

Goldman Sachs & JBWere Superannuation Fund

Member Outcomes Assessment

Annual Determination: 30 June 2024

Each year we are required to assess our performance and, based on that assessment, make an annual determination whether we are promoting the best financial interests of our members. We are happy to make this determination in relation to each product we offer:

- MySuper product;
- Spouse Account, a choice product; and
- Account Based Pension Account, a choice product.

Assessing Our Performance

In relation to our products we have established a number of objectives and outcomes we aim to achieve for all members across the following areas:

- Investment performance based on our investment strategy and investment risk;
- Insurance strategy and fees;
- Fees and costs, including our operating costs;
- Options, benefits and facilities offered to members; and
- Overall size and scale.

Investments

MySuper and Choice products

The investment related outcomes assessment for the MySuper product are prescribed by the Australian Prudential Regulation Authority (APRA) and require the use of APRA data. The Fund also monitors its performance against the Fund benchmark and against the SuperRatings Fund Crediting Rate Survey (Growth Options).

Investment Strategy

The Fund's investment strategy and objectives were developed with consideration given to the Fund's benefit design and membership profile and are reviewed annually. Our key investment objective is to maximise members' retirement benefits by delivering the highest possible rate of return over the long term, whilst prudently managing risk and diversification.

Fund Benchmark

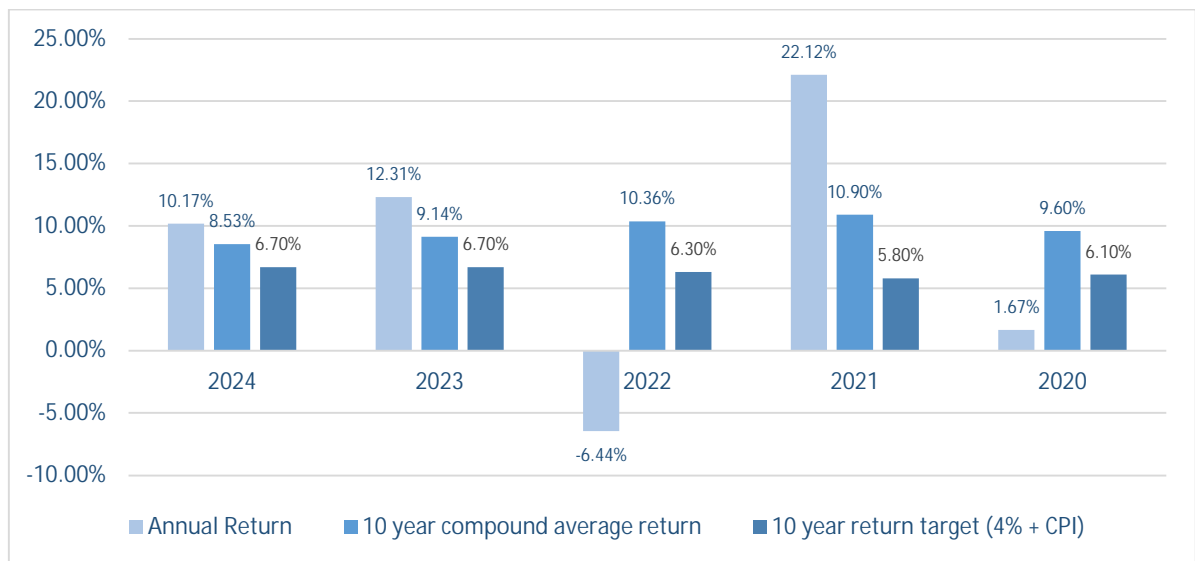
The Fund has a long term investment objective of achieving a rolling 10-year investment return which exceeds inflation by at least 4% per annum.

Investment Returns

APRA 2024 Performance Test

The Fund passed the annual APRA Performance Test with a positive performance test metric of 0.505% (where -0.5% or worse denotes a fail). The Performance Test includes a backward looking investment performance component that measures the net investment return of a product relative to a tailored benchmark that is created using the product's strategic asset allocation. It also incorporates the Fund's administration fees charged compared to the industry median.

Compared to Benchmark

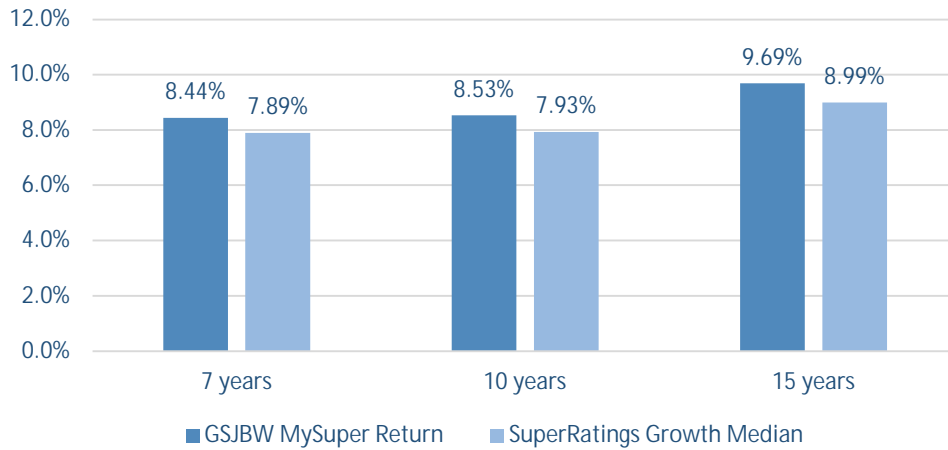


Compared to SuperRatings Fund Crediting Rate Survey

- ✓ Our longer term top quartile SuperRatings performance ranking as at 30 June 2024 is shown in the table below:

Timeframe to 30 June 2024	SuperRatings** ranking
10 years	18/82
15 years	6/43

SuperRatings Fund Crediting Rate Survey** Rolling per annum return



**SuperRatings' Fund Crediting Rate Survey – Growth (77-90) Option as at 30 June 2024. Note that a reference to peers means a diversified fund investment option with a growth assets ratio between 77% and 90%.

Investment Risk

The Fund has the highest ranked level of investment risk amongst all single diversified and lifecycle stage MySuper options. The level of investment risk has the potential for 6 individual annual negative net investment returns over a 20-year period based on the investment strategy. The Trustee actively monitors and prudently manages investment risk as it works to achieving the investment objectives. The Fund has actually had 4 negative net investment returns over the past 20 years.

The Fund's top quartile net investment returns over the last 10 and 15 years show that the high level of exposure to growth assets and therefore investment risk has acted to deliver good member outcomes and has been in members' best financial interests over the long term.

Insurance

The Trustee completed an insurance re-market prior to the expiration of the rate guarantee period at 30 June 2022 and reviewed its Insurance Management Framework in December 2023.

MySuper and Choice products

For the assessment of the default insurance cover that we offer members as at 30 June 2024 in our MySuper and choice (super) products, we have:

- Considered whether the premiums paid inappropriately erode retirement benefits;
- Compared the premiums payable to comparable products in the industry; and
- Considered whether the level of cover we offer is competitive.

No cover is provided for Account Based Pension Division members, which is appropriate given the age of the members concerned who are in the product for retirement income drawdown purposes.

As a result of the independent group insurance re-market:

- The majority of members received a reduction in overall premiums from 1 July 2022. The rates are guaranteed for a period of three years;
- The premium rates for default Death and TPD cover are competitive in the market; and
- The level of default Death and TPD cover design is salary based, leading to higher levels of cover compared to peer funds.

The results of the independent review of the premium re-rate and the benchmarking, combined with the options members have to reduce or opt out of cover, support the Trustee's assessment that premiums remain appropriate, are competitive for the levels of cover provided, and do not inappropriately erode the retirement income of the MySuper product members and Spouse Division product members.

Fees and Costs

The costs associated with the operation of the Fund are carefully managed to deliver efficient and valued products and services to members.

The fee structure is designed to recover the operating costs of the Fund, which are a mix of fixed and variable costs, in an equitable manner across the membership.

The Fund's 'Operating Expense Ratio' for the year ended 30 June 2024 as calculated in the APRA Annual Statistics 2024 is unchanged from the previous year (0.4% of assets), and is slightly higher than the industry median (0.3% of assets).

MySuper and Choice products

The Fund's administration fees for a representative \$50,000 MySuper product member are 0.42% per annum net of tax. This is higher than APRA's Benchmark Representative Administration Fees and Expenses (BRAFE) of 0.27% per annum for MySuper products.

Once a member account balance exceeds \$200,000 the fees as a percentage per annum diminish. For example, the administration fees on an account balance of \$250,000 are 0.34% per annum net of tax.

Indirect investment fees are included in net returns, and it is net returns which are the primary driver of strong member outcomes. As noted above, the Fund's net returns are ranked 6th amongst similar growth options over the last 15 years.

The Fund's members generally have higher than industry average balances and our fee structure is more competitive for those higher balances. Our fee structure is also more competitive for Goldman Sachs employees as their fees are subsidised by Goldman Sachs.

Options, benefits and facilities

The options, benefits and facilities assessment considers whether our overall product and service offering is appropriate for our members.

The Fund aims to provide members with the opportunity to plan for their future financial security and retirement by offering:

- The opportunity to maximise investment returns in a cost effective way and complementing this with,
- A valued package of superannuation benefits and member services, delivered through a sustainable operational model including:
 - Member communication;
 - Member education;
 - Advice services;
 - Website and digital support;
 - Call centre support; and
 - Workplace onsite member support.

The Trustee has assessed that the options, benefits and facilities provided to all members are appropriate based on the outcomes being achieved, and the levels of engagement with member services. The services are provided in a cost effective manner through leveraging the capabilities of material service providers.

Overall size and scale

All Fund members (apart from Spouse members) work, or have worked, for Goldman Sachs or JBWere. The Trustee acknowledges that the Fund is relatively small in its membership size and fund assets within the superannuation industry, and has a strategic objective to ensure that operations remain sustainable through:

- Maintaining a responsible budget and managing operating costs; and
- Delivering strong net returns to members, which are above benchmark and highly competitive.

The Trustee monitors the trends in its sustainability measures and is of the view that member interests are not disadvantaged while:

- The Fund leverages the investment capabilities of Goldman Sachs and JBWere to achieve strong investment returns; and
- The Fund outsources the material service provisions associated with operating the Fund, which allows it to leverage the capabilities and access the scale of these service providers.

Taking into account the results of the objectives and outcomes described above, the Fund has sufficient scale such that members are not disadvantaged by the size of the Fund. We are able to design products specific to the characteristics of our members. The products we offer our members are competitive in terms of investments, insurance and fees against other comparable products.

Determination for the period ending 30 June 2024

MySuper and Choice product determinations

- The best financial interests of members are being promoted by the Trustee;
- The investment strategy, including the level of investment risk and return target, is appropriate for members;
- The insurance strategy is appropriate for members;
- The insurance fees charged do not inappropriately erode the retirement incomes of members;
- The products' operating costs are not inappropriately affecting the best financial interests of members;
- The basis for the setting of fees is appropriate for members;
- The options, benefits and facilities offered are appropriate for the members; and
- Because of the scale of the Trustee's business operations, members are not being disadvantaged.