

Member Outcomes Committee Charter

(a committee of the Australian Retirement Trust Board)

Purpose

This charter governs the operations of the Member Outcomes Committee. The Committee has been established by the ART Board to provide assistance in discharging the Board's corporate governance and oversight responsibilities in relation to such matters as the adequacy of member outcomes, member equity, and the quality of the member experience. The Australian Retirement Trust Board & Committee Procedures document supplements this Charter and covers administrative matters associated with convening and running a Committee meeting.

Committee's Responsibilities

Policies and Management

The Committee will review and approve:

- Outcomes Assessment Methodology Policy (*with the Policy to be approved by the Board at least every 3 years*);
- Business Performance Review Policy;
- Design and Distribution Obligations (DDO) Policy;
- Corporate Plans Insurer Ratings Policy;
- Premium Adjustment Mechanism Reserve Policy;
- Complaint Handling Policy; and
- Vulnerable Members' Policy.

The Committee will review and recommend to the Board:

- Tenders for the provision of insurance;
- Member Outcomes' Assessment Report;
- Business Performance Review;
- Insurance Management Framework;
- Target Market Determination documents; and
- Retirement Income Strategy.

If a policy is not listed above (either by omission or because it is new since the Charter was approved), the Committee will initially make a recommendation on it to the Board, and may at that time, seek delegation to approve subsequent iterations.

Insurance Services

The Committee is responsible for:

Considering matters relating to Insurance services on behalf of ART members including the following:

- a. Consistent with delegations agreed by the Board, make, review and/or monitor insurance claims decisions;
- b. Identify and consider risks, litigation, complaints, industry trends and legislative change relating to claims;
- c. Review effectiveness of the Claims' framework and make recommendations to the Board;
- d. Reviewing and recommending to the Board tenders for the provision of insurance; and
- e. Oversight of insurers service performance.

Compliance and Regulatory

The Committee is responsible for:

- a. Overseeing the annual review of the member outcomes' assessment pursuant to SPS 515 as follows:
 - Reviewing and approving the Outcomes Assessment Methodology Policy annually and recommend it to the Board for approval at least every 3 years;

- Reviewing and recommending to the Board the Member Outcomes' Assessment Report;
- b. Reviewing and recommending to the Board the annual Business Performance Review;
- c. Review and approve the Design and Distribution Obligations Policy;
- d. Reviewing the Target Market Determinations Review (i.e. confirming that ART's products remain appropriately aligned to the identified target market's likely objectives, financial situation and needs as set out in the Target Market Determinations documents), and recommending to the Board the Target Market Determination documents;
- e. Overseeing the dispute resolution system pursuant to RG 271, and recommending to the Board the Complaint Handling Policy setting out the framework and oversight all reporting pursuant to RG 271. In particular the Committee will report and refer any systemic or other material risk issues that are identified from this reporting to the Audit & Risk Committee for consideration as to appropriateness of risk management; and
- f. Reviewing the Insurance Management Framework including the claims' philosophy and recommending it to the Board.

Product and Pricing

The Committee is responsible for:

- a. Reviewing and recommending to the Board, at least triennially, the Retirement Income Strategy as required by the Retirement Income Covenant;
- b. Advising the Board on the extent to which the design (including features, terms and conditions) of Fund's products and pricing are delivering outcomes aligned to members' best financial interests' individually and collectively. In particular:
 - Review at least every 3 years, and make recommendations to the Board on:
 - MySuper options and the investment choice menu;
 - Retirement product(s);
 - Accumulation product(s), excluding Corporate Plans where Management has delegated authority;
 - The insurance benefit design (for example, the default insurance cover design including the impact of erosion on members' retirement benefits) and key features of the insurance product, excluding insurance product for Corporate Plans where Management has delegated authority;
 - Oversight the selection of insurers and make recommendations to the Board, excluding the selection of insurer for Corporate Plans where Management has delegated authority;
 - Review and approve the Corporate Plans Insurer Ratings Policy and review and approve any new insurers for the Corporate Plans insurer panel;
 - Review and note the Corporate Plans insurance arrangements;
 - Review and approve the Premium Adjustment Mechanism Reserve Policy;
 - Monitor the Premium Adjustment Mechanism Reserve (and recommend any distribution from the insurance reserve to the Board over and above that delegated to management);
 - Review and note the Product Report; and
 - Review certain features of Self Invest including:
 - Approve the addition, removal or modification of material Self Invest investment rules, features and functions that are of strategic consequence or consideration (e.g. removal from TTR accounts);
 - Approve the addition, removal or modification of fees and/or fee structure associated with Self Invest, such as brokerage or access fees;
 - Approve the modification of the list of corporate actions available for members to participate in on the Self Invest option and/or the corporate action default position;
 - Review and recommend to the Board any definition or modification of the investment instruments which members will have access to via the Self Invest option.

Advice to Members

The Committee is responsible for:

- a. Overseeing the Fund's provision of Advice services, in particular the effectiveness and appropriateness of

such services in delivering outcomes that are aligned to members' best financial interests' individually and collectively; and

- b. Advising the Board on such oversight findings and making recommendations as appropriate;

Quality of Member Experience

The Committee is responsible for:

- a. Considering the needs of various member cohorts with respect to such things as: member communications; advice and education; on-line services; and support;
- b. Considering the characteristics and analytics of various member cohorts to endeavour to ensure a fair and equitable provision of services; and
- c. Reviewing and approving the Complaint Handling Policy, and Vulnerable Members' Policy.

Committee Reporting

The Committee will regularly report to the ART Board about Committee activities, issues, and decisions.

Charter Review

The Committee will review, on at least a triennial basis, the adequacy of the Committee Charter, and request the ART Board's approval for any proposed changes, and ensure appropriate disclosure as may be required by law or regulation.

Approval:	Australian Retirement Trust Board
Active date:	01 July 2023