31 March 2025

Investment and Fees Handbook

The information in this document forms part of the **Aware Super Future Saver Product Disclosure Statement** (PDS) dated 1 October 2024 for:

Aware Super Future Saver Employer Sponsored and Personal

Aware Super Future Saver NSW Police Officers

Aware Super Future Saver Ambulance Officers

Prepared and issued by Aware Super Pty Ltd ABN 11 118 202 672, AFSL 293340 as trustee of Aware Super ABN 53 226 460 365

Contents

The information in this document forms part of the Aware Super Future Saver Product Disclosure Statement (PDS) dated 1 October 2024, which is available and can be found at **aware.com.au/pds** or by contacting the Member Support Team on **1300 650 873**. Issued by Aware Super Pty Ltd (ABN 11 118 202 672, AFSL 293340) the trustee for Aware Super (ABN 53 226 460 365). This Investment and Fees Handbook (Handbook) has been prepared by Aware Super Pty Ltd (referred to in this document as the 'trustee', 'we', 'us', 'our'), the trustee for Aware Super (referred to in this document as 'Aware Super' or 'the fund'). The fund is governed by a trust deed ('Trust Deed') as amended from time to time. For a copy of the Trust Deed see **aware.com.au/policies** or alternatively, you can contact the Member Support Team on **1300 650 873**.

This Handbook contains general information only and does not take into account your specific objectives, financial situation or needs. Seek professional financial advice, consider your own circumstances and read the Aware Super Future Saver PDS and target market determination (TMD) before making a decision about investing in the Aware Super Future Saver product. Contact us to make an advice appointment. Advice is provided by Aware Financial Services Australia Limited (ABN 86 003 742 756, AFSL 238430), our financial planning business which is wholly owned by us. You should read the Aware Financial Services Australia Limited Financial Services Guide before making a decision. For more information call the Member Support Team on **1300 650 873**.

The information contained in this Handbook was accurate at the time of its preparation. However, some of the information can change from time to time and the trustee can change matters which are the subject of representations made in the PDS and this Handbook. If the change is not materially adverse, the updated information will be available on our website at **aware.com.au/pdsupdates**. A paper copy of this Handbook and any update will be available free of charge by contacting us on **1300 650 873**. We may change any matter in the PDS and this Handbook without member consent, but in the case of an increase in fees and charges, we will notify members at least 30 days before the change occurs. **If there is an inconsistency between the information in this publication and the terms of the Trust Deed, the Trust Deed will prevail.**

This offer is only made to persons receiving this Handbook and the applicable PDS (electronically or otherwise) in Australia.

Things to consider before you invest

There are a few things to consider before deciding how to invest your super.

Your investment timeframe

This is the number of years until you expect to retire, as well as how long your savings will continue to be invested after you retire. The below table provides an estimate of how long your super may be invested for.

	Investment timeframe	
Current age	Until retirement (age 65)	Until late in retirement (age 95)
20	45 years	75 years
30	35 years	65 years
40	25 years	55 years
50	15 years	45 years
60	5 years	35 years
65	0 years	30 years

As shown in the table, your super may be invested for a very long time. This can mean that short-term fluctuations, even over a year or two, don't have a significant impact over 10 or 20 years. If you aren't close to retirement and have a long investment timeframe, it can therefore be a good idea to invest in an investment mix with a high allocation to growth assets like shares. This will help to maximise the returns from your super over the long term.

Your attitude to risk

All investments involve some level of risk, so it's important to consider how comfortable you are with it. How you feel about investment prices going up and down can help you work out your tolerance to risk. It's important to be prepared to accept fluctuations in your account balance if you choose an investment mix with a higher level of risk. This can help you manage your reaction to short-term market movements and stick to your long-term investment strategy.

How hands-on you want to be

If you don't make an investment choice, we'll invest your super in our default MySuper Lifecycle approach which automatically adjusts your investment mix based on your age. But if you'd like to make your own investment choice, we offer investment options that you can mix and match, depending on how hands-on you want to be in managing your super.

We have a track record of delivering strong long-term returns[1] and competitive fees[2] to help our members achieve their best possible retirement outcomes.

Get in touch – we're here to help

Call us on **1300 650 873** (from outside Australia +61 3 9131 6373) and speak to a super consultant.

Browse our website

aware.com.au

Manage your account online

Visit our website to login

Speak to an adviser

We offer advice over the phone, online and in person. Call us on **1300 650 873** or visit **aware.com.au/advice** to book.

Download our app

aware.com.au/mobileapp

Our aim is to deliver the best possible retirement outcomes for our members. This means we invest for the long term and focus on choosing good-quality investments in Australia and overseas to grow your super over time.

[1] Our Future Saver High Growth option delivered an average return of 8.83% p.a. over the 10 years to 30 June 2024 and ranked in the top 10 over 5, 7 and 10-year periods, as published in the 30 June 2024 SuperRatings Fund Crediting Rate Survey (SR50 Growth (77-90) Index). Returns are after tax and investment management expenses but before the deduction of administration fees. Past performance is not an indicator of future performance.

[2] The total estimated annual fee (inclusive of investment fees and costs, transaction costs and administration fees) for our Future Saver High Growth option for members with a $100,000 balance is 0.94%, versus an overall average of 1.13%, as published in the Chant West Super Fund Fee Survey, June 2024 (High Growth [81-95%]).

Your investment options

Our broad range of investment options gives you choice and flexibility to help you meet your investment goals and preferences.

The majority of our members are invested in our default MySuper Lifecycle approach. If you don't make an investment choice, this is where we will invest your super. But if you'd like to make your own investment choice, we offer nine diversified investment options and six single asset class options for you to choose from. You can invest in one option or a combination, and can switch options at any time free of charge.

Our investment menu

Default approach

MySuper Lifecycle

We have designed an investment approach that automatically adjusts your investment mix based on your age. This is known as MySuper Lifecycle and it uses a mix of three of our Core investment options – High Growth, Balanced, and Conservative Balanced - to form the eleven Lifecycle stages.

We do all the work for you, so your super balance, future contributions and any rollovers will be automatically switched into the relevant investment mix as you get older, helping strike a balance between risk and return to suit your age.

See page 5 for more details.

Remember: We're not responsible for which investment option(s) you select and we don't review your choice. If you select from our Choice menu, you should review your choices from time to time because, unlike the MySuper Lifecycle approach, your account balance won't be gradually transitioned to a lower risk profile automatically as you get older. You will remain in your selected investment option(s) until you make another selection. You can switch to our MySuper Lifecycle approach at any time online.

Choice menu

Diversified investment options

Our diversified investment options invest in different combinations of asset classes, with a mix of growth assets (like Australian and international shares) and defensive assets (like cash and fixed income). We manage the asset allocations for each diversified investment option.

We offer three diversified investment option styles.

Core	Socially Conscious
High Growth	High Growth Socially Conscious
Balanced	Balanced Socially Conscious
Conservative Balanced	**Indexed**
Conservative	High Growth Indexed
Defensive	Balanced Indexed

Our **Core** investment options are invested using a range of investment managers and styles, and include allocations to both listed investments like shares, and unlisted assets like infrastructure and property.

Our **Socially Conscious** options are designed for members that prefer to limit their exposure to certain investments that have an adverse environmental or social impact. Like the Core options, these options are invested using a range of investment managers and investment styles, and invest in both listed and unlisted assets. See pages 20 to 23 for more information.

We also offer **Indexed** options for members seeking a simple, low-cost way to invest their super. The asset classes within these options are passively managed to form portfolios that closely track a market benchmark. Unlike the Core and Socially Conscious investment options which invest in a wide range of asset classes, these options only invest in shares, fixed income and cash. See page 24 for more information.

Refer to 'Diversified investment option styles' on page 15 for a comparison of these three investment styles.

Single asset class investment options

Our single asset class investment options are low-cost options that invest in just one asset class, using one investment style only.

Australian Shares	Bonds
International Shares	Cash
Property	Term Deposit

These options allow you to be more hands-on in choosing and managing your investment strategy. However, keep in mind that not all asset classes are offered as a single asset class investment option.

If you choose one or more single asset class options without adequately diversifying, you may expose your super to greater risk.

We may add, close, or terminate investment options, add or remove investment managers, or alter the objectives, asset allocation targets or ranges of a Choice option or the MySuper Lifecycle approach at any time. We will notify you about any material changes, although where permitted by law, this may be after the change has occurred. If you have money in an investment option that we decide to discontinue, you may have an opportunity to switch to any of our other investment options. Alternatively, we may switch your money to an investment option with a similar risk/return profile.

MySuper Lifecycle

If you're unsure about how to invest your super or don't want to make an investment choice, our MySuper Lifecycle approach might be suitable for you.

Your age can play a big part in what you need from your super – whether you're looking to **Grow** your savings while you're younger, **Manage** the balance between risk and return as you move through life, or **Enjoy** your savings in retirement.

Grow — Age 55 and under

Stage 1

When retirement is a long time away, you have time to ride the ups and downs of investment markets. This means your super can be invested in higher growth investments to make the most of the potential to grow your savings. These investments can rise and fall over short periods of time. However, in the long term they tend to grow your balance more than other investments.

During the Grow phase 100% of your balance is invested in our High Growth option.

Manage — From age 56 to 64

Stages 2–10

As you get closer to retirement, your super will have less time to ride out market ups and downs. In this phase we gradually transition your investments away from the High Growth option into the Balanced option, and then the Conservative Balanced option. Each year on your birthday*, small changes will be made automatically to how your account is invested. This will gradually reduce your allocation to growth assets and will reduce your investment risk over time.

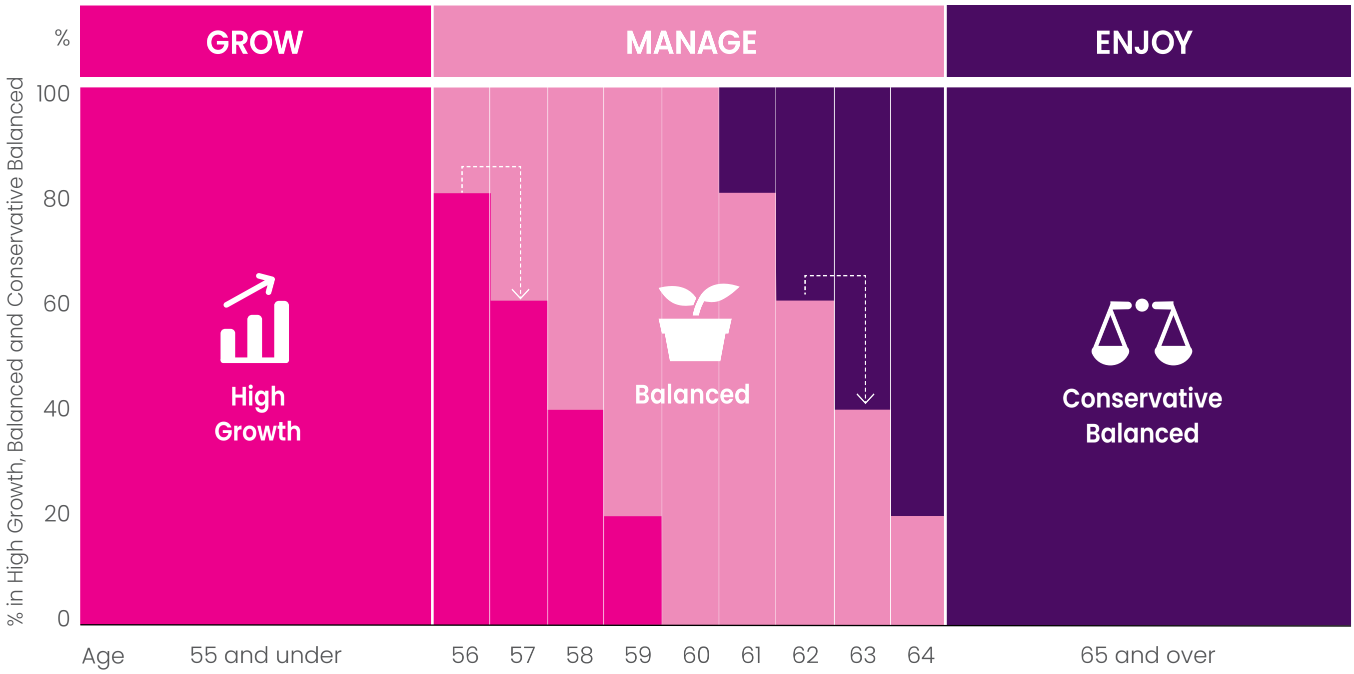
* If your birthday falls on a non-business day, your account will be adjusted on the following business day.

Enjoy — Age 65 and over

Stage 11

During this phase, 100% of your super is invested in our Conservative Balanced option. This option invests in a fairly balanced mix of growth and defensive assets and is designed to maintain some growth in your investments while helping guard against large market falls.

You can expect some years when returns are negative. However, keep in mind that even in retirement you will generally still have a long-term investment timeframe. So staying invested in some growth assets can help your retirement savings and income last for you.



For more information on each Lifecycle stage refer to the tables on the following pages.

Make sure you familiarise yourself with the information under 'Making an investment choice' starting on page 8 – particularly the concepts of risk and volatility – so you know what to expect from your investments over time.

	Grow – Age 55 and under		Manage – Age 56		Manage – Age 57		Manage – Age 58	
Investment objective[1]	CPI + 4.00%		CPI + 3.95%		CPI + 3.90%		CPI + 3.85%	
Minimum suggested investment timeframe[2]	10 years		9 years		9 years		8 years	
Investment option allocation								
High Growth	100%		80%		60%		40%	
Balanced			20%		40%		60%	
Growth/defensive allocation[3]	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**
Growth assets	88%	68% – 100%	85%	65% – 99%	83%	63% – 98%	80%	60% – 97%
Defensive assets	12%	0% – 32%	15%	1% – 35%	17%	2% – 37%	20%	3% – 40%
Asset allocation	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**
Australian shares	26.5%	16% – 37%	25.6%	15% – 36%	24.7%	14% – 35%	23.8%	14% – 34%
International shares	39.5%	29% – 50%	38.2%	28% – 49%	36.9%	27% – 47%	35.6%	25% – 46%
Private equity	8%	0% – 28%	7.6%	0% – 28%	7.2%	0% – 27%	6.8%	0% – 27%
Infrastructure	11.5%	0% – 32%	11.5%	0% – 32%	11.5%	0% – 32%	11.5%	0% – 32%
Property	6.5%	0% – 27%	6.5%	0% – 27%	6.5%	0% – 27%	6.5%	0% – 27%
Liquid alternatives (Growth)	1%	0% – 21%	1%	0% – 21%	1%	0% – 21%	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 10%	0%	0% – 10%	0%	0% – 10%	0%	0% – 10%
Credit income	3%	0% – 23%	3.4%	0% – 23%	3.8%	0% – 24%	4.2%	0% – 24%
Fixed income	0%	0% – 10%	2%	0% – 13%	4%	0% – 16%	6%	0% – 19%
Cash	4%	0% – 15%	4.2%	0% – 21%	4.4%	0% – 27%	4.6%	0% – 33%
Total	**100%**		**100%**		**100%**		**100%**	
Currency exposure[4]	26.5%	0% – 50%	25.6%	0% – 49%	24.7%	0% – 47%	23.8%	0% – 46%
Risk								
Short-term risk[5]	6 – High		6 – High		6 – High		6 – High	
Long-term risk[6]	2 – Low		2 – Low		2 – Low		2 – Low	
Estimated number of negative annual returns over any 20-year period	4 to less than 6		4 to less than 6		4 to less than 6		4 to less than 6	

	Manage – Age 59		Manage – Age 60		Manage – Age 61		Manage – Age 62	
Investment objective[1]	CPI + 3.80%		CPI + 3.75%		CPI + 3.55%		CPI + 3.35%	
Minimum suggested investment timeframe[2]	8 years		7 years		7 years		6 years	
Investment option allocation								
High Growth	20%							
Balanced	80%		100%		80%		60%	
Conservative Balanced					20%		40%	
Growth/defensive allocation[3]	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**
Growth assets	78%	58% – 96%	75%	55% – 95%	72%	52% – 92%	69%	49% – 89%
Defensive assets	22%	4% – 42%	25%	5% – 45%	28%	8% – 48%	31%	11% – 51%
Asset allocation[4]	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**
Australian shares	22.9%	13% – 33%	22%	12% – 32%	20.8%	11% – 31%	19.6%	10% – 30%
International shares	34.3%	24% – 44%	33%	23% – 43%	31.2%	21% – 41%	29.4%	19% – 39%
Private equity	6.4%	0% – 26%	6%	0% – 26%	5.8%	0% – 26%	5.6%	0% – 26%
Infrastructure	11.5%	0% – 32%	11.5%	0% – 32%	11.3%	0% – 32%	11.1%	0% – 32%
Property	6.5%	0% – 27%	6.5%	0% – 27%	6.7%	0% – 27%	6.9%	0% – 27%
Liquid alternatives (Growth)	1%	0% – 21%	1%	0% – 21%	1%	0% – 21%	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 10%	0%	0% – 10%	0%	0% – 12%	0%	0% – 14%
Credit income	4.6%	0% – 25%	5%	0% – 25%	5.4%	0% – 25%	5.8%	0% – 26%
Fixed income	8%	0% – 22%	10%	0% – 25%	11.4%	0% – 27%	12.8%	0% – 29%
Cash	4.8%	0% – 39%	5%	0% – 45%	6.4%	0% – 48%	7.8%	0% – 51%
Total	**100%**		**100%**		**100%**		**100%**	
Currency exposure[5]	22.9%	0% – 44%	22%	0% – 43%	20.8%	0% – 41%	19.6%	0% – 39%
Risk								
Short-term risk[6]	6 – High		6 – High		6 – High		5 – Medium to High	
Long-term risk[7]	2 – Low		2 – Low		2 – Low		2 – Low	
Estimated number of negative annual returns over any 20-year period	4 to less than 6		4 to less than 6		4 to less than 6		3 to less than 4	

	Manage – Age 63		Manage – Age 64		Enjoy – Age 65 and over	
Investment objective[1]	CPI + 3.15%		CPI + 2.95%		CPI + 2.75%	
Minimum suggested investment timeframe[2]	6 years		5 years		5 years	
Investment option allocation						
Balanced	40%		20%			
Conservative Balanced	60%		80%		100%	
Growth/defensive allocation[3]	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**
Growth assets	65%	45% – 85%	62%	42% – 82%	59%	39% – 79%
Defensive assets	35%	15% – 55%	38%	18% – 58%	41%	21% – 61%
Asset allocation[4]	**Target**	**Range**	**Target**	**Range**	**Target**	**Range**
Australian shares	18.4%	8% – 28%	17.2%	7% – 27%	16%	6% – 26%
International shares	27.6%	18% – 38%	25.8%	16% – 36%	24%	14% – 34%
Private equity	5.4%	0% – 25%	5.2%	0% – 25%	5%	0% – 25%
Infrastructure	10.9%	0% – 31%	10.7%	0% – 31%	10.5%	0% – 31%
Property	7.1%	0% – 28%	7.3%	0% – 28%	7.5%	0% – 28%
Liquid alternatives (Growth)	1%	0% – 21%	1%	0% – 21%	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 16%	0%	0% – 18%	0%	0% – 20%
Credit income	6.2%	0% – 26%	6.6%	0% – 27%	7%	0% – 27%
Fixed income	14.2%	0% – 31%	15.6%	0% – 33%	17%	0% – 35%
Cash	9.2%	0% – 54%	10.6%	0% – 57%	12%	0% – 60%
Total	**100%**		**100%**		**100%**	
Currency exposure[5]	18.4%	0% – 38%	17.2%	0% – 36%	16%	0% – 34%
Risk						
Short-term risk[6]	5 – Medium to High		5 – Medium to High		5 – Medium to High	
Long-term risk[7]	3 – Low to Medium		3 – Low to Medium		3 – Low to Medium	
Estimated number of negative annual returns over any 20-year period	3 to less than 4		3 to less than 4		3 to less than 4	

[1] Per annum over rolling 10-year periods after taking into account fees, costs and tax. Investment objectives can't be relied on as a forecast of future performance, but they can give you an idea of the expected return. We periodically review the investment objective for each Lifecycle stage and investment option and may change them from time to time.

[2] This is the minimum investment timeframe we suggest for our MySuper Lifecycle approach overall. This may vary depending on your age when you start investing in Lifecycle.

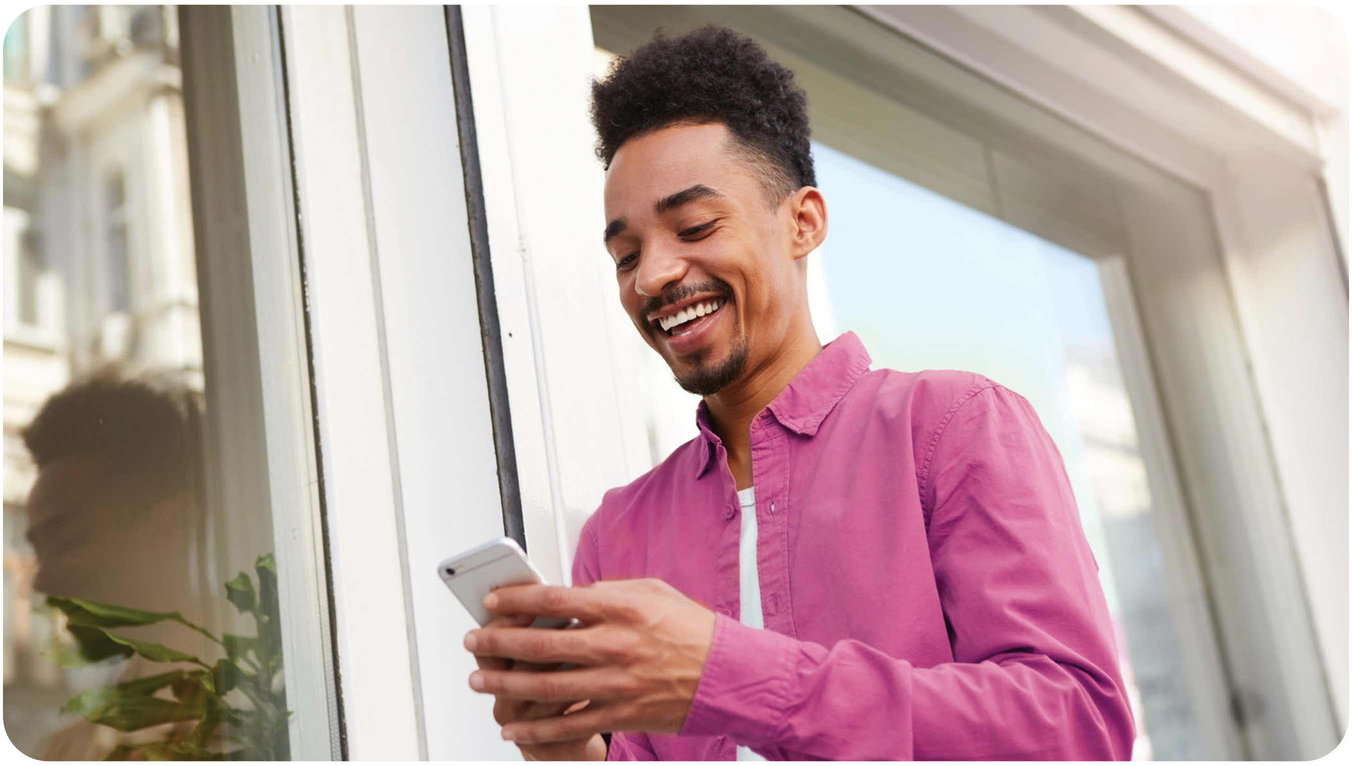
[3] How the Lifecycle stage is invested in growth assets like shares, and defensive assets like cash and fixed income. See 'Understanding asset classes' on page 12 for more information.

[4] How the investment option is spread across different asset classes. We typically review the asset allocations of each option annually and may adjust them from time to time. For more information see the 'Asset allocation' section on page 14.

[5] The proportion of assets affected by currency movements. For more information see 'Foreign currency management' on page 32.

[6] How risky the Lifecycle stage is considered to be in the short-term using the Standard Risk Measure. Refer to the 'Understanding risk and return' section on page 9 for more information.

[7] The risk of the Lifecycle stage not providing a sufficient return above inflation to stay ahead of the rising cost of living and allow you to maintain your lifestyle in retirement. Refer to the 'Understanding risk and return' section on page 9 for more information.



Making an investment choice

This section is designed to help you navigate the ins and outs of investing your super.

Make sure you read this section and consider your options carefully, especially if you decide to choose your own investment mix rather than invest in our MySuper Lifecycle approach. You should also review your choices from time to time to make sure they are still appropriate for your circumstances, especially as you get closer to retirement. And get in touch if you need help.

Super helpful tip: Different investment options may carry different levels of risk depending on the assets that make up the investment option. When choosing an investment option, you should consider the level of investment risk that is appropriate for you. This will depend on factors such as your age, investment timeframe, where other parts of your wealth are invested and your attitude to risk.

The investment decisions you make today can make a big difference to the amount of super you retire with. Learning the basics of investing will help you make better decisions now and in the future.

Understanding risk and return

To grow your super over the long term, you need to take some risk. All investments involve some level of risk. The level of risk depends largely on the type of investments (known as asset classes) you're invested in. But that's not the whole picture. The key short-term and long-term risks described below are also important to consider to help you select the right level of risk for your circumstances.

Key investment concepts

Risk
The chance the return of an investment will be different (higher or lower) from what you expected.

Volatility
The amount of variability in an investment's return, either positive or negative.

Return
The sum of the income earned by an investment plus the amount it goes up or down in value over time.

Risk and volatility are related. If an investment is more volatile, there is a higher risk of not meeting your shorter-term return expectations, but generally a lower risk of not meeting your longer-term return expectations.

Short-term risk – market volatility

One of the main risks to your super savings over shorter time periods (less than 5 years) is market volatility. This is the risk of market ups and downs reducing the value of your savings.

In general, the higher the long-term return you're aiming for, the greater the risk of the value of your investment going up and down in the short term. For example, share investments have the potential to produce strong long-term returns. However, their returns can be volatile in the short term which can make for a bumpy ride. As a result, returns from investment options with a high allocation to shares and other growth assets can vary a lot, and there's a greater chance of a negative return in any one year. By comparison, options which invest mostly in defensive assets, like cash and fixed income (bonds) tend to produce lower, but more stable, returns.

Long-term risk – returns being less than required

Given for most people super is a long-term investment, it's important to keep in mind that market ups and downs aren't the only risk to consider. One of the main risks over longer periods (10 years +) is that your investments don't generate a sufficient return above inflation to stay ahead of the rising cost of living and allow you to maintain your lifestyle in retirement. Inflation reduces the buying power of your savings, meaning the things you buy and activities you enjoy now could cost a lot more by the time you retire. Even small annual price increases can add up over time. For example, if we assume an average annual inflation rate of 2.5%, in 30 years' time everyday items like a cup of coffee or loaf of bread could cost you more than double what they cost you today. Inflation is therefore something you need to think about when choosing your investment option(s), particularly if you have a long-term investment timeframe.

One way you can grow your retirement savings above inflation is by choosing investments expected to generate returns above inflation over the long term. In general, investment options with a higher weighting to growth assets, like Australian and international shares, are expected to outperform inflation over the long term. By contrast, investment options that invest mostly in defensive assets, like cash and fixed income, may not earn a sufficient return above inflation to provide you with enough money for retirement.

Risk levels of investment options

When choosing your investment option(s), the risks you need to consider may be different depending on how long you plan to invest and when you will begin drawing an income from your super. Use the chart on page 1 to think about how long your super will be invested, how long you have to ride out market ups and downs, and how this could impact your investment choices.

To help guide you with your decision, we've provided an estimated short and long-term risk measure for each investment option and Lifecycle stage. These are summarised in the table below and are shown for each investment option in the 'Investment option profiles' section starting on page 16, and in the Lifecycle stage profiles on pages 6 to 7.

	Short term	Long term
Investing for	Less than 5 years	10 years +
Key risk	Not having enough time to recover from adverse market movements.	Your investments not generating a sufficient return above inflation.
Risk measure[1]	The likelihood of negative returns in a given year. Also known as the Standard Risk Measure.	The likelihood of returns being less than CPI[2] +3.5% p.a. This is the approximate return the average member will likely require from their super while they are working to be able to maintain their lifestyle in retirement.

[1] To learn more about how we calculate short and long-term risk measures, including the assumptions and limitations, visit **aware.com.au/investmentandrisk**.

[2] The Consumer Price Index, the official measure of inflation.

The short and long-term risk measures can help when choosing the right investment for your circumstances.

- Are you investing your super for a long time? If so, long-term risk will usually be the most relevant risk measure. You may want to invest your savings into an option or options with a low long-term risk measure and a higher allocation to growth assets that is expected to grow your savings above inflation over time.
- Do you plan to start spending your savings over the next five or so years (for example because you are approaching retirement)? If so, both short and long-term risk will likely be important. Choosing an investment option which puts you in a well-rounded position across both risk measures and has a lower allocation to growth assets may be more appropriate. This is because a market downturn over this time could mean you don't have enough time for your savings to recover.

Our MySuper Lifecycle approach is designed to help you manage the level of short-term and long-term risks based on your age and estimated investment timeframe. In Lifecycle, until age 56 your super is invested in our High Growth option which has a long-term risk measure of '2 – Low' and a short-term risk measure of '6 – High'. This means it is expected to manage the long-term risk of not having enough savings/ beating inflation well, but you will need to ride out some market ups and downs along the way. Between age 56 and 65 your super is gradually transitioned into our Conservative Balanced option which puts you in a well-rounded position across both risk measures.

Whatever your choice, remember that all investment options, apart from the Cash and Term Deposit options, will experience some market volatility.

So you should make sure you select an investment option that you're comfortable holding through market ups and downs for the recommended minimum timeframe.

Selecting an investment option with the right risk level for you is important because it can have a significant impact on your account balance. However, keep in mind that your super savings, and therefore the income you receive in retirement, will be impacted by a range of factors. This includes the number of years you work and contribute to super, the size of your contributions, and whether you withdraw any of your super early.

Significant investment risks

All investments are subject to varying risks. Before choosing how to invest your super you should consider the risks associated with investing. Some of the key investment risks to consider are summarised below.

Market volatility risk	The risk of the market ups and downs reducing the value of your savings.
Longevity risk	The risk that you live longer than your savings can provide for you financially in retirement.
Inflation risk	The risk that your super doesn't keep up with the rising cost of living over time (inflation).
Market timing risk	The risk that trying to predict and time the market, such as when switching options, leads to buying or selling investments at the wrong time, impacting your returns.
Sequencing risk	The risk of poor returns at the wrong time, such as the start of retirement. Our MySuper Lifecycle approach helps mitigate this risk by transitioning members gradually between the High Growth and Conservative Balanced options from ages 56 to 65.
Illiquidity risk	The risk that an investment can't be sold quickly without a loss in value. We reduce this risk by limiting our illiquid investments (like property, infrastructure and private equity) and regularly monitoring liquidity.
Currency risk	The risk associated with movements in exchange rates. A higher Australian dollar can reduce returns on international investments, while a lower Australian dollar can improve returns.
Interest rate risk	Changes in interest rates can affect the value of investments. For example, when interest rates go up, the value of existing fixed income investments such as bonds typically decreases. When interest rates go down, the value of these investments typically increases. Our Bonds and more conservative diversified investment options are most sensitive to these changes.
Climate risk	The risk that not taking action on climate change, or the consequences of climate change itself, will adversely affect the investment performance of specific sectors, companies or assets.
Gearing (leverage) risk	Borrowing to invest amplifies the potential gains and losses from an investment. We manage this risk by limiting and monitoring gearing in our investment options.
Counterparty risk	The risk of loss if another party in a transaction can’t meet its payment obligations. Investment products such as bonds and derivatives carry counterparty risk.

Did you know?

30 years from now, assuming an annual inflation rate of 2.5%, you may need more than twice the amount of money to buy what you can today.

Diversify to manage risk

While investment risk can’t be completely removed, there are some strategies that may assist in managing it. One way to manage investment risk is to spread your money across different types of investments and asset classes. This is called diversification.

Diversifying your investments can reduce the amount of money you could lose if one investment or asset class performs poorly. This is because not all investments and asset classes perform in the same way at the same time. For example, when one is performing poorly, another may perform well, lessening the impact on your overall returns.

Investments can be diversified across different asset classes, industries, securities and countries, as well as across investment managers with different approaches. The more you diversify, the less impact any one investment can have on your overall returns.

Understanding asset classes

Asset classes are the building blocks of our investment options.

We invest in a range of asset classes. An asset class is a grouping of investments with similar characteristics, for example cash or Australian shares. Some investment options invest in one asset class, while others include a mix.

Growth vs defensive assets

Asset classes fall into two main groups, growth and defensive, with some asset classes a blend of the two.

The classification of an asset class is important to understand, as it indicates how much risk you take on when investing in that asset class. Before selecting an investment option, you need to understand how risky it is.

Asset class type	Description	Asset classes
Growth assets	• Aim to increase the value of your investment over the long term i.e. provide long-term capital growth. • Have historically produced higher investment returns than defensive assets. • Returns are mostly from a change in value (i.e. from prices moving up and down) rather than income. • Higher risk of negative returns over the short term.	• Australian shares • International shares • Private equity • Property (listed)
Defensive assets	• Aim to protect the value of your investment. • May help provide positive returns when share markets are weak. • Returns mostly come from income such as interest, rather than a change in the value of the investment (i.e. from prices moving up and down). • Returns are usually lower, so may not keep pace with the cost of living. • Lower risk of negative returns compared to growth assets, although returns can still be negative from time to time.	• Cash • Fixed income • Credit income
A mix of growth and defensive assets	• Asset classes with a mix of growth and defensive characteristics.	• Infrastructure • Property (unlisted) • Liquid alternatives

Liquid vs illiquid investments

Liquid investments are those that can be easily sold and converted into cash, such as shares and bonds.

Illiquid investments are those that can't be converted into cash for a fair market value quickly or easily. They include unlisted property, unlisted infrastructure and private equity. These are often long-term investments which can match well with the long-term investment horizon of super. They can also help increase diversification.

Our Core and Socially Conscious diversified investment options invest in a mix of liquid and illiquid investments, while our Indexed and single asset class options invest only in liquid investments.

Our asset classes

See below descriptions of each of our asset classes to help you understand how your super is invested.[1]

Growth assets

Australian and international shares

A portion (or share) of a company that can be bought and sold on a stock exchange. Includes both large and small companies across a range of industries both in Australia and overseas.

Private equity

Investments in Australian and overseas companies that aren't listed on a stock exchange. These companies can be large established companies needing investment and expertise to support future growth plans, as well as smaller, rapidly growing businesses.

Defensive assets

Fixed income

A loan to a government or large corporation that pays regular interest over a set term. Like most other investments, the value of fixed income investments such as bonds can go up and down, and they can experience periods of low or negative returns. Their value tends to move in opposite directions to interest rates. This means when interest rates rise, the value of fixed income securities tends to fall, and when interest rates fall, their value can rise.

Credit income

Covers a range of debt investments which, like fixed income, involve lending money to a borrower. However, compared to fixed income, the borrowers usually have a higher credit risk profile and the loans are often floating rate. This means the potential returns are typically higher than traditional fixed income, although the risk of default is also greater.

Cash

Includes term deposits and other short-term interest-bearing investments issued by banks. The cash allocation for our diversified options can also include other short to medium-term money market and debt securities. These types of cash investments have higher risk but have the potential to deliver higher returns.

[1] Note that the descriptions may not cover all types of investments that are included in our asset classes.

A mix of growth and defensive assets

Infrastructure

Assets that provide essential public facilities and services across a number of sectors including transport, renewables and energy transition, utilities, social, registries and digital/telecommunications. Our infrastructure asset class can include both these facilities and services directly, and investments in the entities that own or operate them. In addition, we can invest in both unlisted and listed infrastructure investments.

Because they are listed on a share market, the prices of listed infrastructure investments are constantly changing, and their returns can be impacted by general share market sentiment. Returns from listed infrastructure securities are therefore different (and more volatile) to the returns from owning unlisted infrastructure investments.

Property

Includes investments in unlisted and listed property assets. Unlisted property assets include office buildings, industrial estates, shopping centres and residential property. They also include investments in property operating platforms which are property businesses that own and operate property assets in different sectors.

Listed property assets are property owning entities and property businesses listed on a share market. Their returns can be impacted by general share market sentiment. As a result, they are generally higher risk investments compared to unlisted property investments, and have more volatile returns.

Liquid alternatives

Includes a broad range of alternative investments such as real return strategies and hedge funds which are designed to provide diversification over different market cycles. Liquid alternatives managers have a wide range of allowable investments and can use a combination of shares, bonds, currencies, commodities and other liquid investments. We invest in both growth-oriented and defensively-oriented liquid alternatives strategies.

Super helpful tip: Go to **aware.com.au/assetclasses** for more information on our asset classes, including examples of some of our unlisted investments, or **aware.com.au/investmentmanagers** for a list of managers by asset class.

Asset allocation

How the investment option is spread across different asset classes is known as its asset allocation, and is a key driver of long-term returns. We have determined an appropriate asset allocation for each diversified option that we believe is most likely to meet the option's investment objective and is consistent with its risk level. Each option is assigned a medium to longer-term target asset allocation, as well as asset allocation ranges which are the minimum and maximum amounts we can invest in each asset class. These asset allocation targets and ranges are typically reviewed annually and may change from time-to-time.

Actual asset allocations aren't shown in this *Handbook* as they constantly change due to movements in asset values, activities such as buying and selling of assets, and our active asset allocation approach. While usually remaining within any ranges provided, actual asset allocations may at times temporarily move outside the ranges due to movements in asset values, for example during an episode of significant market stress.

The asset allocations of the Core and Socially Conscious investment options are actively managed. This allows us to deviate from the target asset allocations and adjust the investment mix depending on our outlook for the economy and investment markets. Our active asset allocation approach is designed to add incremental returns by increasing exposures to asset classes or specific sectors when they are attractive, or help shield members from emerging risks.

You can find the asset allocation targets and ranges for each investment option, as at the date of this *Handbook*, in the 'Investment option profiles' section. Asset allocation details for the Lifecycle stages are shown in the 'Lifecycle stage profiles' section. The latest asset allocations can be viewed at **aware.com.au/assetallocations**.

Diversified investment option styles

Below is an overview of the three types of diversified options to help you understand the key features and differences between them.

Investment feature	Core[1]	Socially Conscious	Indexed	Refer to this section for more information...
Liquid investments	✔	✔	✔	Liquid vs illiquid investments (page 12)
Illiquid investments	✔	✔	✖	Liquid vs illiquid investments (page 12)
Active asset allocation	✔	✔	✖	Asset allocation (page 14)
Passively managed investments	✔	✔	✔	Active vs passive management (page 29)
Actively managed investments	✔	✔	✖ [2]	Active vs passive management (page 29)
Internally managed investments	✔	✔	✖ [2]	Investment managers (page 29)
Externally managed investments	✔	✔	✔	Investment managers (page 29)
Responsible Ownership approach, including fund-wide exclusions and restrictions	✔	✔	✔	Responsible Ownership (page 29)
Additional investment exclusions	✖	✔	✖	Socially Conscious diversified investment options (page 20)

[1] Includes the High Growth, Balanced, Conservative Balanced, Conservative and Defensive investment options.
[2] Excludes the Cash asset class which is actively managed in-house.

Investment option profiles

On the following pages you'll find more detail about each investment option. Below is a guide to help you understand what each section in the table means.

High Growth

A short summary of what the option invests in.

Summary

Invests in a wide range of assets with a strong focus on growth assets such as shares and private equity.

Who might invest in this option?

Investors with a long-term investment horizon looking to maximise long-term growth. Best suited to members that are comfortable with significant fluctuations in the value of their investments.

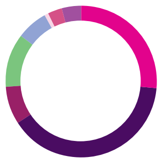
The type of investors the option may be suitable for.

The desired investment outcome for the option. Some options are designed to provide a return above inflation and others to track or exceed a relevant market index.

Investment objectives can't be relied on as a forecast of future performance, but they can give you an idea of the expected return. We periodically review the investment objective for each investment option and may change them from time to time.

Investment objective

CPI + 4.00% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



How the option is split between growth assets and defensive assets.

Growth/defensive allocation	Target	Range
Growth assets	88%	68% – 100%
Defensive assets	12%	0% – 32%
Asset allocation		
Australian shares	26.5%	16% – 32%
International shares	39.5%	29% – 50%
Private equity	8%	0% – 28%
Infrastructure	11.5%	0% – 32%
Property	6.5%	0% – 27%
Liquid alternatives (Growth)	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 10%
Credit income	3%	0% – 23%
Fixed income	0%	0% – 10%
Cash	4%	0% – 15%
Currency exposure	26.5%	0% – 50%

How the investment option is spread across different asset classes. We typically review the asset allocations of each option annually and may adjust them from time to time. For more information see the 'Asset allocation' section on page 14.

The proportion of assets affected by currency movements. The rest of the investment option is either currency hedged or denominated in Australian dollars. See 'Foreign currency management' on page 32 for more information.

The recommended minimum period you should invest in this option.

Minimum suggested investment timeframe

10 years

How risky the option is considered to be over different time periods. The risk profile of each option will vary depending on how long you stay invested in it. See 'Understanding risk and return' on page 9 for more information.

Risk

Short-term risk:	6 – High
Long-term risk:	2 – Low
Estimated number of negative annual returns over any 20-year period:	4 to less than 6

Past performance

10 years	5 years	3 years
8.82% p.a.	8.21% p.a.	5.84% p.a.

The average annual return for the relevant period, based on historical returns to 30 June 2024.

An estimate of the fees and costs of the investment option. These amounts can vary from year to year. See 'Fees and other costs' starting on page 36 for more information.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.59%
Transaction costs:	0.07%

The value of assets in the fund's investment options may rise and fall. Nothing in this *Investment and Fees Handbook* is intended to forecast the future performance of the fund or any of its investment options. We do not guarantee the capital invested or the investment performance of any of our investment options.

Past performance is not a reliable indicator nor is it a guarantee of future performance.

Core diversified investment options

These options invest across different asset classes, investment managers and investment styles to provide a high level of diversification. See 'Diversified investment option styles' on page 15 for how these options compare to the other diversified option styles.

High Growth

Summary

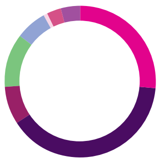
Invests in a wide range of assets with a strong focus on growth assets such as shares and private equity.

Who might invest in this option?

Investors with a long-term investment horizon looking to maximise long-term growth. Best suited to members that are comfortable with significant fluctuations in the value of their investments.

Investment objective

CPI + 4.00% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	88%	68% – 100%
Defensive assets	12%	0% – 32%

Asset allocation		
Australian shares	26.5%	16% – 37%
International shares	39.5%	29% – 50%
Private equity	8%	0% – 28%
Infrastructure	11.5%	0% – 32%
Property	6.5%	0% – 27%
Liquid alternatives (Growth)	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 10%
Credit income	3%	0% – 23%
Fixed income	0%	0% – 10%
Cash	4%	0% – 15%
Currency exposure	26.5%	0% – 50%

Minimum suggested investment timeframe

10 years

Risk

Short-term risk: 6 - High
Long-term risk: 2 - Low

Estimated number of negative annual returns over any 20-year period: 4 to less than 6

Past performance

10 years	5 years	3 years
8.82% p.a.	8.21% p.a.	5.84% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs: 0.59%
Transaction costs: 0.07%

Balanced

Summary

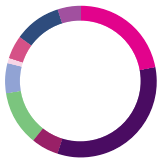
Invests in a wide range of assets with a focus on growth assets such as shares and private equity.

Who might invest in this option?

Investors with a long-term investment horizon seeking strong long-term returns. Best suited to members that are comfortable with fluctuations in the value of their investments.

Investment objective

CPI + 3.75% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	75%	55% – 95%
Defensive assets	25%	5% – 45%

Asset allocation		
Australian shares	22%	12% – 32%
International shares	33%	23% – 43%
Private equity	6%	0% – 26%
Infrastructure	11.5%	0% – 32%
Property	6.5%	0% – 27%
Liquid alternatives (Growth)	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 10%
Credit income	5%	0% – 25%
Fixed income	10%	0% – 25%
Cash	5%	0% – 45%
Currency exposure	22%	0% – 43%

Minimum suggested investment timeframe

7 years

Risk

Short-term risk: 6 - High
Long-term risk: 2 - Low

Estimated number of negative annual returns over any 20-year period: 4 to less than 6

Past performance

10 years	5 years	3 years
7.51% p.a.	6.77% p.a.	4.99% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs: 0.53%
Transaction costs: 0.06%

Core diversified investment options (continued)

Conservative Balanced

Summary

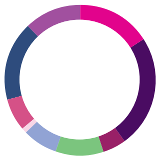
Invests in a wide range of assets with a slight focus on growth assets such as shares and private equity.

Who might invest in this option?

Investors seeking a balance between capital growth and capital stability that can tolerate some years when returns are negative.

Investment objective

CPI + 2.75% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	59%	39% – 79%
Defensive assets	41%	21% – 61%
Asset allocation		
Australian shares	16%	6% – 26%
International shares	24%	14% – 34%
Private equity	5%	0% – 25%
Infrastructure	10.5%	0% – 31%
Property	7.5%	0% – 28%
Liquid alternatives (Growth)	1%	0% – 21%
Liquid alternatives (Defensive)	0%	0% – 20%
Credit income	7%	0% – 27%
Fixed income	17%	0% – 35%
Cash	12%	0% – 60%
Currency exposure	16%	0% – 34%

Minimum suggested investment timeframe

5 years

Risk

Short-term risk:	5 - Medium to High
Long-term risk:	3 - Low to Medium
Estimated number of negative annual returns over any 20-year period:	3 to less than 4

Past performance

10 years	5 years	3 years
6.00% p.a.	4.93% p.a.	4.02% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.48%
Transaction costs:	0.06%

Conservative

Summary

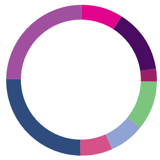
Invests in a wide range of assets with a slight focus on defensive assets such as cash and fixed income.

Who might invest in this option?

Investors seeking modest capital growth in the short to medium term. Best suited to members who are less comfortable with significant fluctuations in the value of their investments.

Investment objective

CPI + 1.75% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	39%	19% – 59%
Defensive assets	61%	41% – 81%
Asset allocation		
Australian shares	9%	0% – 19%
International shares	13.5%	3% – 24%
Private equity	3%	0% – 23%
Infrastructure	10.5%	0% – 31%
Property	7.5%	0% – 28%
Liquid alternatives (Growth)	0%	0% – 10%
Liquid alternatives (Defensive)	0%	0% – 20%
Credit income	7%	0% – 27%
Fixed income	25%	0% – 45%
Cash	24.5%	0% – 75%
Currency exposure	9%	0% – 24%

Minimum suggested investment timeframe

4 years

Risk

Short-term risk:	4 - Medium
Long-term risk:	5 - Medium to High
Estimated number of negative annual returns over any 20-year period:	2 to less than 3

Past performance[1]

10 years	5 years	3 years
5.13% p.a.	3.84% p.a.	3.24% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.37%
Transaction costs:	0.05%

[1] The Conservative option is based on a historical VicSuper investment option offered to members of the VicSuper division of the fund prior to 11 May 2023. Returns for periods prior to 11 May 2023 reflect the returns of the historical VicSuper investment option.

Core diversified investment options (continued)

Defensive

Summary

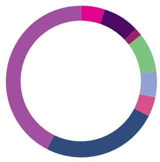
Invests in a wide range of assets with a focus on defensive assets such as cash and fixed income.

Who might invest in this option?

Investors with a short to medium-term investment horizon seeking fairly stable returns. However, remember that in return for more stable returns over the short term you may be sacrificing the potential for higher long-term returns.

Investment objective

CPI + 1.00% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	25%	5% – 45%
Defensive assets	75%	55% – 95%

Asset allocation		
Australian shares	5%	0% – 15%
International shares	8%	0% – 18%
Private equity	1.5%	0% – 22%
Infrastructure	8.5%	0% – 29%
Property	5.5%	0% – 26%
Liquid alternatives (Growth)	0%	0% – 10%
Liquid alternatives (Defensive)	0%	0% – 20%
Credit income	4%	0% – 24%
Fixed income	25%	0% – 50%
Cash	42.5%	0% – 85%
Currency exposure	5.5%	0% – 18%

Minimum suggested investment timeframe

3 years

Risk

Short-term risk: 3 - Low to Medium
Long-term risk: 7 - Very High

Estimated number of negative annual returns over any 20-year period: 1 to less than 2

Past performance

10 years	5 years	3 years
3.87% p.a.	2.67% p.a.	2.57% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs: 0.24%
Transaction costs: 0.03%

Socially Conscious diversified investment options

We offer two Socially Conscious investment options for members who prefer to limit investments in particular industries and companies considered to have a highly adverse environmental or social impact. Like our Core diversified investment options, these options are invested across a range of asset types (listed and unlisted), investment managers, and investment styles. They are also managed in accordance with the fund's Responsible Ownership approach summarised on pages 29 to 31.

However, because the Socially Conscious options are designed for members wanting to exclude or restrict their exposure to particular industries and companies, the investments for these options are selected and managed according to additional and more specific restrictions and exclusions known as screens.

> Note that the exclusion or restriction of certain sectors/investments from these options will impact returns when those sectors/investments perform well or poorly.

Screening criteria

The specifics of how the screens are applied to the options is known as the screening criteria. The screening criteria applied to the Socially Conscious investment options as at the date of this Handbook[1] is set out in the table below and applies to all asset classes, but there are differences in how the screening criteria applies to the private equity asset class, as detailed below. Investments in companies and other entities involved in the activities described that meet or exceed the thresholds in the table below are excluded from these options.

However, please note that:

- Up to 5% of the private equity asset class may be invested in companies and other entities not meeting the screening criteria, other than the tobacco, nicotine-alternatives and tobacco-based products, and controversial weapons screens.
- The screening criteria does not apply to the use of derivatives which may have an indirect exposure to these types of investments.
- The application of the screens is undertaken in a manner that means that continuous application of the screens may not be achieved. This may result in inadvertent holdings, typically over the short term, in investments we are seeking to exclude. Refer to 'Ongoing monitoring and limitations of our screening process' on page 22 for more information.
- Unless otherwise stated, companies that provide goods or services to companies generating revenue from the activities described, or that are involved in the distribution or deployment of these products, are not excluded.
- We do not automatically exclude companies' subsidiaries, joint ventures or bond issuers; each is assessed on its own verifiable involvement in the relevant activity. For example, if a company is excluded due to its involvement in controversial weapons, its subsidiary will not be excluded unless it is assessed to be verifiably involved in controversial weapons based on its own activities.

Climate change screens

Screen	Description	Threshold
Coal[2]	Thermal, energy and metallurgical coal mining, extraction, production, refining and processing.	5% or more of revenue
Coal fired power generation	Thermal coal power generation.	5% or more of revenue
Oil and gas (conventional/ unconventional)	Oil and gas exploration, production, refining and marketing – includes conventional oil, unconventional oil (including oil sands, tar sands, shale oil), as well as conventional and unconventional gas (including Coal Seam Gas and shale gas). Oil and gas power generation for commercial purposes.	5% or more of revenue
Fossil fuel transportation	Includes fossil fuel (coal, oil and gas) storage & transportation including pipelines, storage tanks, freight, rail and ports.	5% or more of revenue
Fossil fuel supply chain and services	Directly owning and/or supplying fossil fuel (coal, oil and gas) mining equipment, oil and gas equipment and services. Companies that provide services to the fossil fuel industry whose purpose is to support the transition to the low carbon economy are not included as part of this criteria.	5% or more of revenue
Fossil fuel reserves	Companies that hold fossil fuel reserves (whether proven or probable) with the intention of exploration and/or development of those reserves for revenue generation (rather than for own use).	No threshold (i.e. any company holding reserves for the purpose described)

[1] The screening criteria is periodically reviewed by our Responsible Investments team and may be updated from time to time.

[2] There is a fund-wide exclusion for companies generating 10% or more of their revenues directly from mining thermal or energy coal. A lower threshold of 5% is applied to the Socially Conscious options and the exclusion is extended to other forms of coal, such as metallurgical coal. The Socially Conscious screen also incorporates extraction, production, refining, processing and mining, and applies to all investments other than derivatives.

We rely on the data provided by ISS STOXX to apply the screening criteria for the Socially Conscious options for the Australian shares, international shares and fixed income asset classes. For information on the methodology that ISS STOXX applies in generating their data, please refer to their website at **issgovernance.com/esg/methodology-information/**. The documents that are most relevant include the 'Energy & Extractives', 'Controversial Weapons Research' and 'Sector-Based Screening' methodology and research process papers.[3]

Ethical screens

Screen	Description	Threshold
Tobacco, nicotine alternatives[4] and tobacco-based products[5]	Production/manufacture of tobacco, nicotine alternatives and tobacco-based products.	No threshold (i.e. companies generating any revenue from the manufacture and/or production of tobacco products, nicotine alternatives and tobacco-based products)
Gambling	Production, distribution or provision of services in relation to gambling.	5% or more of revenue
Alcohol	Production of alcohol.	5% or more of revenue
Pornography	Production and/or distribution of pornography.	5% or more of revenue
Uranium	Uranium mining.	5% or more of revenue
Nuclear power	Nuclear power production and/or generation.	5% or more of revenue
Civilian firearms	Production and/or distribution of civilian firearms and related services.	5% or more of revenue
Live animal exports	Owning and/or operating live animal export operations.	No threshold (i.e. companies generating any revenue from live animal exports)

Conventions and controversies-based screens

Screen	Description	Threshold
Controversial weapons[5]	Companies verifiably involved in[6] the development, production, acquisition, stockpiling, retention or transfer of controversial weapons (whole systems or key components[7]), as well as companies that provide assistance in any of these activities. Controversial weapons means anti-personnel mines, biological weapons, chemical weapons, cluster munitions, depleted uranium, incendiary weapons, white phosphorous weapons and nuclear weapons.	No threshold (i.e. companies generating any revenue from controversial weapons)
Corporate controversies	Companies consistently involved in very severe incidents/ corporate controversies, or that are believed to be at high risk of being involved in serious incidents in the future (see examples below).	Exclusion is at Aware Super's discretion

[3] This information is accurate as at the date of this *Handbook*. However, ISS STOXX may update their website from time to time.

[4] Nicotine alternatives and tobacco-based products include: (i) electronic nicotine delivery systems as defined by the US Food and Drug Administration (e.g. 'vaping' devices, e-cigarettes) alternatively described as nicotine vaping products; (ii) dissolvable and non-combustible tobacco products (e.g. nicotine pouches, snuff); and (iii) shisha and water pipes.

[5] While there are fund-wide exclusions in relation to tobacco and controversial weapons, the Socially Conscious screens are broader and are not subject to a materiality threshold. See the 'Investment restrictions & exclusions' section on page 30 for details on the fund-wide exclusions.

[6] For liquid investments such as shares and bonds, this verification is undertaken by our ESG data provider ISS STOXX. For unlisted investments, an internal assessment is made.

[7] A component is a key component if it plays an essential role in the functionality of the specified weapon system or is specifically designed or modified for the specified weapons.

Exclusion of an investment as a result of the 'Corporate controversies' screen will be based on an assessment by the Aware Super Responsible Investments team. Where available, relevant screens/scores from external ESG data providers will be considered as part of the assessment. Examples of corporate controversies that may result in a company being excluded from the Socially Conscious investment options are provided below.

- Environmental, ecological and biodiversity wrongdoings: including companies that have been repeatedly fined for breaching regulatory requirements with regard to excessive or unauthorized emissions of CO_2 and other greenhouse gases, water supply contamination and/or improper waste management practices.
- Bribery and corruption: including both authenticated allegations and convicted violations.
- A lack of commitment to engagement and cultural sensitivity to indigenous people and local communities.
- Violation of human rights: including companies not adhering to the UN Guiding Principles for Business and Human Rights, for example by engaging in child labour, or otherwise not upholding international labour standards.
- Significant corporate governance failings: including companies that fail to undertake adequate investigations and implement preventative measures in relation to material corporate governance issues.
- Serious health and safety failings: including companies that fail to undertake adequate investigations and implement preventative measures in relation to material health and safety issues.

Discretionary exclusions

A company may be identified as being unsuitable for the Socially Conscious investment options for factors outside the formal criteria above at the discretion of the Aware Super Responsible Investments team. In such cases, the company will be assessed and considered for divestment from the Socially Conscious investment options. Engagement with the relevant company to discuss the specific concerns may be sought, although is not a requirement. In order for an excluded company to be re-included in the portfolio at a later date, it must demonstrate substantive improvements in relation to the issues of concern. A plan for improvement only is not sufficient to warrant reinvestment.

Ongoing monitoring and limitations of our screening process

The Socially Conscious investment options' investments are periodically reviewed to ensure they meet the criteria for inclusion. For liquid investments like shares and bonds, a quarterly review of the holdings against the screening criteria is undertaken using data from our external ESG provider ISS STOXX. For unlisted assets such as property and infrastructure, a detailed assessment is undertaken prior to the initial investment, and at least once a year thereafter, to ensure the screening criteria continues to be met.

If an investment is identified as not meeting the criteria, it will be sold or removed from the investment option(s) as soon as reasonably practicable, subject to liquidity constraints. Note that implementation of the screening criteria may be affected by the accessibility and accuracy of data, or an error by an external service provider. This may result in inadvertent holdings, typically over the short term, in investments we are seeking to exclude.

Investment managers

We have appointed a number of specialist external investment managers to manage a portion of the shares and fixed income asset classes for the Socially Conscious investment options. These managers have their own socially responsible investment guidelines outlining what in their view constitutes labour standards and environmental, social and ethical considerations, and a methodology for taking these standards and considerations into account when selecting, retaining and selling investments, although they must adhere to the screening criteria outlined above. In addition, these specialist managers are required to have a robust ESG scoring framework in place that seeks to ensure their portfolios are overweight companies with better ESG practices.

For all other investments and asset classes in the Socially Conscious investment options, we leverage the investment managers (both internal and external) responsible for managing these investments for the whole fund. However, investments assessed as not meeting the Socially Conscious screening criteria are excluded.

Responsible Investment Association Australasia (RIAA) certification

CERTIFIED BY RIAA

The High Growth Socially Conscious and Balanced Socially Conscious investment options have been certified by the Responsible Investment Association Australasia under the Responsible Investment Certification Program.

The Certification Symbol signifies that a product or service offers an investment style that takes into account certain environmental, social, governance or ethical considerations. The Symbol also signifies that the Aware Super High Growth Socially Conscious and Balanced Socially Conscious options adhere to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Superfund Option. The Certification Symbol is a Registered Trade Mark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and Aware Super's methodology and performance can be found at **responsiblereturns.com.au**, together with details about other responsible investment products certified by RIAA. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

Socially Conscious diversified investment options

See 'Diversified investment option styles' on page 15 for how these options compare to the other diversified option styles.

High Growth Socially Conscious[1]

Summary

Invests in a wide range of assets with a strong focus on growth assets such as shares and private equity. This option excludes or restricts investments in companies operating in particular sectors considered to have a highly adverse environmental or social impact.

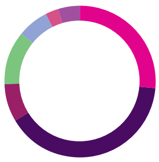
CERTIFIED BY RIAA

Who might invest in this option?

Investors wanting to exclude or restrict their exposure to certain companies and industries that have a long-term investment horizon and are looking to maximise long-term growth. Best suited to members that are comfortable with significant fluctuations in the value of their investments.

Investment objective

CPI + 4.00% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	88%	68% – 100%
Defensive assets	12%	0% – 32%

Asset allocation	Target	Range
Australian shares	26.5%	16% – 37%
International shares	40%	30% – 50%
Private equity	8%	0% – 28%
Infrastructure	11.5%	0% – 32%
Property	6.5%	0% – 27%
Liquid alternatives (Growth)	0%	0% – 20%
Liquid alternatives (Defensive)	0%	0% – 10%
Credit income	3%	0% – 23%
Fixed income	0%	0% – 10%
Cash	4.5%	0% – 15%
Currency exposure	27%	0% – 50%

Minimum suggested investment timeframe

10 years

Risk

Short-term risk: 6 - High
Long-term risk: 2 - Low

Estimated number of negative annual returns over any 20-year period: 4 to less than 6

Past performance[2, 3]

10 years	5 years	3 years	Since inception
–	–	–	13.37% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs: 0.34%
Transaction costs: 0.07%

Balanced Socially Conscious[1]

Summary

Invests in a wide range of assets with a focus on growth assets such as shares and private equity. This option excludes or restricts investments in companies operating in particular sectors considered to have a highly adverse environmental or social impact.

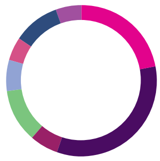
CERTIFIED BY RIAA

Who might invest in this option?

Investors wanting to exclude or restrict their exposure to certain companies and industries that have a long-term investment horizon and are seeking strong long-term returns. Best suited to members that are comfortable with fluctuations in the value of their investments.

Investment objective

CPI + 3.75% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	75%	55% – 95%
Defensive assets	25%	5% – 45%

Asset allocation	Target	Range
Australian shares	22%	12% – 32%
International shares	33.5%	23% – 44%
Private equity	6%	0% – 26%
Infrastructure	11.5%	0% – 32%
Property	6.5%	0% – 27%
Liquid alternatives (Growth)	0%	0% – 10%
Liquid alternatives (Defensive)	0%	0% – 20%
Credit income	5%	0% – 25%
Fixed income	10%	0% – 25%
Cash	5.5%	0% – 45%
Currency exposure	22.5%	0% – 44%

Minimum suggested investment timeframe

7 years

Risk

Short-term risk: 6 - High
Long-term risk: 2 - Low

Estimated number of negative annual returns over any 20-year period: 4 to less than 6

Past performance[3, 4]

10 years	5 years	3 years
7.76% p.a.	7.50% p.a.	6.14% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs: 0.32%
Transaction costs: 0.07%

* See the 'Responsible Investment Association Australasia (RIAA) certification' section on page 22 for more information.

[1] These options are based on historical VicSuper investment options offered to members of the VicSuper division of the fund prior to 11 May 2023.

[2] This investment option commenced on 3 November 2022. The since inception return reflects the compound average annual return from this date to 30 June 2024, a period of almost 20 months.

[3] Returns for periods prior to 11 May 2023 reflect the returns of the historical VicSuper investment option.

[4] The asset allocation, investment objective and risk level for the Balanced Socially Conscious option changed materially on 1 February 2017. Prior to this date it was fully invested in growth assets. As a result, the 10-year return does not reflect the performance of the current investment strategy.

Indexed diversified investment options

These options are:

- simple, low-cost options
- passively managed, with each asset class invested to form a portfolio that closely tracks a relevant market benchmark (or index)
- invested in shares, fixed income and cash only
- managed by one external manager, apart from cash which is managed internally.

See 'Diversified investment option styles' on page 15 for how these options compare to the other diversified option styles.

> Note that returns at market extremes will generally be greater (positive and negative) for the Indexed options compared to the equivalent Core and Socially Conscious options. This is because they are less diversified (by asset class, investment style and investment managers).

High Growth Indexed[1]

Summary

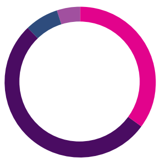
Invests in a range of passively managed assets with a strong focus on growth assets such as Australian and international shares.

Who might invest in this option?

Investors wanting a passively managed, low-cost option with a long-term investment horizon that are looking to maximise long-term growth. Best suited to members that are comfortable with significant fluctuations in the value of their investments.

Investment objective

CPI + 3.25% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	88%	68% – 100%
Defensive assets	12%	0% – 32%
Asset allocation		
Australian shares[2]	35%	25% – 45%
International shares[2]	53%	43% – 63%
Listed property	0%	0% – 10%
Fixed income	7%	0% – 17%
Cash	5%	0% – 15%
Currency exposure	35.5%	0% – 63%

Minimum suggested investment timeframe

10 years

Risk

Short-term risk:	6 - High
Long-term risk:	2 – Low
Estimated number of negative annual returns over any 20-year period:	4 to less than 6

Past performance[3]

10 years	5 years	3 years	Since inception
–	–	–	15.82% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.06%
Transaction costs:	0.00%

Balanced Indexed[1]

Summary

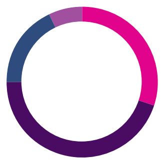
Invests in a range of passively managed assets with a focus on growth assets such as Australian and international shares.

Who might invest in this option?

Investors wanting a passively managed, low-cost option with a long-term investment horizon that are seeking strong long-term returns. Best suited to members that are comfortable with fluctuations in the value of their investments.

Investment objective

CPI + 3.00% p.a. over rolling 10-year periods after taking into account fees, costs and tax.



Growth/defensive allocation	Target	Range
Growth assets	75%	55% – 95%
Defensive assets	25%	5% – 45%
Asset allocation		
Australian shares[2]	30%	20% – 40%
International shares[2]	45%	35% – 55%
Listed property	0%	0% – 10%
Fixed income	18%	0% – 33%
Cash	7%	0% – 45%
Currency exposure	30%	0% – 55%

Minimum suggested investment timeframe

7 years

Risk

Short-term risk:	6 - High
Long-term risk:	3 - Low to Medium
Estimated number of negative annual returns over any 20-year period:	4 to less than 6

Past performance[3]

10 years	5 years	3 years	Since inception
–	–	–	13.78% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.06%
Transaction costs:	0.00%

[1] These options are based on historical VicSuper investment options offered to members of the VicSuper division of the fund prior to 11 May 2023.

[2] Note that the Australian shares and International shares asset classes for these investment options can exclude, or have a reduced weighting to, some of the most greenhouse gas emissions-intensive companies. For more details, see the 'Custom benchmarks' section on page 32.

[3] These investment options commenced on 3 November 2022. The since inception return reflects the compound average annual return from this date to 30 June 2024, a period of almost 20 months.

Single asset class investment options

Australian Shares

Summary

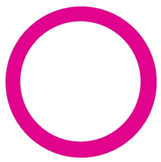
A low-cost option that invests in a portfolio of companies listed on the Australian Securities Exchange (ASX). It is passively managed, which means it invests in a portfolio of companies that closely matches the benchmark.

Who might invest in this option?

Investors with a long-term investment horizon wanting strong long-term returns. Best suited to members that are comfortable with significant fluctuations in the value of their investments.

Investment objective

To track the return of the Aware Super Custom Index on MSCI Australia Shares 300[1], before taking into account fees, costs and tax.



Asset allocation	Target	Range
Australian shares	100%	95% – 100%
Cash	0%	0% – 5%

Minimum suggested investment timeframe

10 years

Risk

Short-term risk:	7 - Very High
Long-term risk:	2 - Low
Estimated number of negative annual returns over any 20-year period:	6 or greater

Past performance

10 years	5 years	3 years
8.41% p.a.	7.78% p.a.	6.73% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.05%
Transaction costs:	0.01%

International Shares

Summary

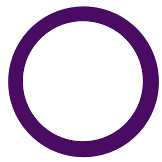
A low-cost option that invests in a portfolio of companies listed on global stock exchanges in developed markets. It is passively managed, which means it invests in a portfolio of companies that closely matches the benchmark. In addition, it is unhedged. This means it will fluctuate both due to changes in share prices and currency movements.

Who might invest in this option?

Investors with a long-term investment horizon wanting strong long-term returns. Best suited to members that are comfortable with significant fluctuations in the value of their investments, including the impact of currency movements.

Investment objective

To track the return of the Aware Super Custom Index on MSCI World ex-Australia[1] (unhedged) in Australian dollars, before taking into account fees, costs and tax.



Asset allocation	Target	Range
International shares	100%	95% – 100%
Cash	0%	0% – 5%

Minimum suggested investment timeframe

10 years

Risk

Short-term risk:	7 - Very High
Long-term risk:	3 - Low to Medium
Estimated number of negative annual returns over any 20-year period:	6 or greater

Past performance

10 years	5 years	3 years
11.67% p.a.	12.06% p.a.	10.44% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.05%
Transaction costs:	0.01%

[1] A custom index calculated by MSCI based on the Responsible Ownership criteria provided by Aware Super.

Note that we consider a company's greenhouse gas emissions intensity for the purpose of selecting, retaining or realising investments for the Australian Shares and International Shares options. This is in addition to applying the fund-wide restrictions and exclusions in relation to tobacco, thermal coal and controversial weapons outlined on pages 30 and 31. Refer to the 'Custom benchmarks' section on page 32 for more information.

Single asset class investment options (continued)

Property

Summary

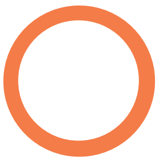
A low-cost, single asset class option that invests in a passively managed portfolio of global property securities. International investments are usually fully hedged. This means they are protected against the impact of currency fluctuations.

Who might invest in this option?

Investors seeking returns from a portfolio of global listed property investments that can accept the ups and downs of investing in the share market. Best suited to members that are comfortable with significant fluctuations in the value of their investments.

Investment objective

To track the return of the FTSE EPRA/NAREIT Developed Rental Index Net Dividends Reinvested (100% hedged) in Australian dollars, before taking into account fees, costs and tax.



Asset allocation	Target	Range
Listed property	100%	95% – 100%
Cash	0%	0% – 5%

Minimum suggested investment timeframe

10 years

Risk

Short-term risk:	7 - Very High
Long-term risk:	5 - Medium to High
Estimated number of negative annual returns over any 20-year period:	6 or greater

Past performance[2]

10 years	5 years	3 years
6.32% p.a.	2.24% p.a.	-0.17% p.a.

Estimated investment fees and costs and transaction costs[4]

Investment fees and costs:	0.25%
Transaction costs:	0.00%

Bonds[1]

Summary

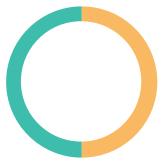
Invests in a passively managed portfolio of Australian and international fixed income investments such as government and corporate bonds. Note that international fixed income investments will generally be fully hedged. This means they are protected against the impact of currency fluctuations on investment returns.

Who might invest in this option?

Investors seeking returns from a portfolio of Australian and international bonds that are willing to accept fluctuations in returns and the possibility of negative returns over the short to medium term.

Investment objective

To track the returns of a weighted index – namely 50% to the Bloomberg AusBond Composite 0+ Yr Index and 50% to the Bloomberg Global Aggregate Float Adjusted ex CNY Hedged AUD Index, before taking into account fees, costs and tax.



Asset allocation	Target	Range
Australian fixed income	50%	0% – 100%
International fixed income	50%	0% – 100%
Cash	0%	0% – 5%

Minimum suggested investment timeframe

5 years

Risk

Short-term risk:	4 - Medium
Long-term risk:	7 - Very High
Estimated number of negative annual returns over any 20-year period:	2 to less than 3

Past performance[3]

10 years	5 years	3 years	Since inception
–	–	–	3.01% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.08%
Transaction costs:	0.00%

[1] The Bonds option is based on a historical VicSuper investment option offered to members of the VicSuper division of the fund prior to 11 May 2023.

[2] From 31 December 2022 the Property option is fully invested in listed property. Prior to this date the option invested in a mix of listed and unlisted property. As a result, the returns prior to 31 December 2022 do not reflect the performance of the current investment strategy.

[3] The Bonds option commenced on 3 November 2022. The since inception return reflects the compound average annual return from this date to 30 June 2024, a period of almost 20 months.

[4] Investment fees and costs for the Property option are expected to be lower from 31 December 2022 due to a change in the asset allocation target to 100% listed property. Prior to this date the option invested in a mix of listed and unlisted property. For more information see 'Additional explanation of fees and costs' on page 39.

Did you know?

Like shares, listed property investments are traded on public markets. Returns from listed property investments are therefore different (and more volatile) to the returns from unlisted property investments. To learn more, see the 'Our asset classes' section on pages 13 and 14.

Single asset class investment options (continued)

Cash

Summary

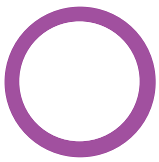
Invests in term deposits and other short-term interest-bearing investments. Note that this option is not covered by the Government Guarantee (Financial Claims Scheme).

Who might invest in this option?

Investors seeking a very low risk short-term investment with stable but low expected returns. You should be aware that the return you receive may not keep pace with inflation.

Investment objective

To meet or exceed the return of the Bloomberg AusBond Bank Bill Index, over rolling 12-month periods, before taking into account fees, costs and tax.



Asset allocation	Target
Cash	100%

Minimum suggested investment timeframe

Up to 2 years

Minimum investment amount

–

Maximum investment amount

–

Minimum account balance

–

Risk

Short-term risk:	1 - Very Low
Long-term risk:	7 - Very High
Estimated number of negative annual returns over any 20-year period:	Less than 0.5

Past performance

10 years	5 years	3 years
1.95% p.a.	1.86% p.a.	2.56% p.a.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.04%
Transaction costs:	0.00%

Term Deposit

Summary

A non-unitised option that allows members to invest directly in bank term deposits. Note that this option is not covered by the Government Guarantee (Financial Claims Scheme).

Who might invest in this option?

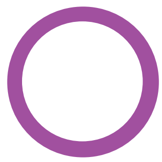
Investors seeking a fixed rate of return for locking away funds for a set period of time to help plan for short to medium-term cash flow needs.

You should be aware that once funds are invested in a term deposit, you will not be able to switch or withdraw those funds until the term deposit matures.

In addition, depending on prevailing interest rates, the return you receive may not keep pace with inflation.

Investment objective

To outperform the returns of the Bloomberg AusBond Bank Bill Index, over rolling 12-month periods, before taking into account fees, costs and tax.



Asset allocation	Target
Cash	100%

Minimum suggested investment timeframe

Investors can choose a 3, 6, 9, or 12-month investment timeframe.

Minimum investment amount

$5,000

Maximum investment amount

$5 million

Minimum account balance

$15,000 (excluding any amounts already invested in the Term Deposit option)

Risk

Short-term risk:	1 - Very Low
Long-term risk:	7 - Very High
Estimated number of negative annual returns over any 20-year period:	Less than 0.5

Past performance

The return you receive will depend on the term chosen and the interest rate available at the time your term deposit is processed. Indicative term deposit rates are available at **aware.com.au/termdeposit**.

Estimated investment fees and costs and transaction costs

Investment fees and costs:	0.00%
Transaction costs:	0.00%

You should read the important information on the following page before making a decision regarding the Term Deposit option.

About the Term Deposit option

How the Term Deposit option works

The Term Deposit option is a non-unitised investment option that provides a fixed rate of return in exchange for locking away funds for a term of 3, 6, 9, or 12 months.[1] The latest indicative term deposit rates are available at **aware.com.au/termdeposit**.

Each term deposit you hold must be a minimum of $5,000 and a maximum of $5 million. In addition, you must have:

- a minimum account balance of $15,000 (excluding any amounts already in the Term Deposit option), and
- the greater of $10,000 or 10% of your account balance invested in options other than Term Deposit – this is because deductions cannot be withdrawn from funds in the Term Deposit option.

You can apply for a term deposit on any day, provided you have no other term deposit application, maturity, or change of investment options pending. Once you submit an application for a term deposit, it cannot be cancelled. An application received online on a non-business day is deemed to have been received by us before 3pm AEST/AEDT on the next business day.

The interest rate applied to your term deposit investment will be that applicable at the time your term deposit is processed with the term deposit provider. Depending on the timing of your application, the rate you receive may differ from the indicative rate shown at the time of application.

On maturity, the funds in your term deposit will be transferred to the Cash investment option.

Funds invested in a term deposit generally cannot be moved or withdrawn until maturity when they have been transferred to the Cash investment option.

Early termination

Early termination of a term deposit before its maturity date is subject to our discretion (as trustee) and we retain the right not to allow a term deposit to be terminated early.

An interest adjustment in the form of a reduction in accrued interest may apply where a term deposit is terminated before maturity. However, we will generally allow early termination of a term deposit without an interest adjustment in the following circumstances:

- Death
- Terminal illness
- Total and permanent disability
- Permanent incapacity
- Financial hardship
- Compassionate grounds (as determined by the ATO).

Rollovers

A term deposit is an illiquid investment since it requires an investment for a fixed term. As a result, if you have a term deposit investment and request a rollover or transfer of a benefit in full to another fund, we may not be able to process it within the 30-day period ordinarily required under superannuation legislation. Instead, the portion of your account balance in investment options other than the Term Deposit option, minus $6,000 (to cover the administration fee, account-keeping fee and insurance premiums) will generally be transferred to another fund nominated within three business days. The remainder of your account balance will be transferred within the three business days of maturity of the relevant term deposit(s).

Other important information

When investing in a term deposit, it is important that you also understand the following rules and restrictions:

- If there are insufficient funds in an investment option from which you have elected to withdraw money to invest in a term deposit, the remaining required funds will be withdrawn from the investment option with the highest available balance.
- If there are insufficient funds in your account to cover a term deposit application (e.g. due to a drop in the value of the account between the date of application and the date the term deposit becomes effective), the term deposit application will not be approved.
- If we receive a term deposit application and a change of investment option request on the same day, the term deposit application will be processed first, unless you provide us with clear instructions to do otherwise. This means that your request to change investment options will not be processed until the term deposit application has been finalised, which generally takes three business days.

[1] The maturity date may not be an exact number of months after the start date, due to the incidence of weekends and any public holidays during the term.

Other important information

In this section you'll find important information that you should also consider when choosing your investment option(s). This includes:

- how we partner with investment managers
- the difference between active and passive management
- our Responsible Ownership approach
- information on our custom benchmarks
- how we manage foreign currency
- how we use derivatives

Investment managers

We engage a number of Australian and international investment managers to invest members' money on our behalf. We also have an internal Investment team who manage a range of investments in-house. By using a combination of internal teams and external managers, we can diversify across a number of strategies within asset classes and use our economies of scale to help keep costs down.

Super helpful tip: A current list of managers by asset class is available on our website at **aware.com.au/investmentmanagers**

Active vs passive management

For our Core and Socially Conscious investment styles we actively manage investments where it can add value. However, we offer Indexed diversified and single asset class options for those members seeking a passively managed, low-cost alternative.

Active management

Active managers select investments that they believe will perform better than a market benchmark over the long term. They employ an experienced team of portfolio managers and researchers and buy or sell investments when their market outlook or investment insights change.

Passive management

Also known as index managers, passive managers choose investments to form a portfolio that closely tracks a market benchmark (or index). Passive managers usually charge lower fees because they don't need extensive resources to select investments.

Our investment options may combine different investment styles and managers, or invest using one investment style only.

Responsible Ownership

At Aware Super, we integrate environmental, social and governance (ESG) considerations into our investment processes. Known as Responsible Ownership, this approach helps us better manage risk and generate strong long-term returns for our members. We consider labour standards, environmental, social and ethical considerations if (and to the extent) they are ESG factors that are described in this section as being taken into account.

Our approach applies to all of our investment options. However, how it applies to each investment option can vary depending on the asset class(es) and investment style of the option's investments. For some investment options, only some aspects may apply.

Our Responsible Ownership approach consists of four main focus areas which are outlined below. This multi-faceted approach helps us identify emerging ESG risks and issues and respond appropriately.

1: ESG integration

Our approach is not limited to a set-and-forget analysis of an investment, but rather is a holistic approach to assessing ESG risks and opportunities over an investment's life. We do this by considering ESG factors as part of our due diligence and selection when we first invest, and through ongoing monitoring.

Other than our fund-wide investment restrictions and exclusions shown on the following page, we do not have a pre-determined methodology for deciding the weight of certain ESG considerations in determining whether a particular investment is a suitable investment. This is because we consider the relative importance of ESG factors on a case-by-case basis.

When we're considering partnering with an external investment manager we assess their ESG capabilities and policies, as appropriate to the investment type and style. We also regularly meet with them to review their ESG integration approach and discuss how they are monitoring ESG risks and issues. While we expect the investment managers we partner with to monitor ESG risks that relate to our investments, we allow them some flexibility to determine how they implement ESG considerations subject to the restrictions set out in '4: Investment restrictions & exclusions' on the following page.

Here are some examples of key ESG factors we consider in our investment process:

Environmental factors	• Climate change mitigation and adaptation • Waste, pollution and contamination • Water (e.g. availability and supply) • Biodiversity and sustainable land use
Social factors	• Workplace health and safety • Diversity and inclusion • Adherence to international conventions • Modern slavery/forced labour (both in company operations and supply chains) • The effectiveness of a company in maintaining its 'licence to operate' and managing labour relations • Product responsibility
Governance factors	• Board composition (diversity, expertise & independence) • Executive remuneration • Transparency & reporting • Conduct & culture • Technology & innovation • Data privacy & cyber security

We may take into account other ESG factors if they apply to a particular investment or investment manager. Our investment process applies to investments that we directly undertake due diligence on. Where investment managers take into account ESG considerations, they may consider different ESG factors.

2: Advocacy & collaboration

We believe we can have a more material impact by working alongside other like-minded investors and industry associations. This means that we will, to the extent we consider it appropriate, share our insights into ESG issues and the way that they may impact investments with other investors. However, we do not rely on those other investors to make investment decisions for us.

We are a signatory to the Principles for Responsible Investment (PRI) and are involved in a number of collaborative initiatives including the Australian Council of Superannuation Investors (ACSI), Responsible Investment Association Australasia (RIAA) and Climate Action 100+.

Collaborating with other large investors in these initiatives helps us understand the risks and opportunities of ESG issues across a range of industries and sectors.

3: Stewardship: Engagement & voting

Engagement

We monitor ESG considerations and when we identify a material risk or issue we will often use our ownership rights to engage with the company. This is particularly so if we believe its management of ESG issues is falling short of government/regulator or industry standards and/or community expectations, or its conduct threatens its reputation and value.

The objective of engagement is to encourage the company to improve its ESG policies and practices, and thereby protect or increase its economic value. A typical engagement can take between one and three years to complete and may require multiple engagements before an issue is satisfactorily resolved. If our engagement doesn't produce a favourable outcome within a reasonable timeframe, we may consider other actions such as voting against directors or raising a shareholder proposal. However, we can't guarantee that action taken by us in connection with any ESG issues will result in the desired change, and we may continue to hold the relevant investment.

Voting

As a large investor we own shares in a diverse range of companies, which entitles us to vote on various matters. In general we use our voting rights to support resolutions that seek to enhance value for our members across a range of areas such as board composition, executive remuneration, and climate-related disclosure and action. You can find information on our voting decisions at **aware.com.au/proxyvoting**.

Where applicable, we expect external and internal investment managers to consider their position on company resolutions, but the trustee has the right to any final voting decision and can override a manager's vote.

4: Investment restrictions & exclusions

We have implemented the below fund-wide restrictions and exclusions[1], which are applied subject to the notes outlined on the following page:

Restriction/ exclusion	Description
Tobacco	Direct investments in tobacco manufacturers and/or producers which derive 5% or more of their revenue from the manufacture and/or production of tobacco products.
Thermal coal	Direct investments in companies that generate 10% or more of their revenues directly from mining thermal or energy coal.[2]
Controversial weapons[3]	Direct investments in companies verifiably involved[4] in the manufacture and/or production of anti-personnel mines, biological weapons, chemical weapons, cluster munitions, depleted uranium, incendiary weapons and white phosphorous weapons (whole systems or key components[5]).
	Direct investments in companies verifiably involved[4] in, and deriving 5% or more revenue from, the manufacture and/or production of nuclear weapons (whole systems or key components[5]).

[1] Note that the fund-wide restrictions and exclusions differ from the equivalent restrictions and exclusions for the Socially Conscious options. The Socially Conscious restrictions and exclusions are broader and the revenue thresholds for tobacco, thermal coal and nuclear weapons are lower. In addition, the Socially Conscious restrictions and exclusions apply to all investments other than derivatives. Refer to the 'Socially Conscious diversified investment options' section on pages 20 to 22 for more information.

[2] As at the date of this Handbook, there are no directly held unlisted thermal coal mining assets within the fund. However, the trustee may acquire an interest in such assets as a result of a merger with another superannuation fund. If this occurs, the relevant assets will be sold at fair value as soon as reasonably practicable.

[3] This exclusion does not apply to companies involved in the deployment of these types of weapons such as aviation companies.

[4] For directly held liquid investments such as shares and bonds, this verification is undertaken by our ESG data provider ISS STOXX. For unlisted direct investments, an internal assessment is made.

[5] A component is a key component if it plays an essential role in the functionality of the specified weapon system or is specifically designed or modified for the specified weapons.

Please note:

- Our investment options may have an indirect exposure to companies involved in these industries because the fund-wide restrictions and exclusions don't apply to indirect exposures. This includes derivatives, exchange-traded products such as ETFs, securitised assets (financial products that give the holder exposure to a pool of loans, bonds or other debt products) and investment vehicles governed by an uncontrolled entity including, but not limited to, unit trusts and fund of funds via pooled vehicles.
- Companies that provide goods or services to companies generating revenue from tobacco products, thermal coal or controversial weapons, or that are involved in the distribution or deployment of these items, are not excluded.
- We rely on data provided by ISS STOXX to apply the fund-wide restrictions and exclusions for directly held liquid investments such as shares and bonds. For more information on the methodology that ISS STOXX applies in generating their data, please refer to their website at **issgovernance.com/esg/methodology-information/**. The documents that are most relevant include the 'Energy & Extractives', 'Controversial Weapons Research' and 'Sector-Based Screening' methodology and research process papers.[6] For unlisted direct investments, an internal assessment is made.
- The implementation of these restrictions and exclusions may be affected by the accessibility and accuracy of data, or an error by an external service provider. This may result in inadvertent holdings, typically over the short term, in investments we are seeking to exclude. In the event that there is an inadvertent holding of an investment we are seeking to exclude, we will endeavour to divest as soon as reasonably practicable.
- We do not automatically exclude companies' subsidiaries, joint ventures or bond issuers; each is assessed on its own verifiable involvement in the relevant activity. For example, if a company is excluded due to its involvement in controversial weapons, its subsidiary will not be excluded unless it is assessed to be verifiably involved in controversial weapons based on its own activities.

We may divest from other sectors, industries or investments without prior notice, in line with our Responsible Ownership Policy, as updated from time to time.

For more information, you can read our Responsible Ownership Policy, available at **aware.com.au/responsiblesuper**.

We measure the positive impacts of some of our unlisted assets on people and the environment, and have established frameworks for this purpose. To learn more and see examples refer to our Responsible Investment Report, available at **aware.com.au/annualreport**.

Climate change

We believe climate change is one of the most significant long-term risks to our portfolio, and therefore our members' retirement outcomes. As a result, we have undertaken significant research and work to establish a plan to help us manage this risk in our investment portfolios.

Our *Climate Transition Plan* is a framework of recommendations and targets that we will focus our efforts on. In 2023 we updated the plan to focus on the key strategic areas of:

- Decarbonisation: developing a decarbonisation pathway for our investment portfolio.
- Portfolio transition & resilience: transitioning our portfolio to lower climate change risk in our investments and, where required, helping those investments adapt to a changing climate, e.g. working with our agricultural investments to help them adapt their practices to a warming and changing climate.
- Investing in climate solutions: investing in low-carbon assets, as well as contributing to the economy-wide transition by investing in companies that need financial support to transition their operations and products to be lower emitting.
- Being a leader in company climate engagement: lowering risk by actively managing and engaging with portfolio investments on their climate change transition pathway.
- Having an influential voice in climate policy and advocacy.

super helpful tip: You can find more information on our *Climate Transition Plan* on our website at **aware.com.au/climatechange**

[6] This information is accurate as at the date of this *Handbook*. However, ISS STOXX may update their website from time to time.

Custom benchmarks

We use custom benchmarks for most of our Australian and international share portfolios that are managed passively (i.e. invested in accordance with an index) or using a systematic investment style (i.e. using quantitative modelling techniques). The custom benchmarks are the index to which these portfolios are managed, meaning they invest in a portfolio of companies that closely corresponds with the relevant custom benchmark. Investing these portfolios in a way which closely corresponds with the relevant custom benchmark is how we intend to achieve our Climate Transition Plan target of a 45% reduction in greenhouse gas emissions intensity[1] in our listed share portfolios by 2030 (from a 30 June 2020 base) (Target Emissions).

Our Australian shares custom benchmarks[2] are based on the MSCI Australian Shares All Cap Index, and the international shares custom benchmarks are based on the MSCI World ex Australia Index or the MSCI All Country World Index (ACWI) ex Australia, as relevant (together, the Base Benchmarks). Each Base Benchmark is customised (and accordingly, the investments of the relevant share portfolio are customised) to move towards the listed share portfolios achieving the Target Emissions by 2030 (and the interim Target Emissions along the way). In addition, to ensure sufficient diversity, we may include additional companies in a custom benchmark.

Our process to customise the Base Benchmarks involves obtaining company level greenhouse gas emissions and fossil fuel reserves data for the companies within the benchmark from specialist ISS STOXX[3]. This information is aggregated and analysed to compare the Base Benchmark's greenhouse gas emissions with our interim Target Emissions. The difference between these two amounts is used to determine the reduction in emissions that we aim to achieve, and the customisation of the Base Benchmarks (and corresponding share portfolios) is how we achieve the reduction in emissions.

There is no set way in which we adjust the custom benchmarks to achieve this reduction in greenhouse gas emissions. For example, we may adjust the custom benchmarks to exclude (i.e. apply a zero weighting to) or apply a reduced weighting to, some of the most greenhouse gas emissions intensive[1] companies within the relevant custom benchmark. However, we may adopt another approach.

We also apply our fund-wide restrictions and exclusions in relation to tobacco, thermal coal and controversial weapons[4] from the custom benchmarks by excluding companies deriving revenue from these activities that exceed the materiality threshold (where applicable).

Each quarter, in conjunction with MSCI, we review and may update the custom benchmarks. Where this occurs, the applicable Australian and international share portfolios are rebalanced to reflect the updated custom benchmark.

[1] Greenhouse gas emissions intensity is a measure of carbon dioxide and other greenhouse gases (CO_2e) per unit of activity, for example manufacturing a product.

[2] The Australian custom benchmarks consist of the largest 200 or 300 companies remaining in the Base Benchmark after the adjustments, as relevant.

[3] For information on the methodology that ISS STOXX applies in generating their data, please refer to their website at **issgovernance.com/esg/methodology-information/** and in particular the 'Carbon Footprint' methodology and research process paper. While this information is accurate as at the date of this *Handbook*, ISS STOXX may update their website from time to time.

[4] For more details, including the materiality thresholds, refer to the '4: Investment restrictions & exclusions' section beginning on page 30.

Foreign currency management

The returns from overseas investments such as international shares or bonds reflect both changes in the value of the investments and currency movements. A higher Australian dollar can reduce returns on international investments, while a lower Australian dollar can improve returns.

Currency hedging can be used to protect Australian investors against movements in foreign currency. This can reduce a potential loss from unfavourable currency movements, but it can also reduce a potential profit.

Our investment option profiles show the long-term asset allocation target and range for foreign currency exposure, where applicable. These amounts refer to the proportion of assets that are affected by foreign currency movements. The remainder of the option is either currency hedged or denominated in Australian dollars.

Use of derivatives

A derivative is a financial instrument whose value depends on, or is derived from, another source such as an asset, market index or interest rate. We use a range of derivatives including forwards, futures, options and swaps:

- to manage risk (e.g. foreign currency hedging)
- for asset allocation purposes
- as a way to implement investment positions efficiently, and
- to enhance returns.

As with other types of investments, both gains and losses can occur from holding derivatives. Favourable price movements in the underlying asset(s) can generate gains, while unfavourable price movements can result in losses.

Our derivative usage is governed by an internal policy to ensure derivatives are used appropriately and the investment managers that use derivatives on our behalf operate within specific guidelines.

Valuations and unit pricing

Valuation of the fund's assets

We value our investments regularly so we can process transactions at values that are fair and reasonable. Some investments, such as shares, fixed income and cash investments, are valued daily, while others are valued less frequently.

Listed investments such as shares are valued using the end-of-day price quoted for the relevant exchange (for example the ASX). Fixed income securities such as bonds, which are not traded on listed markets, are valued using market average prices from independent sources.

Investments in real property and infrastructure, private equity, and some hedge funds are valued less frequently – typically quarterly or monthly, but at least twice a year. We use registered valuers or pre-determined methods for these valuations.

Unit prices

The money you invest with us is pooled with other members' savings and invested to earn you a return. This allows access to a wider range of investments.

Your account is invested in one or more investment options[1]. Other than the Term Deposit option, the investment options are unit-based. This means when you add money to your super, you purchase units in your chosen investment option(s). When you withdraw money, or when fees and costs are deducted from your account, you sell units. The value of your account is based on the number of units and unit value of each investment option you hold.

Each business day we calculate the unit price of each unit-based option. The value of your account balance will fluctuate depending on variations in the unit price of your investment option(s) and the amount of any fees and charges applied to your account.

If the investment option earns positive returns, both the unit price and the value of your investment rise. If the investment option experiences negative returns, the unit price and the value of your investment both fall.

We may temporarily suspend or delay unit pricing if extreme market volatility or circumstances outside of our control mean we can't calculate a fair unit price. If we need to delay or suspend a unit price for any or all of our investment options, we may stop processing transactions until a unit price is available. The delay or suspension could be for some time and we aren't responsible for any losses that delayed or suspended transactions may cause. If we delay or suspend unit prices we will let you know on our website at **aware.com.au/unitprices**.

The unit prices for each investment option are published the following business day, generally after 6pm. For the latest unit prices go to **aware.com.au/unitprices**.

How the unit price is calculated

The unit price for each investment option is calculated by dividing the value of the assets in the option (after allowing for fees, costs and taxes) by the number of units on issue.

[1] Aware Super Future Saver – NSW Police Officers and Aware Super Future Saver – Ambulance Officers compulsory insurance accounts are maintained only to provide insurance cover and are not invested in any investment option.

Changing investment options

You can change (switch) investment options at any time. Find out how to make a switch and what to consider before you do.

What to check before you switch investment options

Changing your investments is one of the biggest decisions you can make about your super. Ask yourself these questions to make sure you're ready to make the switch.

What's your timeframe?

Investment markets typically rise and fall over the short term, but some people have time to ride out these ups and downs. Think about your investment timeframe and the future impact of making a change.

Super is generally a long-term investment. This means the investment option(s) you choose can have a big impact on the balance you retire with. Investing too conservatively can be risky because over the long term your investment may not earn a return above the inflation rate. If your super grows at a rate lower than inflation, you could be losing money without realising it.

Do you need to diversify your investments?

Investing in a range of asset classes, investment styles, managers and geographical regions reduces the impact that any one alone might have on your returns. That's because if one of your asset classes, investment styles, managers or regions drop in value, another might make up for this loss.

Is this the right time to change investment options?

A good investment is one that you buy at a low price and sell at a high price. If you switch your investments after a fall, you could be selling them when they're at a low price and locking in a loss. Markets are hard to predict. If you switch into a more conservative option when markets fall and don't switch back until after markets rebound, you will miss the early gains (which are often the strongest) and may buy back at a high price.

Are you approaching retirement?

Switching to a lower risk investment option can be appealing to those close to retirement who have less time to recover from losses. However, even if you've stopped working, your savings could be invested for more than 30 years. Around 30% of the income paid from your retirement income account could come from the returns you make in retirement.[1] This means if you stick to your long-term goals, you could benefit from a lot of growth once you stop working.

Do you need help?

Don't feel you have to make these decisions alone. We can help you work through all the questions you need to consider, before you change how your super's invested. Call us on **1300 650 873** to speak to a super consultant or make an appointment to see one of our financial planners.

Switching your investment options

You can switch the investment options for your current account balance or future contributions, or opt back in to MySuper Lifecycle at any time, as long as you don't have an investment switch or term deposit application pending.

You can switch by logging into Member Online or by contacting us.

If we receive a valid request from you to switch investment options by 3pm AEST/AEDT on a business day, we will normally process it using the unit prices that apply for that day (generally determined by 6pm the next day). If we don't have enough information from you to process your request, we may use a later unit price.

A business day means all weekdays excluding the following public holidays: New Year's Day, Australia Day, Good Friday, Easter Monday, ANZAC Day (when it falls on a weekday), King's Birthday, Christmas Day and Boxing Day.

Cancelling a switch

Once you've submitted a switch request or a term deposit application, you cannot cancel it. In addition, you won't be able to submit any other change requests until we've processed your initial request, which typically takes about three business days.

Changes to future contributions

You can make a change to how your future contributions are invested independently of a switch for your current investments.

Rebalancing your investment options

If you invest in one of our diversified options, we regularly monitor the allocation to the different asset classes and take care of rebalancing for you. If you're invested in more than one investment option, the percentage of your account balance in each option will change over time as a result of market movements. This could mean that the risk profile of your account changes. As a result, you may want to rebalance your account periodically to bring the percentage invested in each investment option back in line with your original selection. This involves switching a portion of your account balance from one option to another (see 'Switching your investment options').

When you rebalance your account, you may be moving money from options that have performed well to options that haven't performed as well. While this may seem counterintuitive, it's important to remember that it can be risky to rely too heavily on any one asset class. It's also possible that the asset class or investment option with the highest returns one year may not perform as well the next year.

Automatic rebalancing feature

We offer a rebalancing feature which automatically realigns your account balance with your chosen mix of investment options on 15 July each year.[2]

The Term Deposit investment option is excluded from the rebalance feature. If you hold a term deposit on 15 July and you have elected to rebalance your account, it won't be included in your rebalance.

You can opt in for automatic rebalancing at the time you set up your account, or by logging in to Member Online.

Note: The rebalancing feature is based on percentages. If you perform a dollar-based switch after opting in to the rebalancing feature, the rebalancing feature you have in place will be cancelled.

Please read all of the information in this *Investment and Fees Handbook* before making an investment switch decision. You should choose investment options to suit your personal objectives, financial situation and needs, and consider seeking advice from a financial planner before you choose or change your investment options.

[1] Source: Aware Super modelling, 31 October 2023. For more information, including a list of assumptions, go to **aware.com.au/retirementcasestudy**.

[2] If 15 July does not fall on a business day, the rebalance will be processed on the next business day.

Fees and other costs

The wording below regarding negotiation of fees is required by law. Our fees and costs are not negotiable.

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website **(www.moneysmart.gov.au)** has a superannuation calculator to help you check out different fee options.

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry fees and exit fees cannot be charged.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

The fees and other costs for each MySuper product offered by the superannuation entity, and each investment option offered by the entity are set out on page 39.

Fees and costs summary — Aware Super Future Saver

Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs[1,2]		
Administration fees and costs	Account-keeping fee of $52 per year[3] *plus* Administration fee of 0.15% per year ($75 per $50,000), capped at $62.50 per month	We calculate the account keeping fee daily and deduct it from your account at the end of each month and on exit from the fund. We calculate the administration fee monthly based on your account balance at the end of the month and deduct it from your account at the end of each month and on exit from the fund.
Investment fees and costs[4,5]	**MySuper Lifecycle approach**, estimated to range from 0.48% to 0.59% per year $240 to $295 per $50,000). **All other investment options**, estimated to range from 0.00% to 0.59% per year ($0 to $295 per $50,000). The amount you pay varies according to which option(s) you select. See the table in the 'Additional explanation of fees and costs' section for more information.	Deducted from the income or assets of the relevant option or an underlying investment vehicle before daily unit prices are calculated.
Transaction costs[4]	**MySuper Lifecycle approach**, estimated to range from 0.06% to 0.07% per year ($30 to $35 per $50,000). **All other investment options**, estimated to range from 0.00% to 0.07% per year ($0 to $35 per $50,000). The amount you pay varies according to which option(s) you select. See the table in the 'Additional explanation of fees and costs' section for more information.	Incurred over the course of the year and deducted from the assets of the relevant option or an underlying investment vehicle before daily unit prices are calculated.
Member activity related fees and costs		
Buy-sell spread	Nil	Not charged
Switching fee	Nil	Not charged
Other fees and costs[6]	**Advice fees** $0 for intra-fund advice	We don't charge an advice fee for intra-fund advice about your Aware Super account. This applies to all members investing in a particular MySuper Lifecycle stage or investment option.
	Broader and more complex personal advice	As trustee, we may deduct a fee from your account for personal financial product advice provided by your financial planner solely in respect of your account (this excludes advice which is not about your account e.g. about your non-super investments). This will only occur where you have authorised us to pay the fees and we have entered into an agreement with your financial planner's Licensee which requires us to pay the fee.
	Insurance costs The cost of insurance cover (called premiums) varies based on a range of factors including age, cover type and amount and your insurance category.	We calculate *insurance costs (premiums)* daily and deduct them from your account at the end of each month. If you start, end, increase or decrease your insurance during a month, we'll charge a pro-rata premium based on the number of days you were covered in that month. If you withdraw all your money from your account, we deduct any unpaid premiums and fees before paying you the balance.
	Insurance administration fee We charge an insurance administration fee of $1.85 per month if you hold any insurance in the account.	If you have any insurance on the last day of the month, the insurance administration fee is deducted from your account. This fee won't be charged for the first 60 days if you only hold Basic Cover that was issued to you automatically. See the *Insurance Handbook* for details.

[1] If your account balance for a product offered by the superannuation entity is less than $6,000 at the end of the entity's income year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

[2] Investment fees and costs and transaction costs are inclusive of GST and net of any reduced input tax credits (RITCs) at the prescribed rate. Administration fees and costs are not subject to GST.

[3] Due to rounding of the monthly fee amounts the total account keeping fee will be $52.01 in some years.

[4] These amounts are indicative only and are based on historical fee and cost data as at 30 June 2024. Past costs are not a reliable indicator of future costs. The amount you'll pay in future years will depend on the actual fees and costs incurred by the trustee in managing the investment option.

[5] Investment fees and costs include an amount for performance fees, ranging from 0.00% to 0.26% depending on your investment option(s). The calculation basis for these amounts is set out under 'Additional explanation of fees and costs'.

[6] Refer to 'Additional explanation of fees and costs' for details.

Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your superannuation investment over a 1-year period for all superannuation products and investment options. It is calculated in the manner shown in the Example of annual fees and costs.

The cost of product information assumes a balance of $50,000 at the beginning of the year. (Additional fees such as a buy-sell spread may apply*: refer to the 'Fees and costs summary' for the relevant superannuation product or investment option.)

You should use this figure to help compare superannuation products and investment options.

Aware Super Future Saver	Cost of product
MySuper Lifecycle Grow – Age 55 and under	$457
MySuper Lifecycle Manage – Age 56	$452
MySuper Lifecycle Manage – Age 57	$442
MySuper Lifecycle Manage – Age 58	$437
MySuper Lifecycle Manage – Age 59	$432
MySuper Lifecycle Manage – Age 60	$422
MySuper Lifecycle Manage – Age 61	$417
MySuper Lifecycle Manage – Age 62	$412
MySuper Lifecycle Manage – Age 63	$407
MySuper Lifecycle Manage – Age 64	$402
MySuper Lifecycle Enjoy – Age 65 and over	$397

Aware Super Future Saver	Cost of product
High Growth	$457
Balanced	$422
Conservative Balanced	$397
Conservative	$337
Defensive	$262
High Growth Socially Conscious	$332
Balanced Socially Conscious	$322
High Growth Indexed	$157
Balanced Indexed	$157
Australian Shares	$157
International Shares	$157
Property	$252
Bonds	$167
Cash	$147
Term Deposit	$127

* This wording is required by law. We don't charge a buy-sell spread on any of our investment options.

Additional explanation of fees and costs

Ongoing annual fees and costs

The table below summarises the annual investment fees and costs and transaction costs for each investment option.

You should refer to our website at **aware.com.au/pdsupdates** for any updates to fees and costs which are not materially adverse from time to time. You can also call us on **1300 650 873** to request this information without charge.

Important: Investment fees and costs and Transaction costs are not fixed and may vary from year to year. The amounts in the table below are indicative only and reflect the fees and costs for the year ended 30 June 2024, other than performance fees. Performance fees reflect a 5-year average, or the average for the period since the option commenced if that period is less than 5 years.

These amounts are estimates only. The amount you'll pay in future years will depend on the actual fees and costs incurred by the trustee in managing the investment option(s). **Past costs are not a reliable indicator of future costs.**

Lifecycle stage or investment option	Investment fees and costs (%)		Total investment fees and costs (%)	Transaction costs (%)	Total investment fees and costs and transaction costs (%)
	Investment base fees (%)	Performance fees (%) 5-year average			
MySuper Lifecycle stages					
Grow – Age 55 and under	0.33%	0.26%	**0.59%**	0.07%	**0.66%**
Manage – Age 56	0.33%	0.25%	**0.58%**	0.07%	**0.65%**
Manage – Age 57	0.32%	0.25%	**0.57%**	0.06%	**0.63%**
Manage – Age 58	0.32%	0.24%	**0.56%**	0.06%	**0.62%**
Manage – Age 59	0.31%	0.23%	**0.54%**	0.07%	**0.61%**
Manage – Age 60	0.31%	0.22%	**0.53%**	0.06%	**0.59%**
Manage – Age 61	0.30%	0.22%	**0.52%**	0.06%	**0.58%**
Manage – Age 62	0.30%	0.21%	**0.51%**	0.06%	**0.57%**
Manage – Age 63	0.29%	0.21%	**0.50%**	0.06%	**0.56%**
Manage – Age 64	0.29%	0.20%	**0.49%**	0.06%	**0.55%**
Enjoy - Age 65 and over	0.28%	0.20%	**0.48%**	0.06%	**0.54%**
Diversified investment options					
High Growth	0.33%	0.26%	**0.59%**	0.07%	**0.66%**
Balanced	0.31%	0.22%	**0.53%**	0.06%	**0.59%**
Conservative Balanced	0.28%	0.20%	**0.48%**	0.06%	**0.54%**
Conservative[1]	0.24%	0.13%	**0.37%**	0.05%	**0.42%**
Defensive	0.19%	0.05%	**0.24%**	0.03%	**0.27%**
High Growth Socially Conscious[1,2]	0.31%	0.03%	**0.34%**	0.07%	**0.41%**
Balanced Socially Conscious[1]	0.28%	0.04%	**0.32%**	0.07%	**0.39%**
High Growth Indexed	0.06%	0.00%	**0.06%**	0.00%	**0.06%**
Balanced Indexed	0.06%	0.00%	**0.06%**	0.00%	**0.06%**
Single asset class investment options					
Australian Shares	0.05%	0.00%	**0.05%**	0.01%	**0.06%**
International Shares	0.05%	0.00%	**0.05%**	0.01%	**0.06%**
Property[3]	0.08%	0.17%	**0.25%**	0.00%	**0.25%**
Bonds	0.08%	0.00%	**0.08%**	0.00%	**0.08%**
Cash	0.04%	0.00%	**0.04%**	0.00%	**0.04%**
Term Deposit	0.00%	0.00%	**0.00%**	0.00%	**0.00%**

[1] These investment options were introduced as new options on 11 May 2023. They are based on historical investment options offered to members of the VicSuper division of the fund prior to 11 May 2023. The 5-year performance fee average reflects the performance fees of the historical VicSuper investment options for periods prior to this date.

[2] The High Growth Socially Conscious option commenced on 3 November 2022. The performance fees are therefore based on the performance fees from this date, rather than a 5-year average.

[3] The Property investment option no longer incurs performance fees. On 31 December 2022, this option changed from investing in a combination of listed and unlisted property investments, to being fully invested in listed property. The performance fees shown in the table relate to the unlisted property assets that were part of this option before these changes were made.

Administration fees and costs

Administration fees and costs are charged by the trustee for administering and operating the fund.

Administration fees are paid into the fund's administration reserve and the fund pays its administration costs from that reserve. Any surplus in amounts paid into the administration reserve, together with credits from certain other sources (such as tax credits) are held in the administration reserve and may be used to fund administration and operating costs in subsequent years. This may include investment in strategic projects for the benefit of members.

The administration reserve is also used to fund the Operational Risk Financial Requirement (ORFR) reserve. Australian super funds are required to have an ORFR by the Australian Prudential Regulation Authority (APRA) to cover any losses, costs and expenses that may occur in the event of an operational risk event. Examples of operational risk events include systems failures, cyber security incidents, unit pricing errors and fraud.

If the administration-related costs paid from the administration reserve in any one year exceed the amounts paid into the reserve in that year, that excess amount is disclosed under 'Administration fees and costs' as an additional amount.

Part-month payments

a) Account-keeping fee

When you join or leave the fund part-way through a month we pro-rata the account-keeping fee for the number of days you were in the fund, starting from the date of your first account transaction.

b) Administration fee

When you join the fund part-way through a month, we calculate the fee using your account balance at the end of the month, and pro-rata this amount for the number of days you were in the fund that month, starting from the date of your first account transaction.

When you leave the fund part-way through a month, we calculate the fee using your account balance at the time of processing your request, and pro-rata this amount for the number of days you were in the fund that month.

Deceased member accounts

We will generally rebate any account-keeping fees and administration fees charged to a deceased member's account at the end of the month in which we are first notified of their death. The amount reimbursed is calculated based on fees charged to the member for the period since the date of their death.

Investment fees and costs

Investment fees and costs are the costs of managing the fund's investments for each option. They include an investment base fee and performance fees, where applicable.

We pay these fees and costs from the fund or they are deducted from underlying investment vehicles before we calculate an investment option's unit price; they're not deducted directly from your account.

Investment base fees

Investment base fees include:

- fees paid to external investment managers,
- the costs of the Aware Super Investment team,
- amounts paid to third parties, such as our custodian, asset consultants, valuers, accountants, auditors, and tax specialists,
- the estimated costs of over-the-counter (OTC) derivatives (i.e. derivative contracts traded directly between two parties, rather than on a listed financial market), and
- securities lending costs.

Investment base fees may vary from year to year and we can't calculate them precisely in advance. The amount you'll pay in future years will depend on the fees and costs the trustee has to pay to manage the investment option.

The estimated investment base fees per Lifecycle stage and option are shown in the table on page 39.

Performance fees

While we don't charge performance fees directly, we have performance fee arrangements with a number of external investment managers within our Core and Socially Conscious investment options. These managers receive (or accrue) performance fees if they generate investment returns that exceed an agreed level. Investment managers with performance fee arrangements are generally also paid a base management fee. However, the base management fee for these managers is typically lower than we consider it likely to be if there were no performance fee arrangement.

When our external managers with performance fee arrangements perform well, you'll typically pay higher investment fees and costs, and performance fees may be payable even when the performance of an investment option as a whole does not exceed its performance objective.

Performance fees are typically accrued at a frequency consistent with the valuation cycle of the relevant asset or portfolio. This means the valuations for the relevant investments factor in any performance fees owing. These accrued amounts are included in the performance fee amounts we report and can go up and down over time. In some years, performance fees may be negative which indicates that the amount of performance fees owing decreased over the relevant financial year. Performance fees are generally only paid once an investment is sold, and not all accrued performance fees will necessarily be paid.

Performance fees are part of investment fees and costs, and like investment base fees, can vary from year to year. The actual amount of performance fees incurred in a particular financial year will depend on:

- the individual performance fee arrangements with investment managers,
- the investment returns for these investments, and
- the allocation of our investment options to these investments.

The performance fees shown in the table on page 39 are an average of the last five financial years for each investment option. For investment options that have existed for less than five financial years, performance fees are shown as the average for the period since the investment option commenced.

Performance fees have no impact on the administration fees and costs paid by you.

Transaction costs

Transaction costs are ongoing costs and are reflected in the daily unit price and performance reporting of the investment option. They may be incurred directly by the fund or through an underlying investment vehicle when buying and selling their assets. Transaction costs are deducted from the assets of the fund or an underlying investment vehicle and are an additional cost that reduces the return on your investment.

Transaction costs include:

- brokerage costs (the amount paid to a broker when buying and selling underlying securities, for example shares)
- settlement and clearing costs
- stamp duty (a government tax paid on the transfer of certain assets or property from one owner to another)
- due diligence costs on investment transactions, for example legal and advisory costs
- buy/sell spreads on underlying investment vehicles, as applicable.

We don’t charge a buy–sell spread on our investment options. This means transaction costs for an investment option will also include the costs incurred as a result of individual member contributions and withdrawals, including any switches between investment options.

Transaction costs will vary from year to year depending on the type, size and frequency of transactions. In general, illiquid asset classes such as unlisted property and infrastructure tend to have higher transaction costs (for example stamp duty) compared to more liquid asset classes like shares and fixed income.

The estimated transaction costs per Lifecycle stage and option are shown in the table on page 39.

Member activity related fees and costs

Financial Advice

Intra-fund advice about your Aware Super account

As a member you have access to personal financial advice limited to your account (i.e. intra-fund advice) at no separate charge. The cost of providing this service is covered by the administration fees. This service is offered under the licence of our financial planning business which is wholly owned by Aware Super Pty Ltd as trustee of the fund. You should read their Financial Services Guide before making a decision.

Comprehensive financial advice

If you obtain broader and more complex personal advice the associated fees will depend on the scope and complexity of the advice. As trustee, we may deduct a fee from your account for personal financial product advice provided by your financial planner solely in respect of your account (this excludes advice which is not about your account e.g. about your non-super investments). This will only occur where you have authorised us to pay the fees and we have entered into an agreement with your financial planner's licensee which requires us to pay the fee.

Insurance costs

Insurance premiums are dependent on a variety of factors including the cover you have selected, your age and your insurance category. If you have insurance, the insurance premiums and an insurance administration fee of $1.85 per month will be deducted from your account.

For information on insurance fees and other costs relating to insurance, see section 8 of the *Product Disclosure Statement* and the *Insurance Handbook*.

Tax

For more information on the amount of tax payable, see the *Super Handbook*, and section 7 of the *Product Disclosure Statement*.

Tax rebates on your account

If you have insurance through the fund, you'll receive a rebate on amounts deducted from your account for tax deductible insurance premiums. The rebate is credited to your account monthly, at the time the premium is deducted.

If you obtain comprehensive financial advice and we deduct the adviser fee from your account, you'll receive a rebate for tax deductible adviser fees. The rebate is credited to your account at the time the fee is deducted.

A tax deduction is claimed for the investment fees and costs and transaction costs incurred by the fund. Although there is no direct benefit passed on to you from this tax deduction, there is an indirect benefit passed on to you through lower taxation costs.

The tax benefit received by the fund for administration expenses is retained by the fund.

GST and stamp duty

Fees and costs may include GST and stamp duty. The fund may be entitled to claim a reduced input tax credit (RITC), which represents a proportion of the GST applicable to investment fees and costs and certain other expenses, as set out in the GST law.

Investment fees and costs and transaction costs are inclusive of GST and net of any RITCs at the prescribed rate. Administration fees and costs are not subject to GST. Adviser fees for comprehensive financial advice deducted from your account are inclusive of GST.

Changes to fees and costs

We can change the fees and costs that you may be charged without your consent. We'll inform you at least 30 days before we increase (or introduce new) fees that affect your account. Prior notice is not required where an increase reflects an increase in costs.

We'll update any changes to fees and costs at **aware.com.au/pdsupdates**.

Defined fees

This section defines the different fees and costs that are able to be legally charged to your Aware Super account. Not all charges apply.

Type of fee or cost	Definition	How it applies to your Aware Super Future Saver account
Activity fees	A fee is an *activity fee* if: (a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee: (i) that is engaged in at the request, or with the consent, of a member; or (ii) that relates to a member and is required by law; and (b) those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.	We do not charge activity fees.
Administration fees and costs	*Administration fees and costs* are fees that relate to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that: (a) relate to the administration or operation of the entity; and (b) are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.	Administration fees and costs includes: (a) an account-keeping fee of $52 per year *plus* (b) an administration fee of 0.15% per year. The administration fee component (0.15% per year) is capped at $62.50 per month ($750 per year).
Advice fees	A fee is an *advice fee* if: (a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by: (i) a trustee of the entity; or (ii) another person acting as an employee of, or under an arrangement with, the trustee; and (b) those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.	There is no charge for Intra-fund advice about your Aware Super account. However, you will be charged an advice fee if you agree to receive comprehensive personal financial advice from a financial planner. The fees will be discussed and agreed with you at that time. See 'Financial Advice' on page 42 for further information.
Buy-sell spreads	A *buy-sell spread* is a fee to recover costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.	We do not charge buy-sell spreads.
Exit fees	An *exit fee* is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.	We do not charge exit fees.
Investment fees and costs	*Investment fees and costs* are fees and costs that relate to the investment of the assets of a superannuation entity and includes: (a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and (b) costs incurred by the trustee of the entity that: (i) relate to the investment of assets of the entity; and (ii) are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.	A breakdown of these fees and costs for each investment option and lifecycle stage is provided on page 39.
Switching fees	A *switching fee* for a MySuper product is a fee to recover the costs of switching all or part of a member's interest in a superannuation entity from one class of beneficial interest in the entity to another. A *switching fee* for a superannuation product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.	We do not charge a switching fee.
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.	The estimated transaction costs for each investment option and lifecycle stage is provided on page 39.

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Questions? We've got answers.

Contact us:

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