

ACTIVE  SUPER

# ANNUAL REPORT

2022/23



**Welcome to Active Super's  
2023 annual report.**

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# MESSAGES FROM THE CHAIR, CEO AND CIO

# CHAIR'S MESSAGE

## I am pleased to present the Active Super annual report for the financial year ending 30 June 2023.

The past year was a testing one for financial markets. Despite certain challenges, we delivered a positive return for members across all our investment options.

Active Super invests to deliver strong, long-term returns for members. We believe in responsible investment and take into account environmental, social and governance (ESG) factors in our investment decision making. Our responsible investment approach uses a combination of ESG integration and active ownership strategies and affects all of our superannuation and account-based pension products.

Last year we announced that we had entered merger talks with Vision Super. I'm delighted to say that these discussions have progressed further, culminating in the signing of a Heads of Agreement in June 2023.

Active Super and Vision Super are both profit-to-member funds of a similar size that have a common history servicing current and former local government employees in our respective states of NSW and Victoria. As a public offer fund, open to all Australians, we remain mindful and proud of our local government heritage. This potential merger underscores our commitment to our loyal membership base within local government and beyond.

By exploring this merger, we have an opportunity for greater resources to provide services, as well as the potential for lower costs and fees for members. Should a decision be made to merge, it will take into account the best financial interests of members.

It is exciting to be moving to the next stage of the merger process. The increased scale that comes from merging aims to benefit you, our members, to help you achieve better retirement outcomes.

As we moved into the next stage of the merger process, the Chief Executive of Vision Super, Stephen Rowe, was selected to be the CEO of the combined Fund, should the merger be concluded. As a result, Active Super CEO Phil Stockwell has left the Fund and Active Super Deputy CEO, Donna Heffernan, is now Acting CEO. The merger is expected to be completed in October 2024.

Donna is a well-respected member of the Executive Leadership Team and has been with the Fund since 2010. On behalf of the Board, I would like to thank Donna for stepping into the role and to acknowledge Phil for his leadership at Active Super over the previous three and a half years.

During the year, two of our Board directors successfully contested seats in the NSW state election. Deputy Chair, Cr Karen McKeown of Penrith City Council, and Cr Nathan Hagarty of Liverpool City Council, are now members of parliament in the NSW Legislative Assembly. Congratulations to both Karen as the Member for Penrith and to Nathan as the Member for Leppington.

As you may be aware, the Australian Securities and Investments Commission (ASIC) has been investigating Active Super in relation to our ESG disclosures and has commenced civil penalty proceedings in the Federal Court.

Active Super has co-operated with ASIC's investigation and welcomes increased scrutiny on ESG disclosure standards as being good for members, the super industry and the community. As the matter is before the court, we are unable to comment further.

Finally, I'd like to thank my fellow Board members for their diligence and hard work, and to express my gratitude to all employers and shareholders for their commitment and support over the year.

While it has been an exciting 12 months for Active Super, I remain optimistic that the best is yet to come as we look to embark on an exciting and new shared future with Vision Super.



**Kyle Loades**  
Chair  
Active Super

# CEO'S MESSAGE

## Australia's superannuation sector continues to grow and thrive as we enter an exciting and dynamic time for the industry.

Whether it be strengthening retirement outcomes, offering improved financial advice and education, or harnessing digital transformation and the emergence of Artificial Intelligence (AI), the future looks set to provide opportunities for the industry to enhance and upgrade its services to members.

As an industry we have expanded. Total superannuation assets now sit around \$3.5 trillion and the inflows are likely to grow even further in coming years. From 1 July 2023, the Superannuation Guarantee contribution rose to 11 percent from 10.5 percent and is set to increase to 11.5 percent next year and to 12 percent in 2025.

## Investment performance

After a challenging year, it is very pleasing to announce that Active Super has produced a solid set of investment returns for the 2022/23 financial year.<sup>1</sup>

Persistent high inflation, cost-of-living pressures, rising interest rates and the continuing war in Ukraine could have derailed our performance, but with a strong investment strategy we were able to weather these headwinds. More details can be found in our CIO report that follows.

We are also making solid progress with our plans to merge with Vision Super following the signing of a Heads of Agreement in June 2023.

Active Super is a super fund that provides a comprehensive offering to our members. One of the benefits of the merger is the increased scale where we should be able to deliver lower fees in the future, while still delivering quality service to members.

We are very aware of the financial pressures that local government and our members face, and as a profit-to-member industry super fund, we work hard to keep operating costs down. Active Super has cut administration fees three times in the last five years.

1. Note: Past performance is not a reliable indicator of future performance.

## Retirement outcomes

Active Super welcomed the introduction of the Retirement Income Covenant (RIC) which came into effect in July 2022 and was a key area of focus for us in the last financial year. We published our Retirement Income Strategy in October 2022 and resumed our retirement seminars which we continue to roll out through New South Wales councils. The Fund also began exploring partnerships with third party suppliers who we believe can provide valuable support for our members in retirement.

## Other changes

During the year, members of Active Super's Accumulation scheme experienced some positive changes to their insurance cover within their Active Super account. The changes make it easier for members to apply for additional cover without underwriting when certain 'life events' occur. For example, having a baby or adopting a child, losing a spouse, getting married or divorced, and taking out a new mortgage on a principal place of residence.

Elsewhere, we changed the way we disclose our administration fees, making it easier for members to find on their statement.

## Member support

We have also taken several steps that aim to provide a more seamless and enjoyable experience for our members.

- We further enhanced our digital offering by launching an innovative online data tool, Super View, allowing greater transparency so members can see where and how their money is invested.
- We reaffirmed our commitment to the Newcastle, Hunter and Central Coast regions by locating to a new office and Member Care Centre at Broadmeadow.
- We've launched a chatbot named Ace which is available 24/7. It is accessible via mobile devices and powered by WhatsApp to help answer the most commonly asked questions.
- The opening hours of our Member Care Centre were extended to handle queries at times better suited to our members. We also offer face-to-face meetings in Sydney, Newcastle and Wollongong offices (by appointment only), in addition to phone and online meetings.
- We are passionate about helping our members prepare for retirement and have resumed our free retirement seminars.
- Our Active Super Booster reward program can add to members' super balances at selected retailers while they shop.<sup>2</sup>

2. T&Cs apply. See our website [activesuper.com.au](https://activesuper.com.au) for details.

## Awards and achievements

Active Super passed the Australian Prudential and Regulation Authority (APRA) MySuper Product Performance Test 2022. We also continue to rank among Australia's top-performing super funds on the YourSuper Comparison Tool.<sup>3</sup> (Note: Active Super is listed as Local Government Super.)

Some other accolades we received for our products and services include:

- We were one of six super funds to receive Canstar's 2022 Outstanding Value – Superannuation Award.<sup>4</sup>
- Our Account-Based Pension Plan received a 2023 Platinum ranking from SuperRatings for investment performance, fees and services.<sup>5</sup> Plus, we continue to hold 2023 Gold rankings for our MySuper Lifestage Product,<sup>6</sup> Accumulation Scheme and Personal Division (Active Super Public Offer).<sup>7</sup>
- We received the 2022 WELL Health-Safety Rating for all eight properties in our direct property portfolio.<sup>8</sup> In addition, our shopping centre portfolio was ranked No. 1 in the 2022 NABERS Sustainable Portfolios Index (Energy and Water categories).<sup>9</sup>

A list of further awards and achievements can be found on our website.

## Thank you

While I remain in the Acting Chief Executive role until the merger with Vision Super is completed, I will continue to work alongside the Board of Directors and the leadership team to service members and support employers throughout NSW.

Active Super remains focused on delivering the best possible outcomes for members, including solid, long-term returns, excellent service and quality insurance products.

I would like to recognise and thank the Board for their ongoing commitment and contribution, and to acknowledge everyone at Active Super for their dedication and hard work. Our employers and shareholders also deserve a special thanks for their continual collaboration and support.



**Donna Heffernan**

Acting Chief Executive Officer  
Active Super

3. As at 30 June 2023, based on a 30-year-old with a \$50,000 balance over eight years. Past performance is not a reliable indicator of future performance.

4. Based on a comparison of the Active Super Accumulation Scheme held by those aged 20–69 years and balances between \$30,000 and \$1.5 million. Superannuation products included in the Canstar Superannuation Star Ratings are assessed across 25 consumer profiles, considering age and account balance. Products are awarded a star rating in each profile based on a relative comparison across their investment performance, fees, insurance offering and product features. Past performance is not a reliable indicator of future performance.

5. From analysis of 182 pension fund products covering in excess of \$248 billion in retirement savings on behalf of 940,000 members.

6. From analysis of 113 MySuper offerings covering in excess of \$475 billion in superannuation savings on behalf of 12 million member accounts.

7. From analysis of 327 superannuation choice products covering in excess of \$920 billion in superannuation savings on behalf of 19 million member accounts.

8. From the International WELL Building Institute for air and water quality, cleaning and engagement.

9. The SPI index compares the environmental performance of Australia's top building portfolios and funds.

# CIO'S REPORT

**The past financial year continued to present us with difficult trading conditions that had to be navigated. Despite these challenges being experienced around the world, I'm pleased to report that Active Super delivered a solid set of investment returns for the 2022/23 financial year.**

While the pressures of inflation, high interest rates and a likely slowdown persisted, Active Super products bounced back with positive returns in the year to 30 June 2023, after reporting small negative returns in the previous financial year.

High Growth options for the Accumulation Scheme, Retirement Scheme and Account-Based Pension Scheme delivered 9.38 percent, 9.40 percent and 10.48 percent respectively.<sup>10</sup> Global share markets produced good results, partly due to the local and international economies holding up better than expected.

## **Share markets**

International shares led the way for returns. The best markets were Japan, where corporate governance is improving, and the US, where large growth stocks like NVIDIA are benefiting from the development of AI applications. In the US, the Dow Jones Industrial Average gained 12 percent while the S&P 500 entered a bull market and was up 18 percent in the financial year.

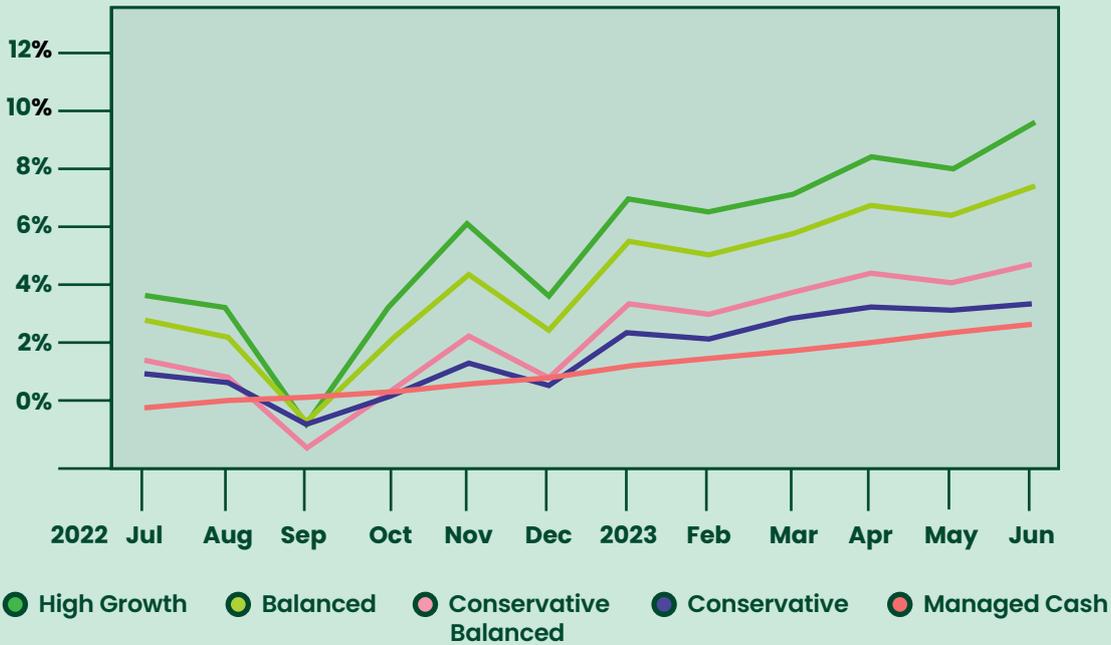
The Australian market also performed well. Despite some hurdles, the Australian share market managed to rise almost 10 percent in the last financial year. Technology companies and resource stocks underpinned the S&P/ASX 200 Index, propelling it 9.7 percent higher to 7203.3 points in the year to 30 June 2023. This was despite interest rates rising at their fastest pace in many years from 0.1 percent in May 2022 to 4.1 percent in June 2023.

The recovery in the local stock market reversed most of the 10.2 percent fall recorded in the 2021/22 financial year after the war in Ukraine and runaway inflation.

Past performance is not a reliable indicator of future performance.

10. Investment returns are shown as a percentage, after the deduction of tax and fees.

**Investment performance - Accumulation**  
**From 1 July 2022 to 30 June 2023**



**Bond markets**

Returns from fixed income investments were positive last year, but interest rates continued to rise which dampened the gains.

The Australian 10-year government bond yield increased to just over 4 percent, which was up slightly in the year, but was significantly higher from less than 1 percent in 2020. Government bonds are a benchmark return for all investment assets. If the government bond yield rises, then the yield on other assets will also rise, and that typically means a fall in asset prices.

The best bond sectors were the specialised areas of credit, emerging markets and inflation-linked bonds. Active Super has an exposure to each of these areas which supported our returns.

**Diversification**

Diversification offers a major advantage as it aims to minimise risk and exposure to one particular asset class. The intention is to achieve more stable investment returns for our members’ super. In other words, the total returns of a diversified portfolio are not expected to fluctuate as much as the returns from investing solely in one asset class.

Active Super adds further diversification by spreading money across a group of specialist fund managers where feasible, even within the same asset class. We received positive returns from investments in infrastructure, hedge funds and private credit. However, property assets were down over the year after strong results in prior years.

Past performance is not a reliable indicator of future performance.

## Responsible investment

When making investment decisions across our portfolio, one key focus for Active Super is environmental, social and governance (ESG) factors because these issues can present significant risks and opportunities for investment. We invest across a range of investment types, with the aim of generating positive returns in most market environments.<sup>11</sup>

Schneider Electric is among our top 10 holdings of international equities and experienced a 47 percent jump in its share price over the year.

The French-based company, recognised for its commitment to sustainability, is involved in digital and energy transformation. It recently won a contract to upgrade Serbia's electrical distribution network to improve reliability and reduce network losses.

## Outlook

The economic outlook will most likely be determined by inflation and interest rate policy set by the Reserve Bank of Australia (RBA).

Even though inflation appears to have peaked in Australia and overseas, core inflation is proving to be stubborn and remains higher than the authorities would like which explains why interest rates continued to rise. We are hopeful that central banks will soon be content to pause any further rate hikes, but this will depend on inflation falling back to the 2 to 3 percent comfort zone.

We remain optimistic that inflation will continue to moderate, and the outlook for investment markets will improve once interest rates stop rising.

Regardless, with mortgage rates and lending rates now much higher, we expect the economy to weaken this year as consumer sentiment and spending are likely to soften. Elsewhere in the economy, the labour market remains strong with the unemployment rate comfortably below 4 percent.

The RBA now faces a balancing act in its goal to reduce inflation and keep cost-of-living pressures under control without tipping Australia into a recession.



**Craig Turnbull**

Chief Investment Officer  
Active Super

Past performance is not a reliable indicator of future performance.

11. Our responsible investment approach affects all our superannuation and account-based pension products, using a combination of ESG integration and active ownership strategies. For more information, please refer to the relevant PDS available at [activesuper.com.au](https://activesuper.com.au)



# HOW WE INVEST YOUR MONEY

This section of the Annual Report provides information on each of our investment options as well as details of performance, asset allocations and definitions.

It's important to note that the net earnings allocated to a member's account during the 2022/23 financial year are calculated daily, based on the applicable unit prices of the underlying investment options the member is invested in.

These unit prices are derived from the market value of the investments in the underlying investment option after adjustments for taxes, fees and expenses.

Any direct fees, contributions tax or expenses, such as insurance premiums, are deducted directly from the member's account and are not taken into account when deriving applicable unit prices.

The tables on the following pages show returns for past net earning rates and these figures are not an indicator of future net earning rates. Member benefits invested in any particular investment option are not guaranteed and the value of their investment may fall.

## Derivatives

At Active Super, derivatives are used to adjust the weightings of the various portfolios in line with the overall investment strategy. Various derivatives may be applied, such as futures and options.

Strict investment guidelines detail all limits approved on the use of derivatives that are in place. Currency hedging activities are also carried out in relation to all international assets in the portfolio, within strictly defined parameters.

Derivatives can also be used to protect against possible adverse movements in the markets, to implement tactical asset allocations, or to enter or exit the market at a defined price level. Derivatives are not used to gear the investment portfolio or be used for speculative trading.

Each investment manager must supply adequate policies, procedures and controls, which outline the role and management of derivatives products (such as futures and options) used by the investment manager, except when the investment manager specifically confirms in writing that derivatives will not be used.

The Trustee requires that all derivative positions are fully cash covered, offset to existing assets, or used to alter the exposures in underlying asset classes.

## Responsible investment

At Active Super, we invest to deliver strong, long-term returns for members. ESG factors play an important role in the investment decisions we make across our portfolio, because we believe these issues can present significant risks and opportunities for long-term investment performance.<sup>12</sup>

12. Our responsible investment approach affects all our superannuation and account-based pension products, using a combination of ESG integration and active ownership strategies. For more information, please refer to the relevant PDS available at [activesuper.com.au](https://activesuper.com.au)

# SPOTLIGHT ON OUR DIRECT PROPERTY TEAM

**Active Super Property** is our award-winning direct property portfolio, managed by our property team. The portfolio has outperformed the industry benchmark over the long term<sup>1</sup>, with eight high-quality assets throughout NSW, including four office buildings, three retail centres and one multi-unit industrial estate. The team is committed to management practices that minimise the environmental impact of our properties.



**6 STAR GREEN STAR – PERFORMANCE** rating from the Green Building Council of Australia for sustainable building practices<sup>2</sup>

**\$738m**



**VALUE** of the direct property portfolio<sup>3</sup>



**4 yrs** consecutive **CARBON NEUTRAL** certification for the direct property portfolio<sup>4</sup>



**Reduction in tCO<sub>2</sub>-e** **SINCE 2019**<sup>5</sup>

**1st**

**GREEN LOAN** developed for the superannuation sector, specifically for Active Super Property<sup>6</sup>



**WELL HEALTH-SAFETY RATING** for building operations and management across key areas of cleaning, air and water quality



Active Super is an advocate for the sector to achieve **NET ZERO CARBON EMISSIONS BY 2050**<sup>7</sup>

**2030** 

**SIGNATORY TO THE NET ZERO CARBON BUILDINGS COMMITMENT** to reach net zero carbon in operation across our direct property portfolio<sup>7</sup>



**SOLAR** panels; **ELECTRIC** vehicle chargers; end-of-trip **FACILITIES**; cardboard, container and organics **RECYCLING**

1. Past performance is not a reliable indicator of future performance. Measured against the Mercer/IPD Australian Property Pooled Fund Index. 2. This rating represents 'World Leadership' in building operations as assessed by the GBCA. 3. As at 30 June 2023. 4. Climate Active Carbon Neutral Standard for Buildings (base building) for all 4 office buildings and all 3 retail centres via the NABERS pathway. 5. Annual tCO<sub>2</sub>-e assessments verified by NABERS. 6. Certified by the Climate Bonds Initiative. 7. Active Super is a signatory to the World Green Building Council's global Net Zero Carbon Buildings Commitment.

Information correct as of July 2023. Active Super Property is a registered trade mark of LGSS Pty Ltd, the investment manager for LIF Pty Ltd. LIF Pty Ltd is the Trustee for Local Government Property Fund (LGPF). This has been issued by LGSS Pty Limited (ABN 68 078 003 497) (AFSL 383558), as Trustee for Local Government Super (ABN 28 901 371 321) (Active Super). Any advice in this document is general only and does not take into account your personal objectives, situation or needs. You should consider obtaining advice tailored to your personal circumstances and refer to the relevant Product Disclosure Statement available at [activesuper.com.au](http://activesuper.com.au) before making a financial decision.

## Our investment portfolio

### Top 10 Australian share holdings as at 30 June 2023

Rank	Australian shares	% of portfolio holding	% of index*
1	BHP Group Ltd	9.0	10.4
2	CSL Ltd	5.4	6.1
3	Commonwealth Bank of Australia	4.2	7.7
4	National Australia Bank	4.0	3.8
5	Telstra Corp Ltd	3.1	2.3
6	Westpac Banking Corp	2.8	3.4
7	Woodside Energy Group Ltd	2.3	3.0
8	Australia and New Zealand Banking Group Ltd	2.6	3.4
9	QBE Insurance Group Ltd	2.1	1.1
10	Macquarie Group Ltd	1.9	3.0

\*This measure shows how much of that share is held by the overall market. For Australia, the index used is the S&P/ ASX 300. So even though we may hold enough of a share for it to be in our top ten, we may still hold less than its share of the overall market.

### Top 10 international share holdings as at 30 June 2023

Rank	International shares	% of portfolio holding	% of index*
1	Microsoft Corp	1.9	4.7
2	Visa Inc	1.6	0.8
3	Apple Inc	1.6	5.9
4	LVMH Moët Hennessy Louis Vuitton	1.3	0.5
5	Thermo Fisher Scientific Inc	1.3	0.4
6	Amazon.com Inc	1.2	2.3
7	Linde PLC	1.1	0.3
8	Novo Nordisk	0.9	1.1
9	Schneider Electric	0.8	0.3
10	Accenture PLC	0.8	0.5

\*This measure shows how much of that share is held by the overall market. For international shares, the index is the MSCI ACWI ex Australia which consists of the vast majority of all the listed shares on major global markets. So even though we may hold enough of a share for it to be in our top ten, we may still hold less than its share of the overall market.

## Our investment options

The following descriptions reflect the objectives and the asset allocations as at 30 June 2023.

The returns shown are gross of the percent-based administration fee which was excluded in the calculation of unit prices from 1 July 2022 as it is now deducted from member accounts directly. The returns on the Active Super website reflect this.

Please refer to the relevant Product Disclosure Statement (PDS) for the current details of our investment options.

It is important to remember that past performance is not a reliable indicator of future performance.

For more detailed and up-to-date performance figures for all our investment options, visit our website at [activesuper.com.au/performance](https://activesuper.com.au/performance)

### High Growth

**Description:** Invests a very high proportion of funds in growth assets, such as shares and property and may be suitable for members seeking high investment growth over the longer term.

**Objective:** 3.5% net return p.a. above CPI over a rolling 10-year period.

**Risk profile:** The emphasis is on growth, so the value of the investment may fluctuate over the short term.

- **Risk band:** 6
- **Risk label:** High (based on an estimate of 4.7 negative annual returns in any 20-year period).

Asset classes	Asset allocation ranges	Actual 2023 (as at 30 June)	Actual 2022 (as at 30 June)
Australian shares	23 - 43%	33.6%	32.0%
International shares	27 - 47%	37.6%	34.7%
Australian direct property	0 - 10%	5.1%	5.9%
International listed property	0 - 10%	1.9%	2.0%
Private equity	4 - 14%	9.2%	9.7%
Private credit	0 - 5%	2.8%	2.9%
Growth alternatives	0 - 5%	1.3%	2.5%
Short-term fixed interest	0 - 10%	5.5%	5.9%
Bonds	0 - 10%	0.0%	0.0%
Infrastructure	0 - 10%	2.1%	1.8%
Cash	0 - 10%	0.9%	2.6%

Investment returns as at 30 June	1 year	3 years	5 years
Accumulation Scheme (Division A)	9.38%	9.66%	7.15%
Account-Based Pension Plan (Division F)	10.48%	10.53%	7.77%

Past performance is not a reliable indicator of future performance.

## Balanced

**Description:** Invests a high proportion of funds in growth assets, such as shares and property and may be suitable for members seeking real investment growth over the medium to longer term.

**Objective:** 3.0% net return p.a. above CPI over a rolling 10-year period.

**Risk profile:** The emphasis is on growth, so the value of the investment may fluctuate over the short term.

- **Risk band:** 6
- **Risk label:** Medium to High  
(Based on an estimate of 4.1 negative annual returns in any 20-year period)

Asset classes	Asset allocation ranges	Actual 2023 (as at 30 June)	Actual 2022 (as at 30 June)
Australian shares	15 – 35%	25.5%	23.8%
International shares	17 – 37%	28.6%	24.1%
Australian direct property	0 – 10%	5.0%	5.8%
International listed property	0 – 10%	1.8%	2.0%
Private equity	2 – 12%	7.1%	7.3%
Private credit	0 – 5%	2.8%	2.8%
Growth alternatives	0 – 5%	1.2%	2.2%
Short-term fixed interest	5 – 15%	10.5%	12.1%
Bonds	2 – 22%	11.8%	11.6%
Infrastructure	0 – 10%	4.4%	4.3%
Cash	0 – 10%	1.2%	3.9%

Investment returns as at 30 June	1 year	3 years	5 years
Accumulation Scheme (Division A)	7.48%	7.58%	5.94%
Account-Based Pension Plan (Division F)	8.18%	8.28%	6.49%

## Conservative balanced

**Description:** Invests a proportion of funds in growth assets, such as shares and property, in combination with income-producing assets, such as interest-bearing securities. May be suitable for members seeking investment growth over the medium term with less volatility.

**Objective:** 2.0% net return p.a. above CPI over a rolling 10-year period.

**Risk profile:** The emphasis is still on growth, but with more stability than might be expected in High Growth or Balanced.

- **Risk band:** 5
- **Risk label:** Medium to High  
(Based on an estimate of 3.2 negative annual returns in any 20-year period)

Asset classes	Asset allocation ranges	Actual 2023 (as at 30 June)	Actual 2022 (as at 30 June)
Australian shares	8 – 28%	18.5%	16.3%
International shares	8 – 28%	19.4%	15.2%
Australian direct property	0 – 10%	5.1%	5.6%
International listed property	0 – 10%	1.8%	2.0%
Private equity	1 – 11%	6.2%	6.2%
Private credit	0 – 5%	3.7%	3.7%
Growth alternatives	0 – 5%	1.3%	2.3%
Short-term fixed interest	6 – 26%	16.5%	18.2%
Bonds	11 – 31%	20.7%	20.7%
Infrastructure	0 – 10%	5.3%	4.8%
Cash	0 – 10%	1.4%	4.9%

Investment returns as at 30 June	1 year	3 years	5 years
Accumulation Scheme (Division A)	5.60%	5.20%	4.52%
Account-Based Pension Plan (Division F)	6.05%	5.73%	5.01%

## Conservative

**Description:** Invests a small proportion in growth assets and the balance in income-producing assets such as interest-bearing securities. This combination aims to earn real investment growth above CPI over a 10-year period. Although it is relatively more stable than the High Growth, Balanced and Conservative Balanced options, the returns and the value of the investment can still fluctuate.

**Objective:** 1.5% net return p.a. above CPI over a rolling 10-year period.

**Risk profile:** The emphasis is on greater security, with some potential for growth. The value of the investment may still fluctuate.

- **Risk band:** 3
- **Risk label:** Low to Medium  
(Based on an estimate of 1.6 negative annual returns in any 20-year period)

Asset classes	Asset allocation ranges	Actual 2023 (as at 30 June)	Actual 2022 (as at 30 June)
Australian shares	0 – 19%	9.6%	8.0%
International shares	0 – 19%	10.3%	7.4%
Australian direct property	0 – 10%	5.5%	6.2%
International listed property	0 – 10%	1.7%	1.0%
Private equity	0 – 5%	2.2%	2.2%
Private credit	0 – 10%	4.7%	5.0%
Growth alternatives	0 – 10%	2.6%	4.7%
Short-term fixed interest	8 – 28%	21.6%	22.0%
Bonds	17 – 37%	26.9%	26.9%
Infrastructure	0 – 10%	7.1%	7.3%
Cash	0 – 20%	7.7%	9.3%

Investment returns as at 30 June	1 year	3 years	5 years
Accumulation Scheme (Division A)	3.75%	3.25%	3.24%
Account-Based Pension Plan (Division F)	4.07%	3.42%	3.54%

## Managed cash

**Description:** Invests predominantly in short-term Australian money market assets and term deposits. A proportion of the assets are invested in floating rate debt securities issued by Australian banks having a longer maximum term. This gives this strategy greater exposure to higher returns than by just investing in short-term cash deposits, with only a small increase in the overall volatility of the returns. This option offers investments for short-term investors or those seeking less volatile returns.

**Objective:** 0.20% net investment return per annum above the cash rate, measured over a rolling 10-year period.

**Risk Profile:** Exposure in money market securities with a very low risk of capital loss.

- **Risk band:** 1
- **Risk label:** Very Low  
(Based on an estimate of there being no negative returns in any 20-year period).

Asset classes	Actual 2023
Cash term deposits and money market securities	100.0%

Investment returns as at 30 June	1 year	3 years	5 years
Accumulation Scheme (Division A)	3.05%	1.16%	1.36%
Account-Based Pension Plan (Division F)	3.34%	1.29%	1.55%

## Growth: Retirement Scheme

**Description:** For real investment growth above the CPI over the medium to longer term. For investors who want high exposure to Australian and international shares and property and are prepared to accept more risk. The emphasis is on growth so investors should be prepared for some potential short-term volatility. The value of the investment may fluctuate over the short term.

**Objective:** 3.0% net investment return per annum above CPI, measured over a rolling ten-year period.

**Risk profile – Standard Risk Measure:**

- **Risk band:** 6
- **Risk label:** Medium to High  
(Based on an estimate of 4.1 negative annual returns in any 20-year period).

Asset classes	Asset allocation ranges	Actual 2023 (as at 30 June)	Actual 2022 (as at 30 June)
Australian shares	15 – 35%	25.4%	24.2%
International shares	17 – 37%	28.6%	24.4%
Australian direct property	0 – 10%	5.4%	6.3%
International listed property	0 – 10%	1.7%	2.0%
Private equity	2 – 12%	7.4%	7.6%
Private credit	0 – 5%	2.9%	2.8%
Growth alternatives	0 – 5%	1.2%	2.3%
Short-term fixed interest	5 – 15%	10.5%	12.2%
Bonds	2 – 22%	11.7%	11.7%
Infrastructure	0 – 10%	5.1%	4.7%
Cash	0 – 10%	0.1%	1.9%

Investment returns as at 30 June	1 year	3 years	5 years
Retirement Scheme	7.01%	7.57%	5.82%



**Ashleigh**

Active Super member  
since 2014

## Member investment choice

### Retirement Scheme members only (Division B)

In addition to the Growth investment option, Retirement Scheme members have access to member investment choice options. Members can choose one of five investment options: High Growth, Balanced, Conservative Balanced, Conservative or Managed Cash.

Members can elect an investment option for the following benefit components:

#### For contributory members

- Your Contributor Financed Benefit
- Other Contributions account.

#### For deferred members

- Your total account balance.

The following tables show the returns for one, three and five years for each of the investment options as at 30 June 2023.

Retirement Scheme – Contributory	1 year	3 years	5 years
High Growth	9.40%	9.71%	7.18%
Growth	7.01%	7.57%	5.82%
Balanced	7.38%	7.64%	5.98%
Conservative Balanced	5.97%	5.36%	4.64%
Conservative	4.09%	3.25%	3.26%
Managed Cash	3.04%	1.15%	1.36%

Retirement Scheme – Other Contributions	1 year	3 years	5 years
High Growth	9.40%	9.71%	7.18%
Growth	7.01%	7.57%	5.82%
Balanced	7.38%	7.64%	5.98%
Conservative Balanced	5.97%	5.36%	4.64%
Conservative	4.09%	3.25%	3.26%
Managed Cash	3.04%	1.15%	1.36%

Retirement Scheme – Deferred	1 year	3 years	5 years
High Growth	9.40%	9.71%	7.18%
Growth	7.01%	7.57%	5.82%
Balanced	7.38%	7.64%	5.98%
Conservative Balanced	5.97%	5.36%	4.64%
Conservative	4.09%	3.25%	3.26%
Managed Cash	3.04%	1.15%	1.36%

Past performance is not a reliable indicator of future performance.

## Defined Benefit Strategy

**Definition:** The Defined Benefit Strategy generally invests a high proportion of its funds in growth assets, such as Australian and international shares and property. The balance is invested in income-producing assets. Because the emphasis is on growth, you should keep in mind that there may be what financial professionals call 'short-term volatility' in this strategy.

**Objective:** 6% over a 10-year period.

**Risk profile:** High to Medium.

As this is a defined benefit scheme, any downside risk is effectively underwritten by the Employers.

Asset classes	Asset allocation ranges	Actual 2023 (as at 30 June)	Actual 2022 (as at 30 June)
Australian shares	11% – 31%	20.8%	19.8%
International shares	11% – 31%	22.5%	19.5%
Australian direct property	0% – 10%	7.9%	9.5%
International listed property	0% – 10%	1.9%	2.0%
Private equity	0% – 10%	5.4%	5.4%
Private credit	0% – 5%	2.8%	2.7%
Growth alternatives	0% – 5%	1.4%	2.4%
Short-term fixed interest	5% – 25%	15.0%	14.3%
Bonds	5% – 25%	14.9%	14.7%
Infrastructure	0% – 5%	2.0%	1.9%
Cash	0% – 20%	5.3%	7.9%

Investment returns as at 30 June	1 year	3 years	5 years
Defined Benefit Strategy	5.84%	6.94%	5.45%



# THE TEAM BEHIND YOUR SUPER

The Board is responsible for setting the overall strategy and objectives for Active Super and ensuring the Fund is operating in the best financial interest of members.

# HOW WE SERVED YOU IN FY23

Sydney-based contact centre interacted with our members **70,646 times**



**52,003**  
calls answered  
within 28 seconds<sup>13</sup>



**7,727**  
online chats



**10,647**  
emails

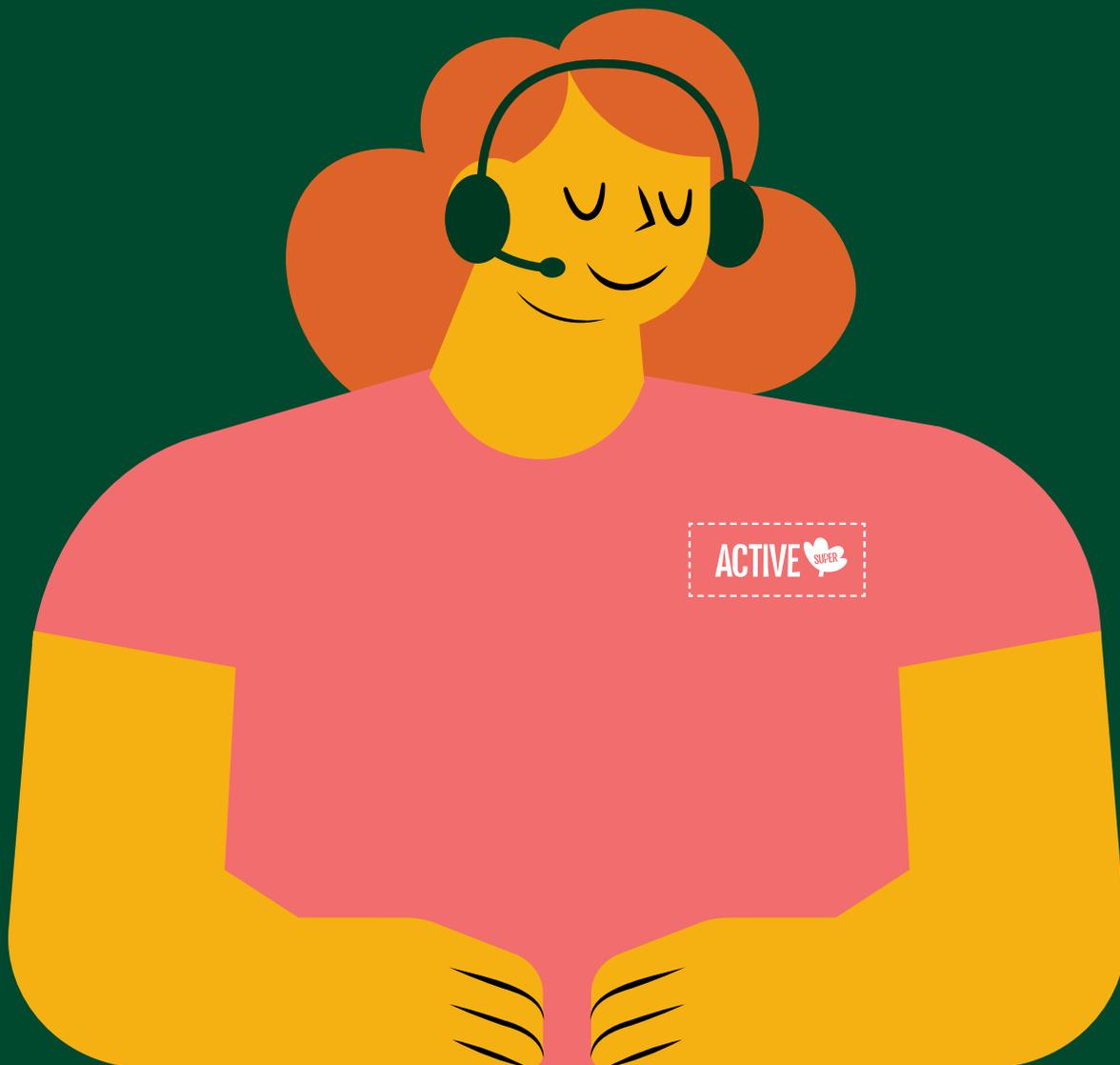


**269**  
letters

13. Average response time between 2018/19 and 2022/23.

## General advice now available on the phone<sup>14</sup>

- No additional cost
- No appointment needed
- Extended hours 8.30am-6.00pm



14. General Advice Topics: Insurance, Investment, Contributions, Retirement Options and Transition to Retirement.

## About the trustee

**Active Super's Trustee is LGSS Pty Limited, a profit-to-member fund solely engaged in the management and control of the assets of the Fund for the benefit of its members.**

### Industry regulators

The Fund is a Registrable Superannuation Entity (RSE) under the *Superannuation Industry (Supervision) Act 1993 (Cth)* (SIS Act). The Trustee holds an RSE licence (L0001243) which is regulated by the Australian Prudential Regulation Authority (APRA).

The Trustee also holds an Australian Financial Services Licence (AFSL) (383558) which allows the Trustee to provide financial advice and services. This licence is regulated by the Australian Securities and Investments Commission (ASIC) in accordance with the *Corporations Act 2001 (Cth)* (Corporations Act). All of our financial planners are directly employed by Active Super and are authorised to provide financial advice to members under an outsourced AFSL.<sup>15</sup>

### Indemnity insurance

The Trustee and its directors and officers are covered by professional indemnity insurance which helps protect Active Super in the event of a claim against its assets.

### Governance

The Board is ultimately responsible for managing Active Super, which includes the safekeeping of assets and ensuring it operates in accordance with the Trust Deed, the Corporations Act, the SIS Act and other relevant superannuation legislation, regulations and prudential standards (Superannuation Laws).

Superannuation is constantly evolving, with increasing competition and ongoing legislative changes, so the Board is supported by an in-house governance team which provides expert risk, legal and compliance advice on a day-to-day basis.

The Trustee's role is to ensure our super fund is safe, secure and is meeting the long-term financial needs of our members.

### Role of the Board

The Board is responsible for setting the overall strategy and ensuring Active Super is operating in the best financial interests of members in accordance with the Trust Deed and Superannuation Laws.

As at 30 June 2023, there were nine directors on the Board of the Trustee Company. We also have an aspirational goal for our Board to have at least 40 percent representation of female directors.

The Board meets regularly and receives and reviews reports from management and its service providers. When necessary, the Board calls upon advice from specialists such as lawyers, accountants and actuaries.

### Board committees

The Board has created five committees, and a sub-committee, to provide specific direction and resources to the business that fall within their delegated responsibility:

- Investment Committee
- Audit and Compliance Committee
- Governance, Remuneration and Nomination Committee
- Risk Committee
- Member Services Committee.

These committees allow the Board to oversee operations in greater detail. The members of the committees and their various duties as at 30 June 2023 are discussed on the following pages.

<sup>15</sup> Active Super has engaged Industry Fund Services Limited (IFS) ABN 54 007 016 195 AFSL No 232514 to facilitate the provision of financial advice to members of Active Super. Advice is provided by one of our financial planners who are Representatives of IFS. Fees may apply. Further information about the advice services that can be provided is set out in the relevant Financial Services Guide, a copy of which is available directly from the financial planner or by calling 1300 547 873. IFS is responsible for any advice given to you by its Representatives.

## Investment Committee

Craig Peate (Chair), Gordon Brock, Declan Clausen, Sandi Orleow and Debbie Alliston (independent committee member).

Duties: With meetings held at least quarterly, the committee supports the Board in the day-to-day management of investments by monitoring the performance of our investment managers and investment options, overseeing the in-house management of Fund assets and also reviewing the performance of our asset consultants. The committee provides regular updates to the Board.

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## Audit and Compliance Committee

Declan Clausen (Chair), Claudia Bels, Gregory McLean, Sandi Orleow, Nathan Hagarty and is also attended by Active Super's external auditor.

Duties: Meetings are generally held quarterly to help monitor the Trustee's compliance with all relevant licences, laws and regulations and reviewing the effectiveness of the Trustee's financial reporting and compliance framework.

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## Risk Committee

Claudia Bels (Chair), Declan Clausen, Nathan Hagarty, Gregory McLean and Kyle Loades.

Duties: The Risk Committee meets at least quarterly to provide the Board with an objective non-executive review of the effectiveness of the Trustee's risk management framework.

It ensures that the Fund has an independent and adequately-resourced internal audit function. It also oversees the Fund's business continuity management framework, information security framework and compliance with AML/CTF obligations. Further, it identifies and manages emerging risks and reviews risk-related policies.

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## Member Services Committee

Gordon Brock (Chair), Karen McKeown, Gregory McLean, Nathan Hagarty, Kyle Loades and Sandi Orleow.

Duties: Meetings are held at least quarterly to monitor the delivery of services to members and ensure we're meeting agreed standards, that our services are consistent with the Board's expectations and that they continue to be aligned with strategic objectives. This committee also considers disputed claims for invalidity and death benefits.

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## Governance, Remuneration and Nomination Committee

Karen McKeown (Chair), Claudia Bels, Kyle Loades and Craig Peate.

Duties: This committee meets as required to assist the Board to fulfil its responsibilities in relation to APRA Prudential Standards SPS 510 and CPS 511, implementing, reviewing and making recommendations to the Board regarding our governance and remuneration framework. It also provides Board support regarding the renewal of Board trustee directors, through a sub-committee, the Board Renewal Committee.

# YOUR BOARD



## **Kyle Loades (Chair)**

**MBA, FAICD**

Appointed on  
22 October 2019.

Independent Chair

Director: AMA Group, Great Southern Bank, Credicorp Insurance Pty Ltd.

Chair: Hunter Medical Research Institute (HMRI).

Qualifications: Master of Business Administration, Fellow of the Australian Institute of Company Directors (FAICD), Diploma of Superannuation, Australian Institute of Superannuation Trustees (AIST).

Current committee memberships: Governance, Remuneration and Nomination, Member Services, Risk.



## **Karen McKeown (Deputy Chair)**

**OAM, BCom,  
GAICD, GAIST**

Appointed on 10 April 2018,  
re-appointed on 10 April 2022.

Employer Nominated Director

Councillor: Penrith City Council.

Member for the NSW Legislative Assembly (Penrith)

Director: Penrith Performing & Visual Arts Pty Ltd, Local Government NSW.

Chair: Hawkesbury River County Council Councillor.

Qualifications: Bachelor of Commerce, Labour Law Certificate, Executive Certificate for Elected Members, Graduate of the Australian Institute of Company Directors (GAICD), Graduate of the Trustee Director Course, Australian Institute of Superannuation Trustees (AIST).

Current committee memberships: Member Services, Governance, Remuneration and Nomination (Chair).



## **Craig Peate (Deputy Chair)**

**GAICD, GAIST (Adv.)**

Appointed on 25 October 2012,  
and re-appointed on  
25 October 2020.

Member Nominated Director

Local Government employee with Tweed Shire Council since 1978 and currently holds the position of Co-ordinator of Revenue & Recovery.

Director: Dunnara Debt Services.

Deputy President and Co-Chair: AIST

Qualifications: Graduate of the Australian Institute of Company Directors (GAICD), Graduate of the Advanced Trustee Director Course, Australian Institute of Superannuation Trustees (GAIST (Adv.)), Associate Diploma in Local Government, Certificate III and IV in Financial Services, Certificate in Management and Leadership.

Current committee memberships: Investment (Chair), Governance, Remuneration and Nomination.



**Claudia Bels**  
**BEC/LLB (Hons), Grad**  
**Cert BA (Exec), FAICD,**  
**GAIST**

**Appointed on 13 January 2020.**

Independent Director

Director: Australian Settlements Limited, CBHS Corporate Health Pty Ltd, Australia and New Zealand Recycling Platform Ltd.

Qualifications: Bachelor of Laws (Hons), Bachelor of Economics, Graduate Certificate Business Administration (Exec), Diploma for the Company Directors Course, AICD, Graduate of the Trustee Director Course, Australian Institute of Superannuation Trustees (GAIST).

Current committee memberships: Audit and Compliance, Governance, Remuneration and Nomination, Risk (Chair).



**Gordon Brock**  
**BEcon, MLL, GAICD,**  
**GAIST (Adv.)**

**Appointed on 1 September 2016 and re-appointed on 1 September 2020.**

Member Nominated Director

Director: Professionals Australia (NSW).

Qualifications: Bachelor of Economics, Masters in Labour Law, Graduate of the Australian Institute of Company Directors (GAICD), Graduate of the Advanced Trustee Director Course, Australian Institute of Superannuation Trustees (GAIST (Adv.)).

Current committee memberships: Investment, Member Services (Chair).



**Declan Clausen**  
**MSc, BE, GAICD, GAIST**

**Appointed on 26 March 2021.**

Employer Nominated Director

Deputy Lord Mayor and Councillor: City of Newcastle.

Executive Officer to the Managing Director: Hunter Water Corporation (since 2017).

Director: Newcastle Art Gallery Foundation.

Qualifications: Master of Science (Sustainable Urban Development), Harvard Bloomberg City Leadership Program, Bachelor of Engineering, Graduate Australian Institute of Company Directors (GAICD), Graduate of the Trustee Director Course, Australian Institute of Superannuation Trustees (GAIST).

Current committee memberships: Risk, Investment, Audit and Compliance (Chair).



**Nathan Hagarty**  
**BInSt. GAICD, GAIST**

Appointed on  
5 December 2021.

Employer Nominated Director

Councillor: Liverpool City  
Council (since 2016).

Member for the NSW Legislative  
Assembly (Leppington)

Director and Treasurer:  
Local Government NSW

Qualifications: Bachelor  
of International Studies,  
Graduate Australian Institute  
of Company Directors (GAICD),  
Graduate of the Trustee  
Director Course, Australian  
Institute of Superannuation  
Trustees (GAIST).

Current committee  
memberships: Audit and  
Compliance, Member  
Services, Risk.



**Gregory (Greg)  
McLean**

**OAM, GAICD,  
GAIST (Adv)**

Appointed on 6 June 2018,  
re-appointed on 10 May 2022

Member Nominated Director

Councillor: Sutherland  
Shire Council.

Qualifications: Graduate  
of the Trustee Director  
Course, Australian Institute  
of Superannuation Trustees  
(GAIST), Graduate of the  
Australian Institute Company  
Directors (GAICD), Graduate  
of the Advanced Trustee  
Director Course, Australian  
Institute of Superannuation  
Trustees (GAIST (Adv.)), RG 146  
Fundamentals, Postgraduate  
Labour Law Course, University  
of Technology Sydney,  
Postgraduate Industrial Law  
Course, NSW Law Society.

Current committee  
memberships: Risk,  
Member Services, Audit  
and Compliance.



**Sandi Orleow**  
**BCom, B Acc,  
CFA, GAICD**

Appointed on 22 October 2019.

Independent Director

Director: CFA Society Sydney,  
Pengana International Equities  
Ltd (ASX:PIA).

Member: Investment Advisory  
Board - ACT Treasury,  
Backbone Investment  
Committee, JCA Investment  
Committee.

Qualifications: Bachelor of  
Commerce, Post-Graduate  
Bachelor of Accounting,  
Chartered Financial Analyst,  
Graduate of the Australian  
Institute Company Directors  
(GAICD).

Current committee  
memberships: Investment,  
Member Services, Audit and  
Compliance.

## Mohammad

Active Super member  
since 2016



## Meeting attendance by directors

The attendance by Directors at meetings of the Board and its Committees from 1 July 2022 to 30 June 2023 was as follows:

Director	Meetings held during tenure	Number of meetings attended
Bels, Claudia	13	13
Brock, Gordon	13	13
Clausen, Declan	13	13
Hagarty, Nathan	13	11
McKeown, Karen	13	9
Loades, Kyle	13	13
McLean, Gregory	13	13
Orleow, Sandi	13	13
Peate, Craig	13	12

### Audit and compliance committee

Director	Meetings held during tenure	Number of meetings attended
Bels, Claudia	4	4
Clausen, Declan	4	4
Hagarty, Nathan	4	2
McLean, Gregory	4	4
Orleow, Sandi	4	4

### Investment committee

Director	Meetings held during tenure	Number of meetings attended
Brock, Gordon	6	6
Clausen, Declan	6	6
Orleow, Sandi	6	6
Peate, Craig	6	6
Debbie Alliston (Independent Member)	6	6

**Governance, remuneration and nomination committee**

Director	Meetings held during tenure	Number of meetings attended
Bels, Claudia	5	5
McKeown, Karen	5	5
Loades, Kyle	5	5
Peate, Craig	5	5

**Member services committee**

Director	Meetings held during tenure	Number of meetings attended
Brock, Gordon	4	4
Hagarty, Nathan	4	3
McKeown, Karen	4	2
Loades, Kyle	4	4
McLean, Gregory	4	4
Orleow, Sandi	4	4

**Risk committee**

Director	Meetings held during tenure	Number of meetings attended
Bels, Claudia	4	4
Clausen, Declan	4	4
Hagarty, Nathan	4	2
Loades, Kyle	4	4
McLean, Gregory	4	4

## Directors' and executives' remuneration

Directors are remunerated for their services to the Board and Committees. The fees are reviewed with effect from 1 July each year. The directors' fees are payable to the individual director or to their appointing shareholder.

The Executive Team, and all Trustee's employees, receive an annual total remuneration package (TRP) that includes base salary and superannuation guarantee contributions. In addition, the former CEO, Phil Stockwell, had a variable component to his remuneration package (bonus).

For more details about the directors and executives' remuneration, please visit [activesuper.com.au](https://activesuper.com.au) and take a look at the Payments and Benefits Table and the Compensation Table in the Corporate Governance section.

### Executive team

The Executive Team has been given authority by the Board to determine and execute the strategic objectives of Active Super.

At 30 June 2023, the Executive personnel included:

- Donna Heffernan, Acting Chief Executive Officer and Company Secretary
- Craig Turnbull, Chief Investment Officer
- Andrew Gledhill, Acting Chief Product and Retirement Solutions Officer
- Chantal Walker, Chief Member Experience and Growth Officer
- Tim Carmichael, Head of HR
- Peter Gilmore, Chief Financial and Commercial Officer
- Bartlomiej Kula, Acting Head of Risk
- Natalie Kalouche, Acting Chief Governance Officer

### Our service providers

The Trustee engages external experts such as investment advisers and investment managers, administrators, custodians, an actuary, accountants, lawyers and auditors to assist with its obligations to Active Super members. All external service providers have been appointed on the basis of quality and cost effectiveness. The Trustee reviews its service providers regularly and may from time to time make changes.

Administrator: Australian Administration Services Pty Limited (ABN: 62 003 429 114)

Actuary: Mercer Consulting (Australia) Pty Limited (ABN: 55 153 168 140)

Asset Consultants: JANA Investment Advisers Pty Ltd (ABN: 97 006 717 568), Cambridge Associates Limited, LLC (ABN: 56 109 366 54)

External Auditors: NSW Auditor General, Ernst & Young Australia (ABN: 59 160 755 055)

Internal Auditor: PriceWaterhouseCoopers Australia (ABN: 54 003 311 617)

Custodians: J.P. Morgan Nominees Australia Ltd (ABN: 75 002 899 961), Pacific Custodians Pty Limited

Group Life Insurer: TAL Life Limited (ABN: 70 0501 094 50)

Professional Indemnity Insurer: Berkshire Hathaway Specialty Insurance (ABN: 84 6006 430 34)

Tax Advisers: KPMG Australia Pty Limited (ABN: 47 008 644 728)

## Investment managers at 30 June 2023

Actis GP LLP

Adamantem Capital

AMP Capital

Alphinity

Ardea Investment Manager

Attunga Capital Pty Ltd

BlackRock Investment Management

BAIN Capital

Baring Private Equity Asia

Brandywine Global Investment  
Management LLC

Canyon Partners, LLC

Centaur Property Funds

Cerberus Capital Management

Challenger Life

Champ Private Equity

Cheyne Capital Management (UK) LLP

CQS Asset Management

DNR Capital

ECP Asset Management Pty Ltd

EQT Partners Advisors LLP

Farallon Capital Management Ltd

First Sentier Investors (Australia) Services  
Pty Ltd

Golden Gate Capital

GPT Group

Hawkesbridge Capital Pty Ltd

HealthCare Royalty Partners

Hermes Investment Management

ICE Canyon

IFM Investors

Impax Asset Management Ltd

Investa Property Group

JP Morgan Chase

Kapstream Capital

Lighthouse Infrastructure

LSV Asset Management

Macquarie Investment Management

Marathon Asset Management

Mesirow Financial

MFS Institutional Advisors

Morrison & Co Mutual Ltd

Mutual Limited

Oaktree Capital Management

Paul Capital Partners

PAG Investment Management

Pemberton

Pendal Group

PIMCO Australia Pty Ltd

QIC Ltd

Quadrant Private Equity

Resolution Capital

Resolution Life Group

ROC Partners

Sculptor Capital

Stafford Private Equity

Fife Capital (Terra Australis Property)TCW  
Asset Management Company

The Growth Fund

Ubique Asset Management Pty Ltd

WCM Investment Management

Wellington International Management  
Company Pty Ltd

Wilshire Australia Pty Ltd

## Legal advisers

Allens Clyde & Co

Minter Ellison



# TAXES, FEES AND CHARGES

4

## General tax information

Active Super is required to pay tax of up to 15 percent on all employer super concessional contributions received, including contributions made via salary sacrifice, provided members don't exceed the concessional contributions cap. (More information on concessional contributions follows.) Any tax payable in respect of these concessional contributions is deducted from the member's account at the time the contributions are made. Non-concessional contributions are personal contributions made on an after-tax basis, and are generally not subject to tax, provided contributions do not exceed the non-concessional contributions cap.

### Low Income Superannuation Tax Offset (LISTO)

For the 2022/23 financial year, members with an annual income of less than \$37,000 per annum may be eligible to receive a refund of the 15 percent contributions tax deducted from their employer concessional contributions, up to a maximum of \$500. The refund is paid directly into their super account.

### Concessional contributions

Concessional contributions are pre-tax contributions and include the compulsory employer Superannuation Guarantee plus any salary sacrifice arrangements.

The concessional contributions cap is \$27,500 per annum. The annual concessional contributions income threshold is \$250,000. Once your annual income exceeds this amount, contributions may be taxed at 30 percent.

Members can carry forward any unused concessional contributions cap amounts to later income years, provided they have a total superannuation balance of less than \$500,000 in the previous year. Unused amounts are available for a maximum of 5 years, after which any unused amounts will expire.

If someone breaches the concessional contributions limits, they have the option of receiving a refund of any excess contributions and including it in their annual tax return to be taxed at their marginal rate.

Alternatively, they can retain it within their superannuation account where it will be counted towards their non-concessional cap and taxed at the marginal rate.

### Non-concessional contributions

Non-concessional contributions are capped at \$110,000 for the year ending 30 June 2023. Individuals under 67 years of age during any part of the financial year can bring forward up to three years' worth of non-concessional contributions and contribute a total of \$330,000 in one financial year. An individual is only able to make non-concessional contributions if their total superannuation balance is less than \$1.7 million for the 2022/23 financial year, indexing to \$1.9 million for the 2023/24 year. Contributions made to accounts with a higher balance than the total superannuation balance will be taxed at 47 percent.

### Tax on investment earnings

Earnings on investments are generally taxed at a maximum of 15 percent. The effective rate may be reduced below 15 percent due to various tax credits and rebates.

The earnings tax is deducted from the investment return prior to crediting to a member's account.

### Tax on pension payments

For individuals aged 60 and over, any payments from super are tax-free. For members of the Account-Based Pension Plan, there is no tax levied on investment earnings generated within the pension plan.<sup>16</sup>

### Medicare levy

The Medicare levy is currently 2.0 percent.

<sup>16</sup>. The exception is for members who have a transition to retirement pension whose earnings will be taxed at 15 percent.

## Fees and other costs

### Cap on fees for low balance accounts

Since 1 July 2019, super accounts with balances of \$6,000 or less at the financial year end have had their fees capped at 3 percent per annum.

This cap includes administration fees and investment fees. Fees over the 3 percent cap are refunded.

Exit fees were abolished across all superannuation funds on 1 July 2019 meaning there is no fee to roll over to another super fund, or to withdraw your account balance.

Active Super removed all switching fees from 1 July 2021, and removed family law fees and benefit split fees on 1 July 2022.

### Investment fee

An investment fee is a fee or cost that relates to the investment of assets of a superannuation entity and may include:

- Fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
- Costs incurred by the Trustee of the entity that:
  - relate to the investment of assets of the entity; and
  - are not otherwise charged as administration fees and costs, a buy/sell spread, a switching fee, activity fee, advice or an insurance fee.  
E.g. management fees, transaction and operational costs, performance related fees, and custody fees.

### Transaction costs

Transaction costs are costs associated with the sale and purchase of assets of the superannuation entity other than costs that are recovered by the superannuation entity charging buy/sell spreads. These investment fees are paid from Active Super's assets prior to unit prices being calculated.

### Administration fee

The administration fee percentage relates to the cost of the administration and operation of the superannuation fund.

This fee is estimated each year and all fees charged to members' accounts during the 2022/23 financial year are detailed in the following tables:

### Administration fees, other fees and insurance premiums charged

For the year ended 30 June 2023	Accumulations Scheme	Account-Based Pension Plan
Administration fee	\$66.04 per annum (\$1.27 per week) and 0.24% p.a.	\$66.04 per annum (\$1.27 per week) and 0.25% p.a.  For Transition to Retirement Members:  \$66.04 p.a. (\$1.27 per week) and 0.24% p.a.
Basic Death cover (male)	\$0.914 per unit per month	N/A
Basic TPD cover (male)	\$0.475 per unit per month	
Basic Death cover (female)	\$0.704 per unit per month	
Basic TPD cover (female)	\$0.592 per unit per month	
Voluntary insurance	The cost will vary depending on the sum insured and other factors	N/A

### Investment fee

#### Investment fee charged for the Accumulation Scheme for the year ended 30 June 2023

High Growth	Balanced	Conservative Balanced	Conservative	Managed Cash
0.77%	0.70%	0.68%	0.61%	0.20%

#### Investment fee charged for the Account-Based Pension Plan for the year ended 30 June 2023

High Growth	Balanced	Conservative Balanced	Conservative	Managed Cash
0.77%	0.70%	0.68%	0.61%	0.20%

## Transaction costs

### Transaction costs for the Accumulation Scheme for the year ended 30 June 2023

High Growth	Balanced	Conservative Balanced	Conservative	Managed Cash
0.06%	0.06%	0.06%	0.07%	0.00%

### Transaction costs for the Account-Based Pension Plan for the year ended 30 June 2023

High Growth	Balanced	Conservative Balanced	Conservative	Managed Cash
0.06%	0.06%	0.06%	0.07%	0.00%

## Administration fees charged

For the year ended 30 June 2023	Retirement Scheme	Defined Benefit Scheme
Administration fee	\$66.04 per annum (\$1.27 per week) and 0.25% p.a.	\$66.04 per annum (\$1.27 per week) and 0.25% p.a.

## Investment fee charged in the Retirement Scheme

### (Accumulation components only) for the year ended 30 June 2023

These investment fees are deducted from members Contributor Finance Benefit or Deferred Benefit accounts.

High Growth	Balanced	Growth	Conservative Balanced	Conservative	Managed Cash
0.77%	0.70%	0.71%	0.68%	0.61%	0.20%

## **Financial planning fee (‘advice fee’)**

Active Super charges a direct fee for some financial planning services. Not all financial advice incurs a fee and in many cases there is no charge. Whether a fee applies depends on the scope of the financial advice that is requested.

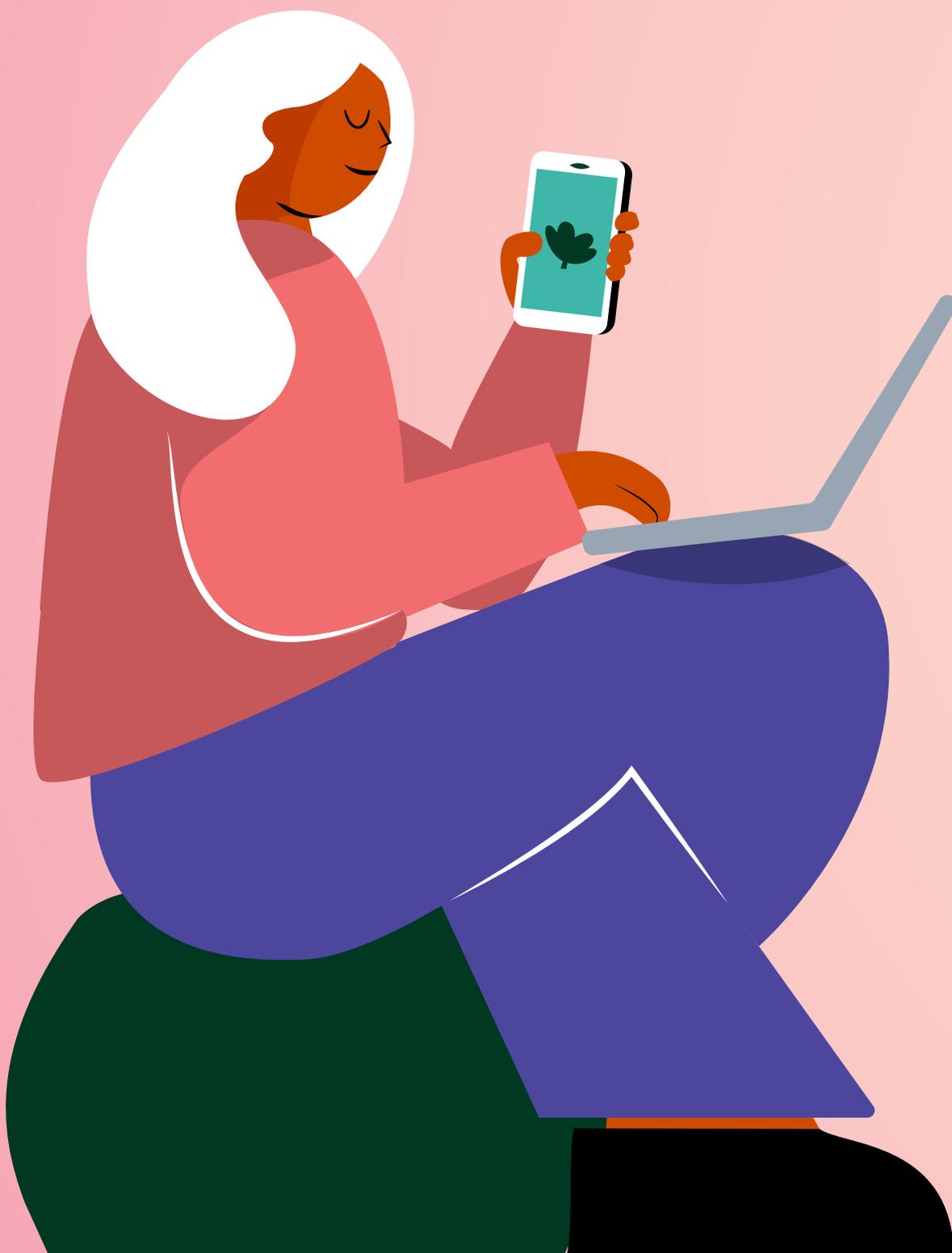
Our financial planners discuss any fee payable when meeting with members and clients. If a fee is applicable, we advise of the cost before the member or client decides whether to proceed with obtaining the advice.





## Hamish

Active Super member  
since 2017



# FINANCIAL STATEMENTS

To access a copy of the complete  
Financial Statements, visit our website at  
[activesupersuper.com.au/annualreports](https://activesupersuper.com.au/annualreports)

5

## Statement of Financial Position as at 30 June 2023

	2023 \$'000	2022 \$'000
<b>Assets</b>		
Cash and cash equivalents	114,490	105,337
Receivables and other assets	4,655	3,632
Investments		
Cash and Short Term Deposits	663,809	1,323,470
Other Interest Bearing Securities	2,867,616	2,593,252
Australian Equities	5,663,812	5,011,868
International Equities	2,946,498	2,720,838
Australian Unit Trusts	330,632	240,025
International Unit Trusts	1,339,752	1,364,675
Derivative Assets	97,557	64,047
Deferred tax assets	10,727	31,026
<b>Total assets</b>	<b>14,039,548</b>	<b>13,458,170</b>
<b>Liabilities</b>		
Payables	(4,814)	(3,791)
Derivative Liabilities	(81,262)	(197,979)
Income tax payable	(3,526)	(9,281)
Deferred tax liabilities	(114,536)	(74,789)
<b>Total liabilities excluding member benefits</b>	<b>(204,138)</b>	<b>(285,840)</b>
<b>Net assets available for member benefits</b>	<b>13,835,410</b>	<b>13,172,330</b>
<b>Member benefits</b>		
Defined contribution member liabilities	(10,400,484)	(9,676,159)
Defined benefit member liabilities	(3,293,617)	(3,368,270)
Unallocated to members	(1,549)	(900)
<b>Total member liabilities</b>	<b>(13,695,650)</b>	<b>(13,045,329)</b>
<b>Total net assets</b>	<b>139,760</b>	<b>127,001</b>
<b>Equity</b>		
Other reserves	54,842	49,492
Operational risk reserve	35,179	33,543
Defined benefits that are overfunded	49,739	43,966
<b>Total equity</b>	<b>139,760</b>	<b>127,001</b>

## Income Statement for the year ended 30 June 2023

	2023 \$'000	2022 \$'000
<b>Superannuation activities</b>		
Interest income – assets at amortised cost	2,871	165
Interest income – assets at fair value	107,468	72,523
Dividend revenue	231,901	367,802
Distributions from unit trusts	153,756	162,752
Changes in fair value of investments	461,111	(1,081,202)
Other investment income	983	2,650
Other income	196	180
<b>Total superannuation activities income</b>	<b>958,286</b>	<b>(475,130)</b>
Administration expenses	(5,471)	(5,249)
Investment expenses	(38,820)	(47,110)
Operating expenses	(37,347)	(35,969)
<b>Total expenses</b>	<b>(81,638)</b>	<b>(88,328)</b>
<b>Net result from superannuation activities</b>	<b>876,648</b>	<b>(563,458)</b>
<b>Profit/(loss) from operating activities</b>	<b>876,648</b>	<b>(563,458)</b>
Net change in Defined Benefit member liabilities	(188,828)	(53,673)
Net benefits allocated to Defined Contribution member accounts	(640,373)	308,998
<b>Profit/(loss) before income tax</b>	<b>47,447</b>	<b>(308,133)</b>
<b>Income tax (expense)/benefit</b>	<b>(34,688)</b>	<b>139,105</b>
<b>Profit/(loss) after income tax</b>	<b>12,759</b>	<b>(169,028)</b>

## Statement of Changes in Member Benefits for the year ended 30 June 2023

	Defined Contribution Members (DC) \$'000	Defined Benefit Members (DB) \$'000	Total \$'000
<b>Opening balance as at 1 July 2022</b>	9,676,159	3,369,170	13,045,329
Contributions:			
Employer	439,678	66,159	505,837
Member	172,378	7,195	179,573
Transfer from other superannuation plans	258,850	5,884	264,734
Government co-contributions	393	25	418
Income tax on contributions	(64,778)	(9,490)	(74,268)
<b>Net after tax contributions</b>	<b>806,521</b>	<b>69,773</b>	<b>876,294</b>
Benefits to members/beneficiaries			
Benefits to members/beneficiaries	(729,056)	(322,241)	(1,051,297)
Transfer from defined benefit to defined contribution	10,364	(10,364)	-
Insurance premiums charged to members' accounts	(12,048)	-	(12,048)
Death and disability insurance benefits credited to members' accounts	8,171	-	8,171
Benefits allocated to members' accounts, comprising:			
Net investment income	670,162	198,225	868,387
Administration fees	(29,789)	(4,665)	(34,454)
Actuarial deficiency*	-	(4,732)	(4,732)
<b>Closing balance as at 30 June 2023</b>	<b>10,400,484</b>	<b>3,295,166</b>	<b>13,695,650</b>

\* Net change in defined benefit member benefits equates to the relative change in the value of the net assets and the related defined benefit accrued liability.

## Statement of Changes in Member Benefits for the year ended 30 June 2023

	Defined Contribution Members (DC) \$'000	Defined Benefit Members (DB) \$'000	Total \$'000
<b>Opening balance as at 1 July 2021</b>	9,774,430	3,574,001	13,348,431
Contributions:			
Employer	396,797	84,146	480,943
Member	185,393	11,054	196,447
Transfer from other superannuation plans	330,565	8,341	338,906
Government co-contributions	356	19	375
Income tax on contributions	(60,108)	(12,849)	(72,957)
<b>Net after tax contributions</b>	<b>853,003</b>	<b>90,711</b>	<b>943,714</b>
Benefits to members/beneficiaries			
Benefits to members/beneficiaries	(647,671)	(340,971)	(988,642)
Transfer from defined benefit to defined contribution	8,244	(8,244)	-
Insurance premiums charged to members' accounts	(11,810)	-	(11,810)
Death and disability insurance benefits credited to members' accounts	8,961	-	8,961
Benefits allocated to members' accounts, comprising:			
Net investment (loss)	(303,672)	(69,668)	(373,340)
Administration fees	(5,326)	(957)	(6,283)
Actuarial surplus*	-	124,298	124,298
<b>Closing balance as at 30 June 2022</b>	<b>9,676,159</b>	<b>3,369,170</b>	<b>13,045,329</b>

\* Net change in defined benefit member benefits equates to the relative change in the value of the net assets and the related defined benefit accrued liability.

## Statement of Changes in Reserves for the year ended 30 June 2023

	Defined Benefits that are overfunded \$'000	Other reserves \$'000	ORFR \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2022</b>	43,966	49,492	33,543	127,001
Increase in DB member benefits	(188,828)	-	-	(188,828)
Operating result	194,601	5,350	1,636	201,587
<b>Closing balance as at 30 June 2023</b>	<b>49,739</b>	<b>54,842</b>	<b>35,179</b>	<b>139,760</b>

	Defined Benefits that are overfunded \$'000	Other reserves \$'000	ORFR \$'000	Total equity \$'000
<b>Opening balance as at 1 July 2021</b>	168,261	94,255	33,513	296,029
Increase in DB member benefits	(53,673)	-	-	(53,673)
Operating result	(70,622)	(44,763)	30	(115,355)
<b>Closing balance as at 30 June 2022</b>	<b>43,966</b>	<b>49,492</b>	<b>33,543</b>	<b>127,001</b>

## Statement of Cash Flows for the year ended 30 June 2023

	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>		
Interest from cash and cash equivalents	110,339	72,688
Administration expenses	(41,838)	(41,575)
Insurance Proceeds	8,171	8,961
Insurance Premiums	(11,827)	(11,810)
Other expenses	(1,006)	(1,393)
Net income tax refunded/(paid)	19,604	(122,755)
Investment expenses	(38,820)	(47,110)
<b>Net cash inflows/(outflows) from operating activities</b>	<b>44,623</b>	<b>(142,994)</b>
<b>Cash flows from investing activities</b>		
Purchase of investments	(3,380,459)	(6,553,399)
Proceeds from sale of investments	3,519,992	6,678,736
<b>Net cash inflows from investing activities</b>	<b>139,533</b>	<b>125,337</b>
<b>Cash flows from financing activities</b>		
Employer contributions	505,837	480,943
Member contributions	179,573	196,447
Transfers from other superannuation plans received	264,734	338,906
Government co-contributions received	418	375
Benefits paid to members	(1,051,297)	(988,642)
Income tax paid on contributions received	(74,268)	(72,957)
<b>Net cash outflows from financing activities</b>	<b>(175,003)</b>	<b>(44,928)</b>
<b>Net increase/(decrease) in cash</b>	<b>9,153</b>	<b>(62,585)</b>
<b>Cash at the beginning of the financial period</b>	<b>105,337</b>	<b>167,922</b>
<b>Cash at the end of the financial period</b>	<b>114,490</b>	<b>105,337</b>



# MORE INFORMATION ABOUT THE FUND

## Complaints

We're here to actively serve our members, so any complaint gets our full attention. We aim to provide consistently high levels of service and transparency by handling any enquiries or complaints promptly and courteously.

If a member has a complaint about any product or service or about a decision made by the Trustee, the first step is to contact our Member Care team on 1300 547 873 to see if the matter can be resolved.

If they prefer, members can make a complaint in writing to Active Super's Complaints Resolution Manager via:

- email to [complaints@activesuper.com.au](mailto:complaints@activesuper.com.au); or
- letter to: Active Super, PO Box H290, Australia Square NSW 1215; or
- online via the Help and Support section of our website [activesuper.com.au](https://activesuper.com.au)

As required by law, we have arrangements in place to properly consider and deal with:

- standard complaints within 30 days of receipt;
- superannuation trustee complaints within 45 days of receipt; and
- complaints (objections) about a proposed death benefit distribution within 90 days after the expiry of the 28-day period for objecting.

During the financial year ending 30 June 2023, Active Super received 295 complaints. This included:-

- 254 complaints on matters other than insurance; and
- 41 complaints relating to insurance.

The Complaints Resolution Manager ensures complaints are properly considered and that we provide a response as soon as possible. During the 2022/23 financial year, Active Super resolved 30 percent of complaints in five days or less and 70 percent of complaints in 6 or more days.

If our response is delayed due to the complexity of the complaint or circumstances beyond our control, we let members know about the delay before the standard timeframe expires.

Once we resolve a complaint, we also provide the member with an Internal Dispute Resolution response which outlines the final outcome, their right to take the complaint to the Australian Financial Complaints Authority (AFCA), and the contact details for AFCA.

Where Active Super rejects or partially rejects a complaint, we provide reasons for the decision, including identifying and addressing the issues raised in the complaint.

### Australian Financial Complaints Authority (AFCA)

If an issue has not been resolved to a member's satisfaction, they can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

During the financial year ending 30 June 2023, 20 complaints were escalated to AFCA following our internal dispute resolution response.

AFCA can be contacted as follows:

**Website:** [afca.org.au](https://afca.org.au)

**Phone:** 1800 931 678 (free call)

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Mail:** Australian Financial Complaints Authority GPO Box 3 Melbourne, VIC 3001

## Diversity and inclusion

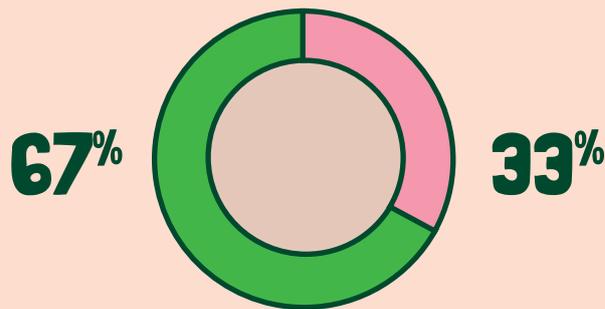
At Active Super, we believe that diversity in the workplace creates a richer flow of ideas, helping to increase creativity and innovation and improve problem solving. This, in turn, can improve organisational financial performance.

In recent years Active Super has made efforts to ensure gender diversity across all levels, and we're starting to see strong outcomes as a result. Currently, 33 percent of Active Super Board members are female.

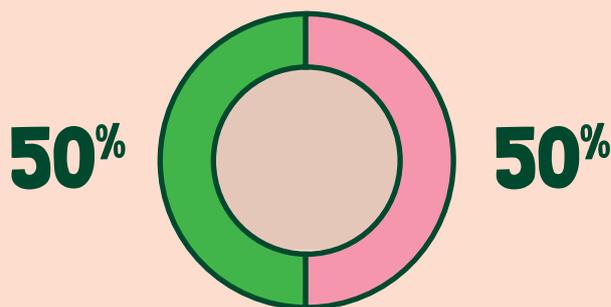
As at 30 June 2023, the average headcount was 103 with 56 male employees and 47 female employees. The male to female ratio is even at Senior Manager levels (11 female and 11 male).

Gender representation is reported to the Governance, Remuneration and Nomination Committee quarterly. An overview is also provided to the Board through the CEO's dashboard reporting. Looking ahead, a key objective of the policy is also to increase cultural diversity in leadership and senior executive positions.

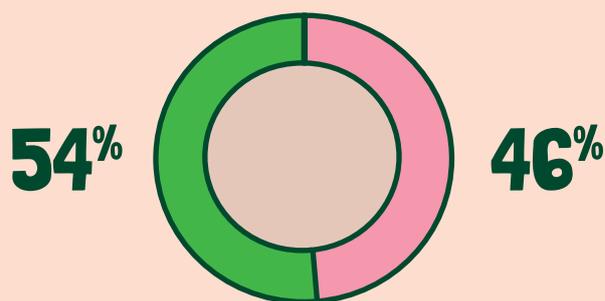
Gender diversity (Board)



Gender diversity (senior managers)



Gender diversity (all staff)



● Male ● Female

## Temporary residents leaving Australia

Temporary residents of Australia who have permanently left Australia may be entitled to take their super with them when they leave.

However, temporary residents can only claim their super benefits from Active Super within six months of departing Australia or within six months of the expiry or cancellation of the visa, whichever event is later.

If they don't claim their money within six months of departing Australia, their super will be paid to the ATO and their Active Super account will be closed without notification. They will then need to contact the ATO directly to claim their super.

Under Australian Securities and Investments Commission relief, we are not required to notify or give an exit statement to a member who was a temporary resident if we are required to transfer their unclaimed super to the ATO in these circumstances.



## Trustee's reserves

By law, the Trustee is responsible for the overall management of its reserves. The Trustee maintains separate reserves for the Accumulation and Defined Benefit products, depending on its specific purpose.

### Accumulation reserves

#### Operational risk financial requirement (ORFR)

The Superannuation Laws require the Trustee to maintain adequate financial resources to address losses arising from operational risks that may affect Active Super within its business operations.

The ORFR is the target amount of financial resources that the Trustee determines is necessary to respond to these losses, should they occur.

The ORFR reserve is required to hold at least 0.25 percent of Active Super's accumulation assets. As stipulated in the Trustee's ORFR Policy, replenishment is required if the level reaches 90 percent of the required balance.

As at 30 June 2023, the Accumulation ORFR was 0.24 percent of Accumulation products' assets (\$9.65 billion).

The Trustee is required to maintain the reserve in accordance with the ORFR policy.

#### Administration reserve

This reserve comprises deductions which are made from members' accounts to cover the cost of administration related expenses of the Fund.

### Tax reserves

As with the Administration Reserve, a provision is made from the Fund's investment earnings for the estimated income tax payable. In addition, the Tax Reserve contains monies deducted from members' accounts for any contributions tax due. These monies, in total, are held until such time as they are required to be remitted to the ATO.

The tax reserves for both the Accumulation and Defined Benefit products have been combined since 30 June 2016.

### Self-insurance reserve

The Self Insurance Reserve is to meet death/invalidity claims within the Accumulation products that relate to the period prior to the commencement of the external insurance arrangements on 1 March 2009.

### Defined Benefit reserves

#### ORFR

As stated above, the Superannuation Laws require the Trustee to maintain adequate financial resources to address losses arising from operational risks that may affect Active Super within its business operations.

The ORFR is the target amount of financial resources that the Trustee determines is necessary to respond to these losses, should they occur.

As at 30 June 2023, the Defined Benefit ORFR was 0.28% of the Defined Benefit product's assets.

The Trustee is required to maintain the reserve in accordance with the ORFR Policy.

## Reserve data

### Accumulation reserves

Year	Admin (\$'000)	Tax (\$'000)	ORFR (\$'000)	Self Insurance (\$'000)
2020	4,559	58,349	23,582	1,352
2021	6,141	111,337	23,726	1,320
2022	10,725	19,146	23,724	1,320
2023	12,850	24,351	25,657	1,152

### Defined Benefit reserves

Year	Defined Benefit (\$'000)	ORFR (\$'000)	Additional Benefit (\$'000)	Admin (\$'000)	Tax (\$'000)
2020	1,806,433	9,696	6,002	-	-
2021	2,037,220	9,787	6,066	-	-
2022	1,820,456	9,819	5,985	-	-
2023	1,790,533	9,522	5,985	-	-

\*From 30 June 2016 onwards, the tax reserves for both the Accumulation and Defined Benefit products were merged.

Movement during the financial year for each of the above-mentioned reserve accounts as at 30 June for the last seven years is as follows:

Year	Admin (\$'000)	Tax (\$'000)	ORFR (\$'000)	Self Insurance (\$'000)
2020	4,552	-50,351	665	-39
2021	1,582	52,988	144	-32
2022	4,584	-41,690	-2	-
2023	2,125	5,205	1,933	-168

## Defined Benefit reserves

Year	Defined Benefit (\$'000)	ORFR (\$'000)	Additional Benefit (\$'000)	Admin (\$'000)	Tax (\$'000)
2020	-111,998	353	-	-	-
2021	230,787	91	64		
2022	-216,764	32	-81	-	-
2023	-29,923	-297	-	-	-

\*From 30 June 2016 onwards, the tax reserves for both the Accumulation and Defined Benefit products were merged.

### Defined Benefits Reserve

The Defined Benefits Reserve represents the value of assets that are assessed by the actuary on an annual basis to ensure that employers have sufficient assets to cover future liabilities.

### Additional Benefit Reserve

The Additional Benefit Reserve represents an amount held by the Fund to pay out any death and invalidity insurance claims.

### How are the Reserves invested?

The Defined Benefits Reserve is invested in a Growth style investment strategy. Except for the ORFR reserve, the other reserves are held effectively in cash, either in an 'at call' bank account or in a short-term notice account. The ORFR reserve is invested in a balanced option. All reserves are quarantined from the Fund's other investments.



# IMPORTANT CHANGES AND EVENTS

Here is a summary of the major events that affected Active Super and our members throughout the 2022/23 financial year.

## Trust Deed changes

Effective 5 July 2023, the Trustee amended Schedule 2 of its Trust Deed on 5 July 2023 to allow contributing Retirement Scheme members who have obtained the Scheme maximum of 180 benefit points to reduce their contribution rate part-way through the superannuation year.

This provision will allow this group of Retirement Scheme members to better manage their concessional contributions against the legislated concessional contributions cap.

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## Proposed merger with Vision Super

Active Super is progressing with the proposed merger with Vision Super. Details of the latest merger update and frequently asked questions can be found on our website under the 'News and Events' section.

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## Asset allocation changes

We regularly review the investment strategy and asset allocation of the investment options available within each of our schemes.

In May 2023, as part of our regular review, the Board made some strategic changes to the allocation between growth and defensive assets. These changed the yearly projected returns, which in turn affected the risk label for the investment options.

The changes can be seen in the following tables.

## Accumulation Scheme

### Asset allocation changes

Option name	Asset class	Old range (%)	New range (%)
Lifestage Accelerator	Private Credit	0 - 6	0 - 5
High Growth	Liquid Alternatives	0 - 5	0 - 0
Lifestage Accumulator	Private Credit	0 - 6	0 - 5
Balanced	Liquid Alternatives	0 - 5	0 - 0
Lifestage Appreciator	Private Credit	0 - 6	0 - 5
Conservative Balanced	Liquid Alternatives	0 - 5	0 - 0
Conservative	International Listed Property	0 - 6	0 - 10
	Private Equity	0 - 7	0 - 5
	Short Term Fixed Interest	10 - 30	8 - 28
	Liquid Alternatives	0 - 5	0 - 0
	Infrastructure	2 - 12	0 - 10
	Cash	5 - 15	0 - 20

### Risk label

Option name	Old risk label	New risk label
Lifestage Accelerator High Growth	High Projected <b>4.8 years</b> of negative annual returns in any 20-year period	High Projected <b>4.7 years</b> of negative annual returns in any 20-year period
Lifestage Accumulator Balanced	High Projected <b>4.2 years</b> of negative annual returns in any 20-year period	High Projected <b>4.1 years</b> of negative annual returns in any 20-year period
Conservative	Low to medium Projected <b>1.3 years</b> of negative annual returns in any 20-year period	Low to medium Projected <b>1.6 years</b> of negative annual returns in any 20-year period

## Retirement Scheme

### Asset allocation changes

Option name	Asset class	Old range (%)	New range (%)
High Growth	Private Credit	0 - 6	<b>0 - 5</b>
	Liquid Alternatives	0 - 5	<b>0 - 0</b>
Growth	Private Credit	0 - 6	<b>0 - 5</b>
	Liquid Alternatives	0 - 5	<b>0 - 0</b>
Balanced	Private Credit	0 - 6	<b>0 - 5</b>
	Liquid Alternatives	0 - 5	<b>0 - 0</b>
Conservative Balanced	Private Credit	0 - 6	<b>0 - 5</b>
	Liquid Alternatives	0 - 5	<b>0 - 0</b>
Conservative	International Listed Property	0 - 6	<b>0 - 10</b>
	Private Equity	0 - 7	<b>0 - 5</b>
	Short Term Fixed Interest	10 - 30	<b>8 - 28</b>
	Liquid Alternatives	0 - 5	<b>0 - 0</b>
	Infrastructure	2 - 12	<b>0 - 10</b>
	Cash	5 - 15	<b>0 - 20</b>

### Risk label

Option name	Old risk label	New risk label
High Growth	High Projected <b>4.8 years</b> of negative annual returns in any 20-year period	High Projected <b>4.7 years</b> of negative annual returns in any 20-year period
Growth	High Projected <b>4.2 years</b> of negative annual returns in any 20-year period	High Projected <b>4.1 years</b> of negative annual returns in any 20-year period
Balanced	High Projected <b>4.2 years</b> of negative annual returns in any 20-year period	High Projected <b>4.1 years</b> of negative annual returns in any 20-year period
Conservative	Low to medium Projected <b>1.3 years</b> of negative annual returns in any 20-year period	Low to medium Projected <b>1.6 years</b> of negative annual returns in any 20-year period

## Account-Based Pension

### Asset allocation changes

Option name	Asset class	Old range (%)	New range (%)
High Growth	Private Credit	0 - 6	0 - 5
	Liquid Alternatives	0 - 5	0 - 0
Balanced	Private Credit	0 - 6	0 - 5
	Liquid Alternatives	0 - 5	0 - 0
Conservative Balanced	Private Credit	0 - 6	0 - 5
	Liquid Alternatives	0 - 5	0 - 0
Conservative	International Listed Property	0 - 6	0 - 10
	Private Equity	0 - 7	0 - 5
	Short Term Fixed Interest	10 - 30	8 - 28
	Liquid Alternatives	0 - 5	0 - 0
	Infrastructure	2 - 12	0 - 10
	Cash	5 - 15	0 - 20

### Risk label

Option name	Old risk label	New risk label
High Growth	High Projected <b>4.8 years</b> of negative annual returns in any 20-year period	High Projected <b>4.7 years</b> of negative annual returns in any 20-year period
Balanced	High Projected <b>4.2 years</b> of negative annual returns in any 20-year period	High Projected <b>4.1 years</b> of negative annual returns in any 20-year period
Conservative	Low to medium Projected <b>1.3 years</b> of negative annual returns in any 20-year period	Low to medium Projected <b>1.6 years</b> of negative annual returns in any 20-year period

## Defined Benefits Scheme

### Asset allocation changes

Option name	Asset class	Old range (%)	New range (%)
Defined Benefit Strategy	Short Term Fixed Interest	4 - 24	5 - 25
	Liquid Alternatives	0 - 5	0 - 0

### Risk label

Please note that we are not required to disclose a risk label for the Defined Benefit Strategy.



## Legislative and regulatory changes

The following is a summary of new and changed legislation which could affect Active Super and its members.

### Expansion of the First Home Super Saver Scheme

The maximum withdrawal from the First Home Super Saver Scheme increased from \$30,000 to \$50,000 from 1 July 2022.

From 1 July 2022, members can withdraw up to \$50,000 per person from their super to buy their first home, up from the previous limit of \$30,000 per person. The other conditions of the First Home Super Saver Scheme still apply.

### Reduced maximum age to make a 'bring forward' non-concessional contribution

From 1 July 2023, those aged between 67 and 74 can make use of the 'bring forward' non-concessional contributions rule. This option was previously only available to those aged 67 or younger.

### Minimum threshold for Superannuation Guarantee contributions abolished

From 1 July 2022, Superannuation Guarantee contributions are payable to eligible employees, who may include contractors, earning less than \$450 per month. Previously employers were not required to pay Superannuation Guarantee contributions to those employers who earned less than \$450 (before tax) in salary wages in a given month.

### Increase to the Super Guarantee

From 1 July 2023 the rate of Super Guarantee increased to 11 percent. It will continue to increase by 0.5 percent on 1 July each year until it reaches 12 percent in 2025.

## Have a question?

**Visit:** [activesuper.com.au](https://activesuper.com.au)

**Virtual assistant:** Our virtual assistant 'Ace' is available 24/7. From your mobile phone, go to [activesuper.com.au](https://activesuper.com.au) and click 'WhatsApp Chat' at the bottom right.

**Live chat:** Go to [activesuper.com.au](https://activesuper.com.au) and click Live Chat at the bottom right.

**Email:** [hello@activesuper.com.au](mailto:hello@activesuper.com.au)

**Call:** 1300 547 873 between 8.30am and 6.00pm, Monday to Friday.

### Offices

**Sydney** Level 12, 28 Margaret Street

**Newcastle** 15 Lambton Road, Broadmeadow

**Wollongong** Shop 2, 60 Burelli Street

Offices in Orange, Parramatta, Tamworth, Ballina and Wagga Wagga are available by appointment only.

Bookings are essential.

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