

# CENTRIC SUPER TRANSITION TO RETIREMENT MEMBER OUTCOMES ASSESSMENT

## INTRODUCTION

In this report, Equity Trustees Superannuation Limited publishes the results of our annual assessment of how well the Centric Super Transition to Retirement product (the **product**) issued from the Centric Super fund (the **fund**) provides member outcomes and promotes members' financial interests. The assessment is based on information as at 30 June 2023.

## METHODOLOGY AND STRUCTURE

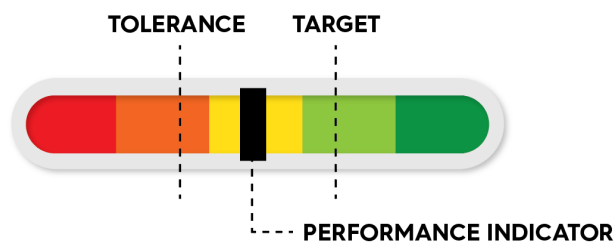
In conducting this assessment, we compared the product to other choice superannuation products included in statistical data published by the Australian Prudential Regulation Authority (**comparable products**) using the criteria in Part 6 of the *Superannuation Industry (Supervision) Act 1993* and Prudential Standard SPS 515 *Strategic Planning and Member Outcomes*.

This report includes:

- our overall assessment of whether the product provides optimal member outcomes and promotes their financial interests;
- a dashboard that depicts our assessment of the product's market-relative performance for each outcome we aim to provide members;
- a table summarising the key metrics that we relied on when making this assessment; and
- our commentary on this performance that includes action items to improve suboptimal performance.

For each member outcome, the dashboard presents the relevant segment of market performance. The width of each segment is based on the range of market performance for each outcome and is specific to each outcome. The positioning of the black performance indicator bar against the colour coding is our assessment of how well the outcome has been delivered. The colour coding gives a visual representation of performance that moves from neutral (yellow) through orange to least tolerance (red), and in the opposite direction from yellow to the target (or green) area of the dashboard. The assessment of each member outcome is based on several equally-weighted metrics. Accordingly, if one metric is outside our tolerance level it doesn't automatically mean the entire member outcome is outside our tolerance level.

*Example dashboard for illustrative purposes only*



The target is generally the average position of the comparable products while the tolerance level is the trigger for us to consider any necessary actions to improve member outcomes.

Please visit our [website](#) to view a short video that provides more information about the operation of the dashboard.



## OVERALL ASSESSMENT

Having carefully considered the comparisons of the product with comparable products set out in this report, including the dashboards, metrics, commentary, and other relevant information available to us at the time of writing, we have concluded that as a result of the following factors the product is promoting members’ financial interests:

1. the fees and costs that affect the return to members are appropriate having regard to their financial interests;
2. the investment strategy for the product is appropriate;
3. the options, benefits and facilities offered in the product are appropriate for members; and
4. the scale of the product and the fund does not disadvantage members.

## DASHBOARD

### STRATEGIC CONTEXT

Working together with the fund’s promoter, Centric Capital, our purpose is to provide a highly competitive and value for money superannuation and pension offering to members, via an engaging user interface and technology feature set, providing members with investment control and flexibility within the parameters of a rigorous compliance framework.

To support this purpose, our goals for the fund are to provide value for money, a flexible and engaging user interface and a diverse, quality-controlled investment universe.

The product is a choice platform product.

### INVESTMENT MENU

<b>Outcomes</b>	The product provides an appropriate range of suitable investments.				
<b>Our product’s performance relative to comparable products</b>	<p>The chart shows a horizontal bar with a color gradient from red to green. A vertical dashed line labeled 'Tolerance' is positioned at the left end of the bar. Another vertical dashed line labeled 'Target' is positioned at the right end of the bar. A black vertical bar labeled 'Investment Menu' is positioned between the 'Tolerance' and 'Target' lines, indicating that the product's performance is within the target range.</p>				
<b>Metrics</b>	Ref	Metric Label	Value	Tolerance	Target
	3.1	Investments above investment grade	100.00%	80.00%	100.00%
	3.2	Coverage of key asset classes	100.00%	63.00%	100.00%
	3.1 An investment is “investment grade” when it or its manager has been publicly recommended by a research house, or recommended to us by an asset consultant or an investment manager.				

### Commentary

We seek to provide members with a range of accessible investments to select from in order to achieve their investment goals and meet their targeted risk profile. The performance indicator measures the range of accessible investments available through the platform.

The performance indicator is consistent with our target. No action is required as a result of this assessment.

Therefore, we are comfortable that a sufficient range of accessible investments is available on the platform to enable members to achieve their goals within their targeted risk profile.



## FEES AND COSTS

**Outcomes** Fees (gross of tax) for a \$250,000 account balance are consistent with market rates.

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**Our product's performance relative to comparable products**

Fees and Costs

Tolerance Target

Metrics	Ref	Metric Label	Value	Tolerance	Target
	4.1	Administration fees at \$250K	0.24%	0.80%	0.60%

4.1 Members pay platform administration fees, plus expense recoveries and the fees associated with their selected investment portfolio. We monitor the administration fees, which are shown here.

**Commentary**

This table lists the product's administration fees. Members pay a Platform Fee, an Expense Recovery Charge, an ORFR Charge and a Trustee Fee. Other fees may be payable which are set out in the product's disclosure documents.

The performance indicator, which is within our tolerance level, measures administration fees against comparable products.

As a result, we are comfortable that fees and costs are consistent with market rates and therefore are appropriate having regard to members' financial interests.

## MEMBER SERVICES

**Outcomes** Administration services satisfy member expectations.

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**Our product's performance relative to comparable products**

Administration Services

Tolerance Target

Metrics	Ref	Metric Label	Value	Tolerance	Target
	8.1	Administration-related EDR complaints	7.46	3.50	1.50
	8.2	Service Level Achievement	99.53%	80.00%	90.00%
	8.3	Information security controls	Effective	Partially ..	Effective

8.1 EDR means "External Dispute Resolution".

8.1 This is the annual number of administration-related complaints to the Australian Financial Complaints Authority per 10,000 member accounts.

8.2 Service level achievement measures the portion of new member, contribution and benefit payment transactions that were processed within our service level.

8.3 This is our view of the effectiveness of the Administrator's information and cyber security controls based on an independent review completed during the year.

**Commentary**

The performance indicator measures the delivery of administration services against our service levels, and against the cost of similar services for comparable products.

The performance indicator, which is within our tolerance level is based on an equal weighting of the above metrics.



The total number of complaints about administration services for the fund that have been made to the Australian Financial Complaints Authority is outside our tolerance level. This metric measures the annual number of administration-related complaints to the Australian Financial Complaints Authority per 10,000 member accounts. With approximately 1,350 members as at 30 June 2023, this equates to 1 complaint which has since been resolved. With this in mind there is no action required as a result of this assessment.

As a result, we are comfortable that administration services satisfy member expectations because of the high rate of service level achievement, the number of complaints received considering the size of the fund and the administrator’s information and cyber security controls are effective.

Therefore, we consider the options, benefits and facilities offered in the product are appropriate for members.

## SCALE

<b>Outcomes</b>	The fund is likely to deliver optimal outcomes in the future.
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### Commentary

The fund launched to advised members in November 2020 and is continuing to grow.

Since inception the fund has grown to \$585M in funds under management.

At this time, we are comfortable the fund has reasonable scale to deliver optimal outcomes to members. We continue to monitor the growth and scale of the fund and will take appropriate action if required.

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