

Asgard Super/Pension

Annual Report

for the year ended 30 June 2023

ASGARD SUPER/PENSION

Asgard Managed Profiles and Separately
Managed Accounts – Funds Super/Pension
Asgard Elements Super/Pension
Asgard eWRAP Super/Pension
Asgard Open eWRAP Super/Pension
Asgard Infinity eWRAP Super/Pension

Asgard

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About this Annual Report

This annual report dated December 2023 is issued by BT Funds Management Limited (ABN 63 002 916 458, AFSL No. 233724, RSEL0001090) ("Trustee"), the issuer and trustee of Asgard Managed Profiles and Separately Managed Accounts – Funds Super/Pension, Asgard Elements Super/Pension, Asgard eWRAP Super/Pension, Asgard Open eWRAP Super/Pension and Asgard Infinity eWRAP Super/Pension collectively referred to as 'Asgard Super/Pension' which are part of the super fund known as Asgard Independence Plan Division Two (ABN 39 827 542 991, RSE R1055580). Asgard Capital Management Ltd ABN 92 009 279 592 AFSL 240695 ('Asgard') is the administrator of Asgard Super/Pension.

The Trustee is an approved trustee under the *Superannuation Industry (Supervision) Act 1993* (Cth).

The investment information or general advice provided in this publication does not take into account your personal objectives, financial situation or needs. Before acting on the information you should consider the appropriateness of the information or advice having regard to these factors. Whether you open or continue to hold an Asgard Super/Pension product or service, you should obtain and consider the relevant Product Disclosure Statement (PDS), available from your financial adviser or the Customer Relations team.

The Trustee and Administrator are subsidiaries of Westpac. Apart from any interest investors may have in Westpac term deposits or Westpac securities acquired through the Asgard Super/Pension products or underlying bank accounts held at Westpac through their Asgard Super/Pension accounts, an investment in, or acquired using, the Asgard Super/Pension products is not an investment in, deposit with or any other liability of Westpac or any other company in the Westpac Group. These investments are subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. Westpac and its related entities do not stand behind or otherwise guarantee the capital value or investment performance of any investments in, or acquired through, Asgard Super/Pension.

Message from the Chair



At Asgard, we're committed to providing our members with products and services that support you now and into the future — so you can have the best possible retirement.

On behalf of the Board, I am pleased to present the Annual Report, for the financial year ended 30 June 2023. Our Annual Report contains general information about Asgard Super/Pension. It includes financial statements and updates and changes, that have been made to your super fund during the year. I hope you find this report useful.

Looking to the future

In April 2023 we combined our two remaining super funds to one – the Asgard Independence Plan Division 2. The transfer was a critical milestone in our goal of simplifying BT. We now have a simpler business with increased focus on meeting the needs of our advisers and members. This also creates a strong, stable fund with over \$65 billion in assets. In June 2023 Westpac announced their decision to conclude the sale process of the business that operates Asgard. Westpac will continue to invest in BT, which Asgard is a part of, to grow the business and set it up to become the platform of choice for members who manage their super directly with us and advisers.

The Board believes that continued ownership by Westpac will enable BT to continue to build and operate a platform that meets the current and future needs of our members, so they are empowered to achieve their financial goals.

Value and support for our members

Asgard continues to help you get the most out of your super today and into the future.

We believe that engaging with your super is more than just saving for your retirement. It's about how you take an active role in planning for your retirement, by understanding how much super you'll need to live the lifestyle you want in retirement.

To support you, in your planning for retirement, you have access to our Retirement Hub on bt.com.au.

The Retirement Hub has articles, tips and easy-to-use calculators, to help you start proactively planning. You can also download our Retirement Income Strategy from the Retirement Hub, to assist you further in your retirement planning. To visit the Retirement Hub, go to www.bt.com.au/retirement.

We've also created a new online site, designed to help you make the most of your Asgard super. The 'Your Finances' site will keep you up-to-date with the information you need to grow your wealth, give you access to upcoming free and interactive webinars, podcast series and other helpful insights. You can access it at bt.com.au/personal/your-finances. We hope the insights and tools available help make every decision a smart one.

With financial crime increasing across the globe, we've also strengthened our approach to keeping our members' information secure, by increasing our education on financial crime and re-identifying any members, who may be at risk.

We were excited to see the high-quality service and support from our phone based, online and social teams who were nominated for best large contact centre in the Customer Service Institute of Australia. The team answered over 47,000 members' calls this past financial year, with those calls answered on average within 25 seconds.

We relaunched our BT Benefits Now loyalty program. BT Benefits Now rewards members with a little something today. Members can treat themselves to a range of offers and discounts on the everyday items, from some of Australia's well-known retailers. You can access Benefits Now via the link on your Investor Online homepage, after you login. Or visit www.bt.com.au/benefitsnow, to read more.

Upcoming Annual Member Meeting

The Annual Members' Meeting for our members will be held on 2 February 2024. During the webinar, we'll provide an overview of the year that has passed, as well as our plans for next year. We'll also answer any questions members have about the fund. You should receive an invitation from us by 10 December 2023. If not, please contact us for information on how to register. And if you can't attend on the day, the meeting can be viewed, after the event, at bt.com.au/asgard/annual-members-meeting.html.

Board update

I'd like to take the opportunity to thank one of our Board members, Anne Clark, for her contributions, insights and commitment to members. Anne made the decision to resign from her role on the Board in early 2023. We wish her the best. With the BT business further simplified, as a result of combining our two remaining super funds into one, we made the decision not to replace Anne's role on the Board.

I'd like to thank my fellow Board Directors for their contributions throughout the year — their commitment to ensuring the best interests for our members, during a big year of change for Asgard, is greatly appreciated.

And lastly, I'd like to thank you, our members, for continuing to choose us to look after your retirement savings.

Warmest regards,



Gai McGrath
Chair,
Trustee Board

FY23 Snapshot

Our Members


77,988
members

53% male/47% female



60

Average
member age



We look after

\$15.98b

of members' super within
Asgard Super/Pension

3,988

Registered
Advisers



\$203,810

Average
account
balance

The Board and Governance

The Directors as at the date of this report are set out below;



Chair

Gai McGrath

Chair and Independent, Non-executive Director (1 July 2021 to present)

Gai McGrath was appointed as Chair and a Non-executive Director of the Superannuation Boards on 1 July 2021.

Gai has over 37 years' experience in the financial services and legal industries. Including 12 years with Westpac Group as General Manager of Westpac's retail banking businesses in Australia and New Zealand, and in BT Financial Group as General Manager, Customer Service, Head of Customer Service Delivery and General Manager, Risk Solutions. Prior to joining the Westpac Group Gai spent seven years at Perpetual Limited including as General Counsel and Company Secretary.

Gai is a Non-executive Director of Helia Group Limited, Steadfast Group Limited, HBF Health Limited and Toyota Finance Australia Limited.

Gai holds a BA, LLB (Hons), LLM (Distinction) and is a Graduate of the Australian Institute of Company Directors.



Non-executive Director

Doug Carmichael

Independent, Non-executive Director (1 July 2020 to present)

Doug Carmichael was appointed as a director of the Superannuation Boards in July 2020. Doug serves as Chair on the Board Risk and Compliance Committee and on the Board Audit Committee. Doug has more than 35 years financial services experience most recently as the Commonwealth Bank Group Super Chief Executive where he led the trustee services team assisting the Group Super Board in the development and execution of strategies to achieve member satisfaction, fund growth and member retention.

He was previously General Manager of strategic operations and risk management for Australian Administration Services.

Doug is a Founding Director and former president of the Canadian Australian Chamber of Commerce and previously a Director of the Fund Executives Association Limited.

Doug was educated at Mount Allison University, Canada, and holds a Bachelor of Commerce.



Non-executive Director

Robin Burns

Independent, Non-executive Director (1 July 2019 to present)

Robin was appointed as a Director of the Superannuation Boards on 1 July 2019 and serves on the Board Investment Committee and Board Audit Committee. Effective 10 July 2019, Robin was appointed as the Chairman of the Board Investment Committee.

Robin held senior executive roles in financial services for over 25 years in a range of enterprises. He was Managing Director of Equity Trustees Ltd from 2010 to 2016 and since then has held a number of Non-executive Director positions. Before Equity Trustees he was CEO of Equipsuper and held previous positions as a CEO and CFO in financial services.

Robin is a past member of the Chartered Accounting Institutes in England & Wales and Australia and was a personal member of the Australian Stock Exchange. He is a Fellow of the Australian Institute of Company Directors. He served on the board of the Financial Services Council until 2016, chairing several Board Committees.

He is a Non-executive Director of Defence Health Ltd, Uniting Ethical Investors Limited and an independent member of the PIMCO Australia Compliance Committee.



Non-executive Director

Michael Cottier

Independent, Non-executive Director (16 November 2015 to present)

Michael Cottier was appointed as a Director of the Superannuation Boards in November 2015 and serves as Chairman of the Board Audit Committee. Michael also serves on the Board Risk and Compliance Committee.

Michael is an experienced financial service professional with expertise in finance and taxation. Michael has held senior executive roles as CFA, QSuper Limited and CFO, QIC Limited, and senior finance and tax roles at Suncorp Group Limited.

Michael is a Fellow of the Australian Institute of Company Directors, a Fellow of Chartered Accountants ANZ, and holds a Masters in Taxation from the University of Queensland.

Michael is currently on the Boards of Queensland Teachers Union Health Limited (Chair of Risk Committee), and WAM Alternative Assets Limited (Board Chair), and previously served as a member of the ASFA Governance and Regulatory Council.



Non-executive Director

Anne Anderson

Independent, Non-executive Director (19 October 2021 to present)

Anne was appointed as a Director of the Superannuation Boards in October 2021. Anne serves on the Board Investment Committee and the Board Risk and Compliance Committee. Anne has over 35 years' experience in financial services with a varied career in treasury and investment management. She has operated across Australian and international markets working with superannuation, wealth, sovereign and insurance retail, wholesale and institutional clients.

Anne served in several Managing Director roles with UBS Asset Management, including leading Asia Pacific Fixed Income business, chaired various global investment committees and was a member of the global executive leadership team.

Anne is currently an Advisor to the REST Board Investment Committee, Adviser to The Commonwealth Treasury Australian Office of Financial Management, Independent Member of the E&P Financial Group Wealth Investment Committee, Member EnergyCo NSW Transmission Acceleration Facility, Independent Member of Minderoo Foundation Investment Committee, and Member of the ASIC Consultative Panel.

Anne has a Bachelor of Economics, a Master of Applied Finance from Macquarie University and is a graduate of the Australian Institute of Company Directors.

Director changes

The name of the persons who have been Directors, or appointed as Directors during the period since 1 October 2022 and up to the date of this report are:

- Gai McGrath
- Doug Carmichael
- Robin Burns
- Michael Cottier
- Anne Anderson
- Anne Clarke
(appointed 26 April 2022 to 19 May 2023)

Investment update

After a difficult year in 2022 where both equity and bond indices produced negative returns, financial year 2023 was more positive, particularly for investors exposed to growth assets such as Australian and International shares. Over the course of the year, Australian and International shares returned 14.4% and 22.59% respectively while Emerging market equities returned 5.11%. In contrast, interest rate sensitive asset classes such as global bonds and global property continued their declines, returning -1.16% and -5.94% respectively.

Looking ahead, many of the same issues which dominated headlines last financial year continue to weigh on investor's minds – inflation, the path for both short and long term interest rates as well as geopolitical instability. In relation to the latter, outside of the terrible humanitarian cost, markets have concerns that the conflicts in both the Middle East and Ukraine could keep inflation, and as a consequence, interest rates higher for longer. It is important for members to remember that investing is a long-term pursuit and having a portfolio with exposure to a range of asset classes can help dampen volatility from one year to the next. A financial advisor is best placed to help you navigate what mix of assets is right for you.

Performance returns by asset class as at 30 June 2023

Asset Class	1 year	3 years (p.a.)	5 years (p.a.)	7 years (p.a.)	10 years (p.a.)
Growth assets					
Australian shares	14.40%	11.08%	7.12%	8.92%	8.54%
International shares	22.59%	13.49%	11.46%	12.48%	13.17%
Emerging market shares	5.11%	3.48%	3.06%	6.65%	6.28%
Australian listed property	7.49%	8.52%	3.88%	3.73%	7.95%
Global listed property	-5.94%	3.11%	-0.55%	0.81%	4.02%
Defensive assets					
Australian bonds	1.24%	-3.51%	0.51%	0.83%	2.43%
International bonds	-1.16%	-3.64%	0.18%	0.46%	2.54%
Cash	2.89%	1.01%	1.17%	1.35%	1.69%

Source: RIMES and BTIS. Australian shares - S&P/ASX 300 Accumulation Index, International shares - (unhedged) MSCI World ex Australia Net Return in AUD, Emerging market shares - MSCI Emerging Markets EM Net Total Return Index (AUD), Australian property - S&P/ASX 300 A-REIT Accumulation Index, Global property - FTSE EPRA/NAREIT Developed Hedged in AUD Net TRI, Australian fixed interest - Bloomberg AusBond Composite 0+ Yr Index, International fixed interest - Bloomberg Barclays Global-Aggregate Total Return Index Value Hedged AUD, Cash - Bloomberg AusBond Bank Bill Index. As at 30 June 2023. Past performance is not a reliable indication of future performance.

Tips for creating the retirement you want, today

Even if you don't plan to retire until you may be eligible for the Age Pension – there are small steps you can take now to secure your future after work. Given your retirement could make up a large portion of your lifetime – you'll want to enjoy it.

Get on the front foot of your retirement goals, by considering these tips:

1. Do you want to retire by a certain age?

While Australia doesn't have an official retirement age, there are some factors to consider when determining what age you might stop work. You might retire when you're eligible for the Age Pension, or when you reach your Preservation Age – the age when you can access your super. Your retirement age might also be influenced by your profession, health, family circumstances, or individual preference. The main point to remember is, the earlier you retire, the longer you'll be relying on your super and savings, and the more you'll need to have saved to support you.

2. Add a little bit more into your super now

You could consider asking your employer about setting up a salary sacrifice arrangement for your super. You could find, depending on your salary, you may save on tax. Super is a long-term relationship – the more attention you give it, the greater the potential. Even salary sacrificing a small amount now – like the cost of one takeaway lunch a week – can make a difference to your super balance over the longer term.

3. Review your investments approach

Looking at how your super is invested could make a big difference to your retirement savings goals. A Financial Adviser could help you work out what investment strategy may suit your needs.

4. Protection for the unexpected

If you have insurance in your super, you may want to check if your cover still suits you, and your family's needs.

No matter what your financial position is today, an unexpected event can see it all unravel very quickly. Insurance cover can help so that if there is an unforeseen event, you and your family can hopefully continue to move forward – and it can lessen the impact to your retirement savings.

5. What's on your to-do list in retirement?

It's important to think about how you want to structure your time when you retire, well before you leave full-time work. It's normal to have different views about what constitutes a dream retirement.

Think through your expectations about travel plans, making a sea or tree change and pursuing a hobby or even a new business. It's also wise to consider whether and how you want to financially assist your children or care for elderly relatives. Or you might want to continue working part time, while balancing your other life interests. These factors should be taken into account when planning how you want to fund your retirement, as well as the type of lifestyle you will lead.

6. Look at your debts

Will you be entering retirement debt-free? Repaying as much of your debts as possible before you retire, can make a big difference to your lifestyle and the funds you'll have available in retirement. While building your retirement savings, also consider a plan to proactively clear your debt by using any free cash flow to reduce the amount you owe to strengthen your financial position. You may also want to consider any benefits gained from rolling your debts into one or using another provider that offers lower rates and fees.

To assist you in your retirement journey we have a Retirement Hub (the Hub) available to you at bt.com.au/retirement. The Hub houses a range of easy-to-read articles, calculators, and tools to help you maximise your retirement income.

Recent developments in superannuation

2023/24 superannuation thresholds

The superannuation contributions caps and various other superannuation thresholds that apply for the 2023/24 financial year are as follows:

	2023/24
Concessional contributions cap	\$27,500 ¹
Non-concessional contributions cap	\$110,000 ²
Capital Gains Tax (CGT) cap (lifetime limit)	\$1,705,000
Government co-contributions	
Maximum co-contribution ³	\$500
Lower threshold	\$43,445
Upper threshold (cut off)	\$58,445
Superannuation Guarantee (SG) rate⁴	11%
Low rate cap	\$235,000

Pension drawdown rates

For the 2023–24 financial year, the 50% reduction in the minimum pension drawdown rate will no longer apply. The table below illustrates the standard minimum pension factors.

Age	Default minimum drawdown rates (2023/24)
Under age 65	4%
65 to 74	5%
75 to 79	6%
80 to 84	7%
85 to 89	9%
90 to 94	11%
95 or over	14%

For Term Allocated Pensions, the drawdown rate can be between 90% and 110% (previously between 45% and 110%) of the minimum amount calculated using the payment factors.

Super guarantee increase

The rate of Super Guarantee increased to 10% from 1 July 2021; the first increase since 1 July 2014. SG rates will increase incrementally each year until they reach 12% in 2025 as per the table.

1 July 2014 - 30 June 2021	9.5%
1 July 2021	10%
1 July 2022	10.5%
1 July 2023	11%
1 July 2024	11.5%
1 July 2025	12%

Indexation of the Transfer Balance Cap

On 1 July 2023, the general transfer balance cap was indexed from \$1.7 million to \$1.9 million. This is the cap on the amount that can be transferred into tax-free retirement phase income streams. This means that individuals who start a retirement phase income stream for the first time on or after 1 July 2023, they will have a personal transfer balance cap of \$1.9 million. Individuals who have transferred a balance to a tax-free retirement income stream before 1 July 2023 will have a personal transfer balance cap of between \$1.6 million to \$1.7 million depending on their circumstances.

Extension of downsizer scheme to those aged 55 and over

On 1 January 2023, the eligibility age to make a downsizer contribution to a complying super fund reduced from 60 to 55. This means individuals aged 55 and older may be able to contribute up to \$300,000 from the proceeds of the sale (or part sale) of their home into their superannuation. Other rules governing the scheme remain unchanged. This includes the home having to be owned for at least 10 years. For more information on the scheme please visit ato.gov.au.

1 Members with a total super balance less than \$500,000 at the end of the previous financial year can make additional concessional contributions by utilising unused cap amounts accrued from 1 July 2018, for up to five financial years.

2 If you are under age 75 on 1 July 2023 and satisfy other conditions you may be able to make larger non-concessional contributions over two or three financial years. Once your total super balance has reached \$1.9 million, your non-concessional contribution cap will be nil. Your total super balance is assessed as at 30 June of the previous financial year.

3 The maximum co-contribution payable is phased out by 3.333 cents for every dollar of total income over the lower threshold, until it reaches zero at the upper threshold.

4 The SG rate will increase by 0.5% each financial year (11.5% from 1 July 2024 and so on) until it reaches 12% on 1 July 2025.

Proposed changes to superannuation

Improving the flexibility of the First Home Super Saver Scheme (FHSSS)⁵

Changes to the FHSSS will allow individuals to amend or withdraw their applications at any time before receiving amounts, as well as allowing those who have withdrawn to reapply for FHSSS releases in the future. To facilitate this, the Commissioner of Taxation will be given the ability to return FHSSS amounts to superannuation funds. These returned FHSSS amounts will be treated as non-assessable non-exempt income and do not count towards individuals' contribution caps.

The following proposed changes are not yet law and are subject to change.

Better targeted superannuation concessions

A new tax has been proposed to apply to certain superannuation earnings from 1 July 2025. If enacted, the proposed law will impose an additional 15% tax on earnings on Total Superannuation Balances over \$3 million. The tax is to be assessed to the individual member and can be paid by the member or from the fund where a release authority is obtained from the Australian Taxation Office.

⁵ The changes will come into effect at a future date, which is yet to be specified.

Understanding your investment

Asgard Infinity eWRAP

Asgard Infinity eWRAP offers a fully customisable eWRAP account that allows you to wrap all of your super/pension investments (managed investments, shares, term deposits and cash) and insurance (super only) into one account.

You have the flexibility to add (or remove) optional features to your core account as your needs change, and you only pay for the features you need. Asgard Infinity eWRAP consolidates all transaction reporting to provide you with continuous, online access to account information via Investor Online.

Asgard eWRAP and Asgard Open eWRAP

Asgard eWRAP and Asgard Open eWRAP enables you to wrap all your superannuation investments into the one simple superannuation or pension account. You get access to our extensive range of wholesale managed investments, term deposits, a wide range of shares listed on the Australian Securities Exchange (ASX) and a transaction account.

Asgard Managed Profiles and Separately Managed Accounts – Funds

Depending on the investment option you select, Managed Profiles or Separately Managed Accounts, you have access to a wide range of managed investment and shares.

Managed Profiles allows you to design your own investment profile by providing you access to a wide range of wholesale managed investments, term deposits, and a broad range of securities listed on the ASX.

Separately Managed Accounts – Funds (SMA – Funds) offers you a selection of five pre-set portfolios of managed investments. The five portfolios are tailored to meet specific risk tolerance levels, depending on whether you're a cautious investor or whether you're willing to take greater risks for a higher return on your money. Your investments in the SMA – Funds are directly invested into the equivalent Advance Diversified Multi-blend fund. Detailed information can be found in the underlying PDS for the relevant Advance Diversified Multi-Blend fund.

The investment objectives and strategies of the SMA – Funds portfolios are summarised in the following table.

SMA – Investment objectives and strategy

Asgard SMA – Funds portfolio	Investment objectives	Strategy
Defensive	Aims to provide secure income with a low risk of capital loss over the short to medium term with some capital growth over the long term.	The Fund invests in a diverse mix of assets with the majority in the defensive assets of cash and fixed interest (around 70%) and a modest investment in growth assets such as shares and property (around 30%). The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.
Moderate	Aims to provide relatively stable total returns (before fees and taxes) over the short to medium term, with some capital growth over the long term through a diversified mix of growth and defensive assets.	The Fund invests in a mix of defensive assets such as cash and fixed interest (around 50%) and growth assets such as shares and property (around 50%). The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.
Balanced	Aims to provide moderate to high total returns (before fees and taxes) over the medium term from a combination of capital growth and income through a diversified mix of growth and defensive assets.	The fund invests in a diverse mix of assets with both income-producing assets of cash and fixed interest (around 30%) and growth assets of shares and property (around 70%). The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.

Understanding your investment

Asgard SMA – Funds portfolio	Investment objectives	Strategy
Growth	Aims to provide high total returns (before fees and taxes) over the long term through capital growth by investing predominantly in growth assets.	The Fund invests in a diverse mix of assets with an emphasis on the growth oriented assets of Australian and international shares (around 85%) and investment in defensive assets of cash and fixed interest (around 15%) providing some income and stability of returns. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.
High Growth	Aims to provide high total returns (before fees and taxes) over the long term through capital growth by investing predominantly in growth assets.	The fund invests primarily in growth assets such as Australian and international shares with some exposure to property. The Fund's exposure to these asset classes will be obtained primarily by investing directly into our sector specific funds. The Fund may also hold assets directly including derivatives, currency and other unit trusts.

Asgard Elements

Asgard Elements offers you the opportunity to invest with some of the most recognised investment brands in the industry at a low cost. The Elements investment menu provides investors with a smaller, concentrated menu of diversified and sector specific multi-blend options (known as multi-manager funds) and a range of discretionary investments (known as single-manager funds) that have been selected against rigorous criteria to ensure they're of the highest quality.

Investment information

Investment choice

Through Asgard, you have access to an extensive range of investment options, such as managed investments and shares. For the list of investment choices available for each product, please refer to the relevant Product Disclosure Statement (PDS) available through Investor *Online* or speak to your financial adviser. Alternatively, you can call us on 1800 998 185.

Investment strategy and objectives

When selecting a managed investment, we take into consideration the quality of the investment manager's business, stability of its investment team, past performance and investment management process before selecting investment options.

We do not take into account labour standards or environmental, social or ethical considerations in selecting, retaining or realising investments. However, the various investment managers of the managed investments available may have their own policy on the extent to which labour standards or environmental, social or ethical considerations are taken into account when making investment decisions.

For further information on a specific managed investment held in your account, including its investment strategy, objectives and asset allocation, please refer to the underlying disclosure document for that investment option, accessible through Investor *Online*. You may also obtain a copy of these disclosure documents free of charge from your financial adviser or us.

Asset allocations

We provide you with detailed information on the asset allocations of the investments in the accounts. You can access the Investment Monthly asset allocation tables as at 30 June 2023 via Investor *Online* under Information > Performance tables.

Performance information

For actual performance of your Asgard Super/Pension account, please refer to your Investor Report for the period ending 30 June 2023 which was issued to you in July.

For more recent performance information, you can access Investment Monthly performance tables on Investor *Online* under Information > Performance tables.

Investments exceeding 5%

The following investments exceeded 5% of the accounts' total assets.

As at 30 June 2023, the value of members':

- Transaction accounts, which are invested in one or more underlying bank accounts at Westpac Banking Corporation, represents 9.95% of the total assets in Asgard Super/Pension;
- Assets managed by Advance Asset Management Limited (now Mercer Investments (Australia) Limited) represent 15.61% of the total assets in Asgard Super/Pension;
- Assets managed by Vanguard Investments Australia represents 11.60% of the total assets in Asgard Super/Pension; and
- Assets managed by BlackRock Investment Management (Australia) represents 10.88% of the total assets of in Asgard Super/Pension.

The above values are accurate as at 30 June 2023, but will continue to change over time. There are no other combinations of investments that the Trustee knows or ought reasonably to know are invested, directly or indirectly, in a single enterprise or single group of associated enterprises and that have a combined value in excess of 5% of the total assets of Asgard Super/Pension as at 30 June 2023.

Derivatives

Some of the investment options available in Asgard Super/Pension may use derivatives as part of their investment strategy. Derivatives are investments whose value is derived from other assets, such as shares, and may be used as part of the portfolio management process. Futures contracts and options are examples of derivatives.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying asset. Derivatives can also be used to gain exposure to assets and markets. While derivatives offer the opportunity for significantly higher gains from a smaller investment (because of the effective exposure obtained) they can also produce significantly higher losses, sometimes in excess of the amount invested.

The investment managers are required to have strict policies and procedures on the use of derivatives and generally are not permitted to use derivatives to gear the investment option unless otherwise stated.

Earnings

Earnings, in the form of capital growth, income distributions or dividends, received from your investments are credited to your account. Your investment earnings will depend on the performance of the investments you choose and the amount of money invested in each.

All gains and losses are reflected through changes in the value of your investments. We credit all dividend or distribution payments from your investments to your transaction account when they're received.

How risk is measured

The level of risk, or Standard Risk Measure, for each investment option is based on an estimate of the number of negative annual returns that may be experienced over any 20-year period as shown in the table.

Standard Risk Measure		Estimated number of negative annual returns over any 20-year period
Risk band	Risk label	
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low – medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium – high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The Standard Risk Measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period. The Standard Risk Measure allows you to compare the level of risk of investment options within Asgard Super/Pension as well as other investment options available through other super funds.

When comparing the level of risk of investment options, it's important to take into consideration the investment option's investment objective, investment strategy and the strategic asset allocation.

The Standard Risk Measure is not a complete assessment of all forms of investment risk, for example it does not detail what the size of the negative return may be or the potential for a positive return to be less than the return you require to meet your investment objectives. It also does not take into consideration the impact of administration fees and tax on the likelihood of a negative return. You should ensure you are comfortable with the risks and potential losses associated with the investment options you choose to invest in. For information on the methodology used in the calculation of the Standard Risk Measure, please refer to your relevant Investment Options Booklet.

Types of risks

There will always be the risk of fluctuations in the value of an investment. Investment risk can be managed and even minimised but it cannot be completely eliminated. It is important to understand that not all risks are foreseeable. There is always the chance that you may lose money on any investment you make.

Some common types of investment risks are outlined in the table below.

Investment specific risk	An investment in, or exposure to, a company or managed fund that may be affected by unexpected changes in that company's or managed fund's operations (due to quality of management, use of technology etc.) or its business environment.
Market risk	Markets are subject to a host of factors including economic conditions, government regulations, market sentiment, political events and environmental and technological issues. Market risk may have different impacts on each investment and investment style. It may mean that the value of your investment falls or that your investments cannot be readily sold.
Currency risk	If an investment is held in international assets, a rise in the Australian dollar relative to other currencies may negatively impact investment values or returns.
Interest rate risk	Changes in interest rates can have a negative impact either directly or indirectly on investment value or returns of all types of assets.
Derivatives and gearing risk	Some of the investment options available in Asgard Super/Pension may use derivatives and gearing (borrowing). The value of derivatives is linked to the value of the underlying assets and can be highly volatile. Potential gains and losses from derivative transactions can be substantial.
Alternative investments risk	Underlying funds may invest in 'alternative investments'. Alternative investments is a category that includes a range of sophisticated investments including hedge funds, venture capital, private equity, leveraged and management buyouts, commodities and futures trading funds. Like shares, property, fixed interest and cash, alternative investments are subject to certain risks that may include periods of large market falls, high volatility or reduced liquidity (i.e. the ability to sell investments immediately). Certain alternative investments carry significant risk. In addition, losses may arise due to other factors, including poor judgement, misconduct or fraud. Some investment strategies are reliant on key individuals. Some alternative investments may be based in countries where the level of regulatory supervision is lower than in Australia.
Credit risk	There is always a risk of loss arising from the failure of a debtor or other party to a contract to meet their obligations. This potentially arises with various investments including derivatives and fixed interest and mortgage securities.
Liquidity risk	This is the risk that an investment may not be easily converted into cash with little or no loss of capital and minimum delay because of either not enough buyers in the market for the particular investment or disruptions in the marketplace. Securities in small companies in particular may, from time to time and especially in falling markets, become less liquid.
Legal and regulatory risk	Changes are frequently made to superannuation law, which may affect your ability to access your investments. Changes can also occur in the taxation of superannuation, which may affect the value of your investment.

Investment information

Investment managers

The investment options we offer are managed by the following investment managers:

abrdn Australia Limited	GMO Australia Limited
Acadian Asset Management	GQG Partners (Australia) Pty Ltd (Australia)
Advance Asset Management Limited	Greencape Capital Pty Limited
AFIM Limited	GSFM Responsible Entity Services Limited
Airlie Funds Management Pty Limited	Hyperion Asset Management
Allan Gray Australia Pty Ltd	Impax Asset Management Limited
Alliance Bernstein Australia Limited	Insync Funds Management Pty Limited
Alphinity Investment Management Pty Ltd	Invesco Australia Limited
AMP Capital Investors Limited	Investors Mutual Limited
Antipodes Partners	IOOF Investment Services Ltd
AQR Capital Management	IPAC Asset Management Limited
Ardea Investment Management	Ironbark Funds Management (RE) Ltd
Arrowstreet Capital, Limited Partnership	Ironbark GLS Investments Pty Ltd
Artisan Partners Australia Pty Ltd	JamiesonCooteBonds Pty Ltd
ATLAS Infrastructure (Australia) Pty Ltd	Janus Henderson Investors (Australia) Funds
Atrium Investment Management Pty Ltd	JPMorgan Asset Management (Australia) Limit
Centric Capital	K2 Asset Management Ltd
Challenger Life Company Limited	Kardinia Capital Pty Ltd
Channel Investment Management	L1 Capital Pty Ltd
Charter Hall Direct Management Ltd	Lazard Asset Management Pacific Co
Charter Hall Property Securities Management	Lennox Capital Partners Pty Ltd
Chester Asset Management Pty Ltd	LM INVESTMENT MANAGEMENT
Colchester Global Investors (Singapore) Pte	Loftus Peak Pty Limited
Colonial First State Investments Ltd	Macquarie Investment Management Global Limited
Cooper Investors Pty Limited	Magellan Asset Management Limited
Cromwell Property Securities Ltd	Man Investments Australia
Dexus Asset Management Ltd	Maple-Brown Abbott Limited
DFA Australia Limited	Merlon Capital Partners Pty Ltd
DNR Capital Pty Ltd	Metrics Credit Partners
Eley Griffiths Pty Ltd	MFS Investment Management Inc
Ellerston Capital Ltd	Milford Australia Pty Ltd
Equity Trustees Ltd.	MLC Investments Ltd
Fairlight Asset Management Pty Ltd	Montaka Global Investments
Fidante Partners Limited	Montgomery Lucent Investment Management Pty
Fiducian Portfolio Services Limited	Morningstar Investment Management Australia
FIL Investment Management (Aust) Ltd	Munro Partners
Firetrail Investments Pty Limited	Aurora Funds Management Ltd
First Sentier Investors	Ausbil Investment Management Limited
Franklin Templeton Investment Australia Lim	Auscap Asset Management Limited
Fulcrum Asset Management	Australian Ethical Investment Ltd
GAM International Management Limited	Australian Unity Funds Management

Investment information

AXA Investment Managers Asia (Singapore) Li	Renaissance Smaller Companies Pty Ltd
Barwon Investment Partners	Resolution Capital Ltd
Bell Asset Management Limited	Robeco Hong Kong Limited
Bennelong Funds Management Ltd	Rubicon Partners Limited
Bentham Asset Management Pty Limited	Russell Investment Management Ltd
BetaShares Capital Limited	Schroder Investment Management Australia Li
BlackRock Investment Management (Australia)	SG Hiscock and Company Limited
BT Funds Management Limited	Smarter Money Investments Pty Limited
C WorldWide Asset Management	Solaris Investment Management Limited
Capital International, Inc.	Spheria Asset Management
Celeste Funds Management Ltd	Spire Capital Pty Ltd
Magellan Asset Management Limited	State Street Global Advisors (Aus) Ltd
Man Investments Australia	Stonehouse Financial Services Pty Ltd
Maple-Brown Abbott Limited	T. Rowe Price International Ltd
Merlon Capital Partners Pty Ltd	Talaria Asset Management Pty Ltd
Mutual Limited	Tribeca Investment Partners Pty Ltd
Nanuk Asset Management Pty Ltd	UBS Global Asset Management (Australia) Ltd
Nikko AM Limited	Vanguard Investments Australia Limited
NovaPort Capital Pty Limited	Vertium Asset Management
OC Funds Management Limited	Watermark Funds Management
OnePath Funds Management Ltd - Wholesale	Waverton Investment Management Ltd
Ophir Asset Management Pty Ltd	Westpac Financial Services Limited
Orbis Investment Management Limited	WHEB Asset Management LLP
Pan-Tribal Asset Management Pty Ltd	Yarra Capital Management Limited
Paradice Investment Management	Yarra Funds Management Limited
Partners Group (Guernsey) Limited	Zurich Investment Management Limited
Pendal Institutional Limited	
Pengana Capital Ltd	
Perennial Investment Management Limited	
Perpetual Investment Management Limited	
PIMCO Australia Pty Ltd	
PineBridge Investments	
Platinum Asset Management Limited	
Plato Investment Management	
PM Capital Ltd	
Premium China Funds Management Pty Ltd	
Prime Value Asset Management Limited	
Principal Global Investors (Australia) Ltd	
Pyrford International Ltd	
Quay Global Investors Pty Ltd	
Quest Asset Partners Pty Ltd	
RARE Infrastructure Ltd	
Realindex Investments	
Realm Investment Management Pty Ltd	
Regal Funds Management	

Other important information

In specie asset transfers from Asgard Super/Pension to BT Panorama Super

If you have an adviser, we now allow Asgard Super/Pension members to transfer assets held in their Asgard Super/Pension account to BT Panorama Super (including Pension). This transfer is treated as No Change of Beneficial Ownership and does not require you to sell down your assets. For more information on how to transfer into BT Panorama Super speak to your adviser.

Changes to the minimum administration fee

In March 2023 we communicated to all affected members in Asgard Managed Profiles and Separately Managed Accounts – Funds Super/Pension, Asgard Elements Super/Pension, Asgard eWRAP Super/Pension and Asgard Infinity eWRAP Super/Pension that effective 1 May 2023 the minimum administration fee for these products would increase so that we can maintain the quality of our products and services. For more information speak to your adviser or contact the Customer Relations team.

Combining your super

One of the biggest advantages of combining your super accounts is the potential savings in fees. If you're paying fees on multiple accounts, you can reduce the amount of fees you pay by reducing the number of super funds you have.

Another advantage of consolidating your super is less paperwork. Having one super account means you only have one set of paperwork to manage. This could make it easier to keep on top of your super and understanding exactly how it is performing.

With Asgard, consolidating your super is easy. If you have multiple super funds and would like to consolidate now, login to Investor *Online* and select Forms to obtain the 'Transfer authority' form today.

Contributing to your super via the BPAY® payment facility

BPAY is a quick and easy way for you to make deposits directly into your Asgard account. All you need is your customer reference number and the relevant Biller Code.

Depending on what type of contribution you're making, there are different Biller Codes that apply when using BPAY.

Contribution type	Biller code
Personal deducted contributions	66043
Personal undeducted contributions	66050
Salary sacrifice contributions	66027
Employer super guarantee (SG) contributions	66019
Employer contributions	66035
Spouse contributions	66068

Note: by using a Biller Code to make a BPAY deposit, you acknowledge that you've received underlying disclosure document for the managed investments and cash products in your account (including information about significant events or matters affecting them) electronically on Investor Online. You can access these documents via the 'PDS' menu option on the Investor Online homepage.

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Retirement Income Covenant (RIC)

The BT Retirement Income Strategy is available on bt.com.au and can be downloaded from our Retirement Hub at bt.com.au/retirement. The Strategy aims to help you achieve and balance the following 3 objectives:

- Maximising the expected retirement income over the period of retirement;
- Managing the expected risks of the sustainability and stability of retirement income; and
- Having flexible access to expected funds over the period of retirement.

Other important information

Feedback and complaints

Delivering on our service promise

We're constantly striving to provide the best possible service, and we'll do our best to resolve any concern you have efficiently and fairly.

Our commitment to you

If you're ever unhappy about something we've done – or perhaps not done – please give us the opportunity to put things right.

Our aim is to resolve your complaint within 5 business days, and where possible we will resolve your complaint on the spot. If we need some additional time to get back to you, we will let you know. Should we be unable to resolve your concern at your first point of contact, we will then refer the complaint to our dedicated Customer Managers.

Our Customer Managers are here to find a solution for you and will ensure that you're regularly updated about the progress we are making to resolve your complaint.

You can contact us:

Over the phone

Please call us from anywhere in Australia on 1800 998 185. If you are overseas, please call +612 9155 4010.

By post

Asgard PO Box 7490
Cloisters Square WA 6850

Online

Using the secure feedback form at
secure.bt.com.au/contact-us/contact-asgard.asp

For further information go to our website and search 'Feedback and Complaints'.

If you are still unhappy

If you are not satisfied with our response or handling of your complaint, you can contact the external dispute resolution scheme, the Australian Financial Complaints Authority (AFCA).

Australian Financial Complaints Authority

The Australian Financial Complaints Authority (AFCA) provides a free and independent service to resolve complaints by consumers and small businesses about financial firms (e.g., banks), where that complaint falls within AFCA's terms of reference.

The contact details for AFCA are set out below.

Australian Financial Complaints Authority

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

Post: Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Other important information

Superannuation surcharge

Any surcharge amounts will be deducted from your account.

Indemnity insurance

The Trustee is indemnified by a professional indemnity insurance policy in respect of its duties as Trustee of Asgard Super/Pension.

Financial information

As permitted under the Corporations Act 2001, audited fund accounts and the auditor's report have not been included with this annual report. Copies of complete audited financial statements and the auditor's report will be available from:

- Asgard
PO Box 7490
Cloisters Square WA 6850
- or by contacting Asgard Support on 1800 998 185

Temporary residents

A temporary resident is a holder of a temporary visa under the Migration Act 1958.

From 1 April 2009, if you are, or were, a temporary resident and are not an Australian citizen, New Zealand citizen or permanent resident of Australia, or a holder of a retirement visa (Subclass 405 or 410), you can generally only access your preserved super benefits if you become permanently incapacitated, have a terminal medical condition, or have departed Australia permanently and your visa has ceased, or your beneficiaries may access your benefits if you die. You may also be able to access your benefit if you satisfied another condition of release under superannuation law before 1 April 2009.

The Australian Government also requires us to pay temporary residents' unclaimed super to the ATO after at least six months have passed since the later of:

- the date a temporary resident's visa ceased to be in effect; and
- the date a temporary resident permanently left Australia

The ATO identifies and informs the Trustee of the impacted members on a twice yearly basis. Once your benefit has been transferred to the ATO you will need to claim it directly from the ATO (ato.gov.au).

If your benefit has not yet been transferred to the ATO, applications to claim your benefit can be made using the ATO Departing Australia Superannuation Payment (DASP) online application system. To access this system and full information regarding DASP procedures and current tax rates visit ato.gov.au.

We are permitted under, and rely on, ASIC relief under Class Order CO 09/437 to not notify or provide an exit statement to a non-resident in circumstances where we pay unclaimed superannuation to the ATO under Division 3 of Part 3A of the Superannuation (Unclaimed Money and Lost Members) Act 1999.

Financial information

Asgard Super/Pension

Statement of financial position as at 30 June 2023

	As at 30 June 2023	As at 30 June 2022
	\$'000	\$'000
Assets		
Cash and cash equivalents	931,253	1,534,664
Unsettled sales	34,620	47,848
Accrued income	12,248	7,058
Receivables	2,177	1,797
Financial assets held at fair value through profit or loss	14,994,849	15,199,929
Other assets	4,331	889
Tax refund due	41,117	19,096
Deferred tax assets	-	28,375
Total assets	16,020,595	16,839,656
Liabilities		
Unsettled purchases	2,003	-
Payables	32,291	41,287
Deferred tax liabilities	8,765	-
Total liabilities (excluding member benefits)	43,059	41,287
Net assets available for member benefits	15,977,536	16,798,369
Defined contribution member liabilities	15,919,761	16,706,625
Total net assets/(liabilities)	57,775	91,744
Equity		
Unallocated benefits/(deficits)	57,775	91,744
Total equity	57,775	91,744

This annual report contains unaudited abridged financial information for the financial year ended 30 June 2023 in relation to Asgard Super/Pension as part of Asgard Independence Plan – Division Two (Fund). The Fund's audited financial statements and auditors report are available upon request by contacting us on 1800 998 185.

Asgard Super/Pension

Income statement for the year ended 30 June 2023

	Year ended 30 June 2023	Year ended 30 June 2022
	\$'000	\$'000
Superannuation activities		
Interest income	62,925	5,987
Dividend income	54,032	68,324
Distribution income	824,469	913,420
Net gains/(losses) on financial instruments held at fair value through profit or loss	541,686	(2,238,382)
Other income	13,243	12,946
Total net income/(loss)	1,496,355	(1,237,705)
Trustee's fees	1,893	2,426
Administration fees	40,903	52,935
Transaction account fees	12,696	3,823
Other expenses	10,484	16,882
Total expenses	65,976	76,066
Profit/(loss) from superannuation activities before income tax	1,430,379	(1,313,771)
Income tax expense/(benefit)	4,531	(159,712)
Profit/(loss) from superannuation activities after income tax	1,425,848	(1,154,059)
Less: net benefits allocated to members' accounts	(1,425,848)	1,154,059
Profit/(loss) after income tax	-	-

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Asgard Super/Pension

Statement of changes in member benefits for the year ended 30 June 2023

	Year ended 30 June 2023	Year ended 30 June 2022
	\$'000	\$'000
Opening balance of member benefits	16,706,625	22,880,378
Employer contributions	290,656	368,906
Member contributions	373,445	393,024
Transfers from other funds	168,220	367,609
Transfers from other funds – successor fund transfers	8	-
Superannuation co-contributions	1,303	2,199
Income tax on net contributions	(46,443)	(59,562)
Net after tax contributions	787,189	1,072,176
Benefit payments	(2,955,335)	(3,106,811)
Benefit payments - successor fund transfer	-	(2,866,736)
Insurance premiums charged to members' accounts	(54,255)	(71,555)
Insurance premiums credited to members' accounts	33,316	36,950
Refund of insurance premiums	-	14,775
Adviser fees	(80,193)	(104,038)
Refund of adviser fees	22,597	62,641
Net benefits allocated to members' accounts, comprising:		
Net benefits allocated to defined contribution members' accounts	1,425,848	(1,154,059)
Transfer from/(to) unallocated benefits/(deficits)	33,969	(57,096)
Closing balance of member benefits	15,919,761	16,706,625

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Asgard Super/Pension

Statement of changes in equity for the year ended 30 June 2023

	Year ended 30 June 2023	Year ended 30 June 2022
	\$'000	\$'000
Unallocated benefits/(deficits)		
Opening balance	91,744	34,648
Net transfers to/(from) unallocated benefits/(deficits)	(33,969)	57,096
Closing balance	57,775	91,744

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For more information

asgard.com.au

1800 998 185

PO Box 7490 Cloisters Square WA 6850

Asgard