

WEBINAR



The Epic Retirement Tick: Why it matters and which funds earned it



Welcome

Guest

Ian Fryer

Ian is General Manager of Chant West, and has been involved in the super industry for about 25 years.

Ian's passion is helping super funds improve their operations and member services, and implement initiatives driving greater member outcomes.



Today's webinar

- ✓ Why the tick was created
- ✓ How the assessment works
- ✓ The six inaugural Tick recipients
- ✓ What this means for fund members
- ✓ Looking ahead
- ✓ Q&A and wrap-up

IMPORTANT

Disclaimer

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Why the tick was created



Chant West

How the assessment works

1. Balanced investment performance above the median over 10 years
2. Growth investment performance above the median over 10 years
3. Tailored pension portfolios
4. Low admin fees
5. Lifetime income products
6. Flexible drawdown strategies
7. Intra-fund advice
8. Simple individual retirement planning
9. Simple household retirement planning
10. Comprehensive advice referrals
11. Retirement calculators and budgeting tools
12. Digital retirement advice
13. Retirement-focused nudges
14. Retirement education programs
15. Service levels
16. Retirement bonuses or top performance
17. Contact centre service
18. Efficiency of pension payments

1. Balanced investment performance above the median over 10 years

When you are looking at a fund's balanced (50/50) option, long-term consistency of their balanced investment option really matters.

This is not about chasing last year's hot result or marketing you their highest recent performance.

The benchmark here is strong, steady returns over 10 years compared with other funds. It shows your fund can manage a mix of growth and defensive assets well over time.

2. Growth investment performance above the median over 10 years

If you have a longer horizon or are comfortable with more ups and downs, a growth (70/30) investment option can give your retirement savings more room to grow.

This criterion checks whether your fund's growth option has beaten the median over 10 years.

Sustained outperformance in this higher-growth mix is harder to achieve.

3. Tailored pension portfolios

Once you start drawing an income from super, your investment needs change. A fund should offer an option built specifically for pension members.

The aim is to balance income needs with capital protection and tax efficiency.

The decumulation phase is different from the growth phase.

4. Low admin fees

Fees do not stop being important once you are in retirement. Every dollar in fees is a dollar you cannot spend on your life and a dollar that doesn't compound.

This standard looks at admin fees across multiple account sizes. We review account balances of \$100k, \$250K, \$500k, \$750k and \$1M and expect at least 3 of the 5 options to have fees below the median.

A fund with a tick in this assessment criteria should be shown to offer competitive fees no matter your balance.

5. Lifetime income products

For many Australians, the fear of outliving their money is real. Funds that tick this box offer an income-for-life product for their members.

Often, these products are treated favourably under the Age Pension assets test which can help you boost your overall income.

6. Flexible drawdown strategies

The minimum drawdown set by the government for people in the retirement phase of superannuation is just that, a minimum.

Sometimes you might want or need to take more and evidence shows that many can afford to spend more during some phases of their retirement.

A good fund helps you understand the impact of different drawdown levels and additionally, they give you the flexibility to pull income from different investment options within your account so you aren't forced to sell from your growth assets if they're underperforming at a point in time.

7. Intra-fund advice

You should not have to pay thousands of dollars for help with the basics of using your super fund well to grow your money. Super funds should provide good intra-fund advice.

Intra-fund advice covers things like assessing your risk appetite, choosing your investment option, deciding how much to contribute to your fund, or checking your insurance is still right for you.

This is usually provided for little or no cost and is an important service for people starting to think more about their super.

8. Simple individual retirement planning

When you are five to ten years out from retirement, your questions change.

This is where simple, low or no-cost financial planning to support your journey into retirement comes in, including working out if you might qualify for the Age Pension, and what that would mean for your income mix alongside your super.

Funds will be assessed against their ability to provide this for a small fee or no fee.

9. Simple household retirement planning

Retirement planning often is not a solo sport. This is about affordable advice that looks at the whole household.

It considers your partner's super, investments, income streams, and any Age Pension entitlements so you can plan together.

We will review funds services to assess whether they are able to help you for a small fee or no fee.

10. Comprehensive advice referrals

Sometimes you need the whole financial picture – and for this you might need comprehensive financial advice.

This type of advice includes your super, other investments, estate planning, and even aged care considerations. Funds that meet this criterion can refer you to a trusted adviser either inside or outside their business.

We also assess whether they allow you to pay for the advice from your super account, especially for one-off plans. And, look at whether they have an online portal available for external and referral advisers to streamline interactions.

11. Retirement calculators and budgeting tools

A good fund arms you with tools that take the guesswork out. Retirement calculators show you what income you can expect, drawdown calculators help you test different withdrawal rates, and budgeting tools help you plan the life you want to live, not just survive.

We assess each fund for three types of calculators and to get a tick they need to have 2 of the 3:

- Retirement calculator
- Income drawdown projection calculator
- Retirement budgeting tool

12. Digital retirement advice

Think of digital retirement advice as personalised guidance without the face-to-face meeting. We're going to see more and more of it.

The best funds offer online tools that recommend a drawdown rate, help you pick an investment mix, and estimate your Age Pension based on your numbers.

Some offer some impressive digital advice services. Others not so much.

13. Retirement-focused nudges

Sometimes we all need a tap on the shoulder to remind us of the things we should be doing with our super. These nudges can be retirement projections on your statement, targeted emails about boosting your contributions, or prompts to attend a seminar.

The best funds tailor these nudges to your age and stage. We'll be assessing funds against a few different types of nudges:

- Whether they deliver different nudges to different people based on where they are in life.
- Whether their nudges actually work (via assessment of their take up rates)
- Public advertising on retirement to further raise awareness – because it's a poorly understood phase of superannuation

14. Retirement education programs

Not everyone learns by reading a fact sheet or crawling through a website trying to find what they need. Some funds run retirement webinars, in-person seminars, or structured online courses that walk you through the key steps to get retirement-ready. They make these easy to access and understand.

So we'll be assessing funds on two types of education:

- Whether they provide seminars and webinars to help people understand the issues they need to consider when approaching retirement
- And whether they provide structured online education programs to help people learn in an organised manner.

15. Service levels

When you open a retirement account with your super fund, or make a change to your pension account, you should not be waiting weeks. This measure looks at how quickly a fund can set up, switch, or adjust your account and whether you can do it online.

We assess funds by:

- The number of days it takes to set up new retirement/pension accounts,
- Commute an existing pension and start a new pension account; change the regular income received from their super fund
- And whether members can switch between investment options online

16. Retirement bonuses or top performance

Some funds offer a retirement bonus when you switch from the accumulation phase into the retirement phase of super, essentially giving back the tax that was provisioned for them, to the members. We assess whether funds offer this.

We also bear in mind that a fund that has top-quartile investment performance may actually be delivering more over the long term than a retirement bonus would.

Either way, it is a sign your fund is finding ways to give you more value.

17. Contact centre service

When you have a question for your super fund, you want a quick, clear answer from someone who knows their stuff. This criterion looks at wait times, call drop-outs, and customer satisfaction scores of their contact centre.

In retirement, good service is quite frankly not optional.

18. Efficiency of pension payments

Need an ad hoc drawdown from your super fund? The best funds can do it fast, sometimes the same day, and securely. So we're assessing which ones can.

We'll be checking:

- The number of days a fund takes to pay you, from the request of payment until the payment is made
- Whether they use OSKO payments, Australia's near-instant bank payment system run by BPAY to make payments fast and efficiently
- Whether they offer same-day ad hoc payments (up to a max amount)
- And whether they offer multi-factor authentication to protect you from fraud.



- Strong long-term performance and competitive fees.
- Balanced risk-adjusted investment option is ideally suited to retirement as it smooths the journey but still provides growth.
- Has a lifetime product, ART Lifetime Pension, which pays income for the rest of your life, linked to investment performance.
- Provides simple retirement advice, including age pension, for no additional fee.
- Refers members with complex needs to external advisers, who can use best adviser portal of industry funds to service their clients.
- Guidance through nudging members towards actions to grow their super is very good. ART shows members their projected income in retirement and guide members toward their goals through regular suggested actions – often engagingly presented.



- Strong long-term performance and has recently reduced fees for members in retirement.
- Invests differently for retired members in Aware Super's more conservative options to reduce their level of risk.
- Offers simple retirement advice to members at no additional cost, both through calculators and over the phone.
- Strong advice service for members who need a full financial plan through a large team of inhouse advisers.
- Strong education on website about retirement, range of webinars, engaging videos on key retirement topics.
- Good service levels for retired members across account setup/changes, contact centre and payments.



- Competitive long-term performance and fees.
- Offers a pre-mixed retirement strategy with three investment options including cash to provide mix of growth and stability.
- Has a full advice offering, providing help ranging from the simple all the way through to the complex, with reasonable level of fees.
- Strong service levels across account setup/changes, contact centre and payments.



- Very strong long-term performance and low fees.
- Special investment option for retirement, CPI Plus, that provides a CPI-link regardless of performance
- Simple retirement planning is provided for an individual for under \$500.
- Its engaging digital advice tool, SuperSmart, has modules to help members move into retirement
- Strong service levels across account setup/changes, contact centre and payments, including ability to pay \$150k on day of request.



- Competitive long-term performance.
- Its pension investment options are purpose-built portfolios for members in retirement to better meet their needs
- Offers an annuity which is well-integrated into their systems and guidance offering, including its retirement calculator
- Strong comprehensive advice offering through its well-resourced and experienced in-house advisers
- It takes pension payments seriously, offering OSKO payments like the banks and has the ability for same-day payments on request.



- Very strong investment capability with strong long-term performance.
- Offers its own annuity product that is available to retired members.
- Its advice offering covers single issue advice, simple retirement advice and to comprehensive advice through its large advice team.
- Its retirement calculator is built both for members approaching retirement and in retirement to check how much income they can draw.
- It does a good job in educating its members about retirement, including income projections on statements, a wide range of nudges suggesting how they can get the most out of their super, and a range of webinars and seminars covering all things retirement

What this means for members

How does the Epic tick differ from Chant West
Applecheck assessment?
Why aren't those funds that have received less
than 12 ticks across the 18 assessment criteria
published?
Kathy

What this means for members

How many funds were assessed, and did any fail because you couldn't assess them fully?

Nigel

What this means for members

What should I do if my fund didn't get the tick?

John

My super fund isn't in the list but has strong returns and low fees. Should I still consider switching for better calculators or guidance?

Lesley

Looking ahead

- Next assessment cycle
- Expected industry uptake
- Future evolution

Q&As

