures to be undertaken as part of the annual outcomes assessment:

	Measure	Description/target	Data source
Options, benefits and facilities	Utilisation of services offered	Options, benefits and facilities offered under the product are appropriate.	Internal
Investment strategy	Review of investment strategy	Investment strategy, including the level of investment risk and the return target, is appropriate.	Internal
Insurance strategy	Review of insurance strategy	Insurance strategy is appropriate to those beneficiaries.	Internal
	Loss ratios	An overall range between 74% and 84% represents an appropriate value for money for insured members.	Internal
	Decline rates	Death claim approval rates: 94% - 98% TPD claim approval rates: 85% - 90% IP claim approval rates: 85% - 92%.	Internal
Insurance fees	'Future lifetime method'	Insurance fees generally cost less than 1% of members' salaries.	Internal
Scale	Administration fee	Administration fee charged to members is appropriate meaning that Vision Super's members have not been disadvantaged in relation to scale. See Appendix C for comparison of administration fees with industry median.	APRA (Quarterly Product Statistics)
Operating Cost	Operating expense ratio	Operating costs are not inappropriately affecting the financial interests of beneficiaries.	Internal
Basis of setting fees	Review of fee structure	Basis of setting fees is appropriate.	Internal

Peer Groups

When assessing the performance of MySuper products, we have included all MySuper options. For MySuper lifecycle products, we have used only the life stage with the most similar asset allocation to Vision Super's MySuper.

When assessing the performance of Choice and Pension products, we aim to benchmark them against investment options with a similar risk profile by using a peer group aligned with the investment option's strategic asset allocation.

For Choice and Pension products, the peer group has been determined using the SuperRatings index. This approach is used for both fees and investment return comparisons.

Where there are no comparable options presented by SuperRatings, Vision Super uses internal benchmarks to determine whether product promotes the best financial interests of the beneficiaries.

Cohorts

In having regard to the outcomes achieved for beneficiaries, Vision Super considers different cohorts of beneficiaries.

Cohorts are used where the outcome delivered varies based on various attributes including product type, investment option, account balance, age, gender, approaching retirement and retired members.

Balancing factors

The net returns delivered to beneficiaries is the primary consideration in the overall determination for each product.

Basis for setting fees

Vision Super aims to maintain member fees that are sustainable, and as such has both a flat dollar fee and asset administration fee, which is consistent across the industry and our peer group comparison. The administration fees and costs are made up of the following components:

	30 June 2023	30 June 2024
Flat dollar fee	\$1.5 per week (\$78 pa)	\$1.5 per week (\$78 pa)
Asset based fee	0.14%	0.14%
Fee cap (asset base fee)	\$540	\$540
Reserving margin⁷	0.00% to 0.02% (currently nil)	0.00% to 0.02% (currently nil)

⁷ Reserving margin ranging from 0.00% to 0.02%, is reflected in the daily unit price. Currently, the reserving margin is nil.

Members with higher balances tend to be more complex to administer for several reasons, including the frequency and amount of the superannuation contributions being made to the account, and the needs of the member increase with age and balance as they get closer to retirement.

The asset-based fee recognises the impact of this complexity on the cost of administering member accounts based on these requirements. However, the asset-based fee is capped to maintain fairness across the membership and prevent potential cross-subsidisation, therefore the basis of setting fees is appropriate.

The difference in the pension account and accumulation account fees is largely driven by the difference in the costs of administering those accounts including frequency of payments from the accounts, member servicing requirements, compliance requirements, death benefit requirements and likelihood of paying death benefits from the accounts.

Administration fees are deducted from member's accounts at the end of each quarter in arrears, or earlier if a member exits prior to the end of the quarter. The reserving margin (if any) and investment fees (including transaction costs) are accrued daily and deducted from the underlying asset value of the member's account via the unit pricing process.

The fees follow the requirements outlined in the *Superannuation Industry (Supervision) Act*.

On this basis the Trustee has determined that the basis for setting fees is appropriate for our beneficiaries.

Investment fees and costs as at 30 June 2024

Super

Investment option	Fees and costs	Transaction costs	Total investment fees and costs
Balanced growth	0.44%	0.05%	0.49%
Conservative	0.32%	0.04%	0.36%
Balanced	0.39%	0.05%	0.44%
Balanced low cost	0.14%	0.10%	0.24%
Growth	0.48%	0.07%	0.55%
Just shares	0.25%	0.04%	0.29%
Australian equities	0.21%	0.04%	0.25%
International equities	0.29%	0.04%	0.33%
Innovation & disruption	0.60%	0.02%	0.62%
Property	0.44%	0.15%	0.59%
Infrastructure	0.80%	0.20%	1.00%
Diversified bonds	0.06%	0.00%	0.06%
Cash	0.05%	0.00%	0.05%

Retirement pension (including NCAP)

Investment option	Fees and costs	Transaction costs	Total investment fees and costs
Balanced growth	0.44%	0.05%	0.49%
Conservative	0.32%	0.04%	0.36%
Balanced	0.39%	0.05%	0.44%
Balanced low cost	0.14%	0.10%	0.24%
Growth	0.48%	0.07%	0.55%
Just shares	0.25%	0.04%	0.29%
Australian equities	0.21%	0.04%	0.25%
International equities	0.29%	0.04%	0.33%
Innovation & disruption	0.60%	0.02%	0.62%
Diversified bonds	0.06%	0.00%	0.06%
Cash	0.05%	0.00%	0.05%

Investment risk

Investment option	Standard risk Measure	Range of comparable risk labels*	SuperRatings peer group*
Balanced growth taxed	High	Medium to high	SR50 MySuper Index
Balanced growth untaxed	High	Medium to very high	SRP50 Balanced (60-76) Index
Conservative	Low to medium	Low to very high	SR50/SRP50 Capital Stable (20-40) Index
Balanced	Medium to high	Medium to high	SR25/SRP25 Conservative Balanced (41-59) Index
Balanced low cost	High	Medium to very high	SR50/SRP50 Balanced (60-76) Index
Growth	High	Medium to high to very high	SR50/SRP50 Growth (77-90) Index
Just shares	Very high	High to very high	SR25/SRP25 High Growth (91-100) Index
Australian equities	Very high	High to very high	SR50/SRP50 Australian Shares Index
International equities	Very high	High to very high	SR50/SRP50 International Shares Index
Innovation & disruption	Very high	High to very high	SR50/SRP50 International Shares Index
Diversified bonds	Medium	Low to very high	SR25/SRP25 Diversified Fixed Interest Index
Cash	Very low	Low to very high	SR50/SRP50 Cash Index
Infrastructure	High	NA	NA
Property	NA	Medium/high to very high	SR25/SRP25 Property Index

* Source: SuperRatings Standard Risk Measure Survey

Risk objectives

Investment option	Risk objective (no. in 20 years)	Risk objective met?
Balanced growth	4 to less than 6	Yes
Conservative	1 to less than 2	Yes
Balanced	3 to less than 4	Yes
Balanced low cost taxed	4 to less than 6	Yes
Balanced low cost untaxed	4 to less than 6	No
Growth	4 to less than 6	Yes
Just shares	6 or greater	Yes
Australian equities	6 or greater	Yes
International equities	6 or greater	Yes
Innovation & disruption	6 or greater	Yes
Diversified bonds taxed	2 to less than 3	No
Diversified bonds untaxed	2 to less than 3	Yes
Cash	Less than 0.5	Yes
Infrastructure	4 to less than 6	Yes
Property	4 to less than 6	No

Need more help?



We know super inside out, so you don't have to worry!

If you would like further information about boosting your super, or any of our products and services, please call our Member Services team on **1300 300 820**. You can also refer to our website for forms and other fact sheets.

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