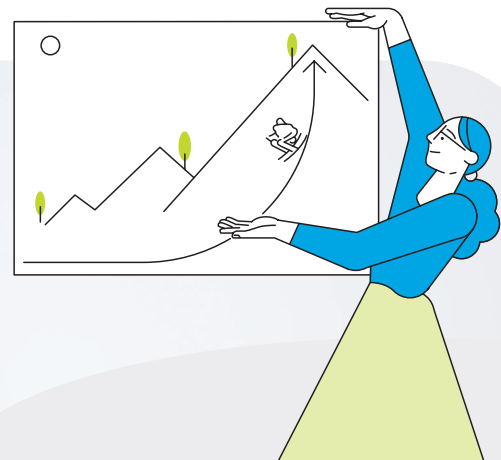


March quarter 2022 investment update

Strong long-term returns from your super fund



Market snapshot – a mix of volatility, growth and inflation

The first quarter of 2022 saw a combination of events negatively impact equity and bond markets. These included the ongoing war in Ukraine, persistent inflationary pressures, supply chain restrictions, and communications by the US central bank about the pace and timing of interest rate rises.

Performance overview – delivering strong long-term returns

VicSuper's diversified options continue to deliver strong long-term returns for our members. It means your super savings are working hard to help you retire with more.

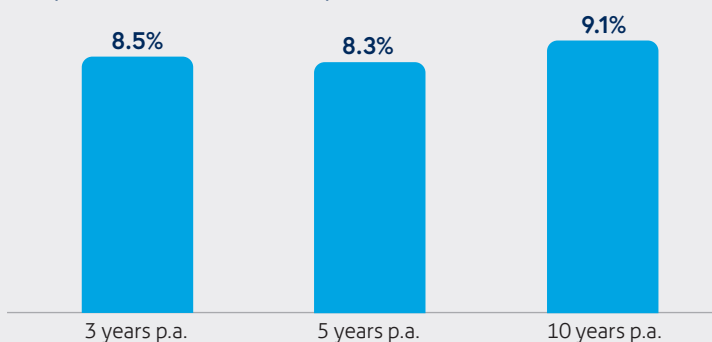
How your investments are performing

VicSuper FutureSaver diversified option returns to 31 March 2022 ^{2,3}	10 years % pa	5 years % pa	3 years % pa	1 year %	3 months %
Equity Growth	10.8	10.0	10.7	10.4	-3.5
Growth	9.1	8.3	8.5	8.2	-3.3
Balanced	7.8	6.6	6.3	5.8	2.0
Capital Stable	6.3	5.0	4.4	3.8	-2.0
Capital Secure	4.5	3.4	2.6	1.5	-1.8
Socially Conscious	9.7	8.1	8.8	9.0	-3.0

Access our [VicSuper investment returns](#) 

You're in a top-performing fund¹

VicSuper Future Saver Growth option



 Top performance over 3, 5 and 10 years¹

¹ Returns for the VicSuper FutureSaver Growth (MySuper) were in the top 10 for the 3, 5 and 10-year periods, as published in the Super Ratings Fund Crediting Rate Survey SR50 Balanced (60-76) Index for 31 March 2022. Past performance is not a reliable indicator of future performance. For the latest investment returns please visit our website: vicsuper.com.au/investments



Portfolio overview – where did the returns come from?

We look at the different types of investments (asset classes) that make up the Aware Super High Growth option and returns.

- International equities fell sharply during the quarter but Australian equities were relatively buoyant. International equity markets were impacted by the ongoing conflict in the Ukraine, rising interest rates, and concerns about higher inflation's impact on economies.
- The US Federal Reserve's willingness to address inflationary concerns and raise interest rates quicker than anticipated led to sharp rises in bond yields and thus falls in bond market prices.

FutureSaver Growth option actual asset allocation



Australian equities	21.7%
International equities	36.1%
Private equity	5.7%
Infrastructure & real assets	8.0%
Property	7.2%
Liquid alternatives (Growth)	1.0%
Liquid alternatives (Defensive)	0%
Credit income	4.3%
Fixed income	8.7%
Cash	7.3%

Top 5 Australian shareholdings

BHP Group Ltd (resources exploration and mining)

Commonwealth Bank of Australia (financial services)

CSL Ltd (biopharmaceutical research and distribution)

National Australia Bank (financial services)

Macquarie Group (financial services)

Access our [top 50 Australian shareholdings](#)

Top 5 international shareholdings

Alphabet Inc (digital and advertising services)

Microsoft Corporation (software solutions)

Apple Inc. (software and devices)

Amazon.com Inc. (online retail)

United Health Group (healthcare)

Access our [top 50 international shareholdings](#)

Source: Aware Super, as at March 2022. Includes holdings where look-through data is available.



Investment spotlight – what does market volatility mean for you?

Market swings can be troubling when it comes to your money and it's only natural to be concerned. The best course of action is to be prepared and take a long-term view.

Remember your long-term goals

Market swings can be concerning when it comes to your savings. Often, the best course of action is to remember your long-term goals and stick to your plans. The good news is that there are proven strategies for dealing with market ups and downs that can help you focus on what matters when there are some unsettling headlines in the news.

We have a long and established track record of managing super with good returns and of being safe stewards of our members' funds. We have more than \$150 billion invested in a diversified range of asset classes including Australian and overseas equities, fixed income and credit securities, cash, and real assets like property, infrastructure assets and private equity.

Focus on the long game

While dramatic moves in the market can make you question your investment plan, it's important to remember not to panic, and focus on the long game rather than get distracted by short-term events. Super is a long-term investment, and when viewed through a longer-term lens most corrections are relatively insignificant.



If investing is entertaining, and you're having fun, then you're probably not making any money. Good investing is boring.

George Soros

Invest in a portfolio that's right for you

We believe a well-diversified portfolio can help reduce overall investment risk while generating returns to help meet your retirement objectives. Determining the exact asset allocation that's right for you will depend on your personal circumstance including your age and how much risk you're able to take.

For those members that prefer to do it themselves, we offer a mix of different diversified or single asset class investments to suit their specific circumstances.

No matter what approach you adopt, having a sound investment plan will help you focus on the long term

Read more about [managing market volatility](#)

² Returns reflect the investment portfolio of assets for the super products. Note we completed an asset migration with Aware Super in December 2019 and before this time you may not have had access to these investments. Please refer to the latest Member Booklet on our website for more information. Investment returns are not guaranteed. Past performance is not a reliable indicator of future performance.

Meet our investment experts **David Goodman**



As Associate Portfolio Manager – Investments at Aware Super, **David Goodman** is responsible for our economic and market research and how this influences the portfolio.

What is your role?

I'm responsible for managing Aware Super's economic and market research. The Economics team analyses central banks and their policy outlook, and we research macroeconomic issues like currency, inflation, and wages. We use this information in building our portfolio and making it resilient under various economic scenarios. We also regularly discuss economic trends and views with the broader investment team to help inform them about investment decisions and market opportunities.

How does your role benefit Aware Super members?

Our focus is on helping our members achieve their long-term retirement goals. Through our economic research and analysis, we aim to improve the portfolio's return, manage volatility and risk, and consider economic scenarios and how they may impact the portfolio. The Economics team works with our policy teams in considering member impacts of any legislative changes. We also play a role in member communications, informing members about the economy and financial markets.



What is your current economic outlook?

Recent years have been challenging for economic forecasters, with the COVID pandemic contributing to lower economic growth than a fast 'reopening' recovery. Even with current geopolitical tensions, we still see a backdrop of above-average global growth in 2022. The most challenging aspect of the current economic landscape is the rise in inflation to multi-decade highs in many countries. This will require a monetary response from central banks.

Bond yields have risen in response, perhaps changing the long-term downward path of interest rates. Policymakers face a difficult task in controlling the monetary levers because current inflation is being driven from both the supply and demand side. The story for Australia is even more nuanced as our growth outlook looks reasonable, commodity prices are supportive, and unemployment is around record lows at 4%. With years of below-target inflation, the Reserve Bank of Australia will probably act slower than its peers in raising interest rates.

What motivates you?

I've always enjoyed thinking about how markets and economies behave and being challenged by how best to analyse them. Working with smart, passionate people at Aware Super is motivating and exciting, and helps me contribute to the economic debate and shape economic outcomes through our investment decisions. The bottom line is that knowing my economic research directly contributes to members' outcomes and can improve the portfolio decisions we make, is the biggest motivation in doing my job.

 Knowing my economic research directly contributes to members' outcomes and can improve the portfolio decisions we make, is the biggest motivation in doing my job. 

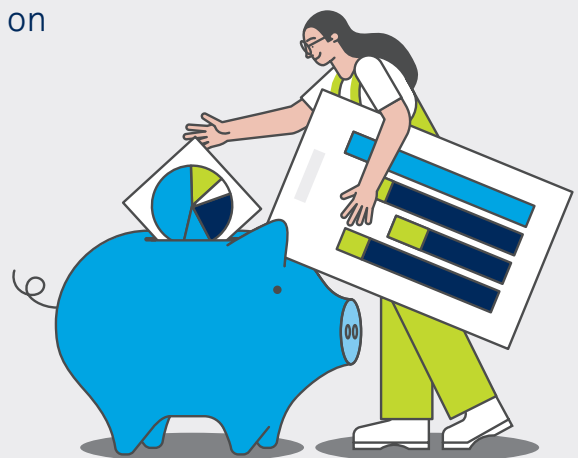
Learn more about [how we manage your investments](#) 

Choosing the right investment option

Typically, the longer you remain invested, the less impact short-term dips in the market will have on your retirement savings.

If you switched your investments during market falls, you may want to reconsider whether you are invested in the right option(s) for you and your retirement goals. If you are invested in one of our diversified options, like our default VicSuper FutureSaver Growth option, your super is invested in a diversified mix of assets that have been selected to deliver returns over time, riding out the impacts of short-term market falls. If you would like more information about each of the investment options visit vicsuper.com.au/investments/investment-performance.

You can access simple advice at no cost as a member of VicSuper. If you are unsure which investment option is right for you, we are here to help. Contact us at **1300 366 216** or book an appointment online.



³ Aware Super (VicSuper). Returns are as at 31 March 2022. Investment returns are calculated after allowing for tax on investment income and investment management expenses, but before the deduction of administration fees. Past performance is not a reliable indicator of future performance

Tools to help plan your future

Webinars

Attend an online presentation and ask questions about your super and retirement that are important to you.

vicsuper.com.au/advice/events-and-seminars

Super & retirement calculator

Our award winning online tool helps you to set simple financial goals and track your progress against those goals.

vicsuper.com.au/forms-and-resources

Retire-ready checklist

Find out how well you understand your finances and the information you'll need when you start planning to retire.

vicsuper.com.au/our-products/transition-to-retirement

Professional financial advice

It's never too late or early to starting planning for your retirement. When you need advice, we want to help in a way that works for you.

vicsuper.com.au/advice/our-advice-services



We're here to help

Contact us

Phone: 1300 366 216
9am to 5pm (AEST)
Monday to Friday
Int'l: +61 3 9667 9875

Get advice

Phone: 1800 620 305
8.15am to 8.15pm (AEST/AEDT)
Monday to Friday
Book: aware.com.au/advice
Email: clientservicecentre@aware.com.au

Visit us

To find an advice centre location near you, please visit vicsuper.com.au/contact-us

Personal advice requires the provider to act in the client's best interests and take into account the client's circumstances. These rules do not apply to general advice. This communication contains general advice only and no personal advice. We have not taken into consideration any of your objectives, financial situation or needs or any information we hold about you when providing this general advice. Further this communication does not contain, and should not be read as containing, any recommendations to you in relation to your product. Before taking any action, you should consider whether the general advice contained in this communication is appropriate to you having regard to your circumstances and needs and seek appropriate professional advice if you think you need it. Contact us to make an appointment to see one of our representatives.

Issued by Aware Super Pty Ltd ABN 11 118 202 672, AFSL 293340, the trustee of Aware Super ABN 53 226 460 365. Financial planning services are provided by our wholly owned financial planning business Aware Financial Services Australia Limited, ABN 86 003 742 756, AFSL No. 238430. You should read their Financial Services Guide before making a decision.