



HOSTPLUS MEMBER OUTCOMES ASSESSMENT

Financial year ending 30 June 2023



THAT'S **A PLUS.**



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Important information

This report has been prepared and issued by Host-Plus Pty Limited ABN 79 008 634 704, AFSL 244392 as Trustee for the Hostplus Superannuation Fund ABN 68 657 495 890, MySuper No 68 657 495 890 198 (the Fund). Information contained within this report is general advice only and does not take into account your personal objectives, financial situation or needs. You should consider if this information is appropriate for you, in light of your circumstances, before acting on it. Please read the relevant Hostplus Product Disclosure Statement (PDS), available at hostplus.com.au before making a decision about Hostplus. For a description of the target market, please read the Target Market Determination (TMD), available at hostplus.com.au. Past performance is not a reliable indicator of future performance and should never be the sole factor considered when selecting a super fund.
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OVERVIEW

Hostplus is one of Australia's largest superannuation funds, with \$94.1 billion in retirement savings for over 1.7 million members, as at 30 June 2023.¹ As a superannuation fund run only to benefit members, our aim is always to optimise the amount of money members have when they retire. We are committed to delivering value-for-money products and services, low administration fees² and strong long-term returns to our members.

While we measure our success by what we deliver for our members, Hostplus is proud to be recognised by some of the super industry's leading ratings agencies. Our ongoing commitment to improving members' retirement outcomes helped us win SuperRatings' Fund of the Year award for 2023.³ Additionally, Canstar, one of Australia's most recognised names in financial comparisons, awarded Hostplus' default Balanced option 'Outstanding Value' for the sixth year running.

Each year, Hostplus is required to assess our performance in promoting the financial interests of members. We do this by considering various comparisons and assessment factors covering the following products:

- Hostplus Superannuation and Personal Super Plan
- Hostplus Executive Plan
- Hostplus Pension Plan including Transition to Retirement (TTR) and Account Based Pension accounts.

This report summarises how our products and services have supported our members' financial interests and optimised their retirement outcomes.

Summary of assessments and determinations for the financial year ending 30 June 2023:

Based on the information summarised in this document, Hostplus' Trustee has determined that it and its products have promoted the best financial interests of accumulation and pension members across the following key areas during the year ended 30 June 2023. The Trustee also considers it is well placed to continue to do so into the future.

Scale – Hostplus is one of the largest superannuation funds in the country. Our size drives 'economies of scale' to maintain low administration fees, access large scale investment opportunities and invest in new and innovative products and services, for the benefit of our members.

Investment strategy – Hostplus offers a range of investment options with different asset mixes and risk levels to suit the needs of individual members. Our MySuper (Balanced) option has delivered top quartile returns over the longer term and above median net benefit outcomes for members, while also passing the Your Future, Your Super performance test. The majority of Hostplus' Choice investment options have also exceeded their performance benchmarks and all relevant Choice options have passed the Your Future, Your Super performance test.

Fees – Based on benchmark comparisons of total fees and costs, Hostplus offers cost competitive MySuper and Choice products for our accumulation and pension members.

Operating costs – Hostplus' average cost per member is well below the median of other super funds. This provides a strong indication of financial efficiency in the administration and operations of our fund.

Insurance strategy and fees – Based on affordability, cost benchmarking and quality of the offering, Hostplus' standard default insurance product is competitive. It also limits the degree to which members' accounts are eroded by insurance premiums.

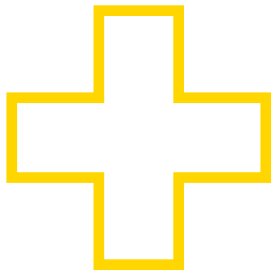
Options, benefits and facilities – Based on our assessment of how members use our products and services, Hostplus has delivered the appropriate options, benefits and facilities to our members.

The determinations included in this Member Outcomes Assessment were reviewed and approved by the Hostplus Trustee Board on 16 February 2024.

1. Source: APRA annual fund-level superannuation statistics (issued 13 December 2023) – Table 3a, Net assets at the end of period, and Table 2a, Total number of member accounts.

2. Other fees and costs apply. Refer to the PDS for more information.

3. Visit lonsec.com.au/logo-disclosure for the full SuperRatings disclosure. Go to lonsec.com.au/super-fund/ratings-and-awards/ for rating and award criteria. General advice only. Consider the relevant Hostplus PDS and TMD at hostplus.com.au and your objectives, financial situation and needs, which have not been accounted for. Awards and ratings are only one factor to consider. Past performance is not a reliable indicator of future performance. Host-Plus Pty Limited ABN 79 008 634 704, AFSL 244392 as trustee for the Hostplus Superannuation Fund, ABN 68 657 495 890.



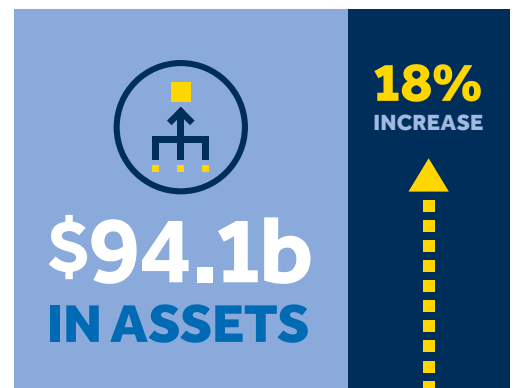
SCALE

Hostplus has grown significantly over the past year. Our membership increased by 10% to reach over 1.7 million members. Our funds under management¹ increased by 18% to reach \$94.1 billion.

We are the 4th largest superannuation fund in Australia by membership and 6th largest fund by funds under management. Our size helps us to optimise member outcomes by:

- keeping our administration fees low
- enabling access to large scale investment opportunities
- supporting the development of quality products and services
- helping us negotiate better pricing terms for services like investment management and group life insurance.

1. We have used 'net assets' for this measure. Source: APRA annual fund-level superannuation statistics (issued 13 December 2023) – Table 3a, Net assets at the end of period, and Table 2a, Total number of member accounts.



INVESTMENT STRATEGY

Hostplus' investment strategy seeks to achieve the objectives of each of the Fund's investment options. It's based on the core principles of resilience and stability over the long term. Our actively managed and diversified investment portfolio aims to withstand the ups and downs of investment markets by focussing on our long-term objectives.

We invest members' money in investment options classified as either 'MySuper' or 'Choice'. All relevant Hostplus products have passed APRA's mandated performance test.

MySuper product

The vast majority (84%) of our members invest in the MySuper (Balanced) option. This option follows an actively managed, diversified investment strategy. It aims to smooth out returns over the long term by choosing investments in both listed and unlisted assets, based on how we believe they will perform in different market conditions.

MySuper (Balanced) option – performance

Our MySuper (Balanced) option achieved strong long term net returns with above-median performance compared to all other MySuper products over 3 and 5¹ years to 30 June 2023. It also passed APRA's recent annual performance test, having outperformed APRA's benchmark by a healthy margin of 1.41% p.a.²

Net returns for a \$50,000 account balance invested in the MySuper (Balanced) option¹

1 year		3 year		5 years	
Hostplus return	Peer median return	Hostplus return	Peer median return	Hostplus return	Peer median return
7.75% ▼	8.55%	9.77% ▲	6.97%	6.69% ▲	5.42%

▲ Above peer median ▼ Below median

1. Source: 1, 3 & 5-year Net Returns sourced from APRA Quarterly MySuper Statistics June 2023 – Table 2a & 2b (issued 22 August 2023). Benchmark group includes all 64 MySuper products. When comparing against a lifecycle product, Hostplus has selected the lifecycle stage that most closely reflects the risk profile of Hostplus' single strategy product based on the Standard Risk Measure. Past performance is not a reliable indicator of future performance. You can view the latest investment return information on our website at hostplus.com.au

2. APRA is the Australian Prudential Regulatory Authority – the regulator for super funds. Source: APRA Expanded Performance Test 2022-23 Results (issued 29 November 2023). Includes consideration of both net investment returns and administration fees.





MySuper (Balanced) option – level of investment risk

The level of risk taken in achieving the target return is an important investment consideration. Our MySuper (Balanced) option has a “medium to high” level of risk, with negative returns expected in three to four years out of every 20 years. This level of risk is consistent with 53% of other MySuper products.¹

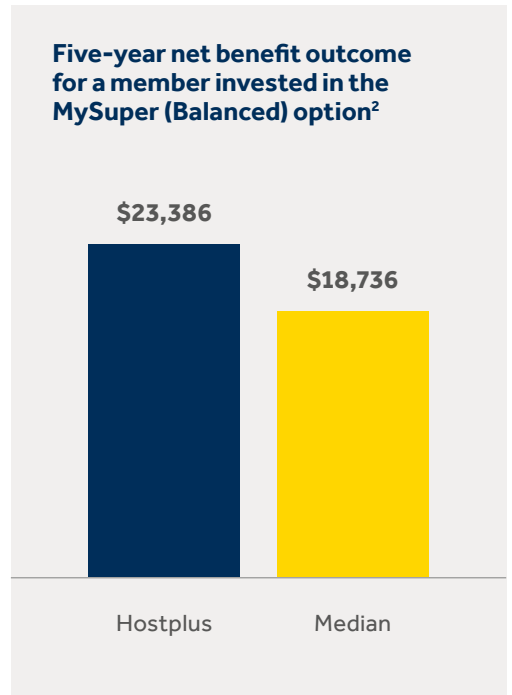
MySuper (Balanced) option – net benefit outcomes

Net benefit is the simplest way to measure how much value a superannuation fund delivers to its members. It’s the investment return members receive on their superannuation savings after all administration and investment fees, costs and taxes have been taken out.

At 30 June 2023, members in our MySuper (Balanced) option received a five-year net benefit outcome of \$23,386. This is 25% higher than the median result of other comparable Balanced products.²

Choice products

While most of our members invest in the MySuper (Balanced) option, we also offer a range of other investment options. These ‘Choice’ options are designed for members with different preferences and who like to have greater control over their investment choices. The product range includes Hostplus Life (available to accumulation members), which automatically transitions the member from higher-risk options to lower-risk options as they approach retirement. Hostplus Life comprises the Hostplus Balanced, Conservative Balanced, Capital Stable and Share Plus choice investment options.



1. Source: APRA Quarterly MySuper Statistics June 2023 – Table 2a & 2b (issued 22 August 2023). Benchmark group includes all 64 MySuper products. When comparing against a lifecycle product, Hostplus has selected the lifecycle stage that most closely reflects the risk profile of Hostplus’ single strategy product based on the Standard Risk Measure.

2. Source: SuperRatings Net Benefit modelling for 30 June 2023 according to data extract on 15 November 2023. This analysis compares the difference in net benefit outcomes over 5 years between Hostplus’ Balanced (MySuper) investment option and the median net benefit outcome of all competing funds’ Balanced options as tracked by SuperRatings. It assumes employer contributions on a starting annual salary of \$50,000 and a \$50,000 starting balance and takes into account historical investment earnings (after administration and investment fees and taxes). Fees deducted from the Fund’s administration reserve, contribution fees, additional adviser fees or any other fees charged are excluded from this model. Outcomes may vary between individual funds. Past performance is not a reliable indicator of future performance and should never be the sole factor considered when selecting a superannuation fund. Visit hostplus.com.au/assumptions for more details about modelling calculations and assumptions.

Choice options – performance for accumulation members

The table below shows how most of Hostplus' Choice investment options for accumulation members have performed better than their benchmark. We believe at least ten years of performance history is necessary to properly assess an option's long-term performance. As some of Hostplus' Choice investment options have not been around for ten years, we've assessed them over the longest available time frame. Based on our analysis of the results, including the factors above, we believe our current investment strategy remains appropriate.

Net investment returns of Choice options for accumulation members¹

Hostplus Choice investment option	Time period (years) ²	Hostplus return (p.a.)	Benchmark return (p.a.) ³
Pre-mixed investment options			
Balanced	10	8.93% ▲	7.32%
Capital Stable	10	4.71% ▲	4.51%
Conservative Balanced	10	6.60% ▲	6.04%
Socially Responsible Investment (SRI) – Balanced	5	7.33% ▲	6.27%
Indexed Balanced	10	7.92% ▲	7.32%
Shares Plus	10	9.66% ▲	8.64%
Single sector investment options			
Cash	10	1.50% ▼	1.57%
Diversified Fixed Interest	10	2.85% ▲	2.09%
Diversified Fixed Interest – Indexed	1	-0.20% ▼	0.51%
Property	10	8.27% ▲	6.99%
Infrastructure	3	9.32% ▲	7.74%
Australian Shares	10	9.73% ▲	8.68%
Australian Shares – Indexed	1	14.32% ▲	13.69%
International Shares	10	9.82% ▼	10.37%
International Shares – Indexed	5	10.45% ▲	8.60%
International Shares (Hedged) – Indexed	5	8.01% ▼	8.60%
International Shares – Emerging Markets	1	6.40% ▲	4.36%

▲ Above benchmark ▼ Below benchmark

Furthermore, APRA has independently evaluated the performance of the following Choice pre-mixed options as part of its annual performance test. The table below shows that we have surpassed the benchmarks for all relevant Choice investment options, delivering a positive outcome for our members.¹

APRA's performance test results¹

Hostplus Choice investment option	Performance test result	Net return above performance test benchmark (p.a.)
Capital Stable	Pass	0.42% ▲
Conservative Balanced	Pass	0.87% ▲
Socially Responsible Investment (SRI) – Balanced	Pass	0.92% ▲
Indexed Balanced	Pass	0.41% ▲
Shares Plus	Pass	1.53% ▲

▲ Above benchmark ▼ Below benchmark

1. All returns are net of investment fees, costs and taxes. Past performance is not a reliable indicator of future performance. You can view the latest investment return information on our website at hostplus.com.au/returns

2. Returns are displayed over 10 years unless the investment option has not been in existence for that duration. In cases where the investment option data is unavailable over 10 years, the longest available time period is displayed.

3. See the Appendix for information on data sources and peer groups.

Choice options – performance for pension members

The table below shows how most of Hostplus' Choice investment options for pension members have performed better than their benchmark. We believe at least ten years of performance history is necessary to properly assess an option's long-term performance. As some of Hostplus' Choice investment options have not been around for ten years, we've assessed them over the longest available time frame. Based on our analysis of the results, including the factors above, we believe our current investment strategy remains appropriate.

Net investment returns of Choice investment options for pension members²

Hostplus option	Pension accounts			Transition to Retirement accounts		
	Time period (years) ³	Hostplus return (p.a.)	Benchmark return (p.a.) ⁴	Time period (years) ³	Hostplus return (p.a.)	Benchmark return (p.a.) ⁴
Pre-mixed investment options						
Balanced	10	9.96% ▲	8.20%	5	6.93% ▲	5.88%
Capital Stable	10	5.32% ▲	5.08%	5	2.97% ▼	3.14%
Conservative Balanced	10	7.41% ▲	6.61%	5	4.77% ▲	4.61%
Socially Responsible Investment (SRI) – Balanced	5	8.27% ▲	6.48%	5	7.40% ▲	6.27%
Indexed Balanced	10	8.81% ▲	8.20%	5	6.44% ▲	5.88%
Shares Plus	10	10.72% ▲	9.44%	5	7.61% ▲	6.92%
Single sector investment options						
Cash	10	1.77% ▼	1.84%	5	1.20% ▲	1.18%
Diversified Fixed Interest	10	3.28% ▲	2.44%	5	0.15% ▼	0.46%
Diversified Fixed Interest – Indexed	1	-0.21% ▼	0.49%	1	-0.22% ▼	0.51%
Property	10	9.21% ▲	7.39%	5	6.47% ▲	3.53%
Infrastructure	3	10.88% ▲	9.00%	3	9.88% ▲	7.74%
Australian Shares	10	10.71% ▲	9.87%	5	7.27% ▲	7.18%
Australian Shares – Indexed	1	15.87% ▲	15.36%	1	13.73% ▲	13.69%
International Shares	10	10.93% ▼	11.38%	5	7.17% ▼	8.60%
International Shares – Indexed	5	11.68% ▲	9.25%	5	10.34% ▲	8.60%
International Shares (Hedged) – Indexed	5	8.95% ▼	9.25%	5	8.01% ▼	8.60%
International Shares – Emerging Markets	1	7.23% ▲	5.09%	1	6.14% ▲	4.36%

▲ Above benchmark ▼ Below benchmark

1. Source: APRA Expanded Performance Test 2022-23 Results – Non-Platform TPDs Performance Test Results (issued 29 November 2023). Includes consideration of both net investment returns and administration fees.

2. All returns are net of investment fees, costs and any relevant taxes. Past performance is not a reliable indicator of future performance. You can view the latest investment return information on our website at hostplus.com.au. Table excludes CPIplus which is designed to always achieve its return objective and has no comparable benchmark in the market.

3. Returns are displayed over 10 years unless the option has not been in existence for that duration. In cases where option data is unavailable over 10 years, the longest available time period is displayed.

4. See the Appendix for information on data sources and peer groups

Choice options – level of investment risk of for accumulation and pension members

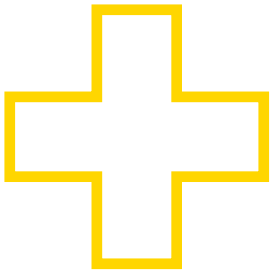
We manage risk carefully across all our options. The investment risk label¹ indicates how risky an option is based on the estimated number of negative annual returns over a 20-year period. It provides a way to compare the risk levels of investment options across funds. As shown in the table below, the risk levels of Hostplus' Choice options are within the range of other comparable choice products.

Level of investment risk of Choice options²

Hostplus Choice investment option	Hostplus investment risk label (accumulation & pension)	Range of investment risk labels on comparable products	
		Accumulation	Pension
Pre-mixed investment options			
Balanced	Medium to high	Medium – very high	Medium – very high
Capital Stable	Low to medium	Low – very high	Low – high
Conservative Balanced	Medium	Medium – high	Medium – high
Socially Responsible Investment (SRI) – Balanced	High	Medium – very high	Medium – very high
Indexed Balanced	High	Medium – very high	Medium – very high
Shares Plus	High	Medium to high – very high	Medium to high – very high
Single sector investment options			
Cash	Very low	Very low – very high	Very low – very high
Diversified Fixed Interest	Medium to high	Low – very high	Low to medium – very high
Diversified Fixed Interest – Indexed	Medium to high	Low – very high	Low to medium – very high
Property	Medium to high	Medium to high – very high	Medium to high – very high
Infrastructure	Medium to high	n/a	n/a
Australian Shares	High	High – very high	High – very high
Australian Shares – Indexed	Very high	High – very high	High – very high
International Shares	High	High – very high	High – very high
International Shares – Indexed	Very high	High – very high	High – very high
International Shares (Hedged) – Indexed	Very high	High – very high	High – very high
International Shares – Emerging Markets	High	High – very high	High – very high

1. The investment risk label is also known as the Standard Risk Measure (SRM). The SRM is based on industry guidance (SRM implementation guidance for Trustees issued by the Financial Services Council 'FSC' & the Association of Superannuation Funds of Australia 'ASFA') to allow members to compare investment options that are expected to deliver similar negative net investment returns over a 20 year period. The SRM is not a complete assessment of all forms of investment risk; for instance, it does not detail what the size of a negative return could be or the possibility of returns not being adequate to meet a member's investment objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Members should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option/s.

2. Source: SuperRatings Investment Data Module as at 30 June 2023. Due to the lack of appropriate comparison data, the comparison excludes Hostplus' Infrastructure option. See the Appendix for information on product comparison peer groups.



FEES

As a primary objective of our strategy, Hostplus aims to optimise our members' financial outcomes by maintaining low administration fees.

MySuper Product

We have one of the lowest administration fees out of any comparable MySuper product¹. During the financial year ending June 2023, our MySuper members were charged a total administration fee of \$118.49 for a \$50,000 account balance. This is well below the median and demonstrates how competitive our admin fees are.²

When comparing our total fees and costs (including both administration and investment fees) against the rest of the MySuper market, our total fees and costs were above median². This is because investment fees make up most of the total fees. However, it is important to note that these investment fees have already been accounted for in our net investment returns. While we strive to lower these fees, we aim to provide the best net investment returns for our members. As shown in our investment strategy section above, we have delivered strong industry-leading returns, net of investment fees in comparison to our competitor peers.

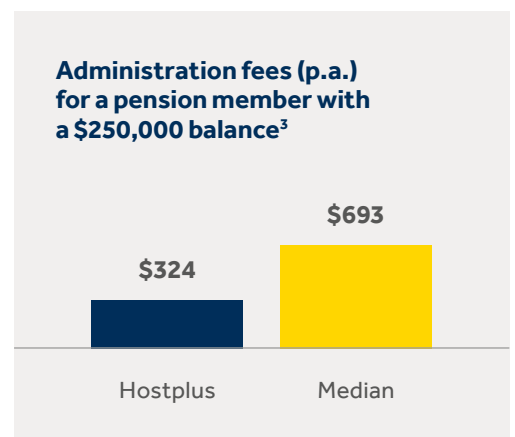
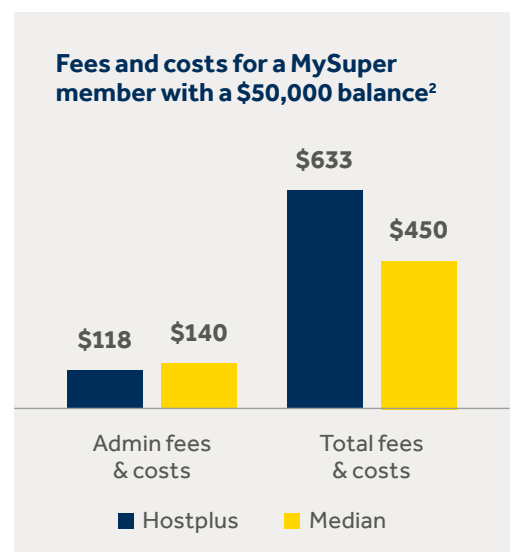
Choice product

Administration fees for accumulation members

Hostplus accumulation members who invest in a Choice option paid the same competitive administration fee as members in our MySuper option, as shown in the MySuper fees and costs chart above.

Administration fees for pension members

Hostplus pension members also paid a competitive administration fee compared to other pension products. During the year, a member with a \$250,000 account balance paid an annual administration fee of just \$324, which is well below the median administration fee of \$693.³



1. Comparable MySuper products include all Public Offer Generic MySuper Products reported in the APRA Quarterly MySuper Statistics June 2023 – Table 2a & 2b (issued 22 August 2023). Other fees and costs apply.
 2. Source: APRA Quarterly MySuper Statistics June 2023 – Table 2a & 2b (issued 22 August 2023). Benchmark group includes 61 MySuper products with a full 12 months of fee data. When comparing against a lifecycle product, Hostplus has selected the lifecycle stage that most closely reflects the risk profile of Hostplus' single strategy product based on the Standard Risk Measure.
 3. Source: SuperRatings Member Outcomes Analysis report as at June 2023 (Pension): administration fees as a percentage of account balance for a \$250,000 balance. The percentage has been multiplied by \$250,000 to determine the dollar fee. The Median is based on SuperRatings' primary rated Balanced (60-76) option.

Total fees and costs for accumulation and pension members

We have assessed how our total fees and costs (including administration and investment fees and costs) compare to other comparable Choice products, for all Hostplus Choice options. The table below shows our total fees and costs being below median for all options except for Shares Plus and Property (accumulation and pension) and Balanced (pension only).¹ Like the MySuper option, investment fees make up most of the total fees for these options. And while we strive to lower these fees, our investment strategy for these options has optimised financial outcomes for our members by generating leading net investment returns after the deduction of investment fees and costs.

Total fees and costs for an accumulation member with a \$50,000 account balance¹

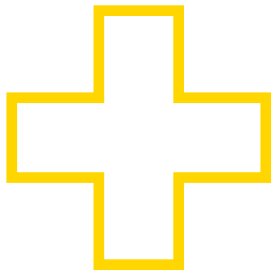
Investment option	Hostplus fee (\$)	Relative to median
Pre-mixed investment options		
Capital Stable	\$413	Below
Conservative Balanced	\$463	Below
Socially Responsible Investment (SRI) – Balanced	\$363	Below
Indexed Balanced	\$143	Below
Shares Plus	\$578	Above
Single sector investment options		
Cash	\$123	Below
Diversified Fixed Interest	\$203	Below
Diversified Fixed Interest – Indexed	\$168	Below
Property	\$638	Above
Australian Shares	\$463	Below
Australian Shares – Indexed	\$133	Below
International Shares	\$378	Below
International Shares – Indexed	\$163	Below
International Shares (Hedged) – Indexed	\$153	Below
International Shares – Emerging Markets	\$453	Below

1.Source: SuperRatings Member Outcomes Analysis report as at June 2023 (Choice): option fees – total fee. Median is based on all other choice products within the same Option Type. Due to the lack of appropriate comparison data, the analysis excludes Hostplus' Infrastructure option.

Total fees and costs for a pension member with a \$250,000 account balance¹

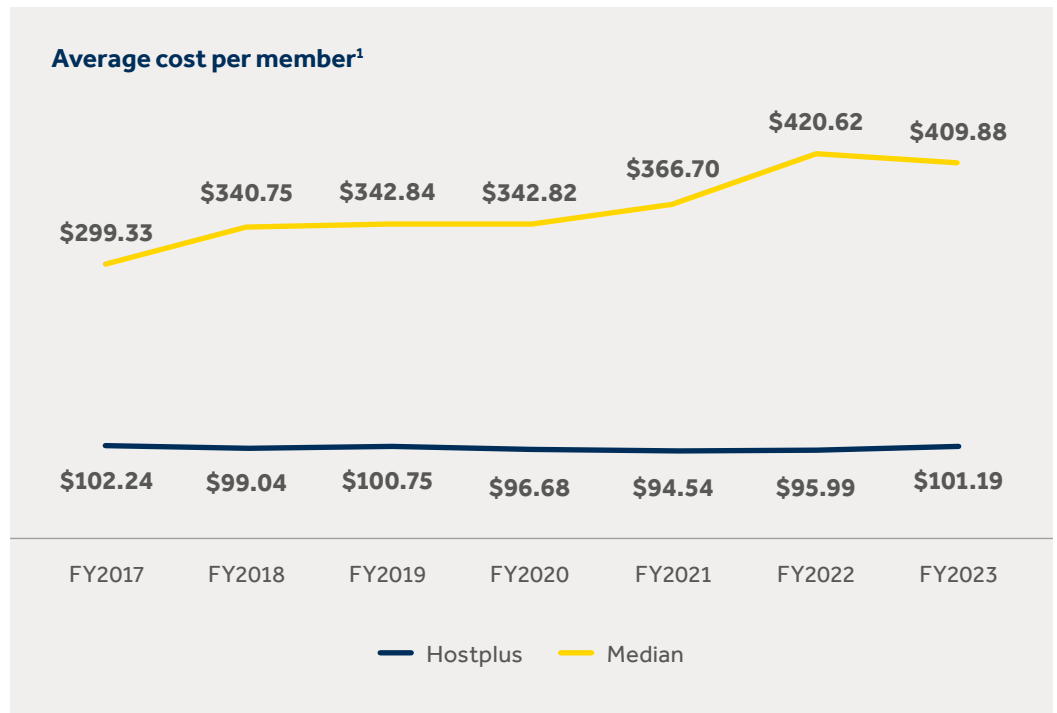
Investment option	Hostplus fee (\$)	Relative to median
Pre-mixed investment options		
Balanced	\$3,049	Above
Capital Stable	\$1,799	Below
Conservative Balanced	\$2,049	Below
Socially Responsible Investment (SRI) – Balanced	\$1,549	Below
Indexed Balanced	\$449	Below
Shares Plus	\$2,624	Below
Single sector investment options		
Cash	\$349	Below
Diversified Fixed Interest	\$749	Below
Diversified Fixed Interest – Indexed	\$574	Below
Property	\$2,924	Above
Australian Shares	\$2,049	Below
Australian Shares – Indexed	\$399	Below
International Shares	\$1,624	Below
International Shares – Indexed	\$549	Below
International Shares (Hedged) – Indexed	\$499	Below
International Shares – Emerging Markets	\$1,999	Below

1.Source: SuperRatings Member Outcomes Analysis report as at June 2023 (Pension): option fees – total fee. Median is based on all other choice products within the same Option Type. Due to the lack of appropriate comparison data, the analysis excludes Hostplus' Infrastructure option and CPIplus.



OPERATING COSTS

With over 1.7 million members, Hostplus is one of the largest super funds in the country. This enables us to deliver efficiencies to our members. 'Cost per member' is an important metric that shows how efficient we are in managing our operating costs. During the year, we maintained our position as a fund with one of the lowest operating costs, at \$101.19 per member. This is significantly below the industry median of \$409.88.¹



1. Source: APRA annual fund-level superannuation statistics (issued 13 December 2023) – Table 3a & 11. Cost per member is calculated by dividing the Total Administration and Operating costs (including advice costs) in Table 3a by the average of the start-of-year and end-of-year membership in Table 11.

INSURANCE

1. Source: "Annual premium as a percentage of salary" data is based on analysis completed by MetLife Insurance Limited ABN 75 004 274 882 AFSL 238096 (MetLife) in January 2024. Hostplus salary data is available for 671K of 736K insured members. Hostplus default insurance premiums are based on the cost of default (automatic) cover in the Superannuation and Personal Super Plan.

2. The insurance products offered by Hostplus are subject to eligibility criteria and exclusions.

3. Source: SuperRatings Insurance Data Module as at 30 June 2023. Benchmark group includes all default Death/Total Permanent Disability insurance offerings within Public Offer MySuper products.

4. Source: SuperRatings Insurance Data Module as at 30 June 2023. Benchmark group includes all default Death/Total Permanent Disability insurance offerings within Public Offer MySuper products with no suicide exclusions. Hostplus default insurance premiums are based on the cost of default (automatic) cover in the Superannuation and Personal Super Plan.

We've designed our insurance options to promote members' best financial interests by balancing quality and cost. We offer default (automatic) Death cover (including Terminal Illness cover) and Total and Permanent Disablement (TPD) cover, which we consider provides an appropriate safety net of insurance cover to eligible members. Members can also apply for additional Death and TPD insurance cover or Income Protection cover where they believe the default arrangements are not sufficient for their personal requirements.

Insurance affordability

To establish our level of default cover, we evaluate the broad insurance needs of our members by age. We also assess whether the cover is appropriate and that the cost does not unduly erode a member's account balance. We aim to limit the cost of default insurance to below 1% of salaries over the lifetime of the membership.

Our insurance premiums for default cover are below this threshold across all genders and occupational categories.¹

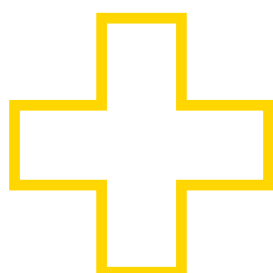
Default insurance premiums as a percentage of salaries over the lifetime of membership¹

Occupational category	Gender	Hostplus lifetime average premium (% of salary)	Benchmark premium (% of salary)
Standard or Light Blue	Male	0.39	1.00
	Female	0.49	1.00
Management/Clerical (White Collar)	Male	0.17	1.00
	Female	0.22	1.00
Professional	Male	0.07	1.00
	Female	0.08	1.00

Insurance cost

Hostplus' insurance strategy considers the needs of our members while minimising the cost of premiums. Insurance needs are determined by things like the member's life stage, dependants, living expenses, income and age. Our default insurance is a quality offering so that insured members who meet eligibility criteria² can depend on it if the worst were to happen. We are one of only three public offer super funds out of the 15 largest funds to accept Death and Total and Permanent Disablement claims in the event of suicide.³ In addition, we do not exclude Covid-19 pandemic-related claims.

We continually monitor our insurance offering against the needs of our members and other insurance offerings in the market. When benchmarking our default insurance premiums against other similar offerings in the market (on a cost per \$1,000 of cover basis), at least 90% of Hostplus members with this insurance pay the same or less than the median premiums charged by other funds for similar cover.⁴



OPTIONS, BENEFITS AND FACILITIES



We offer a range of products and services to help our members make the right choices for their personal financial situation. We want our members to have access to quality services and be able to get quick answers to their enquiries in a way, and at a time, that suits them. We regularly assess these services to ensure they remain appropriate for members, with consideration given to member usage, experience and cost.

Over the last year we've:

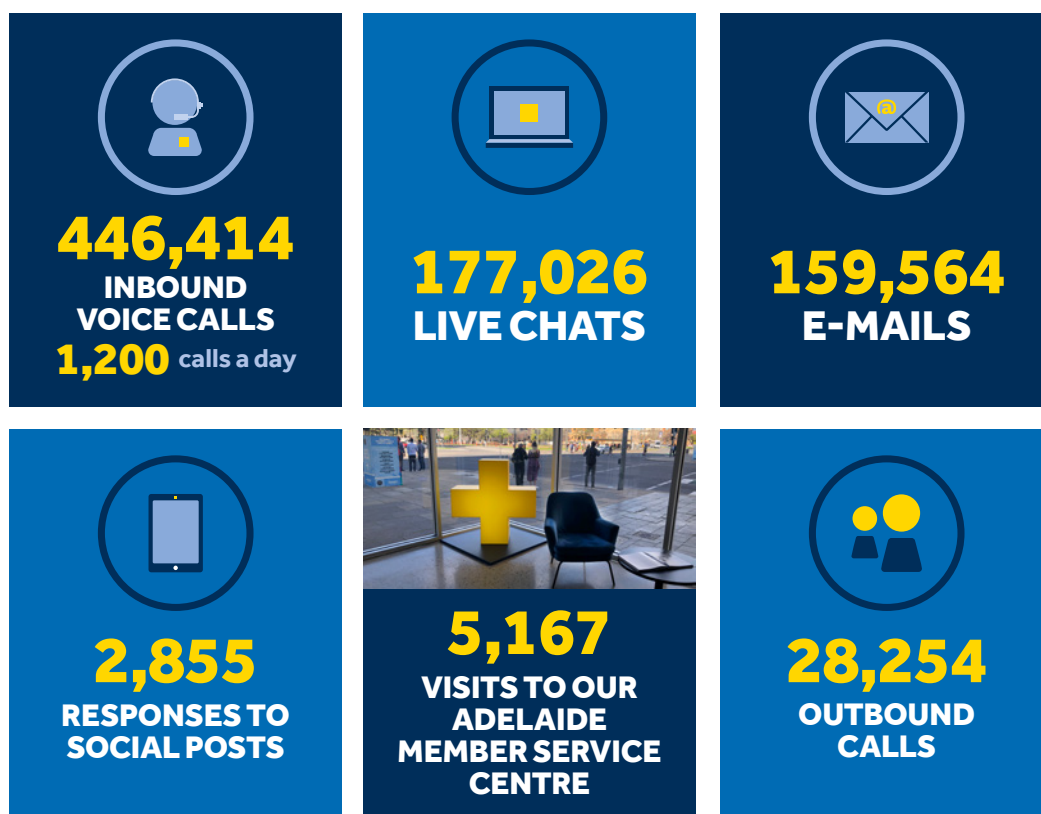
- continued improving Member Online, enhancing its insurance pages and streamlining how members consolidate their accounts
- added features to our telephone self-service channel, offering more self-service functionality and new security checks to protect members' details
- increased staff capability, upskilling our contact centre team to better meet the needs of our members.

Digital services

We offer a range of digital services to help our members engage with their super and pension. These include:

- Member Online
- Mobile app
- Live chat
- Retirement projection calculator
- SuperAdviser online advice tool¹
- An updated website with improved functionality

Over the financial year ending 30 June 2023, we supported²:



1. Hostplus has engaged Link Advice Pty Ltd ABN 36 105 811 836, ASFL 258145 to facilitate the provision of limited personal financial advice to members of Hostplus via the web-based product SuperAdviser.
2. Source: Hostplus

1. Hostplus has engaged Industry Fund Services Limited (IFS) ABN 54 007 016 195, AFSL 232514 to facilitate the provision of personal financial advice to members of Hostplus. Advice is provided by Hostplus financial planners who are Authorised Representatives of IFS. Fees may apply for personal financial advice; for further information about the cost of personal advice, you can speak with your Hostplus financial planner or visit our website hostplus.com.au. Information to help you decide whether you want to use personal financial advice services being offered is set out in the relevant IFS Financial Services Guide, a copy of which is available from your Hostplus financial planner.

2. Hostplus has engaged Link Advice Pty Ltd ABN 36 105 811 836, ASFL 258145 to facilitate the provision of limited personal financial advice to members of Hostplus via the web-based product SuperAdviser.

Financial advice¹ and education

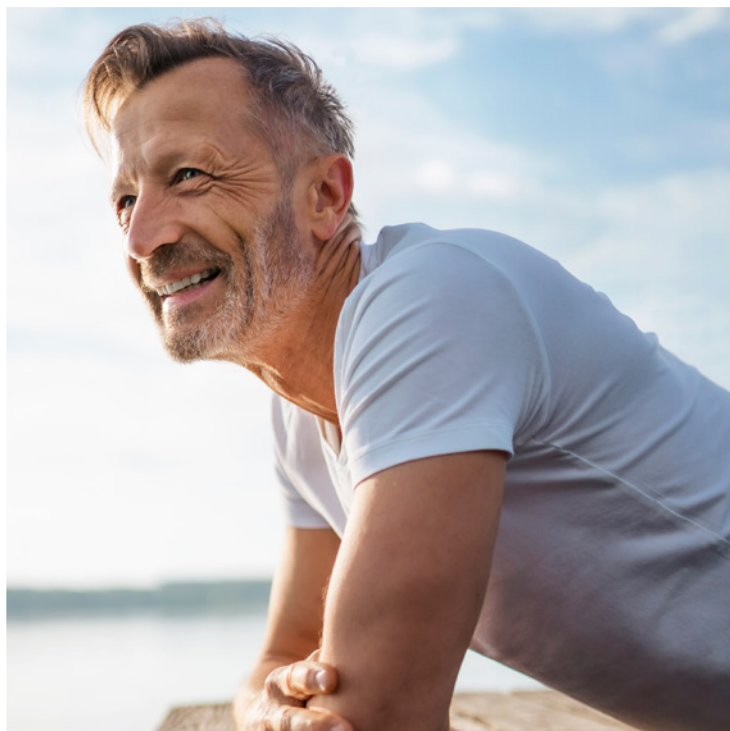
When it comes to financial planning and advice, everyone's needs are different. That's why we offer members a range of options to suit. Members can use our digital SuperAdviser online advice tool², or get personal advice over the phone on things like investing, how much insurance to have, and making extra super contributions. For more comprehensive retirement-based financial advice, we offer face-to-face or video conference meetings.

- Our Advice Support Team can provide general advice on things like Hostplus' investment options, insurance contributions, and superannuation options and strategies.
- Fee-for-service consultations can guide members through consolidating their super, reviewing personal insurance held outside Hostplus, or maximising use of the Government's First Home Super Saver Scheme to save for a deposit more quickly.¹

- Our fully qualified financial planners offer comprehensive retirement planning advice and on Centrelink's Home Equity Access Scheme (formerly the Pension Loan Scheme) and aged care options.¹

To help give members the confidence, guidance, and tools they need to identify and meet their financial goals, we have also:

- Sent retirement income projections to over 700,000 eligible super members to better assist planning and preparing for retirement.
- Delivered 1,126 in-person education sessions on employer worksites, engaging 13,694 members.
- Developed 63 digital educational member webinars which have been promoted through employers to their staff, with 1,237 members attending these sessions.



Retirement

To help members make the most of their retirement, Hostplus provides a choice of retirement products to support members as they transition to retirement or fully retire.

On 1 July 2022, we launched our Retirement Income Strategy (RIS) which outlines how we intend to assist members in planning for and optimising their retirement outcomes.¹ Our strategy is based on the three pillars of product solutions, member education and support, and financial planning and advice. The strategy integrates these pillars with the Government's Age Pension and other sources of retirement income.

The table below shows how a combination of a Hostplus Pension account and the Age Pension helps our members maximise their retirement income, manage risks, and provide flexible access to their retirement savings.

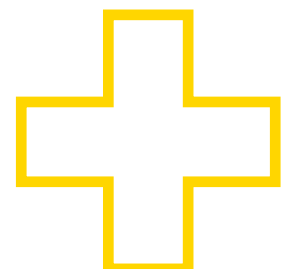
A summary of our Retirement Income Strategy is available on our [website](#).

CPIplus

Our CPIplus investment option is specifically designed for Hostplus pension members. It offers a low-risk, low-volatility solution that caters to retirees' unique financial needs. Its objective is to deliver predetermined returns above the Consumer Price Index (CPI). By offering a return above CPI, the CPIplus option aims to minimise the impact of inflation on the real value of the member's investment returns. It can mean greater certainty and peace of mind for members at the end of their working lives. CPIplus offers the same level of flexibility as other Hostplus investment options, so members can switch in and out of it at their convenience and withdraw funds as needed during retirement.

1. The federal government recently introduced a Retirement Income Covenant (RIC), which came into force on 1 July 2022. The RIC requires super funds to develop a Retirement Income Strategy with a review to improving retirement outcomes for their members.

Retirement income option	Maximising income	Managing retirement risk			Flexibility
		Longevity	Investment	Inflation	
Hostplus Pension	Choice of drawdown strategy	No protection	Wide range of investment options including Choiceplus and CPIplus	<ul style="list-style-type: none"> Ability to index pension payments in line with CPI or fixed rate Inflation protection via CPIplus 	High flexibility
Age Pension	N/A	Paid to end of life	Given the asset test, payments may increase when other assets fall in value	Indexed	No flexibility



APPENDIX

The following table details the benchmarks used to assess investment performance and investment risk for each choice investment option.

Hostplus option	Accumulation and Transition to Retirement Pension	Pension Account
Pre-mixed investment options		
Balanced	SR50 Balanced (60-76) Index ¹	SRP50 Balanced (60-76) Index ³
Capital Stable	SR50 Capital Stable (20-40) Index ¹	SRP50 Capital Stable (20-40) Index ³
Conservative Balanced	SR25 Conservative Balanced (41-59) Index ¹	SRP25 Conservative Balanced (41-59) Index ³
Socially Responsible Investment (SRI) – Balanced	SR Sustainable Balanced (60-76) ²	SRP50 Balanced (60-76) Index ³
Indexed Balanced	SR50 Balanced (60-76) Index ¹	SRP50 Balanced (60-76) Index ³
Shares Plus	SR50 Growth (77-90) Index ¹	SRP50 Growth (77-90) Index ³
Single sector investment options		
Cash	SR50 Cash Index ¹	SRP50 Cash Index ³
Diversified Fixed Interest	SR25 Diversified Fixed Interest Index ¹	SRP25 Diversified Fixed Interest Index ³
Diversified Fixed Interest – Indexed	SR25 Diversified Fixed Interest Index ¹	SRP25 Diversified Fixed Interest Index ³
Property	SR25 Property Index peer median ¹	SRP25 Property Index ³
Infrastructure	MSCI Australian Quarterly Private Infrastructure Fund (Unfrozen) Post Fee, Total Return, All Funds) Index (assuming 14% tax rate)	MSCI Australian Quarterly Private Infrastructure Fund (Unfrozen) Post Fee, Total Return, All Funds) Index
Australian Shares	SR50 Australian Shares Index ¹	SRP50 Australian Shares Index ³
Australian Shares – Indexed	SR50 Australian Shares Index ¹	SRP50 Australian Shares Index ³
International Shares	SR50 International Shares Index ¹	SRP50 International Shares Index ³
International Shares – Indexed	SR50 International Shares Index ¹	SRP50 International Shares Index ³
International Shares (Hedged) – Indexed	SR50 International Shares Index ¹	SRP50 International Shares Index ³
International Shares – Emerging Markets	MSCI Emerging Markets with Special Tax (unhedged in AUD), assuming tax (14%) and annual fees (0.14%)	MSCI Emerging Markets with Special Tax (unhedged in AUD), assuming no tax (0%) and annual fees (0.14%).

Data sources for investment performance comparisons:

1. SuperRatings Accumulation Fund Crediting Rate Survey June 2023
2. SuperRatings Sustainable Fund Crediting Rate Survey June 2023
3. SuperRatings Pension Fund Crediting Rate Survey June 2023



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