



2023-24

REPORT TO MEMBERS



STATE SUPER
SAS Trustee Corporation

2023-24

SNAPSHOT

\$37
billion

in assets
in pooled fund at
30 June 2024

Ranked
Top 20
largest

Australian
superannuation
funds by total FUM

9.1%

Return

to members in the
DC Growth
investment option

8.3%

Return

to members in the
DC Balanced
investment option

**Net
zero**
by 2050

carbon
objective

80,000+
members

across three schemes
– SASS, SSS
and PSS

100+
years

since the trustee
was established on
1 July 1919

2,914

MEMBERS

attended one of
our **64 free**
educational
webinars

5

Member
BELIEFS

to confirm our
promise to members



STATE SUPER
SAS Trustee Corporation

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	SASS
Members at 30 June 2024	<p>Contributing members: 10,056</p> <p>Deferred benefit members: 7,125</p> <p>Pension members: 5,134</p> <p>Total members: 22,315</p>
Member contributions	<p>Members elect to contribute between 1% and 9% of their salary.</p> <p>69% of member contributions were received via salary sacrifice.</p>
Type of benefits	<p>Retirement/withdrawal benefit – a lump-sum benefit based on average contribution rate, final average salary and years of membership. The benefit includes member contributions and investment earnings less fees and insurance premiums (where applicable).</p> <p>Pensions – some members of superseded schemes also have a pension option.</p> <p>Additional benefit cover – optional cover provides a benefit payable on top of the standard benefits available to contributors where retirement is due to total and permanent invalidity or death before the contributor reaches the statutory retirement age.</p>
Membership	<p>SASS commenced 1 April 1988 and was closed to new members 19 December 1992.</p>
Legislation	<p>SASS was established under the <i>State Authorities Superannuation Act 1987</i>.</p>
Scheme eligibility	<p>New employees in the NSW public sector were eligible to join the scheme and members of the Public Authorities Superannuation Scheme (PASS) were transferred to SASS from 1 April 1988. By 1990, a number of other public sector superannuation schemes were closed and members of these schemes were transferred to SASS. These schemes included, among others, the State Public Services Superannuation Fund (SPSSF), the Transport Gratuity Scheme and the Government Railways Superannuation Fund.</p>
SANCS	<p>In addition to the SASS benefits outlined above, all members receive the SANCS lump-sum basic benefit. The benefit is 100% employer-funded and, depending on the reason for exiting employment, accrues at the rate of up to 3% of either final or final average salary for each year of service from 1 April 1988 (or employment commencement date if later). SANCS was closed to new members in 1992. A members' SANCS benefit also consists of any applicable Additional Employer Contribution, Commonwealth Government Co-contribution and Low-Income Super Tax Offset (LISTO) amounts. <i>The State Authorities Non-contributory Superannuation Act 1987</i> is the establishing legislation.</p>

SASS is administered by the SAS Trustee Corporation (STC) under the *Superannuation Administration Act 1996*. As trustee, State Super holds all Fund assets in trust in the Pooled Fund.



	SSS	PSS
Members at 30 June 2024	<p>Contributing members: 504</p> <p>Deferred benefit members: 611</p> <p>Pension members: 52,995</p> <p>Total members: 54,110</p>	<p>Contributing members: 235</p> <p>Deferred benefit members: 50</p> <p>Pension members: 6,728</p> <p>Total members: 7,013</p>
Member contributions	<p>Members generally contribute towards individual pension units on a rate-for-age basis.</p> <p>75% of member contributions were received via salary sacrifice.</p>	<p>Members contribute 6% of their salary.</p> <p>73% of member contributions were received via salary sacrifice.</p>
Type of benefits	Mainly pension benefits, with a lump-sum commutation option.	Mainly pension benefits, with a lump-sum commutation option.
Membership	SSS commenced 1 July 1919 and was closed to new members 1 July 1985.	PSS commenced 1 February 1907 and was closed to new members 1 April 1988.
Legislation	SSS was established under the <i>Superannuation Act (NSW) 1916</i> (Superannuation Act).	PSS was established under the <i>Police Regulation (Superannuation) Act 1906</i> .
Scheme eligibility	Salaried employees of the NSW public service, including teachers and a number of statutory authorities scheduled in the Superannuation Act were eligible to join SSS.	Members of the NSW Police Service employed prior to 1 April 1988.
SANCS	<p>In addition to the SSS and PSS benefits outlined above, all members receive the SANCS lump-sum basic benefit. The SANCS benefit is 100% employer-funded and, depending on the reason for exiting employment, accrues at a rate of up to 3% of either final or final average salary for each year of service from 1 April 1988 (or employment commencement date, if later). A members' SANCS benefit also consists of any applicable Additional Employer Contribution, Commonwealth Government Co-contribution and Low-Income Super Tax Offset (LISTO) amounts. SANCS is governed by the <i>State Authorities Non-contributory Superannuation Act 1987</i> and was closed to new members in 1992.</p>	

SSS and PSS are administered by the SAS Trustee Corporation (STC) under the *Superannuation Administration Act 1996*. As trustee, State Super holds all Fund assets in trust in the Pooled Fund.

A MESSAGE FROM

THE CHAIR



CHAIR

NICHOLAS JOHNSON

I am pleased to report that the investment performance of the State Super funds over the past financial year have again been excellent with the Defined Benefit Fund maintaining its rolling ten year target of a real return of 3.7% and the Defined Contributions funds delivering industry top quartile risk-adjusted returns.

As in prior annual reports I will focus my review on three major themes that receive much attention from the Board. The three themes are largely direct developments from those I discussed last year, being the State Super Operating Model, Responsible Investment, and Business Continuity and Cyber Security.

State Super Operating Model

At the outset I should highlight what we are doing today, and how we are organised today works well.

The evidence supporting this statement is the continuing strong investment returns across the range of funds for which State Super is responsible, coupled with consistent positive feedback from member surveys which confirm the perceived outstanding standard of delivery of member services.

However, the nature of our members' needs is steadily changing. More members are moving into retirement, and either draw pensions or leave the fund with a lump sum payment. This trend is resulting in a shrinking

aggregate number of members, in a shrinking pool of assets under management and in a growing need for liquidity to be available to meet the rising associated cash outflows from the funds.

Liquidity is especially important in the next four years when we expect the size of the Defined Contributions fund to fall from \$7 billion to under \$4 billion, with an associated possibility of this reduction occurring in as short a time as two years.

The Board recognises that these changing demographics and consequential diminishing scale in State Super's business may require appropriate evolution to the current operating model to deliver the performance and services members demand.

Naturally the Board is cautious in its approach to any changes, insisting on facts to demonstrate why change may be needed, and thorough analysis to establish that any changes will be in members' best interests.

In this context I will discuss two major areas of our business operating model that are being given much attention by State Super management and the Board.

Options for investment management

First, as the size of the Defined Contributions funds declines, it may become necessary to consider how these funds continue to be efficient. We have been reviewing the potential of improved future outcomes.

I expect the Board will make a decision during the coming financial year on which strategic option is in Members Best Financial Interest and will communicate their views and reasoning to you.

Options for 'Back Office' outsourced administration services

The second aspect of the operating model under review is how to ensure that the 'Back office', providing all the administration and call centre services to members, is organised to ensure that current excellence in services is maintained over the long life of the various funds.

Currently provision of much of our administration services is outsourced to a third party, Mercer Administration, who operate our call centre and administration platform in Wollongong under a contract that continues to 2031. The Board is always considering options to ensure that longer term administration for our members is maintained.

Responsible Investment

I have written before about the framework developed to allow State Super to measure and to manage its carbon footprint, and to engage with the companies in which we invest especially those who we see to be lagging in their efforts to improve all aspects of their corporate governance.

This framework is proving to be robust and reliable. We are regularly monitoring to endeavour that your fund will achieve its interim 2030 objective of a 45% reduction across our CO2e emissions levels (compared to 2020 baseline).

As an example of our focus on the governance of individual companies in our portfolio I would highlight our decision during the year to vote against the reappointment of the Chair and the Climate Transition Action Plan of Woodside Petroleum, reflecting that company's slow progress in identifying and moving towards an effective climate change strategy.

During the year there was a high level of cooperation and dialogue between the Responsible Investing teams of State Super and NSW TCorp, our prime financial advisor responsible for managing the Defined Benefit portfolio. This enhanced focus resulted in close coordination in evaluating underperforming companies in the portfolios and in coordinating voting intentions.

Business Continuity and Cyber Security

Cyber security continues to be identified as a major risk potentially affecting a wide range of State Super activities ranging from the security of members' private data to being able to make payments through the financial system.

Cyber security incidents are reported to the Board and fully investigated by our Risk Team. We believe that our digital network and those of our outsourced service suppliers are robust but will be subject to continual improvement as new cyber threats are identified.

Team commitment

Finally, another huge thank you to every individual member of the State Super team which has delivered such excellent results and service to members over so many years. They have done another fine job over the past year.

And of course, my sincere thanks for the leadership provided by my fellow Board Members and by the outstanding Executive Leadership Team. Great job everyone.



Nicholas Johnson
Chair
October 2024

CHIEF EXECUTIVE OFFICER'S

REPORT



CEO

JOHN LIVANAS

I write this report while on the land of the Gadigal people of the Eora nation, to whose Elders, past and present and emerging, I pay my respects.

On the 3 September we finished another of our Member Advisory Forums – a virtual corroboree of sorts, to which our members are invited to share their views. Each year our Member Advisory Forums have the common purpose; to listen to the voices of our members in the hope we can learn to continually improve our service to them.

The most recent Forum asked our members to talk about their financial wellbeing in retirement in the hope we can learn lessons from them.

Around 70 people joined us – the majority of these were members who had a background in the Education sector, from schooling to higher education.

A few key messages came across for me; the value of our defined benefit schemes to enable dignity in retirement, and the concern our members had for the new generation and their ability to afford housing. Many were helping their children and grandchildren – some

had been helped themselves. This remarkable and extensive intergenerational commitment to the next generation is something that our leaders should recognise, be it with financial or with other support.

The Forum reinforces the benefit of our values – of placing members at the centre of what we do. We will shortly publish a white paper that compiles their feedback.

Investments

This year we again met our objectives for member's investment returns. Our Member Choice funds, for those members in SASS with those options, all performed consistent with objectives. State Super credited a 9.1% return to members in Growth (after superannuation tax), a 8.3% return for Balanced and a 7.1% return for Conservative for the year to 30 June 2024. This places our performance amongst the top 25% to 50% of the funds in Australia.

What is significant, is that we achieved this for our members, while carefully managing investment risk under challenging investment environments. In fact, we took less risk than 75% of the funds in Australia when measured over a 5 or 10-year basis.

Our larger Defined Benefit pool (Trustee Selection) had net assets of around \$37bn as at 30 June 2024, and returned 7.5% for the year, and 7.4% when measured over 10 years. Trustee Selection continuing to achieve its required investment returns to support the path to achieve full funding, with the balance being supported by NSW government.

Towards this end, we hope to shortly finalise an arrangement with NSW Treasury which will provide further flexibility and support towards full funding. The arrangement would create a framework within which contributions could be adjusted to maintain the probability of meeting full funding. When coupled with a framework to support liquidity, these policy initiatives will allow the Trustee to further optimise the investment strategy for the Pooled Fund, benefiting State Super members, and NSW taxpayers.

Our Service to Members

This year also marked the successful completion for State Super of the largest systems transition to date. Over a multi-year period we transformed our systems to a more contemporary platform, transferring member information to the more robust Acurity system.

The success of this transition was in no small part the result of the dedicated and singular focus of our team. We credit this for limiting any impact on members.

As an outcome, our members continued to evaluate our performance highly, with standouts for our Telephone Service responses (a satisfaction score from Pension Members, who make up the bulk of our membership, of 8.5 out of 10). These members also rated Financial Planning services highly at 8.6 and Investment Performance at 8.1.

While there are always challenges in administration, your State Super team is committed to maintaining our centre of operations in Wollongong with people who know your scheme and understand our members. We are in the process of reviewing our current administration services, and as part of these negotiations we have set ourselves the objective of continual member service improvement through recognising and retaining the skills and talent of our Wollongong based staff.

Our People

With our very strong culture and employee engagement (we measure this annually) and our dedicated staff, we are well placed to deliver ongoing member support. We will do this by continually assisting our staff in learning and development, and in recruiting the best and brightest – with the right culture fit and with a focus on members. Our Employee Engagement score is again amongst the highest in NSW, with a score of 79% for 2024.

Our culture survey noted that State Super’s Employee Value proposition is centred on ‘Work-life balance and flexibility, Supportive Management and Team Culture, Focus on

Personal Development and Employee Wellbeing, and Strong Organisational Values and Member focus.’

Regarding our work culture – our set of values are strongest aligned for ‘results orientation’ and ‘people centric’, a recognition of the approach we take to serving members.

Externally, State Super is well regarded, with an external survey noting that ‘... (the) State Super team is professional, experienced, conscientious – and focussed on achieving the best for its members’.

Risk Management

Our focus remains on members’ best interests, enshrined in our Member Beliefs. To continue to support this, means we will need to continue enhancing our member service delivery, our investment management capability, and our operations. As we do this, risk management is key. Our recent risk culture survey noted that 100% of our people that responded, felt that there is enough focus on ‘Integrity, Transparency, Challenge, Accountability,’ and that ‘leaders effectively identify and control risks’. 96% of people felt that ‘leaders consider alternative views when making decisions’.

Our Future

State Super has consistently been a leader in superannuation within Australia. From establishing and developing entities like Dexus and StatePlus, which evolved into billion-dollar organisations, to pioneering innovations in machine learning and responsible AI tools and pioneered innovative investments processes for our members.

As our Chair highlighted, we are currently exploring exciting new phases for State Super

concerning our investments and the management of your schemes.

Our key objectives are twofold:

To maintain and enhance the intellectual capabilities and skills of our team who have provided industry-leading risk-adjusted returns.

To retain the exceptional expertise and proficiency of staff based in Sydney and Wollongong, who possess in-depth knowledge of your schemes. They assist members by handling over 60,000 calls annually, managing nearly 20,000 written inquiries, disbursing payments to over 65,000 pensioners, and processing more than 10,000 member contributions each year.

Regarding investments, our schemes rank among the most complex in Australia. Our exceptional team has not only achieved outstanding risk-adjusted returns but also developed significant expertise in processes and leveraging machine learning. This intellectual property holds considerable value, and we are exploring exciting new opportunities.

With our commitment to members and investment returns, you can be assured that our innovative, highly skilled, and dedicated team will continue to explore and implement solutions for you. Our forward-thinking approach ensures that, as new opportunities arise, we will embark on this journey together.

Thank you!

John Livanas
Chief Executive Officer
October 2024

YOUR

TRUSTEE BOARD

The Trustee Board is appointed by the Treasurer of NSW and comprises:

- an independent Chairperson
- four employer representatives
- four employee representatives nominated by Unions NSW.

Professional indemnity insurance is in place for the Trustee Board and each Board member.

Chairperson



Nicholas Johnson
Chairperson
Appointed June 2015;
reappointed June 2019 and
June 2023

Employer representatives



Carol Austin
Company Director
Appointed June 2018;
reappointed June 2022



Russell Mason
Company Director
Appointed November 2022



Lisbeth Rasmussen
Company Director
Appointed March 2020
reappointed May 2024



Cathy Yuncken
Company Director
Appointed May 2022

Employee representatives



Catherine Bolger
Formerly Professionals Australia
Appointed September 2015;
reappointed October 2019
and September 2023



Alex Claassens
Australian Rail,
Tram and Bus Union
Appointed November 2012;
reappointed November 2016
and November 2020



Thomas Costa
Unions NSW
Appointed February 2023



Tony O'Grady
Formerly NSW Nurses and
Midwives' Association
Appointed June 2013;
reappointed September 2017
and September 2021



State Super

The principal functions of State Super as set out in s.50(1) of the Superannuation Administration Act 1996 (NSW) (SA Act) are to:

- administer the STC schemes
- invest and manage the Pooled Fund
- provide for the custody of the assets and securities of the STC schemes
- ensure that benefits payable to persons entitled to receive benefits under the STC schemes are paid in accordance with the Acts under which the schemes are constituted
- determine disputes under those Acts
- exercise such other functions regarding the STC schemes and the Pooled Fund as the Minister may, from time to time, approve by order in writing.

State Super is required by the SA Act to outsource the following functions:

- superannuation scheme administration services for the STC schemes
- superannuation investment management services and custodian services for the Pooled Fund.

The Board

Under s. 69(5) of the SA Act, the State Super Board (the Trustee Board) manages and controls the affairs of State Super. The role of the Trustee Board extends to strategy, corporate governance, risk management, policy making and monitoring. Accordingly, the Trustee Board is responsible for:

- monitoring the STC schemes and the Pooled Fund, including the control and accountability systems
- appointing and removing the Chief Executive Officer

- providing input to, and final approval of, the long-term strategy for the STC schemes and annual Strategic and Business Plan
- approving and monitoring the annual budget and any extraordinary expenditure
- approving and monitoring State Super's risk management, compliance and control systems and policies
- approving and monitoring policies and procedures for the management of the Pooled Fund, including:
 - business plans, policies and processes for the proper direction, control and performance measurement of the Pooled Fund
 - standards to assess the performance of State Super's service providers
- setting the objectives, strategies and risk for investments, approving major investment decisions and monitoring and assessing investment performance
- approving and monitoring State Super's governance procedures for the Trustee Board and the staff of State Super, including work health and safety, and the Code of Conduct and Ethics
- monitoring the performance of the Pooled Fund, the Trustee Board's activities, State Super management and State Super's service providers.

Trustee Board members are remunerated in accordance with the NSW Government's Classification and Remuneration Framework for NSW Government Boards and Committees.



State Super committees

A number of Board Committees assist with the performance of State Super's functions and monitor the compliance of external service providers against their contractual requirements. The Committees and their membership at 30 June 2024 are listed below.

Investment Committee

Mr N Johnson (Chair)
 Ms C Austin
 Ms C Bolger
 Ms L Rasmussen

Risk, Audit and Compliance Committee

Ms C Bolger (Chair)
 Ms C Yuncken
 Mr T O'Grady
 Mr R Mason

Member Services Committee

Mr A Claassens (Chair)
 Mr T O'Grady
 Ms C Yuncken
 Mr R Mason

People and Culture Committee

Mr A Claassens (Chair)
 Ms C Bolger
 Mr N Johnson
 Mr T Costa

Police Superannuation Advisory Committee

Mr A Claassens (Chair)

The Police Superannuation Advisory Committee (PSAC) comprises a Chair appointed by the Minister, three nominees of the Police Association of New South Wales and one nominee each from the Commissioned Officers' Branch of the Public Service Association of New South Wales, State Insurance Regulatory Authority, the Minister for Police, and State Super. The State Super nominee is a member of the State Super Executive.

The PSAC determines entitlements to medical discharge for members of the NSW Police Force, to 'Hurt on Duty' pension increases and other benefits under the Police Superannuation Scheme and advises State Super on administrative matters of the *Police Regulation (Superannuation) Act 1906* that are referred to it by the Board.



For more information about each of the Trustee Board Committees, refer to State Super's Annual Report to Parliament, available on the State Super website at www.statesuper.nsw.gov.au.



Annual Member Meeting

We appreciated the interest shown by the many State Super members who attended our online Annual Member Meeting last year. The response again exceeded our expectations with over 750 members registering to attend.

State Super Chairperson, Nicholas Johnson, Chief Executive Officer, John Livanas, Chief Investment Officer, Charles Wu and Chief Experience Officer, Nada Siratkov presented their summaries of investment performance, objectives, membership trends and the outlook for the year ahead during the meeting.

Look out for your invitation to the State Super 2024 Annual Member Meeting.

Date: Wednesday 27 November 2024

Time: 10.30am – 11.30am.

How to register

- If you've already provided your email address, you'll automatically receive an invitation with the link to register.
- If you haven't previously provided us with your email, visit <https://membermeeting.statesuper.registerevents.com.au>

Registrations close 15 November 2024.

Member Service appointments

Member Service appointments using the Zoom video call platform are available from 9.00am to 5.00pm Monday to Friday.

State Super's free appointment service is available to all current and deferred members as well as pension members.

One of our friendly and knowledgeable Customer Service team will meet with you via a face-to-face video call. They can assist with general information about your scheme, superannuation rules, even completing administrative forms or other paperwork. Easy-to-follow instructions will be supplied to help you join the video appointment.

If you prefer, we also have a limited number of in-person appointments available at our Sydney CBD or Wollongong offices. If you need documents signed or certified please visit us in person so we can assist.

Of course, you can contact us by phone for assistance any time during business hours. There is also a wide range of information available on our website. Details about the rules, benefit entitlements and membership conditions of each of the State Super schemes are provided in a series of fact sheets.

To download a form or fact sheet, go to www.statesuper.nsw.gov.au and search for the name or document number or scroll through your scheme's documents to find what you need.

Seminars and online Webinars

State Super webinars continued during 2024 with 2,914 members taking advantage of this service last year.

Our webinars are presented on our behalf by qualified financial planners from Aware Super, who are specifically trained in your superannuation scheme.

They can help you understand how to maximise your superannuation and plan for the future

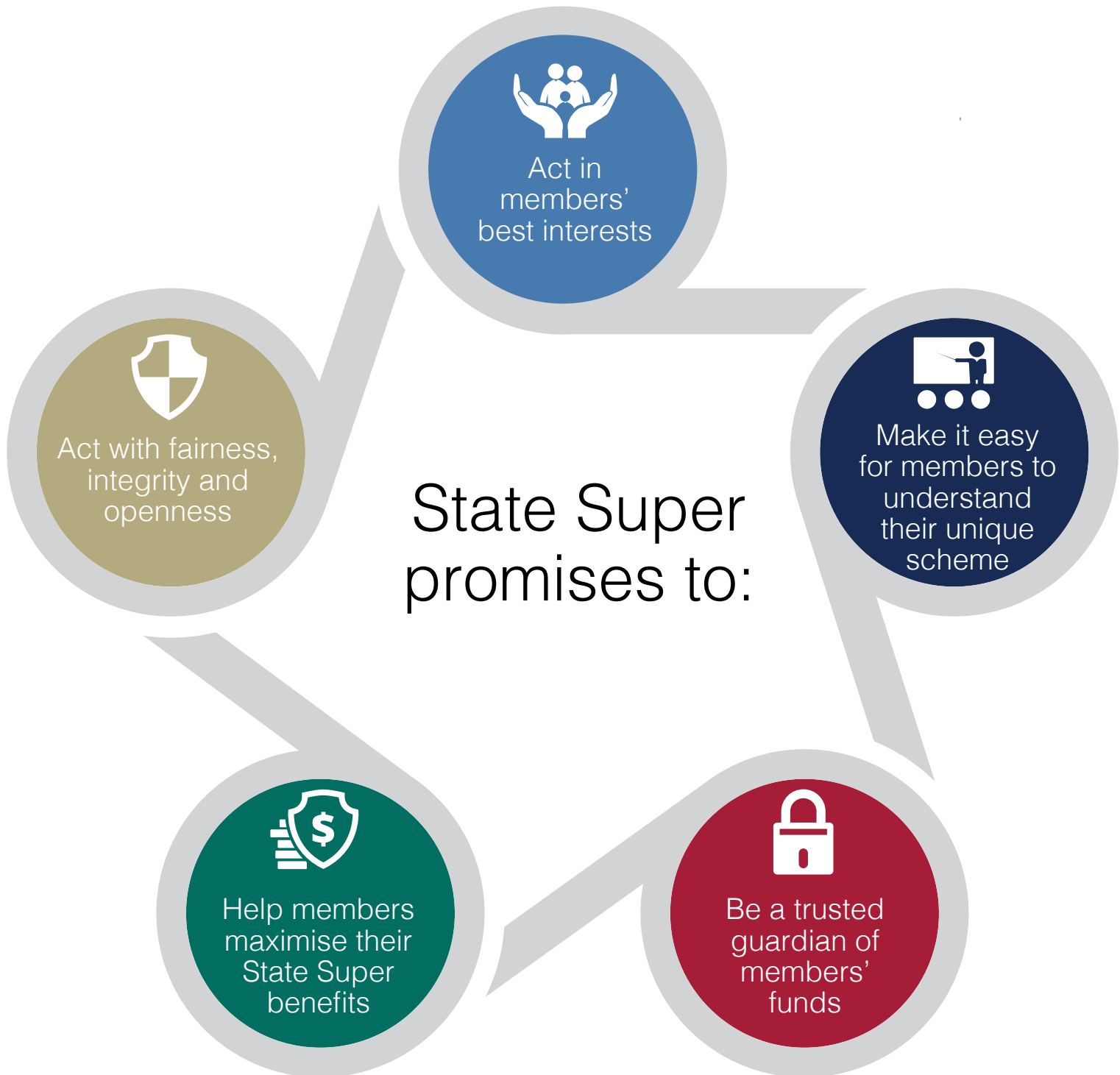
Our webinars will help you to:

- learn more about your scheme – how it works, what your choices are and how to make the most of your available benefits
- understand now and when the decisions you make about your employment and superannuation can affect your retirement benefits
- understand the Centrelink rules and the benefits you could be eligible for
- find out how a financial plan can help you make the most of your super

Easy-to-follow instructions are provided on how to join and participate online from the comfort of home.

To make a booking to attend one of our webinars, call **1800 620 305** or go to aware.com.au/state-super/events where you can view dates and times that are convenient for you.

Our Member Beliefs



We listen, learn and grow with you.



About the Scholarship

State Super is excited to announce we are relaunching our scholarship program with a renewed focus on ESG and Responsible Investment issues for 2025.

We are able to provide valuable financial support to successful applicants through the **State Super ESG for Impact Scholarship**.

What fields of research are applicable for the scholarship?

Proposed research should contribute to the knowledge base for future planning in one of State Super’s priority areas:

- **Environment** - Greenhouse gas (GHG) footprint, Air and water pollution management, Waste management, Water resource management, Natural disasters and climate risk
- **Social** - Human rights, Diversity, Equality, and Inclusion (DEI), Fair wages, Community impacts and philanthropy, Data security and privacy, Labour conditions/modern slavery
- **Governance** - Board composition, Conflicts of interest, Bribery and corruption, Political contributions and affiliations, Whistle-blower protections
- **General/Data analytics** - ESG and data analytics, Net Zero data analytics, ESG and Risk

Research that includes our more traditional topics of public sector employees and their **retirement, pensions or superannuation** will also be accepted for consideration.

The scholarship will support those seeking to complete research at a postgraduate level – either **Honours/Masters** (by Research) or **Doctor of Philosophy (PhD)**.

Who should apply?

Any post-graduate student who has a desire to contribute to a vision for the future of ESG, responsible investment, superannuation or retirement and has demonstrated academic excellence in their field.

What is included in the State Super Scholarship?

The successful applicants will receive financial support for a period of 12 months as follows:

Study	Amount	Number of scholarships
Honours/Masters (by Research) Scholarship	\$16,000	4 per year
PhD Scholarship	\$36,000	1 per year

Successful applicants may apply for the scholarship in subsequent years.

Which universities are participating?

All NSW Universities that are scheduled employers in State Super:

- The University of Sydney
- University of New South Wales
- Macquarie University
- The University of Newcastle
- Southern Cross University
- University of Technology Sydney
- University of New England
- Western Sydney University
- University of Wollongong
- Charles Sturt University

Students from regional or emerging Universities are encouraged to apply.

Key dates

Applications open	1 October 2024
Applications close	6 December 2024
Scholarships awarded	17 February 2025

Note: Applicants must commence postgraduate study in the 2025 calendar year.

Application

Visit the State Super website to apply www.statesuper.nsw.gov.au/about-us/scholarship

aware
super



Super helpful advice for your retirement

If retiring 'one day' has turned into 'just around the corner', we're here to help you get retirement ready.

Our experts – here to help

Our experts have been helping State Super members, public sector employees and their families with comprehensive planning for more than 30 years.



Scan here or visit
aware.com.au/statesuper

**Call Aware Super on
1800 841 633 to book
an appointment**



General advice only. Consider if this is right for you having regard to your objectives, financial situation, or needs, which have not been accounted for in this information. Read the PDS and TMD before deciding to acquire, or continue to hold, any financial product. You should read the Financial Services Guide, before deciding about our financial planning services. Issued by Aware Financial Services Australia Limited (ABN 86 003 742 756, AFSL 238430); wholly owned by Aware Super (ABN 53 226 460 365). AS108 08/24



In the financial year 2024, all investment selections saw outstanding performance. In particular, the Member Investment Choice options, which include DC Growth, Balanced, and Conservative, surpassed their SuperRatings groups, showing excellent relative results for the 12 months ending on June 30, 2024.

The main contributor to these returns was the success of liquid growth assets which took advantage of robust stock market conditions. Furthermore, other asset categories also contributed positively to the overall returns. Nevertheless, the outcomes of liquid defensive assets and property slightly dampened these returns. Due to increasing interest rates, fixed income investments saw a modest decline. Similarly, equity hedges intended to protect against downturns reduced the total returns given the strength of the equity markets during this period.

The Trustee Selection’s performance met its long-term goal. Except for the Conservative option, the DC Options yielded returns surpassing their longevity objectives. TCorp has adjusted the portfolio to be

more conservative, resulting in slightly diminished gains during a robust stock market.

State Super administers its investment approaches via investment managers, with TCorp responsible for selecting these managers. Throughout the fiscal year, the performances of investment managers across different strategies were evaluated and modifications were executed to align the risk-return profiles of each strategy with their designated objectives. State Super consistently upholds rigorous liquidity standards to meet its obligations, and prioritising liquidity management is essential for the investment team.

Regular reviews are conducted on the Pooled Fund’s risk profile and asset allocation. The investment strategies are diversified across various asset classes, generating risk premiums, and spread among distinct investment managers and securities. The objective is to achieve returns with significantly less volatility. Risk management is an integral component of maintaining this approach.

Year ending	Crediting rate to members (%p.a.)					
	Growth Strategy	Balanced Strategy	Conservative Strategy	Cash Strategy	Trustee Selection	University Cash
30 June 2024	9.1	8.3	7.1	4.4	7.3	4.0
30 June 2023	9.9	8.0	6.1	2.7	8.8	2.5
30 June 2022	-1.7	-0.9	1.1	0.1	-0.6	0.1
30 June 2021	14.3	8.9	5.6	0.1	13.1	0.1
30 June 2020	1.5	2.7	3.0	0.9	1.3	0.8
Average annual compound rate (% p.a.)						
Over 3 years	5.7	5.1	4.7	2.4	5.1	2.2
Over 5 years	6.5	5.3	4.5	1.6	5.9	1.5
Over 10 years	7.3	6.0	4.8	1.8	7.0	n/a

Note: The figures above are after allowance for tax and investment management expenses. Past returns are no guarantee of future returns. The value of a SASS member’s personal account, Commonwealth Government contribution accounts and deferred benefits are not guaranteed and can fluctuate with investment gains or losses. SASS members should seek professional financial advice to help them select an investment strategy that best suits their personal circumstances. For up-to-date investment returns information, visit the State Super website at www.statesuper.nsw.gov.au.



Strategic asset allocation

State Super allocates assets into three categories – Liquid Growth, Alternatives and Liquid defensive – to reflect the role of each type of asset within the portfolio.

Category	Asset Class
Liquid growth	Australian equities
	International equities
	Property
Alternatives	Infrastructure
	Other alternatives
Liquid defensive	Australian fixed interest
	International fixed interest
	Defensive Strategies
	Cash

Liquid Growth consists of Australian and international listed equities. Liquid Defensive consists of Australian and international fixed interest, income, cash and other defensive strategies. Alternatives comprises property, infrastructure, alternative debt and absolute return strategies.

Alternatives serve a dual purpose. Some of the asset classes within this category are expected to generate returns that align with or exceed the return objective. Other asset classes within Alternatives aim to provide good returns while also reducing volatility, particularly during periods of equity market declines.

Liquid Defensive represents encompasses asset classes that tend to perform during turbulent or declining equity markets. These asset classes offer capital protection when most other strategies are underperforming but are not expected to make a significant contribution to long-term returns.

State Super dynamically allocates assets among

different asset classes based on changes in the investment environment. In contrast, the allocation to Alternatives tends to be strategic in nature and generally illiquid, with investments held over the medium to long term.

State Super conducts annual reviews of the strategic asset allocation in collaboration with its advisers. These reviews prioritise critical areas such as defining investment risk and return objectives, considering the expected investment environment over each investment option's timeframe, and evaluating liquidity requirements for the short- and medium-term to ensure timely payment of member benefits.

MARKET RISK PROTECTION STRATEGIES

State Super is focused on mitigating the risks associated with significant drawdowns in equity markets. However, downside protection strategies typically require a premium to be paid for that protection, which may involve sacrificing some returns during strong equity market conditions. State Super carefully evaluates this trade-off in managing its downside risk.

Downside protection – State Super may employ a variety of investment strategies to manage downside risk, which could include a combination of derivatives for hedging and exposure management, rotation of assets and managers, centrally managed currency overlays, option strategies, and manager benchmarking focused on downside risk management.

Exposure management – In the case of Trustee Selection and all DC Strategies, the listed asset classes can be adjusted away from their respective asset allocation weights in a disciplined manner. The portfolios are adjusted using dynamic asset allocation ranges established for each of the strategies to capture upside potential gains while providing a degree of downside protection.

RESPONSIBLE INVESTMENT

State Super's Investment Beliefs recognise that "environmental, social and governance (ESG) factors may materially impact investment risk and returns, particularly over the long term". State Super is committed to the integration of responsible investment and ESG factors in the selection, retention and realisation of investments, and the adoption of an active ownership approach across the Pooled Fund.

State Super is guided by its Responsible Investment Policy, Climate Change Statement and Stewardship Statement when incorporating responsible investment considerations.

Significant developments in this respect include:

- Net-Zero – State Super continues its goal of achieving its net-zero CO₂e goal across its investment portfolio, in its Pooled Fund, by 2050.
- In December 2022, the Board-approved plan was formulated with input from TCorp and Mercer Administration Services (MAS), with State Super setting a milestone of a 45% reduction in the weighted-average intensity of CO₂e emissions by 2030 by revenue against an end of calendar 2020 baseline, on the way to the 2050 net-zero objective. Progress against a suite of metrics was reported to the State Super Board last year.
- Climate modelling – During the year, the climate modelling research project undertaken with one of our investment managers was finalised and the outcomes, which act to embed climate related considerations more structurally in our annual SAA process, were applied to the DC Option.
- State Super continues to model alternative climate change scenarios to assess the impact of climate change on the expected return characteristics for different asset classes and reflect its impact in the annual investment strategy review.
- Proxy voting – All proxy voting for DC and DB Options voted by State Super and TCorp respectively. For DC Options voting is based on a bespoke policy for international equities, with the Australian Council of Superannuation Investors as our prime advisor for domestic votes. Proxy voting for Trustee Selection has been delegated to TCorp. State Super continues to publish six-monthly proxy voting activities on its website.
- Engagement – State Super continues to engage with companies collectively on climate and ESG policy through organisations such as The Australian Council of Superannuation Investors, Hermes EOS, Investor Group on Climate Change, the Principles for Responsible Investment and the Australian Sustainable Finance Institute. During the year, a State Super representative travelled to Canberra to discuss domestic sustainable finance matters with various federal Ministers.
- Modern Slavery – State Super continues to engage with investment managers regarding modern slavery risks and has again requested reporting from them to assist in monitoring and addressing this on an annual basis. We include reporting requirements in our contracts as well as our expectations of compliance with the regulatory requirements to modern slavery. We actively engage with investee companies regarding their approach to modern slavery.
- Carbon footprint analysis – State Super continues to measure and monitor the carbon footprint of the listed equities portfolios within the DC fund and has implemented carbon reduction strategies for quantitative equities strategies. This forms part of the ongoing management of ESG risk. At reporting date, TCorp continue to invest with reference to a low carbon benchmark for the passively managed developed market equities portion of the DB portfolio.
- Exclusions – State Super continued to exclude investments in tobacco (GICS Code: 30203010) and controversial weapon manufacturers from the Pooled Fund, based on specific thresholds for investment and provided by a third party service provider.
- Diversity – We firmly believe that individuals from various backgrounds and with diverse perspectives contribute to better member outcomes, which is why we actively recruit diverse teams. At State Super, we highly promote and cherish diversity and inclusion. We have significant female presence, with strong representation, both at the Board level and within the Executive Leadership Committee. Our commitment to this extends to our investee companies, where we advocate for increased diversity, not only on the Board but also among the Executive team and expect them to maintain a balanced gender composition.

INVESTMENT STRATEGIES AT 30 JUNE 2024

DEFINED BENEFIT INVESTMENT STRATEGIES

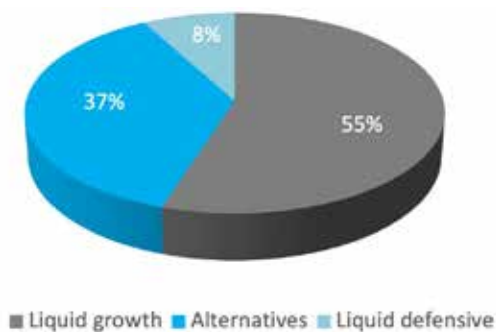
Defined benefit investment strategies are used to invest assets within the State Super Pooled Fund that support employer reserves. Such reserves are held in order to meet the New South Wales Government's obligation to provide defined superannuation benefits..

Trustee Selection Strategy

Investment objective: The objective of the Trustee Selection Strategy is to maximise the earnings rate, subject to a greater than 50% probability of exceeding CPI + 3.7%* p.a. over rolling 10-year periods.

Risk: High (standard risk measure risk band 6: from 4 to less than 6 negative annual returns estimated over any 20-year period).

Net assets at 30 June 2024: \$29,970 million



Asset allocation at 30 June 2024:

	Strategic %	Actual %
Liquid growth	55.0	52.9
Australian equities	11.0	10.6
International equities	44.0	42.3
Alternatives	37.0	38.8
Infrastructure	12.0	16.5
Property	7.0	7.7
Alternatives - Other	18.0	14.6
Liquid defensive	8.0	8.3
Australian fixed interest	0.0	0.0
International fixed interest	0.0	0.0
Defensive Strategies	4.0	3.2
Cash	4.0	5.1
TOTAL	100.0	100.0

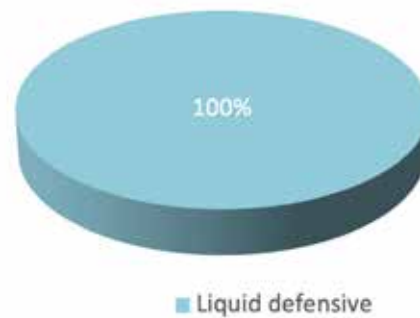
* Net of superannuation tax and fees

University Cash Strategy

Investment objective: The objective of the University Cash Strategy is to maximise the earnings rate subject to a greater than 80% probability of exceeding cash p.a. over rolling three-year periods.

Risk: Very Low (standard risk measure risk band 1: less than 0.5 negative annual returns estimated over any 20-year period).

Net assets at 30 June 2024: \$372 million



Asset allocation at 30 June 2024:

	Strategic %	Actual %
Liquid growth	0.0	0.0
Alternatives	0.0	0.0
Liquid defensive	100.0	100.0
Australian fixed interest	0.0	0.0
International fixed interest	0.0	0.0
Cash	100.0	100.0
TOTAL	100.0	100.0

MEMBER INVESTMENT CHOICE (MIC) STRATEGIES

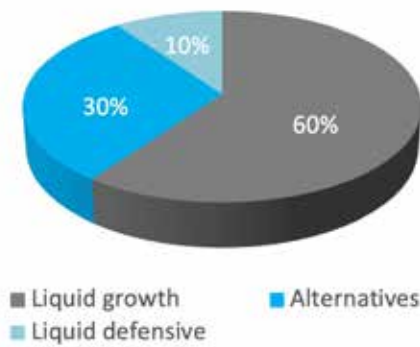
The four State Super MIC strategies are used to invest defined contribution assets within the State Super Pooled Fund.

Growth Strategy

Investment objective: The objective of the Growth Strategy is to maximise the earnings rate subject to a greater than 50% probability of exceeding CPI + 3%* p.a. over rolling 7-year periods.

Risk: High (standard risk measure risk band 6: from 4 to less than 6 negative annual returns estimated over any 20-year period).

Net assets at 30 June 2024: \$5,216 million

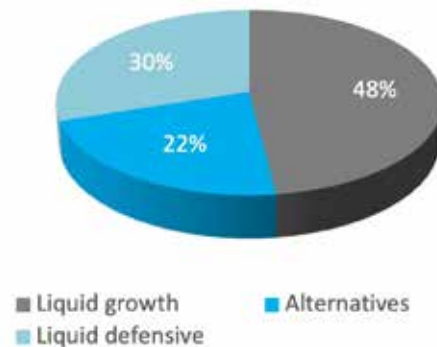


Balanced Strategy

Investment objective: The objective of the Balanced Strategy is to maximise the earnings rate subject to a greater than 50% probability of exceeding CPI + 2%* p.a. over rolling 7-year periods.

Risk: Medium to High (standard risk measure risk band 5: from 3 to less than 4 negative annual returns estimated over any 20-year period).

Net assets at 30 June 2024: \$1,337 million



Asset allocation at 30 June 2024:

	Strategic %	Actual %
Liquid growth	60.0	57.5
Australian equities	24.0	21.8
International equities	36.0	35.7
Alternatives	30.0	33.1
Infrastructure	5.0	6.0
Property	2.0	5.2
Alternatives - Other	23.0	21.9
Liquid defensive	10.0	9.4
Fixed Interest	4.0	5.7
Income	3.0	1.2
Defensive Strategies	0.25	0.0
Cash	2.75	2.5
TOTAL	100.0	100.0

Asset allocation at 30 June 2024:

	Strategic %	Actual %
Liquid growth	48.0	45.5
Australian equities	17.5	15.1
International equities	30.5	30.4
Alternatives	22.0	27.1
Infrastructure	5.0	6.0
Property	2.0	5.2
Alternatives - Other	15.0	15.9
Liquid defensive	30.0	27.4
Fixed Interest	7.0	8.6
Income	8.0	4.9
Defensive Strategies	0.25	0.0
Cash	14.75	13.9
TOTAL	100.0	100.0

* Net of superannuation tax and fees

* Net of superannuation tax and fees

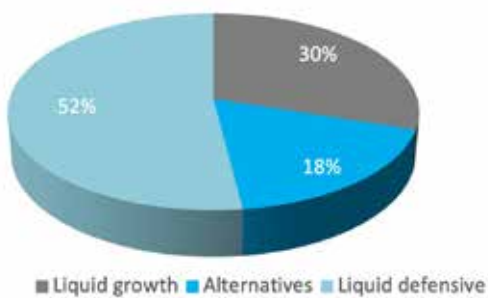
INVESTMENT STRATEGIES AT 30 JUNE 2024 – CONTINUED

Conservative Strategy

Investment objective: The objective of the Conservative Strategy is to maximise the earnings rate subject to a greater than 50% probability of exceeding CPI + 1.0%* p.a. over rolling 4-year periods.

Risk: Medium (standard risk measure risk band 4: from 2 to less than 3 negative annual returns estimated over any 20-year period).

Net assets at 30 June 2024: \$404 million



Asset allocation at 30 June 2024:

	Strategic %	Actual %
Liquid growth	30.0	28.4
Australian equities	10.5	8.9
International equities	19.5	19.5
Alternatives	18.0	22.6
Infrastructure	5.0	6.1
Property	2.0	5.2
Alternatives - Other	11.0	11.3
Liquid defensive	52.0	49.0
Fixed Interest	11.0	12.5
Income	17.0	15.3
Defensive Strategies	0.25	0.0
Cash	23.75	21.2
TOTAL	100.0	100.0

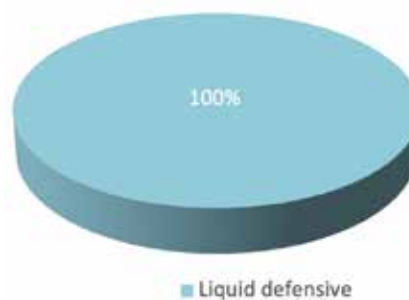
* Net of superannuation tax and fees

Cash Strategy

Investment objective: The objective of the Cash Strategy is to maximise the earnings rate subject to a greater than 80% probability of exceeding Cash p.a. over rolling 3-year periods.

Risk: Very low (standard risk measure risk band 1: less than 0.5 negative annual returns estimated over any 20-year period).

Net assets at 30 June 2024: \$143 million



Asset allocation at 30 June 2024:

	Strategic %	Actual %
Liquid growth	0.0	0.0
Alternatives	0.0	0.0
Liquid defensive	100.0	100.0
Cash	100.0	100.0
TOTAL	100.0	100.0

Further information about the Standard Risk Measures and investment objectives is included in SASS Fact Sheet 15: Choosing an investment strategy, which is available on the State Super website at www.statesuper.nsw.gov.au



In June 2024, State Super undertook its annual detailed review of the investment strategies and objectives for each investment option of the Pooled Fund.

Strategic asset allocation changes

As part of the review, several strategic asset allocation changes have been made to the DC Member Investment Choice options. We continue to harmonise illiquid assets across different Member Investment Choice options to enhance portfolio liquidity. These changes have been implemented by re-weighting the allocations to the impacted asset classes. While we continue to maintain a constructive longer-term outlook, we are mindful of the heightened risk in the shorter term and these changes are intended to further improve the diversification and provide additional downside risk protection.

Growth, Balanced and Conservative Strategy

As part of the review, we made minor adjustments to the Strategic Asset Allocation, resulting in a decrease to liquid growth, while simultaneously increasing our allocations to alternatives and liquid defensive categories. We took the opportunity presented by the much higher interest rate environment to increase our allocation to various income-generating assets, such as fixed income and alternative debt, primarily funded from equities in the near term and unlisted assets throughout the investment horizon.

In the liquid growth segment, we reduced our exposure to Australian equities and emerging market equities. Within the alternatives category, we lowered our allocation to infrastructure and liquid alternatives while increasing the target allocation to property to align with expected implementation weights for FY2024/25.

In the liquid defensive category, we increased our allocation to fixed interest while slightly reducing our exposure to income. Additionally, we decreased our target exposure to foreign currencies.

These adjustments were made to ensure liquidity in the face of negative cash flow pressures while remaining aligned with our overarching investment strategies and long-term objectives.

Trustee Selection Strategy

Trustee Selection is a defined benefit scheme with a different investment time horizon to DC options. No changes were made to the Strategic Allocation for the Trustee Selection strategy this year.

INVESTMENT STRATEGIES FROM 1 JULY 2024

STRATEGIC ASSET ALLOCATIONS FOR DEFINED BENEFIT STRATEGIES

Trustee Selection Strategy

Effective from 1 July 2024, the strategic asset allocation for the Trustee Selection Strategy is as follows:

	Strategic asset allocation %	Dynamic asset allocation range %
Liquid growth	54.0	32.0 – 67.0
Australian equities	11.0	
International equities	43.0	
Alternatives	35.0	15.0 – 49.0
Infrastructure	12.0	
Property	8.0	
Other alternatives	15.0	
Liquid defensive	11.0	1.0 – 33.0
Australian fixed interest	0.0	
International fixed interest	0.0	
Other defensive strategies	6.0	
Cash	5.0	
TOTAL	100.0	100.0

University Cash Strategy

Effective from 1 July 2024, the strategic asset allocation for the University Cash Strategy is as follows:

	Strategic asset allocation %
Liquid growth	0.0
Alternatives	0.0
Liquid defensive	100.0
Cash	100.0
TOTAL	100.0

Note: Dynamic asset allocation ranges are not used in the University Cash Strategy.

STRATEGIC ASSET ALLOCATIONS FOR MEMBER INVESTMENT CHOICE STRATEGIES

Growth Strategy

Effective from 1 July 2024, the strategic asset allocation for the Growth Strategy is as follows:

	Strategic asset allocation %	Dynamic asset allocation range %
Liquid growth	56.5	40.5 – 72.5
Australian equities	23.5	
International equities	33.0	
Alternatives	32.0	20.0 – 44.0
Infrastructure	2.0	
Property	6.0	
Alternatives - Other	24.0	
Liquid defensive	11.5	1.5 – 21.5
Fixed Interest	7.5	
Income	1.0	
Defensive strategies	0.25	
Cash	2.75	
TOTAL	100.0	100.0

Balanced Strategy

Effective from 1 July 2024, the strategic asset allocation for the Balanced Strategy is as follows:

	Strategic asset allocation %	Dynamic asset allocation range %
Liquid growth	41.5	31.5 – 51.5
Australian equities	15.5	
International equities	26.0	
Alternatives	25.5	13.5 – 37.5
Infrastructure	2.0	
Property	6.0	
Alternatives - Other	17.5	
Liquid defensive	33.0	23.0 – 43.0
Fixed Interest	11.5	
Income	12.0	
Defensive strategies	0.25	
Cash	9.25	
TOTAL	100.0	100.0

INVESTMENT STRATEGIES FROM 1 JULY 2024

STRATEGIC ASSET ALLOCATIONS FOR MEMBER INVESTMENT CHOICE STRATEGIES

Conservative Strategy

Effective from 1 July 2024, the strategic asset allocation for the Conservative Strategy is as follows:

	Strategic asset allocation %	Dynamic asset allocation range %
Liquid growth	23.5	15.5 – 31.5
Australian equities	8.0	
International equities	15.5	
Alternatives	21.5	9.5 – 33.5
Infrastructure	2.0	
Property	6.0	
Other alternatives	13.5	
Liquid defensive	55.0	45.0 – 65.0
Fixed interest	15.0	
Income	22.5	
Defensive strategies	0.25	
Cash	17.25	
TOTAL	100.0	100.0

Cash Strategy

Effective from 1 July 2024, the strategic asset allocation for the Cash Strategy is as follows:

	Strategic asset allocation %
Liquid growth	0.0
Australian equities	0.0
International equities	0.0
Alternatives	0.0
Liquid defensive	100.0
Cash	100.0
TOTAL	100.0

Note: Dynamic asset allocation ranges are not used in the Cash Strategy.



As required by the *Superannuation Administration Act 1996*, all of the Pooled Fund's assets are managed by external fund managers appointed by State Super.

Investment managers at 30 June 2024	Trustee Selection Strategy	Member Investment Choice Strategies	University Strategies
Australian Equities			
Alphinity Investment Management Pty Ltd	✓	–	–
Ausbil Investment Management Limited	✓	–	–
BlackRock Asset Management Australia Limited	✓	–	–
Citigroup Global Markets Australia Pty Ltd	✓	✓	–
Ellerston Capital Limited	–	✓	–
Macquarie Securities (Australia) Limited	–	✓	–
Macquarie Investment Management Limited	✓	–	–
Martin Currie Investment Management Ltd	–	✓	–
MFS International Australia Pty Ltd	✓	–	–
Northcape Capital Pty Ltd	✓	–	–
Pendal Group Limited	✓	✓	–
Plato Investment Management Limited	–	✓	–
Platypus Asset Management Pty Ltd	✓	–	–
State Street Bank & Trust Company	–	✓	–
State Street Global Advisors Australia Limited	–	✓	–
UBS Securities Australia Limited	–	✓	–

INVESTMENT MANAGERS - CONTINUED

Investment managers at 30 June 2024	Trustee Selection Strategy	Member Investment Choice Strategies	University Strategies
International Equities			
Ardevora Asset Management LLP	✓	–	–
Artisan Partners Limited Partnership	✓	–	–
AQR Capital Management LLC	–	✓	–
BlackRock Asset Management Australia Limited	✓	–	–
BNP Paribas Management UK Ltd	–	✓	–
Citigroup Global Markets Australia Pty Ltd	✓	✓	–
C Worldwide Asset Management Fondsmaeglerselskrab A/S	–	✓	–
Harris Associates Limited Partnership	✓	–	–
MFS International Australia Pty Ltd	✓	–	–
Ninety One UK Limited	✓	✓	–
Northcape Capital Pty Ltd	✓	–	–
Northern Trust Company of Hong Kong Limited	✓	–	–
NSW Treasury Corporation	✓	–	–
Robeco Hong Kong Limited	✓	–	–
State Street Bank & Trust Company	–	✓	–
State Street Global Advisors Australia Limited	–	✓	–
Property			
AEW Capital Management, LP (via Equity Trustees Ltd)	–	✓	–
Brookfield Premier Real Estate Partners L.P	✓	–	–
Charter Hall Investment Management Limited	–	✓	–
EG Funds Management Pty Ltd	✓	–	–
Franklin Templeton Investments Australia Limited	✓	–	–
Invesco Real Estate (via Equity Trustees Ltd)	–	✓	–
Investa Property Group	–	✓	–
ISPT Pty Ltd	–	✓	–

Investment managers at 30 June 2024	Trustee Selection Strategy	Member Investment Choice Strategies	University Strategies
LaSalle Investment Management (via Equity Trustees Ltd)	–	✓	–
LendLease Investment Management (AFSL) Pty Limited	✓	–	–
NSW Treasury Corporation	✓	–	–
Australian fixed interest & cash			
Macquarie Investment Management Australia Limited	–	✓	–
Macquarie Investment Management Limited	✓	–	–
Macquarie Securities (Australia) Limited	–	✓	–
NSW Treasury Corporation	✓	–	–
State Street Global Advisors Australia Limited	✓	✓	✓
Alternative assets			
Bentham Asset Management Pty Limited	–	✓	–
Blackstone Inc.	✓	–	–
Challenger Investment Partners Limited	–	✓	–
Fulcrum Asset Management LLP	–	✓	–
HarbourVest Partners, LLC	–	✓	–
KKR & Co (Kohlberg Kravis Roberts & Co. L.P.)	–	✓	–
Lazard Asset Management Pacific Co	✓	–	–
Neuberger Berman Australia Ltd	–	✓	–
Ninety One UK Limited	✓	–	–
NSW Treasury Corporation	✓	–	–
Pendal Institutional Limited	–	✓	–
PineBridge Investments LLC	–	✓	–
Siguler Guff Distressed Opportunities Fund IV (F) LP	✓	–	–
York Distressed Asset Holdings IV, LLC	–	✓	–

INVESTMENT MANAGERS - CONTINUED

Investment managers at 30 June 2024	Trustee Selection Strategy	Member Investment Choice Strategies	University Strategies
Currency and Overlay			
Challenger Management Solutions Pty Ltd	–	✓	–
Citigroup Global Markets Australia Pty Ltd	✓	–	–
Macquarie Investment Management Limited	✓	–	–
Macquarie Securities (Australia) Limited	–	✓	–
Mesirow Financial Investment Management, Inc.	–	✓	–
NSW Treasury Corporation	✓	–	–
PIMCO Australia Pty Ltd	✓	–	–
High Yield/Bank			
Brigade Capital Management LP	✓	–	–
Intermediate Capital Group Limited	✓	–	–
KKR Australia Investment Management Pty Limited	✓	–	–
NSW Treasury Corporation	✓	–	–
PineBridge Investments LLC	✓	–	–
Infrastructure			
H.R.L. Morrison & Co Limited	–	✓	–
Macquarie Specialised Asset Management Limited	✓	–	–
NSW Treasury Corporation	✓	–	–
QIC Limited	–	✓	–

ABRIDGED FINANCIAL STATEMENTS

Financial reports at 30 June 2024

The following tables provide abridged financial information about all of the State Super schemes for the last two financial years. The full financial statements for the year to 30 June 2024 have been audited by the Auditor General and will be available on the website after State Super's Annual Report has been tabled in the NSW Parliament.

Statement of Financial Position As at 30 June 2024	2024 (\$ million)	2023 (\$ million)
Assets		
Cash and cash equivalents	60	102
Receivables	259	134
Short term securities	2,692	2,802
Australian fixed interest	676	670
Australian equities	4,579	4,432
International equities	14,870	14,692
Property investments	2,617	3,518
Infrastructure and other alternatives	12,082	12,289
Derivatives	55	48
Employer sponsor receivable	3,751	3,728
Deferred tax asset	-	3
Total assets	41,641	42,418
Liabilities		
Payables	158	93
Derivatives	46	319
Income tax payable	241	155
Deferred tax liability	3	-
Total liabilities excluding member liabilities	448	567
Net assets available for member benefits	41,193	41,851
Member liabilities		
Defined benefit member liabilities	(60,162)	(60,593)
Total member liabilities	(60,162)	(60,593)
Total net liabilities	(18,969)	(18,742)
Equity		
Defined benefit deficit	(18,969)	(18,742)
Total equity	(18,969)	(18,742)



DIRECT FEES

	SASS	SSS and PSS
Management charge	<p>Contributing members pay an annual administration fee of \$45 p.a.</p> <p>Deferred benefit members pay an annual administration fee of \$45 p.a., plus an additional annual administration fee of \$20 p.a. if they have a deferred SANCS benefit.</p> <p>These fees are deducted in equal monthly instalments from the member's personal account.</p>	<p>Generally, the direct fees and costs associated with SSS and PSS are met by the employer.</p> <p>Deferred benefit members with a deferred SANCS benefit pay an annual administration fee of \$20 p.a.</p>
Investment switch fees	<p>A member can switch between investment strategies once each year ending 30 June without incurring a fee. A switch fee of \$25 is applied for each additional switch in the year and is deducted from the member's personal account at the time of the switch.</p> <p>For further details, please refer to SASS Fact Sheet 15: <i>Choosing an investment strategy</i>.</p>	Not applicable
Additional benefit cover	<p>Where a member has additional benefit cover, the amount deducted each month from the personal account will vary based on the member's age, amount of cover and type of employment. For further details, please refer to SASS Fact Sheet 4: <i>Optional Additional Benefit Cover</i>.</p>	Not applicable
Family law fees	<p>An additional service fee applies if information is requested for the purposes of a Family Law split. If a member or a member's spouse or de facto partner has requested information during the year, a fee of \$275 for contributing members and \$110 for deferred and pension members must be paid by the requesting party directly to the Fund. The amount is not deducted from the member's account.</p> <p>A benefit split fee of \$1,347.50 is payable when a member's benefit is split and is generally divided equally between the member and their spouse or de facto partner. However, if the spouse or de facto partner is entitled to all of the member's benefit, the fee is payable by the spouse. The benefit split fee can be deducted from the final amount or paid directly to the Fund.</p>	

INDIRECT FEES

Investment management costs

Investment management expenses are deducted from investment gains or losses before determining the declared rate. They are borne indirectly by members via a reduced rate of investment return but are not charged directly as a fee.

For **contributory members**, investment gains or losses affect the balance of the personal account (and the balance of reserve unit accounts for SSS members), the Commonwealth Government Contribution account and the Additional Employer Contribution account. Any amounts deducted from your investment include reductions in the return on your investment but are not charged directly to you as a fee.

For **deferred benefit members**, investment gains or losses affect the amount of the immediate lump sum, deferred lump sum, SANCS basic benefit, the Commonwealth Government contribution account and the Additional Employer Contribution account. Any amounts deducted from your investment include reductions in the return on your investment but are not charged directly to you as a fee.

Indirect fees and costs for SSS and PSS members

These are not borne by members who receive a retirement benefit from the scheme, as retirement benefit calculations do not directly rely on the balance of the personal account or the reserve unit account (for SSS members).

Investment expenses

The investment management expense ratio for an investment strategy is the investment management expenses incurred by the strategy expressed as a percentage of the average net asset value of the strategy. The investment management expense ratios for the six State Super investment strategies are shown below.

Note, the expense ratios for 2024-25 are estimates and may change as the year unfolds due to market circumstances or changes in the structure of the asset sectors.

Investment indirect cost ratio of average total assets		
Strategy	Actual 2023-24	Estimated 2024-25
Defined benefit investment strategies		
Trustee Selection	0.32%	0.38%
University Cash	0.03%	0.04%
Member Investment Choice investment strategies		
Growth	0.30%*	0.40%**
Balanced	0.27%	0.33%
Conservative	0.24%	0.29%
Cash	0.03%	0.04%
	*0.30% + nil performance fee paid	**estimated 0.35% + 0.05% performance fee



COMPLAINTS

If you are dissatisfied with an administrative matter relating to something other than a **decision** about whether there is an entitlement, or who is entitled, to a benefit e.g. the calculation of the amount of a benefit, the slow processing of a claim or the provision of incorrect information, you may lodge a complaint with the scheme administrator, Mercer Administration Services (MAS).

If you are still not satisfied with the resolution of the matter by MAS, you may complain directly to the STC schemes' trustee, SAS Trustee Corporation (State Super). A complaint about a matter to do with the schemes but that does not concern the administration of the schemes should be made directly to State Super.

DISPUTES

If you are aggrieved with a **decision** about whether there is an entitlement, or who is entitled, to a benefit e.g. a decision by MAS as delegate for State Super to refuse a claim for a disability benefit (**except** where the decision concerns a member or former member of the Police Force being 'hurt on duty'), you may dispute that decision directly with State Super.

A notice of dispute must be served on State Super within two years after you have been notified in writing of the decision and of the right to dispute it. You may then be asked to clarify certain details relating to your dispute and to provide additional supporting evidence. Your dispute will then be referred to State Super's Member Services Committee for consideration and determination, and you will be notified in writing of the outcome of the determination.

For further details, please refer to STC Fact Sheet 7: *Complaints, Disputes and Appeals*.



APPEALS

Appeal right after determination of a dispute

If you are aggrieved with the determination of a **dispute** by State Super, you may appeal to the Industrial Relations Commission in Court Session within six months of being notified of State Super's determination or within such further period as the Commission allows.

Application to District Court from 'hurt on duty' decision

If you are a member or former member of PSS and are aggrieved by a decision made by State Super or one of its delegates, the CEO of State Super or the Police Superannuation Advisory Committee (PSAC), about a matter that arises by reason of you being 'hurt on duty', you have a right to apply to the District Court of NSW for a determination in relation to the decision.

If you are a member or former member of PSS, you also have a right to apply to the District Court if you are aggrieved by a decision made by the Commissioner of Police as to whether you were 'hurt on duty' in relation to a particular certified infirmity. There is also a right to apply to the District Court if a person is aggrieved by a decision of the Commissioner about whether the death of a member or former member of PSS was caused by the deceased being 'hurt on duty'.

Section 21 of the *Police Regulation (Superannuation) Act 1906* (NSW) provides that if you are aggrieved by an applicable 'hurt on duty' decision you may, **within 6 months** after being notified of the decision, apply to the District Court for a determination in relation to the decision.

Contacts

To lodge a complaint with Mercer Administration Services please contact Customer Service on:

SASS – 1300 130 095

SSS – 1300 130 096

PSS – 1300 130 097

**Deferred benefit members –
1300 130 094**

**Pension members –
1300 652 113**

To lodge a dispute please contact State Super by writing to:

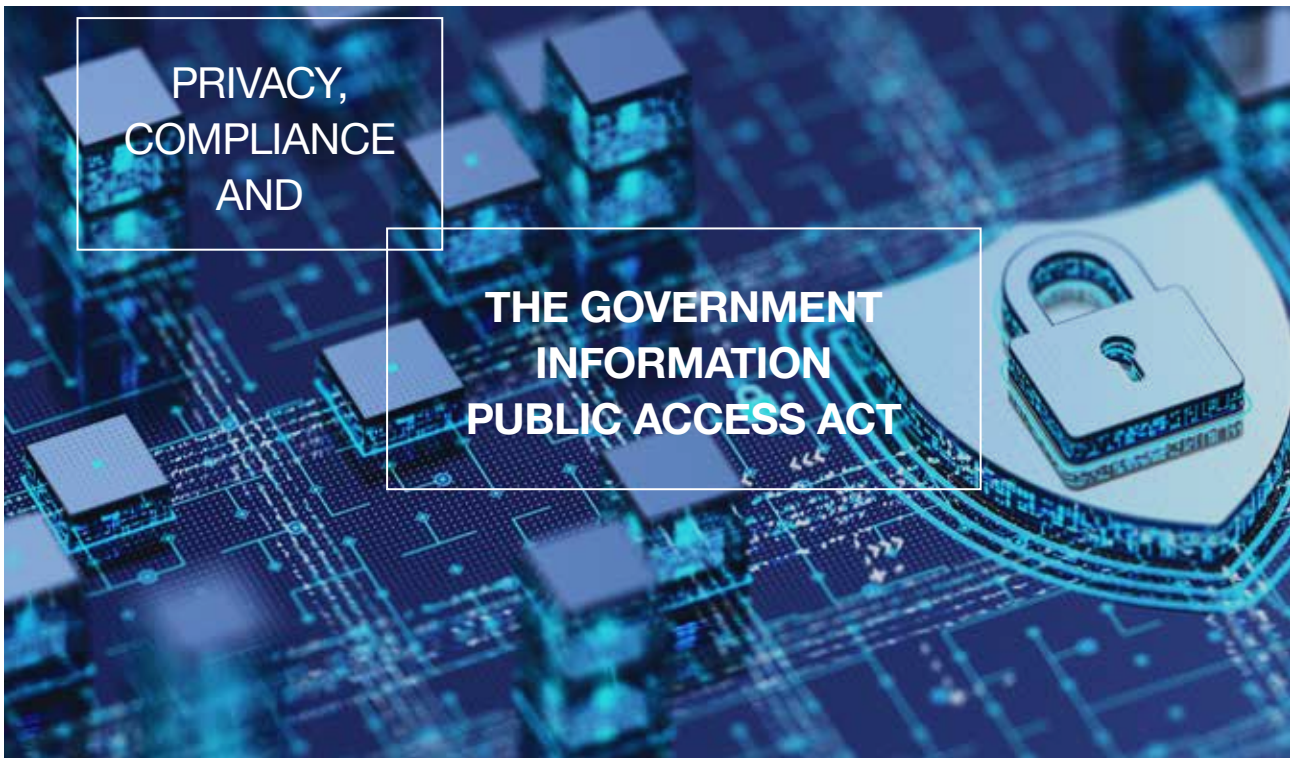
**Disputes Officer
SAS Trustee Corporation
PO Box N259
Grosvenor Place NSW 1220**

To enquire about how to lodge an appeal against a determination of a dispute by State Super, please contact the Industrial Relations Commission by telephoning 02 8688 3516, emailing IRC.Registry@courts.nsw.gov.au or by writing to:

**Industrial Relations Commission
PO Box 927 Parramatta NSW 2124**

To enquire about how to lodge an application with the District Court of NSW for a determination of a 'hurt on duty' decision, please contact the District Court Civil Registry (Residual Jurisdiction) by telephoning (02) 9377 5461 or by writing to:

**District Court Civil Registry (Residual Jurisdiction)
PO Box K1026
Haymarket NSW 1240**



PRIVACY,
COMPLIANCE
AND

THE GOVERNMENT
INFORMATION
PUBLIC ACCESS ACT

Privacy

As a NSW Government entity, State Super complies with relevant NSW legislation, including the *Privacy and Personal Information Protection Act 1998* (NSW Privacy Act) and the *Health Records and Information Privacy Act 2002* (HRIP Act).

State Super has developed a Privacy Management Plan (Plan) and implements the Plan with the assistance of Mercer Administration Services (MAS).

State Super also has a Privacy Statement, that:

- details how State Super complies with the requirements of the NSW Privacy Act and the HRIP Act;
- explains how State Super deals with members' personal and health information that may be collected and used in the course of administering its schemes; and
- summarises the circumstances where State Super may provide a member's personal and health information to third parties.

State Super endeavours to ensure its records of members' personal details are accurate. Members may contact MAS to change their personal or health details. State Super takes steps to ensure there is no unauthorised use or disclosure of members' information. The Privacy Statement is available on request and from the State Super website at www.statesuper.nsw.gov.au.

Compliance

The STC schemes are public sector superannuation schemes that are exempt from the *Superannuation Industry (Supervision) Act 1993 (Cth)* (the SIS Act). The SIS Act provides that exempt public sector superannuation schemes are treated as complying funds for concessional taxation and Superannuation Guarantee purposes.

Under a Heads of Government Agreement, the NSW Government undertakes to ensure that the STC schemes, on a best endeavours basis, conform with the principles of the Commonwealth Government's retirement incomes policy. The Commonwealth Government's retirement incomes policy covers trustee governance, risk management, preservation, vesting, reporting to members and adequate protection of members' benefits.

The *Superannuation Administration Act 1996* (NSW) requires State Super, in exercising its functions, to have regard to the Heads of Government Agreement. The *Superannuation Administration Act 1996* and other NSW legislation enables the NSW Government to prudentially monitor and audit the STC schemes and the State Super Board.



Government Information Public Access Act (2009)

Under the *Government Information (Public Access) Act 2009* (NSW) (the GIPA Act), State Super must review, at least annually, its program for the release of government information it holds that should in the public interest be made publicly available. The result of the latest review was that State Super believes that it has made publicly available all the government information about itself that it holds that should, in the public interest, be available and that can be made available without imposing unreasonable costs on itself. The information about State Super that is publicly available is accessible on its website **www.statesuper.nsw.gov.au**, in particular under “About Us” and then “Access to Information”.

State Super documents that can be obtained free of charge from the website include:

- policy documents;
- State Super’s Agency Information Guide, which describes the structure and functions of State Super, the types of government information it holds, how that government information is made publicly available, and whether or not there is a cost to access that information;
- a register of State Super’s contracts with private sector organisations that are worth more than \$150,000; and
- documents that have been tabled in Parliament by or on behalf of State Super.

State Super will also publish on its website whether it has decided that any of its open access information should not be disclosed due to an overriding public interest against disclosure.

Please contact Customer Service to confirm whether any other avenue for obtaining information about State Super exists before deciding to formally apply for access to the information under the GIPA Act.

For further information, please refer to STC Fact Sheet 9: *Government Information (Public Access) Act & Privacy*, which is available on the State Super website at **www.statesuper.nsw.gov.au**.



SASS 1300 130 095

SSS 1300 130 096

PSS 1300 130 097

**Deferred members
1300 130 094**

**Pension members
1300 652 113**

You can contact customer service from 8.30am to 5.30pm, Monday to Friday AEST for the cost of a local call unless calling from a mobile, pay phone or from overseas. If calling from overseas please call +61 2 4209 5438.

Email

enquiries@stc.nsw.gov.au

Mailing addresses

Customer service and Mercer Administration Services:

GPO Box 2181
Melbourne VIC 3001

SAS Trustee Corporation (the Trustee Board)

PO Box N259
Grosvenor Place NSW 1220

Website

www.statesuper.nsw.gov.au

Member Service appointments

Member Service appointments are available 9.00am to 5.00pm Monday to Friday via Zoom video call or at selected Aware Super locations (Parramatta, Newcastle and Wollongong). We also have a limited number of in-person appointments available at our Sydney CBD or Wollongong offices.

To arrange an appointment call one of the Customer Service numbers above.



For members who need help with English, customer service can make arrangements for information to be translated through the Government Interpreter Service.

Aware Super provides our members and their families with access to comprehensive financial planning advice and investment management services.

Contact Aware Super on: **1800 841 633** or visit **www.retire.aware.com.au/statesuper**

Arabic

(Advisory Service) بإمكان "الخدمة الإستشارية" أيضاً تأمين ترجمة خطية للمعلومات للأعضاء الذين يجدون صعوبة باللغة الإنكليزية.

Chinese

會員如果閱讀英語有困難，諮詢服務部可安排發放資料的譯本。

Greek

Για τα Μέλη που δυσκολεύονται στα αγγλικά, η Υπηρεσία Πελατών μπορεί να κανονίσει για τη μετάφραση των πληροφοριών.

Italian

Per i contribuenti che hanno difficoltà nel comprendere l'inglese il servizio clienti può provvedere alla traduzione dei dati informativi.

Vietnamese

Đối với các thành viên nào gặp trở ngại về Anh ngữ, Dịch vụ Tư Vấn (Advisory Service) có thể giúp thu xếp để họ nhận được bản dịch tin liệu.



Aware Financial Services Australia Limited (Aware Financial Services) (ABN 86 003 742 756) holds an Australian Financial Services Licence (AFSL number 238430) and is able to provide you with financial product advice. Aware Financial Services is owned by Aware Super Pty Ltd as trustee of Aware Super. State Super does not pay fees to, nor receives any commissions from Aware Financial Services for financial planning and member seminar services provided to State Super members. Neither State Super nor the New South Wales Government take any responsibility for the services offered by Aware Financial Services and its related entities, nor do they guarantee the performance of any service or product provided by Aware Financial Services and its related entities.



GET

IN TOUCH



1300 130 095



State Super
GPO Box 2181
Melbourne VIC 3001



statesuper.nsw.gov.au



enquiries@stc.nsw.gov.au



STATE SUPER
SAS Trustee Corporation