Vanguard

# Vanguard Super Annual Report 2023

Vanguard **Super**

Issued by Vanguard Super Pty Ltd, ABN 73 643 614 386, AFS Licence 526270, the Trustee of Vanguard Super, ABN 27 923 449 966.

Level 13, 130 Lonsdale Street, Melbourne VIC 3000



VSIAR_11152023

# Contents



## About this Annual Report

This Annual Report is issued by Vanguard Super Pty Ltd ("the Trustee", "Vanguard", "we" or "us") ABN 73 643 614 386, AFS Licence 526270, in its capacity as Trustee of Vanguard Super ABN 27 923 449 966 (the "Fund"). A unique superannuation identifier (USI) is the number that is used to identify individual superannuation products – Vanguard Super's USI is VSF0001AU.

The information contained in this Annual Report was correct as at the date of publication.

The information provided in this Annual Report is general information only. It doesn't take into account your personal objectives, financial situation or needs. For that reason, you should seek financial advice suited to your own circumstances.

Vanguard is a wholly owned subsidiary of The Vanguard Group, Inc. Vanguard is responsible for the contents of this Annual Report and is the issuer of this Annual Report. The Vanguard Group, Inc. is not responsible for any statements in this Annual Report and doesn't provide any opinion or make any recommendation regarding the Trustee or the Fund. None of The Vanguard Group, Inc. or any of its related entities (including Vanguard), directors or officers guarantee the repayment of capital or performance of your investments in the Fund.

You should obtain a copy of the Vanguard Super SaveSmart Product Disclosure Statement (which is available by calling **1300 655 101** or visiting vanguard.com.au/super) and consider it carefully before you make any decision about whether to acquire, or continue to hold, the product. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for – find the TMD at vanguard.com.au/super.

# Our vision is to reshape superannuation for the benefit of all Australians and enable financial peace of mind.

# Welcome to smart, simple super

Vanguard Super Pty Ltd is the Trustee of Vanguard Super. We're part of The Vanguard Group, Inc. and while we might be new to the superannuation landscape in Australia, our heritage runs deep.

The Vanguard Group, Inc. was founded in the United States in 1975 on a simple but unique premise. It was, and it continues to be, an investment company designed to make money *for* its investors, not *from* them.

With over AUD $12 trillion in assets under management globally as of 31 October 2023, including nearly AUD $3.5 trillion in ETFs, The Vanguard Group, Inc. is one of the world's largest global investment management companies.

In 1996, this philosophy – with its focus on clients and cost-conscious investing – made its way to Australia with the launch of Vanguard Investments Australia Ltd (VIA). For more than 25 years, VIA has been serving financial advisers, retail clients and institutional investors.

## How we're helping you

### A choice of investments

You get to choose how your super's invested. Whether you prefer to let the experts choose the investment mix for you, or you prefer to build your own portfolio with your own unique blend of assets – a Vanguard Super SaveSmart account lets you choose the path that suits you.

### Easy online access

Check the details of your account, change the way your super's invested, or ask us for help at any time. You can do it all through our secure, online member portal – Vanguard Online. Head to vanguard.com.au/super to log in.

### Support when you need it most

We provide a basic level of Death and Total & Permanent Disablement (TPD) cover for eligible members, as well as the option of Income Protection cover for those who wish to apply for it. And you can change your cover at any time to better suit your needs.

# By the numbers

Key Vanguard Super SaveSmart numbers as at 30 June 2023

| | |
|---|---|
| Assets under management | $613m |
| Contributions | $48m |
| Rollovers received | $558m |
| Total number of members | 8,880 |

# Chair's report

Dear members,

It's a pleasure to be able to present the first Annual Report for Vanguard Super Pty Ltd (the Trustee of Vanguard Super) for the financial year ended 30 June 2023.

When Vanguard Super (the 'Fund') publicly launched as Australia's newest super fund in November 2022, it was with a genuine sense of excitement about the opportunity ahead for our future members.

Our purpose was strong but simple:

**"To reshape superannuation for the benefit of all Australians and enable financial peace of mind."**

It's a mission grounded in the same solid principles that have long underpinned Australia's superannuation system. But we didn't launch a new fund just to be like everyone else. We launched Vanguard Super because we felt strongly that there was an opportunity to create a fund that genuinely met the expectation of all Australians and, in turn, their financial needs in retirement.

In August last year, we proudly became the first Trustee to be issued with a Registrable Superannuation Entity (RSE) licence in seven years, cementing the Trustee's vision to:

- increase transparency across the superannuation system, particularly in relation to total fees. The Vanguard Super website breaks down and explains our fees in detail, and includes a simple-to-use calculator that quickly calculates the yearly fee depending on a member's account balance.
- design and deliver a leading-edge member experience. Consider, for example, our Lifecycle investment option that has been intelligently designed to automatically undergo a series of asset mix changes from age 48 until age 82, with a focus on growth investments in younger years and more defensive investments as you near retirement. We have also focused on delivering a seamless, digital experience – whether you are joining, switching investments or sending us important documents, it can all be done online through Vanguard Online, our online member portal.
- align closely with the broader Vanguard Group's genuine commitment to keep member fees low. The Fund's indexing approach to investing is widely recognised as a cost-conscious investment strategy.

**An experienced and capable Trustee**

Members can take comfort from the Trustee Directors' depth of knowledge, with decades of prior collective experience in investment markets, superannuation, financial services and the law.

Importantly, three of the five Directors of the Trustee are independent, and each Director offers a highly-informed perspective when it comes to understanding and tackling those uniquely Australian, superannuation-specific challenges facing our members.

**Advocating on your behalf**

The Trustee has – and will continue to – advocate for members' best interests at every opportunity, with formal advocacy efforts having previously included the following:

- A submission to the *Your Future, Your Super* review, that placed on record our strong support for the core objectives underpinning the *Your Future, Your Super* package – to improve the efficiency, accountability and investment outcomes of Australia's superannuation system. Our submission also re-affirmed our support of performance benchmarking, whereby all super funds undergo an annual test designed to assess their long-term investment performance, with consequences for those that fail.
- A submission in support of the recommendations of the *Quality of Advice* review, as important measures to improve the accessibility and affordability of financial advice for all Australians. There is a persistent advice gap in Australia which leaves many people unable to receive quality financial advice, to the detriment of their financial wellbeing. Access to quality financial advice can help our members more easily navigate Australia's complex financial system and achieve better retirement outcomes.

**An eye to the future**

Since our public launch in November 2022, the Fund has reached some significant milestones in a short space of time. These simple numbers speak for themselves – as at 30 June 2023, the Fund had 8,880 members and assets under management valued at $613 million.

With the successful launch of *Vanguard Super SaveSmart*, our accumulation offer, we now have our eyes firmly set on the future.

Our focus on improving the member experience continues and we see many opportunities ahead:

- We are currently finalising plans for the launch of our pension offering with the release of *Vanguard Super TransitionSmart*, our transition-to-retirement account, and *Vanguard Super SpendSmart*, our account-based pension account. Launching these products will round out our ability to help members save for retirement from their first working days, to helping members shift into retirement, and finally providing a steady income stream once they are fully retired.
- We will produce and release further enhancements across our entire product offering, with a view to ensuring that your super is easy to understand and that investing is simple.
- We will continue to develop a superannuation experience that is even more highly personalised. This will mean further refining the way we interact and communicate with members, building on our ability to help them, for example, consolidate multiple super accounts by digital means.

**Thank you**

I would finally like to thank you, our members, for committing to the Fund, our vision and all that we're working hard to achieve for you and your retirement.

Entrusting us to manage your retirement savings is a responsibility we take seriously, and we look forward to many more years of delivering for all of you so that you have financial peace of mind.

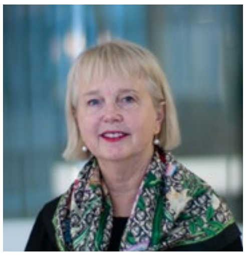
Yours sincerely,

**Peggy O'Neal AO**
Chair
Vanguard Super Pty Ltd
(Trustee of Vanguard Super)

# Directors of the Trustee

The Trustee is responsible for Vanguard Super's sound and prudent management, in accordance with the Trust Deed and superannuation law. It has an overriding obligation to always act in the best financial interests of Fund members and their beneficiaries.

Vanguard Super Pty Ltd (ABN 73 643 614 386, AFS Licence 526270) is the Fund's Trustee. The directors of the Trustee are:



**Peggy O'Neal AO**

*Chair and Independent Non-Executive Director*

Peggy has a long, distinguished career in superannuation and financial services law. She was a partner at Herbert Smith Freehills, has advised on superannuation for the Federal Government, and consulted on the Government's Stronger Super reform package. In 2019, she was awarded an Officer of the Order of Australia (AO) for her service to AFL, superannuation, finance law, and women in leadership.

**Appointed**

- 19 August 2020

**Qualifications**

- BA (Virginia Polytechnic Institute and State University)
- JD (University of Virginia)
- Diploma of Superannuation Management (Macquarie University)
- Honorary Doctor of Laws (Swinburne University of Technology)
- Fellow of the AICD
- Officer of the Order of Australia (AO)

**Anne Flanagan**

*Independent Non-Executive Director*

Anne brings a wealth of board-level experience in superannuation and financial services. In a career spanning 35 years, she's been the Chief Financial Officer at RACV, Alternate Director and member of the Finance and Audit Committee at AustralianSuper, and a Non-Executive Director of ANZ Staff Superannuation.

**Appointed**

- 6 April 2021

**Qualifications**

- Chartered Accountant
- Bachelor of Science (LSE)
- Graduate of the AICD

**Jeremy Duffield**

*Independent Non-Executive Director*

Jeremy's involvement with Vanguard spans 30 years, most notably as Vanguard Australia's founding Managing Director. He has held past roles as Chair of the Australian Centre for Financial Studies, and a member of the Federal Government's Financial Sector Advisory Council. In 2012, Jeremy co-founded SuperEd, a business focussed on helping Australians plan for their retirement.

**Appointed**

- 19 August 2020

**Qualifications**

- BA Economics (University of Virginia)
- Program for Management Development (Harvard Business School)
- Graduate of the AICD

**Cynthia Lui**

*Non-Executive Director*

Cynthia joined Vanguard in 2008 and has more than 20 years of experience as a legal adviser in the investment management sector, most recently as Vanguard's Head of International Legal and Compliance. She was also a member of Vanguard's International Executive Team. She retired from Vanguard in August 2022 and remains on the Vanguard Super Board.

**Appointed**

- 22 February 2021

**Qualifications**

- LLB (University of Melbourne)
- Bachelor of Commerce (University of Melbourne)
- Master of Laws (University of Melbourne)
- Graduate Diploma in Management (Melbourne Business School)
- MBA (Melbourne Business School)
- Graduate of the AICD

**Colin Kelton**

*Non-Executive Director*

With over 30 years of experience at Vanguard, including three years as Managing Director of Vanguard Australia, Colin has led and managed teams across the Vanguard Group. Along with his Board position, Colin is also Vanguard's Global Head of Marketing.

**Appointed**

- 15 December 2021

**Qualifications**

- BA Economics (Pennsylvania State University)
- MBA (Drexel University)
- Advanced Management (Harvard Business School)

# Fund governance

The Trustee is supported by two Committees being the Audit Committee and Remuneration Committee, Trustee staff who manage the Fund's day-to-day operations and various service providers (see page 21).

Membership of both Committees is as follows:

| DIRECTOR | AUDIT COMMITTEE | REMUNERATION COMMITTEE |
|---|---|---|
| Peggy O'Neal AO | Member | Member |
| Anne Flanagan | Chair | Member |
| Jeremy Duffield | Member | Chair |
| Cynthia Lui | Member | Member |
| Colin Kelton | Member | |

Director attendance at Board meetings for the period to 30 June 2023 was as follows:

| DIRECTOR | NO. OF MEETINGS ELIGIBLE TO ATTEND | NO. OF MEETINGS ATTENDED |
|---|---|---|
| Peggy O'Neal AO | 9 | 9 |
| Anne Flanagan | 9 | 9 |
| Jeremy Duffield | 9 | 9 |
| Cynthia Lui | 9 | 9 |
| Colin Kelton | 9 | 9 |

A range of documents relating to the Fund's governance are available on our website at vanguard.com.au/super/documents, including:

- Governing rules and Trust deed: All the rules for how Vanguard Super is set up and how it operates, including who can join and how your benefits will be paid.
- Constitution: Everything you need to know about how the Trustee manages governance matters including how we appoint and remove directors, pass resolutions, and decide Directors' remuneration, among other topics.
- Board appointment and renewal policy: All about our governance process when it comes to nominating, appointing and removing Directors.
- Board meeting attendance: Details on the number of Trustee meetings each Director has attended from our date of licensing.
- Key Management Personnel remuneration disclosures: This report sets out the remuneration of the Key Management Personnel of the Fund, which includes all Directors of the Trustee and Executive Managers.

# Investment markets in review

This investment market overview broadly covers the period from October 2022 (the month Vanguard Super launched) through to June 2023.

A persistent shadow across investment markets both in Australia and overseas was – and continues to be – consistently high inflation.

Inflation trended higher across most economies, in many cases setting multidecade highs. The action taken by central banks reflected a concerted effort to combat these high rates of inflation that has proven 'sticky', and by June 2023 persistently stubborn inflation remained.

As a result, central banks raised monetary policy rates (known as the 'cash rate' in Australia and the 'policy rate' in the United States) somewhat higher than had been anticipated. By June 2023 central bankers in Australia, Canada and the United States had paused in what had been a relentless cycle of rate hikes (although hikes have since resumed in Canada and the United States).

Against this backdrop, the story for the year to 30 June 2023 year was continued economic resilience, despite the risk of recession and continuing tightening of monetary policy.

**Regional analysis**

**United States**

The United States economy recovered from one of the shortest recessions in more than 150 years – a two-month downturn in early 2020 – and then endured one of the most aggressive interest rate-hiking cycles in Federal Reserve history, with interest rates increasing by a full 500 basis points (5 percentage points) from March 2022 through to June 2023.

Despite these interest rate hikes the US labour market has remained strong, with unemployment remaining below 4%, where it stood when the Federal Reserve began its rate-hiking cycle. Consumer spending also remained remarkably consistent.

**Australia**

Australia has bounced back strongly from the pandemic, supported by low interest rates, generous government spending, and the release of pent-up demand which boosted consumer spending.

A jump in inflation, however, saw the Reserve Bank of Australia (RBA) raise interest rates. From May 2022 through to 30 June 2023, the RBA raised rates from a record low of 0.1% to 4.1% - this included four back-to-back 50-point hikes between June and September 2022.

Like the US, Australia's labour market remained strong as the unemployment rate flirted with near-50-year lows.

**China**

China's economic fortunes have been governed by three competing priorities: maintaining a zero-COVID policy, ensuring financial stability and sustaining strong levels of economic growth.

In the year to 30 June 2023, Chinese policymakers focused on zero-COVID policy and ensuring financial stability at the cost of growth. For this reason, Chinese economic growth softened and was weaker than in previous years.

**Japan**

Like many developed market economies, Japan experienced high inflation during the year, with core consumer prices hitting a 41-year high.

Nevertheless, Japanese economic growth over the year to 30 June 2023 was strong – the quarter to 30 June 2023 saw the world's third-largest economy grow by an annualised rate of 6%. It was the third consecutive quarter of expansion, following a revised reading of 3.7% growth in the January-to-March period and a slight bump of 0.2% the quarter before that.

### United Kingdom

The war in Ukraine, the unique structure of the UK energy market, and domestic political instability posed challenges for the UK economy in 2022. Activity slowed consistently throughout the year as higher commodity prices, tighter financial conditions, very low confidence, and a weak global growth backdrop all dragged on demand. This was before the mini-budget was announced and then renounced weeks later in an effort to appease financial markets.

The UK's annual rate of inflation doubled in 2022, from 5.4% at the start of the year to 11.1% as of October 2022, before easing to 7.9% by June 2023. The acceleration was primarily driven by higher energy and food prices, though the goods and services components also rose significantly.

As with many other central banks, the Bank of England aggressively raised interest rates in response, from 1.25% at the start of the year to 5% by July 2023.

### Eurozone

Inflation and the policies enacted to address it played a large role in shaping the economic conditions in the Eurozone area. The war in Ukraine added another layer of uncertainty, volatility, and price pressures during the year to 30 June 2023. Activity held up well in the first half of the year, supported by a strong post-pandemic recovery. Growth momentum, though, slowed sharply in the second half as higher energy prices, tighter financial conditions, depressed sentiment and weakening global growth all weighed on the economy.

## Asset class performance to 30 June 2023

The different types of investments are broadly categorised into four main asset classes – cash, fixed interest, property and shares. Each has different characteristics when it comes to the returns they're expected to produce and their potential levels of risk.

Asset classes are also described as being either 'growth' or 'defensive'.

**Growth assets** such as shares and property tend to go up and down in value frequently over shorter time frames of one to two years. These changes in investment value are referred to as volatility. However, over longer time frames, for example seven years or more, they tend to generally produce higher overall returns as a result of growth in the value of the underlying investment. This is called capital growth.

**Defensive assets** such as cash and fixed interest, usually experience far less volatility over shorter time frames. They typically provide investors with steady returns in the form of income. While less volatile than growth assets, the returns they provide are generally lower over longer periods.

The table below outlines the returns that each key asset class has achieved over the period to 30 June 2023.

**Returns of each key asset class achieved over the period to 30 June 2023**

| | What are they? | Return for the 1-year period to 30 June 2023 | Annualised return for the 5-year period to 30 June 2023 | Annualised return for the 10-year period to 30 June 2023 |
|---|---|---|---|---|
| **Cash** | Cash investments include deposits in bank accounts, high interest savings accounts, term deposits, and short-term money market securities. | 2.89% | 1.17% per year | 1.69% per year |
| **Fixed Interest** | Bonds and other fixed interest securities (investments) are actually a form of loan provided to the issuer, and can include government and corporate bonds, debentures and capital notes. | 1.24% for Australian fixed interest securities, and -1.16% for global fixed interest securities (hedged) | 0.51% per year for Australian fixed interest securities, and 0.18% per year for global fixed interest securities (hedged) | 2.43% per year for Australian fixed interest securities, and 2.54% per year for global fixed interest securities (hedged) |
| **Property** | Property investments can include industrial, retail or commercial real estate, and listed property trusts. | 8.10% for Australian listed property | 3.48% per year for Australian listed property | 7.66% per year for Australian listed property |
| **Shares** | A share is part ownership in a company that's listed on a public securities exchange or share market. For example the Australian Securities Exchange or the London Stock Exchange. | 14.75% for Australian shares and 16.55% for international shares (ex Australia and hedged) | 7.35% per year for Australian shares and 8.29% per year for international shares (ex Australia and hedged) | 8.80% per year for Australian shares and 10.56% per year for international shares (ex Australia and hedged) |

**Source:** Vanguard Investments Australia Ltd

**Notes:** Annualised returns for 1, 5 and 10-year periods to 30 June 2023, index data sourced from Bloomberg. **Australian shares:** S&P/ASX All Ordinaries Total Return. **International shares (ex Australia and hedged):** MSCI World ex Aus Net Total Return Index hedged to AUD. **Australian fixed interest:** Bloomberg AusBond Composite 0+ Yr. **Global fixed interest (hedged):** Bloomberg Global Aggregate Index in AUD (Hedged). **Australian listed property:** S&P/ASX 200 A-REIT Total Return. **Cash (Australia):** Bloomberg AusBond Bank Bill Index.

**Important: Past performance is not an indicator of future performance. Future returns are not guaranteed and negative returns are possible. The table does not reflect Vanguard Super's investment performance.**

# How we manage your investments

When you join *Vanguard Super SaveSmart*, your super is invested in one or more of the Vanguard Super investment options. Here we set out how we manage the investments, including our investment philosophy and other important elements of our investment approach.

## Our investment philosophy

At Vanguard Super, our investment philosophy comprises three simple principles of investing. These principles underpin our investment strategy and how we manage the *Vanguard Super SaveSmart* investment options.

**Clear goals**
We create clear and appropriate goals for your investments.

**Diversification**
We diversify our investment portfolios to take advantage of investment opportunities and achieve the individual investment option objectives.

**Maintain perspective**
With constant market news, it might be tempting to make impulsive investment decisions. However, investors with the patience and discipline to stay the course can be well rewarded over the long term.

## The indexing approach to investment management

The indexing approach to investment management is central to the investment options offered through Vanguard Super.

Index funds are a way of gaining exposure to an investment market. The main goal of an index fund is to replicate the returns of a broad market index. In order to do this index funds generally hold individual securities in proportion to their size, or 'weighting', in the index.

Indexing offers two distinct advantages:

1. Investing in all or a representation of securities in a market index can increase diversification and reduce risk.
2. Buying and holding securities over the long term can help to reduce the costs of your investments (including tax and transaction costs), which can lead to better returns in the long run.

**What is an index?**
An index is a group of securities (investments) that represents all or part of an investment market. Most investment markets have an index (or multiple indexes). These indexes help to categorise and measure the performance of the securities and their value over time. There's an index for almost every industry sector and asset class, including Australian and international shares, property, fixed interest and cash.

## Investment stewardship

The Vanguard Group, Inc.'s investment stewardship activities are grounded in four principles of good governance – board composition and effectiveness; oversight of a company's strategy and risk; executive compensation and shareholder rights.

The Vanguard Group, Inc. is a signatory to the Principles for Responsible Investing (PRI). The PRI encourages investors to use responsible investment to enhance returns and better manage risks, engages with global policymakers (but is not associated with any government), and is supported by, but not part of, the United Nations.

Investment stewardship describes how we support good corporate governance and the creation of long-term investment value for our members, by engaging with the companies the Fund invests in. This engagement aims to promote best practices by companies in relation to issues that affect our members' long-term financial interests, including environmental, social and governance (ESG) considerations.

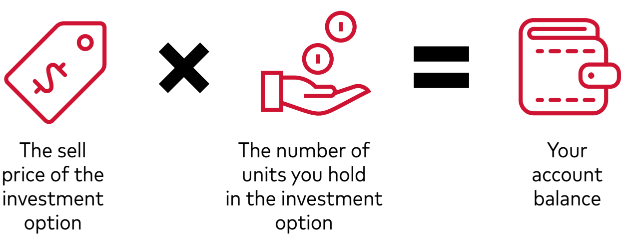
The Trustee's ESG & Investment Stewardship and Proxy Voting Policies set out the procedures and guidelines that govern investment stewardship activities, including company engagement, advocacy for improved disclosure standards, and proxy voting in listed companies in which Vanguard Super's investment portfolio has an economic interest.

If you'd like to learn more, you can find the policies at vanguard.com.au/super/documents.

## How we value your investments

When you invest in an investment option, you're investing in pooled funds – where multiple investors pool their money together to invest in a specific mix of assets. The investment pools for each investment option are divided into 'units'.

**Calculating your account balance**




Contributions to your account buy units in the investment option (or options) in which your account is invested.

The units in each investment option are valued each business day[1] using a process called 'unit pricing'. Every investment option, except for Lifecycle, has a unit price (see below for how and why Lifecycle is different).

We've appointed an external custodian to carry out unit pricing for the Fund. The custodian takes the market value of the investments into account, as well as fees and taxes, to determine the net asset value of the investment option. This is then divided by the total number of units issued for that option, to arrive at the unit price.

The value of your account, known as your account balance, is determined by the number of units you own in an investment option (or options) and the value of those units. The value will go up or down depending on changes in value of the unit price(s).

## How is Lifecycle different?

The Lifecycle investment option is a little different from the other Vanguard Super investment options, as it doesn't have a single unit price. That's because Lifecycle is invested in a number of underlying asset sector investments, and each of those has its own unit price.

When you make a contribution to your Lifecycle investment option, it gets allocated across these different underlying asset sectors in keeping with the relevant Lifecycle asset allocation for your age.

The value of Vanguard Super's investment options is calculated each business day using a process called unit pricing. The *Investing your super* guide explains how unit prices work and the role they play when it comes to your account balance and the value of your transactions (such as contributions or withdrawals). Visit vanguard.com.au/super/documents to download a copy of the *Investing your super* guide.

1 We define a 'business day' as any day except for weekends, national public holidays, or the King's Birthday holiday (Vic and NSW only).

# Our investment options in detail

With *Vanguard Super SaveSmart* you can choose from a wide range of different investment options. Our Diversified options are invested across a broad mix of asset classes, while our Single Sector investment options offer investments in specific asset classes.

So whether you'd like to choose a ready-made, diversified portfolio that's already been constructed for you, or you prefer to mix and match your investments to create your own unique portfolio, we've got something to help suit your needs. And, you can select just one option, or a combination of options for your super – it's up to you.

**Diversified investment options**

- Lifecycle (with its auto-adjusting asset allocation)
- High Growth
- Ethically Conscious Growth
- Growth
- Balanced
- Conservative

**All-in-one investments for your super**

The Diversified investment options are designed to offer a complete, all-in-one portfolio of investments. Each option is made up of a mix of assets, diversified across the major asset classes. The investment mix is pre-determined, and the asset allocation is monitored and managed for you on an ongoing basis. And in the case of the Lifecycle investment option, the asset allocation automatically adjusts according to your age.

**Single Sector investment options**

- International Shares
- Australian Shares
- International Shares (Hedged)
- Australian Fixed Interest
- Global Fixed Interest (Hedged)
- Cash

**Building blocks to create your portfolio**

Each Single Sector investment option invests in one asset class only. They're designed to form the building blocks of an investment portfolio for your super. You can choose which asset classes you'd like to invest in and in what proportion.

**Lifecycle – an investment option that moves with you**

Lifecycle is a little different from our other Diversified investment options. Like our other Diversified investment options, Lifecycle is invested across a broad mix of different assets to provide a broadly diversified portfolio of investments. But unlike our other Diversified investment options, the asset mix in the Lifecycle option is specifically designed to automatically adjust according to your age.

There are 36 Lifecycle stages.

- **Age 47 and under:** This is the first stage of the Lifecycle investment. During this time your super is spread across a mix of different assets designed to help your savings grow.
- **From age 48 until age 82:** Your Lifecycle investment undergoes a series of annual changes. Your overall asset mix is still structured to help your super grow, while yearly changes in the way your portfolio is invested to help to reduce the level of investment risk.
- **Age 82 and above:** This is the last Lifecycle stage. Your asset mix is designed to help your savings last through your expected retirement years, including a greater emphasis on shielding your savings from the impacts of volatility.

Lifecycle is the Vanguard MySuper investment option for *Vanguard Super SaveSmart*. If you don't make an investment choice when you join *Vanguard Super SaveSmart*, your account will be automatically invested in the Lifecycle investment option and you'll become a Vanguard MySuper member.

MySuper products come with certain protections under superannuation law. For example, we can only charge certain fees to your account and must provide you with particular types of insurance.

## Significant investment holdings

The Trustee has appointed Vanguard Investments Australia Ltd to provide investment management and advisory services – this includes managing the underlying assets of the Fund's investment options. Vanguard Investments Australia Ltd is a wholly owned subsidiary of The Vanguard Group, Inc.

As at 30 June 2023, the following investments held by the Fund exceeded 5% of the Fund's assets:

- Vanguard Global Aggregate Bond Index Fund (Hedged)
- Vanguard International Shares Select Exclusions Index Fund – AUD Hedged
- Vanguard International Share Select Exclusions Index Fund
- Vanguard Australian Shares Index Fund.

## Use of derivatives

Derivatives are a type of product that 'derive' their value from another investment. Futures, options and forwards are examples of derivatives. In accordance with our Derivatives Policy, the Trustee allows the use of derivatives within the Fund and the underlying investments held within the Vanguard Super investment options.

Derivatives may be used to:

- manage investment risk
- better achieve the investment objective of the investment option
- carry out specific investment and asset allocation strategies.

Derivatives are not used for speculative purposes or for leveraging (also known as 'gearing') the Fund's assets.

Vanguard Investments Australia Ltd is responsible for the day-to-day management of derivatives in the Fund. However, the Trustee has ultimate responsibility for the Derivatives Policy.

# Financial statements

These abridged financial statements are for the period 8 September 2022 (when the Fund received its RSE registration) to 30 June 2023. For this reason, no prior year comparisons are available.

The full audited financial statements and audit report are available on our website at vanguard.com.au/super or by calling **1300 655 101**.

**Statement of financial position** as at 30 June 2023

| | $'000 |
|---|---|
| **Assets** | |
| Cash and cash equivalents | 8,891 |
| Receivables | 8,129 |
| Financial investments | 606,804 |
| **Total assets** | **623,824** |
| **Liabilities** | |
| Payables | 3,422 |
| Current tax liabilities | 4,478 |
| Deferred tax liabilities | 2,992 |
| **Total liabilities excluding member benefits** | **10,892** |
| **Net assets available for member benefits** | **612,932** |
| | |
| **Member benefits** | |
| Allocated to members | 609,653 |
| Unallocated to members | 3,343 |
| **Total member liabilities** | **612,996** |
| **Net assets** | **(64)** |
| | |
| **Equity** | |
| General reserve | 122 |
| Investment reserve | (303) |
| Operational risk reserve | 117 |
| **Total equity** | **(64)** |

**Income statement** for the period 8 September 2022 to 30 June 2023

| | $'000 |
|---|---|
| **Revenues** | |
| Interest income | 134 |
| Distribution income | 9,177 |
| Net changes in fair value of financial instruments | 19,563 |
| Other income | 502 |
| **Total revenues** | **29,376** |
| | |
| **Expenses** | |
| Trustee fees – Investment | 446 |
| Trustee fees – Administration | 549 |
| Other expenses | 12 |
| **Total expenses** | **1,007** |
| | |
| **Profit/(loss) from operating activities before income tax** | **28,369** |
| Income tax expense | 2,778 |
| **Profit/(loss) from operating activities after income tax** | **25,591** |
| | |
| Net investment income allocated to members | 26,340 |
| Net administration fees charged to members | (685) |
| **Net operating result after income tax** | **(64)** |

**Statement of changes in member benefits** for the period 8 September 2022 to 30 June 2023

| | $'000 |
|---|---|
| **Opening balance of member benefits** | **-** |
| Employer contributions | 25,744 |
| Member contributions | 22,312 |
| Transfers from other superannuation funds | 557,892 |
| Tax on contributions | (4,731) |
| **Net after tax contributions** | **601,217** |
| | |
| **Other transactions applied to/(deducted from) members' accounts** | |
| Benefit payments to members or beneficiaries | (13,657) |
| Insurance premiums charged to members | (258) |
| Net investment income allocated to members | 26,340 |
| Net administration fees charged to members | (685) |
| Insurance premiums tax rebate | 39 |
| **Closing balance of member benefits** | **612,996** |

**Statement of changes in reserves** for the period 8 September 2022 to 30 June 2023

| | General reserve $'000 | Investment reserve $'000 | Operational risk reserve $'000 | Total equity $'000 |
|---|---|---|---|---|
| **Opening balance** | – | – | – | – |
| Operating result | 122 | (303) | 117 | (64) |
| **Closing balance** | 122 | (303) | 117 | (64) |

Vanguard Super maintains the three reserves referred to in the table above as follows:

- **General reserve:** This reserve has been established to cover the Fund's operations and day-to-day operational costs, and is operated in accordance with the Reserves Policy.
- **Investment reserve:** This reserve reflects net investment earnings that have been accumulated, but not yet allocated to members' accounts. This reserve is predominately the result of estimated tax rates and the use of buy/sell spreads, and is operated in accordance with the Reserves Policy.
- **Operational risk reserve:** This reserve is operated in accordance with the Operational Risk Financial Requirement Strategy. Its purpose is to provide funding for incidents where losses may arise from operational risks (as opposed to investment risks). For 30 June 2023, the Operational Risk Financial Requirement target balance is met through a combination of this reserve and trustee capital held by the Trustee.

# Key service providers

## Key advisers and service providers for the period to 30 June 2023 are listed below:

**Administrator:**
GROW Super Ops Pty. Ltd.

**Auditor:**
PricewaterhouseCoopers

**Custodian:**
JPMorgan Chase Bank N.A.
Sydney Branch

**Group Life Insurer:**
AIA Australia Limited (Death, TPD and Income Protection insurance cover)

**Trustee Insurer:**
Lloyd's Syndicate HAM 4000 – 50% (Lead)
Endurance Worldwide Insurance Limited – 50%

**Investment Consultant and Manager:**
Vanguard Investments Australia Ltd

**Other services:**
Vanguard Investments Australia Ltd and The Vanguard Group, Inc. (US)
(for contact centre, operations, internal audit, investment services, investment products and enterprise security)

# Other information you might need to know about the Fund

**Access to Fund documents**
Certain important documents relating to the Fund's management are available on our website (at vanguard.com.au/super) including the:

- Product Disclosure Statement (PDS)
- MySuper Product Dashboard
- Trust Deed
- Financial statements
- Trustee Company Constitution
- Conflicts Management Policy.

Call us on **1300 655 101** to request a copy of any of these documents.

**Indemnity insurance**
The Trustee has indemnity insurance that provides cover for liabilities that may arise from claims against the Fund and its Trustee Directors and officers. The insurers are Lloyd's Syndicate HAM 4000 and Endurance Worldwide Insurance Limited.

**If you leave Australia**

**Temporary residents departing Australia**
If you've worked in Australia as a temporary resident, you may be able to claim your super under the government's departing Australia superannuation payment scheme once you depart Australia. Your temporary visa must have expired (or have been cancelled), and you must have left Australia permanently. If you don't make a claim, your super will be eventually transferred to the ATO. You can find out more, including how to claim your super directly from the ATO, by visiting **ato.gov.au**.

**Australians moving overseas**
If you move permanently to New Zealand, you can transfer your super to a complying KiwiSaver Scheme Account. Or, you can keep your super with us if you prefer.

If you're moving to a country other than New Zealand, your super will remain invested with Vanguard Super until you meet a condition of release.

**Lost members**
If you become a 'lost member', we may be required to register your details with the ATO Lost Members' Register. Typically, you'll be considered a lost member if:

- mail is sent to your last known residential address at least once and is returned to us unclaimed, or
- we've never had a residential address for you, or
- you've been a member for more than two years and we haven't received any contributions or rollovers for your account within the last five years.

You can find out more about lost members, including all the rules relating to when you're considered to be a lost member and what this means for your super, on the ATO's website at **ato.gov.au**.

**Unclaimed super**
In certain circumstances, where we've tried without success to contact you, your account may be deemed 'unclaimed money' and we may be required to pay your super to the ATO. It will then be held by the ATO on your behalf until you claim it.

If you're a temporary resident and you don't claim your super within six months of leaving Australia, we'll transfer your super to the ATO. In accordance with ASIC relief, we won't provide an exit statement in these circumstances, and you'll need to contact the ATO directly to claim your super.

You can find out more about unclaimed super on the ATO's website at **ato.gov.au**.

**If you have a complaint**
If you're unhappy with our service or any aspect of the Fund, and would like to make a complaint, you can call us on **1300 655 101** or write to:

The Complaints Officer, Vanguard Super
PO Box 18031
Collins St East VIC 8003

Our Complaints Handling Policy is available on our website at vanguard.com.au/super/documents. You can also request a paper copy at any time.

If you're not satisfied with the progress of your complaint or the outcome, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA is an independent dispute resolution body set up by the Federal Government to provide a free, impartial and binding dispute resolution service for financial services.

- Write: GPO Box 3, Melbourne VIC 3001
- Call: 1800 931 678
- Email: info@afca.org.au
- Visit online: afca.org.au

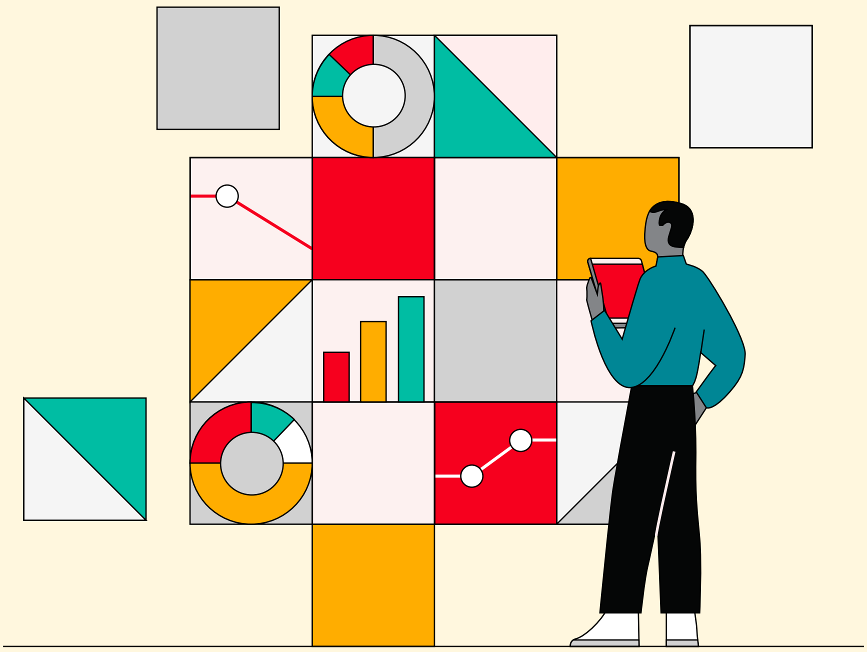
**Vanguard Super is a complying super fund**
Vanguard Super is a resident regulated superannuation fund within the meaning of the *Superannuation Industry (Supervision) Act 1993* (Cth). It is not subject to a direction under section 63 of the *Superannuation Industry (Supervision) Act 1993* (Cth), and no penalties have been imposed under section 38A of the *Superannuation Industry (Supervision) Act 1993* (Cth) or section 182 of the *Retirement Savings Accounts Act 1997* (Cth).

# Appendix A: The Vanguard Super SaveSmart investment options in detail

The following pages provide a range of information for each of our investment options, including each age for Lifecycle.

For each investment option we cover:

- a brief description of the option
- the strategic asset allocation (a target number and a range we seek to work within)
- the actual asset allocation as at 30 June 2023
- the investment return objective as at 30 June 2023 – this is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time. Please note, investment return objectives were updated as at 1 July 2023 – visit our website at vanguard.com.au/super for the latest investment return objectives.
- the investment return – these are for the period 5 October 2022 (this is the inception date, when the options were first funded with cash) through to 30 June 2023.



## Diversified investment options.
Lifecycle

Lifecycle is one of the Diversified investment options.

Lifecycle is invested across a broad mix of different assets. This mix automatically adjusts according to your age, gradually reducing the allocation to growth assets, while increasing the allocation to defensive assets.

Lifecycle is invested (in varying proportions) across the following asset sectors:

- Australian Fixed Interest
- Global Fixed Interest (Hedged)
- Australian Shares
- International Shares (Hedged)
- International Shares
- Emerging Markets Shares
- International Shares Small Companies.

For more details on each Lifecycle investment stage, please refer to pages 31 to 48.

## Diversified investment options.
High Growth

Provides access to a range of asset class options, offering broad diversification across multiple asset classes. The High Growth option invests mainly in growth assets, and is designed for members with a high tolerance for risk who are seeking long-term capital growth.

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| Australian Fixed Interest | 3.0%<br>Range: 0-6% | **3.0%** |
| Global Fixed Interest (Hedged) | 7.0%<br>Range: 4-10% | **6.9%** |
| Australian Shares | 36.0%<br>Range: 33-39% | **35.9%** |
| International Shares (Hedged)[2] | 16.0%<br>Range: 13-19% | **16.1%** |
| International Shares[2] | 26.5%<br>Range: 23.5-29.5% | **26.5%** |
| Emerging Markets Shares | 5.0%<br>Range: 2-8% | **5.0%** |
| International Shares Small Companies | 6.5%<br>Range: 3.5-9.5% | **6.5%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 90.0% | **90.0%** |
| Defensive assets | 10.0% | **10.0%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.50%** |
| **Investment return for period from inception – 30 June 2023** | **10.22%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Diversified investment options.

### Ethically Conscious Growth

Provides access to a range of asset classes which apply ESG exclusions, in accordance with the index methodology, and offer broad diversification. The Ethically Conscious Growth option is biased towards growth assets, and is designed for members seeking long-term capital growth.

#### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| Global Fixed Interest (Hedged) [2] | 30.0%<br>Range: 27-33% | **29.8%** |
| Australian Shares[3] | 28.0%<br>Range: 25-31% | **28.0%** |
| International Shares (Hedged)[3] | 13.0%<br>Range: 10-16% | **13.1%** |
| International Shares[3] | 29.0%<br>Range: 26-32% | **29.1%** |

#### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 70.0% | **70.1%** |
| Defensive assets | 30.0% | **29.9%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.00%** |
| **Investment return for period from inception – 30 June 2023** | **8.96%** |

## Diversified investment options.

### Growth

Provides access to a range of asset class options, offering broad diversification across multiple asset classes. The Growth option is biased towards growth assets, and is designed for members seeking long-term capital growth.

#### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| Australian Fixed Interest | 9.0%<br>Range: 6-12% | **8.9%** |
| Global Fixed Interest (Hedged) | 21.0%<br>Range: 18-24% | **20.8%** |
| Australian Shares | 28.0%<br>Range: 25-31% | **27.9%** |
| International Shares (Hedged)[4] | 12.5%<br>Range: 9.5-15.5% | **12.5%** |
| International Shares[4] | 20.5%<br>Range: 17.5-23.5% | **20.7%** |
| Emerging Markets Shares | 4.0%<br>Range: 1-7% | **3.9%** |
| International Shares Small Companies | 5.0%<br>Range: 2-8% | **5.1%** |

#### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 70.0% | **70.2%** |
| Defensive assets | 30.0% | **29.8%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.00%** |
| **Investment return for period from inception – 30 June 2023** | **8.18%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. Some exclusions apply to fixed interest assets – you can find further information about the Indexes on our website at vanguard.com.au/Bloomberg_MSCI_Global_Aggregate_SRI_Exclusions_Float_Adjusted_Index.
3. Some exclusions apply to Australian and international shares – you can find further information about the Indexes on our website at vanguard.com.au/FTSE_Global_Choice_Index_Series_Ground_Rules.
4. For this allocation, some exclusions apply – you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Diversified investment options.
Balanced

Provides access to a range of asset class options, offering broad diversification across multiple asset classes. The Balanced option is designed for members seeking a balance between income and capital growth.

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| Australian Fixed Interest | 15.0%<br>Range: 12-18% | **14.9%** |
| Global Fixed Interest (Hedged) | 35.0%<br>Range: 32-38% | **34.8%** |
| Australian Shares | 20.0%<br>Range: 17-23% | **20.0%** |
| International Shares (Hedged)[2] | 9.0%<br>Range: 6-12% | **9.1%** |
| International Shares[2] | 14.5%<br>Range: 11.5-17.5% | **14.6%** |
| Emerging Markets Shares | 3.0%<br>Range: 0-6% | **3.0%** |
| International Shares Small Companies | 3.5%<br>Range: 0.5-6.5% | **3.5%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 50.0% | **50.2%** |
| Defensive assets | 50.0% | **49.8%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.50%** |
| **Investment return for period from inception – 30 June 2023** | **6.20%** |

## Diversified investment options.
Conservative

Provides access to a range of asset class options, offering broad diversification across multiple asset classes. The Conservative option is biased towards income assets, and is designed for members with a low tolerance for risk.

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 10%<br>Range: 5-15% | **10.0%** |
| Australian Fixed Interest | 18.0%<br>Range: 15-21% | **17.9%** |
| Global Fixed Interest (Hedged) | 42.0%<br>Range: 39-45% | **41.7%** |
| Australian Shares | 12.0%<br>Range: 9-15% | **12.1%** |
| International Shares (Hedged)[2] | 5.5%<br>Range: 2.5-8.5% | **5.6%** |
| International Shares[2] | 8.5%<br>Range: 5.5-11.5% | **8.7%** |
| Emerging Markets Shares | 2.0%<br>Range: 0-5% | **2.0%** |
| International Shares Small Companies | 2.0%<br>Range: 0-5% | **2.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 30.0% | **30.4%** |
| Defensive assets | 70.0% | **69.6%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 0.75%** |
| **Investment return for period from inception – 30 June 2023** | **4.37%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Single sector investment options.
### International Shares

Provides exposure to many of the world's largest companies listed in major developed economies. It offers access to a broadly diversified range of securities that allows members to participate in the long-term growth potential of international economies outside Australia. The investment option is exposed to the fluctuating values of foreign currencies, as there will not be any hedging of foreign currencies to the Australian dollar.

Designed for members who want access to a broadly diversified portfolio of international shares, with exposure to the impact of foreign currency fluctuations.

#### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| International Shares[1] | 100%<br>Range: 95-100% | **99.9%** |

#### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 100% | **99.9%** |
| Defensive assets | 0% | **0.1%** |

| | |
|---|---|
| **Investment return objective** | Seeks to match the return of the MSCI World ex Australia, ex Tobacco, ex Controversial Weapons, ex Nuclear Weapons (with net dividends reinvested) Index before taking into account fees, expenses and tax. |
| **Investment return for period from inception – 30 June 2023** | **14.75%** |

## Single sector investment options.
### Australian Shares

Provides broadly diversified exposure to securities listed on the Australian Securities Exchange (ASX), including companies and property trusts. It also offers potential long-term capital growth along with dividend income and franking credits.

Designed for members who want access to a broadly diversified portfolio of securities listed on the ASX.

#### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| Australian Shares | 100%<br>Range: 95-100% | **99.9%** |

#### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 100% | **99.9%** |
| Defensive assets | 0% | **0.1%** |

| | |
|---|---|
| **Investment return objective** | Seeks to match the return of the S&P ASX300 Index before taking into account fees, expenses and tax |
| **Investment return for period from inception – 30 June 2023** | **7.72%** |

1. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Single sector investment options.

### International Shares (Hedged)

Provides exposure to many of the world's largest companies listed in major developed economies. It offers access to a broadly diversified range of securities that allows investors members to participate in the long-term growth potential of international economies outside Australia. The option is hedged to Australian dollars so the value of the option is relatively unaffected by currency fluctuations.

Designed for members who want access to a broadly diversified portfolio of international shares, that is relatively unaffected by the impact of foreign currency fluctuations.

#### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| International Shares (Hedged)[1] | 100%<br>Range: 95-100% | **99.9%** |

#### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 100% | **99.9%** |
| Defensive assets | 0% | **0.1%** |

| | |
|---|---|
| **Investment return objective** | Seeks to match the return of the MSCI World ex Australia, ex Tobacco, ex Controversial Weapons, ex Nuclear Weapons (with net dividends reinvested) Index hedged into Australian dollars before taking into account fees, expenses and tax. |
| **Investment return for period from inception – 30 June 2023** | **15.32%** |

## Single sector investment options.

### Australian Fixed Interest

Invests in high-quality, income-generating securities issued by the Commonwealth Government of Australia, Australian State and Territory Government authorities and treasury corporations, investment-grade corporate issuers, as well as overseas entities that issue debt in Australia, in Australian dollars.

The investments in the option are predominantly rated BBB– or higher by Standard & Poor's ratings agency or equivalent.

Designed for members who want access to a portfolio of high-quality Australian fixed interest securities.

#### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| Australian Fixed Interest | 100%<br>Range: 95-100% | **99.9%** |

#### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 0% | **0.0%** |
| Defensive assets | 100% | **100.0%** |

| | |
|---|---|
| **Investment return objective** | Seeks to match the return of the Bloomberg AusBond Composite 0+ Yr Index before taking into account fees, expenses and tax. |
| **Investment return for period from inception – 30 June 2023** | **0.22%** |

1. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Single sector investment options.
Global Fixed Interest (Hedged)

Provides exposure to high-quality, income-generating securities issued by governments, government-related entities, investment-grade corporate issuers and securitised assets from around the world. Investments are predominantly rated BBB- or higher by Standard & Poor's or equivalent ratings agency. The option is hedged to Australian dollars so the value of the Fund option is relatively unaffected by currency fluctuations.

Designed for members who want access to a portfolio of high-quality global fixed interest securities that is relatively unaffected by the impacts of foreign currency fluctuations.

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 0%<br>Range: 0-5% | **0.1%** |
| Global Fixed Interest (Hedged) | 100%<br>Range: 95-100% | **99.9%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 0% | **0.0%** |
| Defensive assets | 100% | **100.0%** |

| | |
|---|---|
| **Investment return objective** | Seeks to match the return of the Bloomberg Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars before taking into account fees, expenses and tax. |
| **Investment return for period from inception – 30 June 2023** | **1.80%** |

## Single sector investment options.
Cash

Invests in high-quality, short-term money market instruments and short-dated debt securities, including certificates of deposit, banker's acceptances, commercial paper, euro commercial paper, government securities and other short-term or short-dated debt securities.

The investments in the option are predominately rated A- (long-term) or above by Standard & Poor's ratings agency or equivalent. The option will maintain a dollar-weighted average maturity of 70 days or less.

Designed for members who want access to high-quality, short-term money market instruments and short-dated debt securities.

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Cash | 100% | **100.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 0% | **0.0%** |
| Defensive assets | 100% | **100.0%** |

| | |
|---|---|
| **Investment return objective** | Seeks to broadly match the return of the Bloomberg AusBond Bank Bill Index before taking into account fees, expenses and tax. |
| **Investment return for period from inception – 30 June 2023** | **2.16%** |

## Lifecycle Age 47 and under

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 3.0% Range: 0-8% | **2.9%** |
| Global Fixed Interest (Hedged) | 7.0% Range: 2-12% | **6.8%** |
| Australian Shares | 36.0% Range: 31-41% | **35.2%** |
| International Shares (Hedged)[2] | 16.2% Range: 11.2-21.2% | **16.6%** |
| International Shares[2] | 26.1% Range: 21.1-31.1% | **26.9%** |
| Emerging Markets Shares | 5.4% Range: 0.4-10.4% | **5.3%** |
| International Shares Small Companies | 6.3% Range: 1.3-11.3% | **6.3%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 90.0% | **90.3%** |
| Defensive assets | 10.0% | **9.7%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.50%** |
| **Investment return for period from inception – 30 June 2023** | **10.20%** |

## Lifecycle Age 48

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 3.8% Range: 0-8.8% | **3.6%** |
| Global Fixed Interest (Hedged) | 8.7% Range: 3.7-13.7% | **8.5%** |
| Australian Shares | 35.0% Range: 30-40% | **34.3%** |
| International Shares (Hedged)[2] | 15.8% Range: 10.8-20.8% | **16.2%** |
| International Shares[2] | 25.3% Range: 20.3-30.3% | **26.1%** |
| Emerging Markets Shares | 5.3% Range: 0.3-10.3% | **5.2%** |
| International Shares Small Companies | 6.1% Range: 1.1-11.1% | **6.1%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 87.5% | **87.9%** |
| Defensive assets | 12.5% | **12.1%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.50%** |
| **Investment return for period from inception – 30 June 2023** | **9.95%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 49

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 4.5% Range: 0-9.5% | **4.3%** |
| Global Fixed Interest (Hedged) | 10.5% Range: 5.5-15.5% | **10.2%** |
| Australian Shares | 34.0% Range: 29.0-39.0% | **33.2%** |
| International Shares (Hedged)[2] | 15.3% Range: 10.3-20.3% | **15.7%** |
| International Shares[2] | 24.6% Range: 19.6-29.6% | **25.5%** |
| Emerging Markets Shares | 5.1% Range: 0.1-10.1% | **5.1%** |
| International Shares Small Companies | 6.0% Range: 1-11% | **6.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 85.0% | **85.5%** |
| Defensive assets | 15.0% | **14.5%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.50%** |
| **Investment return for period from inception – 30 June 2023** | **9.70%** |

## Lifecycle Age 50

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 5.3% Range: 0.3-10.3% | **5.1%** |
| Global Fixed Interest (Hedged) | 12.2% Range: 7.2-17.2% | **11.9%** |
| Australian Shares | 33.0% Range: 28.0-38.0% | **32.2%** |
| International Shares (Hedged)[2] | 14.9% Range: 9.9-19.9% | **15.3%** |
| International Shares[2] | 23.8% Range: 18.8-28.8% | **24.7%** |
| Emerging Markets Shares | 5.0% Range: 0-10% | **5.0%** |
| International Shares Small Companies | 5.8% Range: 0.8-10.8% | **5.8%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 82.5% | **83.0%** |
| Defensive assets | 17.5% | **17.0%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.50%** |
| **Investment return for period from inception – 30 June 2023** | **9.44%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 51

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 6.0%<br>Range: 1.0-11.0% | **5.8%** |
| Global Fixed Interest (Hedged) | 14.0%<br>Range: 9.0-19.0% | **13.6%** |
| Australian Shares | 32.0%<br>Range: 27.0-37.0% | **31.5%** |
| International Shares (Hedged)[2] | 14.4%<br>Range: 9.4-19.4% | **14.7%** |
| International Shares[2] | 23.2%<br>Range: 18.2-28.2% | **24.0%** |
| Emerging Markets Shares | 4.8%<br>Range: 0-9.8% | **4.8%** |
| International Shares Small Companies | 5.6%<br>Range: 0.6-10.6% | **5.7%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 80.0% | **80.6%** |
| Defensive assets | 20.0% | **19.4%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.25%** |
| **Investment return for period from inception – 30 June 2023** | **9.20%** |

## Lifecycle Age 52

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 6.6%<br>Range: 1.6-11.6% | **6.3%** |
| Global Fixed Interest (Hedged) | 15.4%<br>Range: 10.4-20.4% | **14.9%** |
| Australian Shares | 31.2%<br>Range: 26.2-36.2% | **30.6%** |
| International Shares (Hedged)[2] | 14.0%<br>Range: 9.0-19.0% | **14.4%** |
| International Shares[2] | 22.6%<br>Range: 17.6-27.6% | **23.5%** |
| Emerging Markets Shares | 4.7%<br>Range: 0-9.7% | **4.7%** |
| International Shares Small Companies | 5.5%<br>Range: 0.5-10.5% | **5.6%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 78.0% | **78.8%** |
| Defensive assets | 22.0% | **21.2%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.25%** |
| **Investment return for period from inception – 30 June 2023** | **8.99%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 53

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 7.2% Range: 2.2-12.2% | **6.9%** |
| Global Fixed Interest (Hedged) | 16.8% Range: 11.8-21.8% | **16.3%** |
| Australian Shares | 30.4% Range: 25.4-35.4% | **29.8%** |
| International Shares (Hedged)[2] | 13.7% Range: 8.7-18.7% | **14.1%** |
| International Shares[2] | 22.0% Range: 17.0-27.0% | **22.9%** |
| Emerging Markets Shares | 4.6% Range: 0-9.6% | **4.6%** |
| International Shares Small Companies | 5.3% Range: 0.3-10.3% | **5.4%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 76.0% | **76.8%** |
| Defensive assets | 24.0% | **23.2%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.25%** |
| **Investment return for period from inception – 30 June 2023** | **8.79%** |

## Lifecycle Age 54

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 7.8% Range: 2.8-12.8% | **7.5%** |
| Global Fixed Interest (Hedged) | 18.2% Range: 13.2-23.2% | **17.8%** |
| Australian Shares | 29.6% Range: 24.6-34.6% | **29.0%** |
| International Shares (Hedged)[2] | 13.3% Range: 8.3-18.3% | **13.7%** |
| International Shares[2] | 21.5% Range: 16.5-26.5% | **22.5%** |
| Emerging Markets Shares | 4.4% Range: 0-9.4% | **4.4%** |
| International Shares Small Companies | 5.2% Range: 0.2-10.2% | **5.2%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 74.0% | **74.7%** |
| Defensive assets | 26.0% | **25.3%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.25%** |
| **Investment return for period from inception – 30 June 2023** | **8.60%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 55

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 8.4%<br>Range: 3.4-13.4% | **8.1%** |
| Global Fixed Interest (Hedged) | 19.6%<br>Range: 14.6-24.6% | **19.1%** |
| Australian Shares | 28.8%<br>Range: 23.8-33.8% | **28.4%** |
| International Shares (Hedged)[2] | 13.0%<br>Range: 8.0-18.0% | **13.4%** |
| International Shares[2] | 20.9%<br>Range: 15.9-25.9% | **21.7%** |
| Emerging Markets Shares | 4.3%<br>Range: 0-9.3% | **4.3%** |
| International Shares Small Companies | 5.0%<br>Range: 0-10.0% | **5.1%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 72.0% | **72.8%** |
| Defensive assets | 28.0% | **27.2%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.25%** |
| **Investment return for period from inception – 30 June 2023** | **8.40%** |

## Lifecycle Age 56

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 9.0%<br>Range: 4.0-14.0% | **8.7%** |
| Global Fixed Interest (Hedged) | 21.0%<br>Range: 16.0-26.0% | **20.4%** |
| Australian Shares | 28.0%<br>Range: 23.0-33.0% | **27.5%** |
| International Shares (Hedged)[2] | 12.6%<br>Range: 7.6-17.6% | **13.0%** |
| International Shares[2] | 20.3%<br>Range: 15.3-25.3% | **21.3%** |
| Emerging Markets Shares | 4.2%<br>Range: 0-9.2% | **4.2%** |
| International Shares Small Companies | 4.9%<br>Range: 0-9.9% | **5.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 70.0% | **70.9%** |
| Defensive assets | 30.0% | **29.1%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.00%** |
| **Investment return for period from inception – 30 June 2023** | **8.19%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 57

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 9.8% Range: 4.8-14.8% | **9.5%** |
| Global Fixed Interest (Hedged) | 22.7% Range: 17.7-27.7% | **22.3%** |
| Australian Shares | 27.0% Range: 22.0-32.0% | **26.7%** |
| International Shares (Hedged)[2] | 12.1% Range: 7.1-17.1% | **12.5%** |
| International Shares[2] | 19.6% Range: 14.6-24.6% | **20.3%** |
| Emerging Markets Shares | 4.1% Range: 0-9.1% | **4.1%** |
| International Shares Small Companies | 4.7% Range: 0-9.7% | **4.7%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 67.5% | **68.2%** |
| Defensive assets | 32.5% | **31.8%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.00%** |
| **Investment return for period from inception – 30 June 2023** | **7.94%** |

## Lifecycle Age 58

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 10.5% Range: 5.5-15.5% | **10.3%** |
| Global Fixed Interest (Hedged) | 24.5% Range: 19.5-29.5% | **24.2%** |
| Australian Shares | 26.0% Range: 21.0-31.0% | **25.7%** |
| International Shares (Hedged)[2] | 11.7% Range: 6.7-16.7% | **12.0%** |
| International Shares[2] | 18.8% Range: 13.8-23.8% | **19.4%** |
| Emerging Markets Shares | 3.9% Range: 0-8.9% | **3.9%** |
| International Shares Small Companies | 4.6% Range: 0-9.6% | **4.6%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 65.0% | **65.5%** |
| Defensive assets | 35.0% | **34.5%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 2.00%** |
| **Investment return for period from inception – 30 June 2023** | **7.69%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 59

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 11.3% Range: 6.3-16.3% | **10.9%** |
| Global Fixed Interest (Hedged) | 26.2% Range: 21.2-31.2% | **25.5%** |
| Australian Shares | 25.0% Range: 20.0-30.0% | **24.7%** |
| International Shares (Hedged)[2] | 11.2% Range: 6.2-16.2% | **11.7%** |
| International Shares[2] | 18.1% Range: 13.1-23.1% | **19.0%** |
| Emerging Markets Shares | 3.8% Range: 0-8.8% | **3.8%** |
| International Shares Small Companies | 4.4% Range: 0-9.4% | **4.5%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 62.5% | **63.6%** |
| Defensive assets | 37.5% | **36.4%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.75%** |
| **Investment return for period from inception – 30 June 2023** | **7.44%** |

## Lifecycle Age 60

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 12.0% Range: 7.0-17.0% | **11.7%** |
| Global Fixed Interest (Hedged) | 28.0% Range: 23.0-33.0% | **27.6%** |
| Australian Shares | 24.0% Range: 19.0-29.0% | **23.7%** |
| International Shares (Hedged)[2] | 10.8% Range: 5.8-15.8% | **11.1%** |
| International Shares[2] | 17.4% Range: 12.4-22.4% | **18.1%** |
| Emerging Markets Shares | 3.6% Range: 0-8.6% | **3.6%** |
| International Shares Small Companies | 4.2% Range: 0-9.2% | **4.3%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 60.0% | **60.7%** |
| Defensive assets | 40.0% | **39.3%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.75%** |
| **Investment return for period from inception – 30 June 2023** | **7.20%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 61

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 12.8% Range: 7.8-17.8% | **12.4%** |
| Global Fixed Interest (Hedged) | 29.7% Range: 24.7-34.7% | **29.1%** |
| Australian Shares | 23.0% Range: 18.0-28.0% | **22.7%** |
| International Shares (Hedged)[2] | 10.3% Range: 5.3-15.3% | **10.7%** |
| International Shares[2] | 16.7% Range: 11.7-21.7% | **17.5%** |
| Emerging Markets Shares | 3.5% Range: 0-8.5% | **3.5%** |
| International Shares Small Companies | 4.0% Range: 0-9.0% | **4.1%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 57.5% | **58.5%** |
| Defensive assets | 42.5% | **41.5%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.75%** |
| **Investment return for period from inception – 30 June 2023** | **6.94%** |

## Lifecycle Age 62

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 13.5% Range: 8.5-18.5% | **13.0%** |
| Global Fixed Interest (Hedged) | 31.5% Range: 26.5-36.5% | **30.8%** |
| Australian Shares | 22.0% Range: 17.0-27.0% | **21.7%** |
| International Shares (Hedged)[2] | 9.9% Range: 4.9-14.9% | **10.4%** |
| International Shares[2] | 15.9% Range: 10.9-20.9% | **16.9%** |
| Emerging Markets Shares | 3.3% Range: 0-8.3% | **3.3%** |
| International Shares Small Companies | 3.9% Range: 0-8.9% | **4.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 55.0% | **56.2%** |
| Defensive assets | 45.0% | **43.8%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.50%** |
| **Investment return for period from inception – 30 June 2023** | **6.70%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 63

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 14.3%<br>Range: 9.3-19.3% | **14.0%** |
| Global Fixed Interest (Hedged) | 33.2%<br>Range: 28.2-38.2% | **32.8%** |
| Australian Shares | 21.0%<br>Range: 16.0-26.0% | **20.9%** |
| International Shares (Hedged)[2] | 9.4%<br>Range: 4.4-14.4% | **9.7%** |
| International Shares[2] | 15.2%<br>Range: 10.2-20.2% | **15.7%** |
| Emerging Markets Shares | 3.2%<br>Range: 0-8.2% | **3.2%** |
| International Shares Small Companies | 3.7%<br>Range: 0-8.7% | **3.8%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 52.5% | **53.2%** |
| Defensive assets | 47.5% | **46.8%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.50%** |
| **Investment return for period from inception – 30 June 2023** | **6.44%** |

## Lifecycle Age 64

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 15.0%<br>Range: 10.0-20.0% | **14.6%** |
| Global Fixed Interest (Hedged) | 35.0%<br>Range: 30.0-40.0% | **34.3%** |
| Australian Shares | 20.0%<br>Range: 15.0-25.0% | **19.8%** |
| International Shares (Hedged)[2] | 9.0%<br>Range: 4.0-14.0% | **9.4%** |
| International Shares[2] | 14.5%<br>Range: 9.5-19.5% | **15.4%** |
| Emerging Markets Shares | 3.0%<br>Range: 0-8.0% | **3.0%** |
| International Shares Small Companies | 3.5%<br>Range: 0-8.5% | **3.6%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 50.0% | **51.1%** |
| Defensive assets | 50.0% | **48.9%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.50%** |
| **Investment return for period from inception – 30 June 2023** | **6.20%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 65

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 15.2%<br>Range: 10.2-20.2% | **14.5%** |
| Global Fixed Interest (Hedged) | 35.3%<br>Range: 30.3-40.3% | **34.1%** |
| Australian Shares | 19.8%<br>Range: 14.8-24.8% | **19.8%** |
| International Shares (Hedged)[2] | 8.9%<br>Range: 3.9-13.9% | **9.5%** |
| International Shares[2] | 14.3%<br>Range: 9.3-19.3% | **15.5%** |
| Emerging Markets Shares | 3.0%<br>Range: 0-8.0% | **3.1%** |
| International Shares Small Companies | 3.5%<br>Range: 0-8.5% | **3.6%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 49.5% | **51.4%** |
| Defensive assets | 50.5% | **48.6%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.50%** |
| **Investment return for period from inception – 30 June 2023** | **6.15%** |

## Lifecycle Age 66

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 15.3%<br>Range: 10.3-20.3% | **14.7%** |
| Global Fixed Interest (Hedged) | 35.7%<br>Range: 30.7-40.7% | **34.5%** |
| Australian Shares | 19.6%<br>Range: 14.6-24.6% | **19.6%** |
| International Shares (Hedged)[2] | 8.8%<br>Range: 3.8-13.8% | **9.4%** |
| International Shares[2] | 14.2%<br>Range: 9.2-19.2% | **15.3%** |
| Emerging Markets Shares | 3.0%<br>Range: 0-8.0% | **3.0%** |
| International Shares Small Companies | 3.4%<br>Range: 0-8.4% | **3.5%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 49.0% | **50.8%** |
| Defensive assets | 51.0% | **49.2%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.50%** |
| **Investment return for period from inception – 30 June 2023** | **6.10%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 67

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 15.5% Range: 10.5-20.5% | **15.0%** |
| Global Fixed Interest (Hedged) | 36.0% Range: 31.0-41.0% | **35.3%** |
| Australian Shares | 19.4% Range: 14.4-24.4% | **19.4%** |
| International Shares (Hedged)[2] | 8.7% Range: 3.7-13.7% | **9.1%** |
| International Shares[2] | 14.1% Range: 9.1-19.1% | **14.9%** |
| Emerging Markets Shares | 2.9% Range: 0-7.9% | **3.0%** |
| International Shares Small Companies | 3.4% Range: 0-8.4% | **3.5%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 48.5% | **49.7%** |
| Defensive assets | 51.5% | **50.3%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.50%** |
| **Investment return for period from inception – 30 June 2023** | **6.05%** |

## Lifecycle Age 68

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 15.6% Range: 10.6-20.6% | **15.1%** |
| Global Fixed Interest (Hedged) | 36.4% Range: 31.4-41.4% | **35.6%** |
| Australian Shares | 19.2% Range: 14.2-24.2% | **19.2%** |
| International Shares (Hedged)[2] | 8.6% Range: 3.6-13.6% | **9.0%** |
| International Shares[2] | 13.9% Range: 8.9-18.9% | **14.7%** |
| Emerging Markets Shares | 2.9% Range: 0-7.9% | **2.9%** |
| International Shares Small Companies | 3.4% Range: 0-8.4% | **3.5%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 48.0% | **49.3%** |
| Defensive assets | 52.0% | **50.7%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.50%** |
| **Investment return for period from inception – 30 June 2023** | **6.00%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 69

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 15.8%<br>Range: 10.8-20.8% | **15.3%** |
| Global Fixed Interest (Hedged) | 36.7%<br>Range: 31.7-41.7% | **36.0%** |
| Australian Shares | 19.0%<br>Range: 14.0-24.0% | **19.0%** |
| International Shares (Hedged)[2] | 8.6%<br>Range: 3.6-13.6% | **9.0%** |
| International Shares[2] | 13.7%<br>Range: 8.7-18.7% | **14.5%** |
| Emerging Markets Shares | 2.9%<br>Range: 0-7.9% | **2.9%** |
| International Shares Small Companies | 3.3%<br>Range: 0-8.3% | **3.4%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 47.5% | **48.7%** |
| Defensive assets | 52.5% | **51.3%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.95%** |

## Lifecycle Age 70

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 15.9%<br>Range: 10.9-20.9% | **15.8%** |
| Global Fixed Interest (Hedged) | 37.2%<br>Range: 32.2-42.2% | **37.0%** |
| Australian Shares | 18.8%<br>Range: 13.8-23.8% | **18.6%** |
| International Shares (Hedged)[2] | 8.4%<br>Range: 3.4-13.4% | **8.5%** |
| International Shares[2] | 13.6%<br>Range: 8.6-18.6% | **14.1%** |
| Emerging Markets Shares | 2.8%<br>Range: 0-7.8% | **2.8%** |
| International Shares Small Companies | 3.3%<br>Range: 0-8.3% | **3.4%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 46.9% | **47.2%** |
| Defensive assets | 53.1% | **52.8%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.89%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 71

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 16.1% Range: 11.1-21.1% | **15.6%** |
| Global Fixed Interest (Hedged) | 37.6% Range: 32.6-42.6% | **36.8%** |
| Australian Shares | 18.5% Range: 13.5-23.5% | **18.6%** |
| International Shares (Hedged)[2] | 8.3% Range: 3.3-13.3% | **8.7%** |
| International Shares[2] | 13.4% Range: 8.4-18.4% | **14.2%** |
| Emerging Markets Shares | 2.8% Range: 0-7.8% | **2.8%** |
| International Shares Small Companies | 3.3% Range: 0-8.3% | **3.3%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 46.3% | **47.6%** |
| Defensive assets | 53.7% | **52.4%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.83%** |

## Lifecycle Age 72

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 16.3% Range: 11.3-21.3% | **15.8%** |
| Global Fixed Interest (Hedged) | 38.1% Range: 33.1-43.1% | **37.8%** |
| Australian Shares | 18.3% Range: 13.3-23.3% | **18.1%** |
| International Shares (Hedged)[2] | 8.2% Range: 3.2-13.2% | **8.6%** |
| International Shares[2] | 13.2% Range: 8.2-18.2% | **13.8%** |
| Emerging Markets Shares | 2.7% Range: 0-7.7% | **2.7%** |
| International Shares Small Companies | 3.2% Range: 0-8.2% | **3.3%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 45.6% | **46.4%** |
| Defensive assets | 54.4% | **53.6%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.77%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 73

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 16.5% Range: 11.5-21.5% | **16.2%** |
| Global Fixed Interest (Hedged) | 38.5% Range: 33.5-43.5% | **38.2%** |
| Australian Shares | 18.0% Range: 13.0-23.0% | **17.8%** |
| International Shares (Hedged)[2] | 8.1% Range: 3.1-13.1% | **8.4%** |
| International Shares[2] | 13.0% Range: 8.0-18.0% | **13.5%** |
| Emerging Markets Shares | 2.7% Range: 0-7.7% | **2.7%** |
| International Shares Small Companies | 3.2% Range: 0-8.2% | **3.3%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 45.0% | **45.6%** |
| Defensive assets | 55.0% | **54.4%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.71%** |

## Lifecycle Age 74

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 16.7% Range: 11.7-21.7% | **16.3%** |
| Global Fixed Interest (Hedged) | 38.9% Range: 33.9-43.9% | **38.1%** |
| Australian Shares | 17.7% Range: 12.7-22.7% | **17.5%** |
| International Shares (Hedged)[2] | 8.0% Range: 3.0-13.0% | **8.4%** |
| International Shares[2] | 12.9% Range: 7.9-17.9% | **13.9%** |
| Emerging Markets Shares | 2.7% Range: 0-7.7% | **2.7%** |
| International Shares Small Companies | 3.1% Range: 0-8.1% | **3.1%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 44.4% | **45.6%** |
| Defensive assets | 55.6% | **54.4%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.65%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 75

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 16.9%<br>Range: 11.9-21.9% | **16.1%** |
| Global Fixed Interest (Hedged) | 39.3%<br>Range: 34.3-44.3% | **38.1%** |
| Australian Shares | 17.5%<br>Range: 12.5-22.5% | **17.5%** |
| International Shares (Hedged)[2] | 7.9%<br>Range: 2.9-12.9% | **8.6%** |
| International Shares[2] | 12.7%<br>Range: 7.7-17.7% | **13.9%** |
| Emerging Markets Shares | 2.6%<br>Range: 0-7.6% | **2.7%** |
| International Shares Small Companies | 3.1%<br>Range: 0-8.1% | **3.1%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 43.8% | **45.8%** |
| Defensive assets | 56.2% | **54.2%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.59%** |

## Lifecycle Age 76

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 17.1%<br>Range: 12.1-22.1% | **17.1%** |
| Global Fixed Interest (Hedged) | 39.8%<br>Range: 34.8-44.8% | **39.8%** |
| Australian Shares | 17.2%<br>Range: 12.2-22.2% | **17.2%** |
| International Shares (Hedged)[2] | 7.8%<br>Range: 2.8-12.8% | **7.8%** |
| International Shares[2] | 12.5%<br>Range: 7.5-17.5% | **12.5%** |
| Emerging Markets Shares | 2.6%<br>Range: 0-7.6% | **2.6%** |
| International Shares Small Companies | 3.0%<br>Range: 0-8.0% | **3.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 43.1% | **43.1%** |
| Defensive assets | 56.9% | **56.9%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.52%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 77*

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 17.3% Range: 12.3-22.3% | **N/A** |
| Global Fixed Interest (Hedged) | 40.2% Range: 35.2-45.2% | **N/A** |
| Australian Shares | 17.0% Range: 12.0-22.0% | **N/A** |
| International Shares (Hedged)[2] | 7.7% Range: 2.7-12.7% | **N/A** |
| International Shares[2] | 12.3% Range: 7.3-17.3% | **N/A** |
| Emerging Markets Shares | 2.5% Range: 0-7.5% | **N/A** |
| International Shares Small Companies | 3.0% Range: 0-8.0% | **N/A** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 42.5% | **N/A** |
| Defensive assets | 57.5% | **N/A** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **N/A** |

* Please note, as at 30 June 2023 no members were invested in Lifecycle Age 77.

## Lifecycle Age 78

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 17.4% Range: 12.4-22.4% | **17.1%** |
| Global Fixed Interest (Hedged) | 40.6% Range: 35.6-45.6% | **40.3%** |
| Australian Shares | 16.8% Range: 11.8-21.8% | **16.8%** |
| International Shares (Hedged)[2] | 7.6% Range: 2.6-12.6% | **7.8%** |
| International Shares[2] | 12.2% Range: 7.2-17.2% | **12.6%** |
| Emerging Markets Shares | 2.5% Range: 0-7.5% | **2.5%** |
| International Shares Small Companies | 2.9% Range: 0-7.9% | **3.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 42.0% | **42.6%** |
| Defensive assets | 58.0% | **57.4%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **5.42%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 79*

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 17.6% Range: 12.6-22.6% | **N/A** |
| Global Fixed Interest (Hedged) | 40.9% Range: 35.9-45.9% | **N/A** |
| Australian Shares | 16.6% Range: 11.6-21.6% | **N/A** |
| International Shares (Hedged)[2] | 7.5% Range: 2.5-12.5% | **N/A** |
| International Shares[2] | 12.0% Range: 7.0-17.0% | **N/A** |
| Emerging Markets Shares | 2.5% Range: 0-7.5% | **N/A** |
| International Shares Small Companies | 2.9% Range: 0-7.9% | **N/A** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 41.5% | **N/A** |
| Defensive assets | 58.5% | **N/A** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.25%** |
| **Investment return for period from inception – 30 June 2023** | **N/A** |

* Please note, as at 30 June 2023 no members were invested in Lifecycle Age 79.

## Lifecycle Age 80

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 17.7% Range: 12.7-22.7% | **17.3%** |
| Global Fixed Interest (Hedged) | 41.3% Range: 36.3-46.3% | **40.9%** |
| Australian Shares | 16.4% Range: 11.4-21.4% | **16.6%** |
| International Shares (Hedged)[2] | 7.4% Range: 2.4-12.4% | **7.7%** |
| International Shares[2] | 11.9% Range: 6.9-16.9% | **12.2%** |
| Emerging Markets Shares | 2.4% Range: 0-7.4% | **2.4%** |
| International Shares Small Companies | 2.9% Range: 0-7.9% | **3.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 41.0% | **41.8%** |
| Defensive assets | 59.0% | **58.2%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.00%** |
| **Investment return for period from inception – 30 June 2023** | **5.32%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

## Lifecycle Age 81

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 17.9% Range: 12.9-22.9% | **17.2%** |
| Global Fixed Interest (Hedged) | 41.6% Range: 36.6-46.6% | **40.9%** |
| Australian Shares | 16.2% Range: 11.2-21.2% | **16.2%** |
| International Shares (Hedged)[2] | 7.3% Range: 2.3-12.3% | **7.7%** |
| International Shares[2] | 11.8% Range: 6.8-16.8% | **12.5%** |
| Emerging Markets Shares | 2.4% Range: 0-7.4% | **2.4%** |
| International Shares Small Companies | 2.8% Range: 0-7.8% | **3.0%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 40.5% | **41.9%** |
| Defensive assets | 59.5% | **58.1%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.00%** |
| **Investment return for period from inception – 30 June 2023** | **5.27%** |

## Lifecycle Age 82 and above

### Asset allocation details

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Australian Fixed Interest | 18.0% Range: 13.0-23.0% | **17.4%** |
| Global Fixed Interest (Hedged) | 42.0% Range: 37.0-47.0% | **41.5%** |
| Australian Shares | 16.0% Range: 11.0-21.0% | **15.7%** |
| International Shares (Hedged)[2] | 7.2% Range: 2.2-12.2% | **7.7%** |
| International Shares[2] | 11.6% Range: 6.6-16.6% | **12.5%** |
| Emerging Markets Shares | 2.4% Range: 0-7.4% | **2.4%** |
| International Shares Small Companies | 2.8% Range: 0-7.8% | **2.8%** |

### Growth/defensive mix

| Asset | Strategic allocation | Actual as at 30 June 2023 |
|---|---|---|
| Growth assets | 40.0% | **41.1%** |
| Defensive assets | 60.0% | **58.9%** |

| | |
|---|---|
| **Investment return objective[1]** | **CPI + 1.00%** |
| **Investment return for period from inception – 30 June 2023** | **5.22%** |

1. The investment return objective is the annualised average return percentage above the Consumer Price Index (CPI) which the particular investment option is forecast to achieve for a member over a 10-year period (after taking into account fees and taxes). It reflects Vanguard's expectations for investment market returns at a point in time.
2. For this allocation, some exclusions apply - you can find further information about the Index on our website at vanguard.com.au/MSCI_World_ex_Australia_ex_Tobacco_ex_Controversial_Weapons_ex_Nuclear_Weapons_Methodology.

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