

Super Savings Investment Report

Quarter ended
31 December 2023

How to use this report

The Investment report provides a quarterly update on the economy and the market, and the management and performance of Australian Retirement Trust (ART) Super Savings investment options.

Australian Retirement Trust Super Savings investment options have adopted the premerger investment options and strategies of the Sunsuper Superannuation Fund.

Investment performance will include historical returns for Sunsuper Superannuation Fund for periods prior to 28 February 2022.

Commentary is provided for each option, along with details such as major holdings, manager descriptions and sector allocations.

All objective benchmarks quoted within this document are effective 1 July 2023.

For the diversified options you can refer to additional information on asset classes (with the exception of Balanced-Index). Where the asset class is available as an investment option, you'll be directed to the page for that option. Where the asset class isn't available as a single asset class option, a detailed description can be found in the Other diversified option asset classes section.

You should also refer to the information provided in your Product Disclosure Statement (PDS), the Super Savings Guide and the Super Savings Investment Guide.

Get the advice you need

It's great that you've chosen to look at your super in more detail, and we hope this report will help you make a more informed decision about where your super is invested.

It can be difficult to know which investment is right for you, or how much insurance you need to protect you and your family. Speak to your adviser or contact Australian Retirement Trust to get the advice you need. Call **13 11 84** to speak to one of our qualified financial advisers¹ who can give you simple advice about your Super Savings account, quickly over the phone. For more comprehensive advice, we may refer you to an accredited external financial adviser.² Advice of this nature may incur a fee.

¹ Employees in the Australian Retirement Trust group provide advice to members and employers as representatives of Sunsuper Financial Services Pty Ltd (ABN 50 087 154 818 AFSL No. 227867) (SFS), that is wholly owned by the Trustee as an asset of Australian Retirement Trust. SFS is a separate legal entity responsible for the financial services it provides. Eligibility conditions apply. Refer to the Financial Services Guide at australianretirementtrust.com.au/fsg for more information.

² Australian Retirement Trust has established a panel of accredited external financial advisers who are not employees of Australian Retirement Trust. Australian Retirement Trust is not responsible for the advice provided by these advisers and does not receive or pay any referral fees. These advisers will explain to you how their advice fees are determined.

Investment Strategy and Economy & market update

Watch Australian Retirement Trust's Chief Economist Brian Parker explain what's happening around the world and at home, where markets are heading and what it all means for your super investment at australianretirementtrust.com.au/newsroom/market-watch

New investment option menu from 1 July 2024

To help you retire well with confidence, we've designed a new investment menu from 1 July 2024. To understand how these changes impact your current investment options read the Product update (March 2024): australianretirementtrust.com.au/pds-guides/updates

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The Diversified option Asset Classes are not available as a stand-alone option, instead forming part of our Growth, Balanced, Retirement, Conservative and Diversified Alternatives options.

Diversified option Asset Classes

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i For more information on the features, investment return objectives, risks and fees go to the Super Savings Investment Guide and the Super Savings Guide at australianretirementtrust.com.au/pds-guides

Diversified options

Lifecycle Investment Strategy

The Lifecycle Investment Strategy is designed for members who want to generate wealth over the long term, and gradually transition to lower-risk investments as they approach age 65. An example of how it works is shown below. The Lifecycle Investment Strategy is not available in Income accounts.

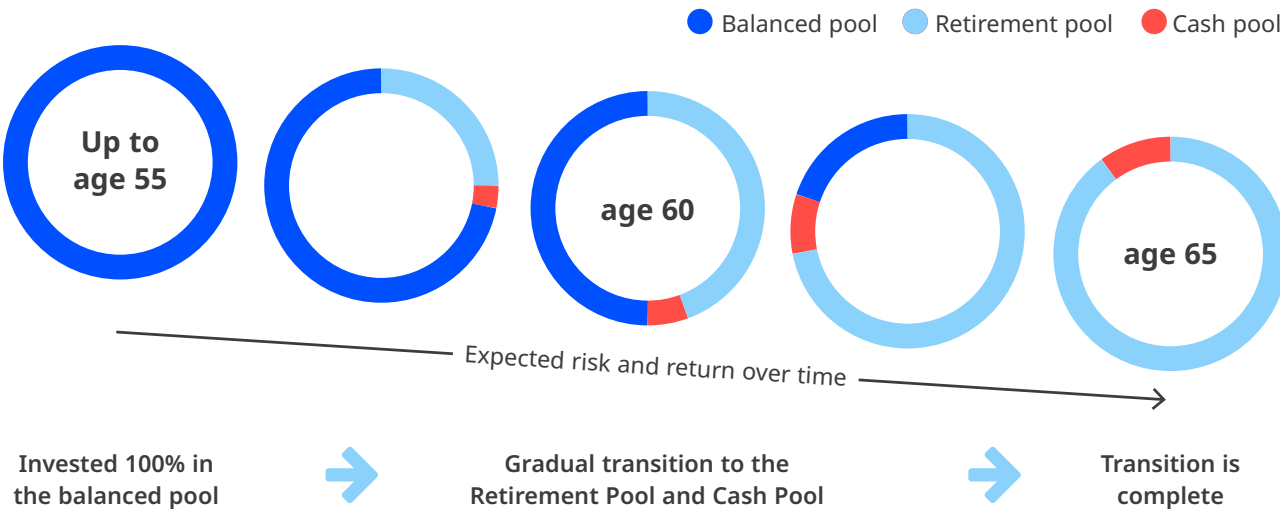
Option size¹

Super assets

76.4 billion

¹ The Lifecycle Investment Strategy is not available in Income accounts

How the Lifecycle Investment Strategy works



For more information

Calendar year-by-year investment returns¹

Investment returns¹

Pool size

Balanced Pool		Retirement Pool		Cash Pool	
Super assets		Super assets		Super assets	
\$63.9 billion		\$11.4 billion		\$1.1 million	
% p.a.		% p.a.		% p.a.	
3 months	3.9	3 months	3.4	3 months	1.0
1 Year	10.1	1 Year	8.1	1 Year	3.8
3 Years	7.7	3 Years	5.8	3 Years	1.7
5 Years	8.2	5 Years	6.3	5 Years	1.4
7 Years	7.8	7 Years	6.1	7 Years	1.5
10 Years	7.9	10 Years	6.1	10 Years	1.6
% p.a.		% p.a.		% p.a.	
2023	10.1	2023	8.1	2023	3.8
2022	-2.5	2022	-2.1	2022	1.4
2021	16.3	2021	12.1	2021	0.2
2020	3.2	2020	2.2	2020	0.6
2019	15.4	2019	11.9	2019	1.2
2018	1.9	2018	2.2	2018	1.8
The Balanced Pool invests in the same assets as the Balanced option. For indicative commentary, plus asset allocation, geographic and currency allocation information, refer to the Balanced option on page 6.		The Retirement Pool invests in the same assets as the Retirement option. For indicative commentary, plus asset allocation, geographic and currency allocation information, refer to the Retirement option on page 14.		The Cash Pool invests in the same assets as the Cash option. For indicative commentary, and investment manager information refer to the Cash option on page 37.	

The Super Savings Lifecycle Investment Strategy commenced on 28 February 2022 and adopted the Lifecycle investment strategy of the Sunsuper for life that commenced on 4 October 2013.

¹ Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Past performance is not an indication of future performance. The Super Savings Balanced Pool, Retirement Pool and the Cash Pool commenced on 28 February 2022 and adopted respectively the investment strategy of the Sunsuper Balanced Pool, Retirement Pool and Cash Pool that commenced on 4 October 2013. The Sunsuper Balanced Pool, Retirement Pool and Cash Pool adopted respectively the investment strategy of the Sunsuper Balanced Option, Retirement Option and Cash Option.

Investments

Diversified options

Growth

This investment option is designed for members who want to generate wealth over the long term, but with less risk than an option invested solely in shares.

Option size

Super assets	\$12.6 billion
Pension assets	\$482.4 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	4.2	4.7
1 Year	11.6	12.8
3 Years	9.6	10.5
5 Years	10.0	10.9
7 Years	9.2	10.1
10 Years	9.0	9.8
Calendar Year-by-year investment returns (%)		
2023	11.6	12.8
2022	-2.0	-2.2
2021	20.5	22.3
2020	3.7	3.9
2019	17.7	19.6
2018	1.4	1.6

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.
Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Growth option for Super-savings accounts produced a 4.2% return for the December quarter and an 11.6% return over the year to December 2023. The ten-year return of 9.0% p.a. remains well above the option's return objective of CPI plus 4% p.a.

Over the final quarter of 2023, financial markets were buoyed by better news on inflation across a range of economies as well as signs that official interest rates were at or close to a peak and likely to fall over the coming year.

Share and bond returns – both Australian and international – were very strong, although a rise in the Australian dollar against a range of developed and emerging market currencies detracted from the returns of unhedged international shares over the quarter.

In the SuperRatings survey for December 2023, the performance of Australian Retirement Trust's Growth option was ahead of the median fund over one, three, five, seven and ten years to the end of December 2023.

Outlook and Strategy

We do not design portfolios based on our own or anyone else's short-term economic, market or geopolitical forecasts. However, our investment team and our external investment managers do seek to capitalise on opportunities that inevitably emerge during times of heightened market volatility.

At the end of 2023, our asset allocation slightly favoured shares over bonds. Within our shares allocation, we preferred Japanese, UK and European shares over shares in the US and Australia. In fixed income, we remain underweight European and Japanese bonds; we are broadly neutral on US bonds and remain modestly overweight UK and Australian bonds.

ART continues to hold a substantial allocation to the key unlisted asset classes – real estate, infrastructure, private equity and private debt. We have well-diversified portfolios of these assets that we expect will deliver strong, long-term returns, while reducing our members' exposure to share market volatility – particularly during challenging market environments.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia	52	49	50	52
Emerging markets	4	5	4	4
Europe	5	5	6	6
North America	32	34	34	31
UK	3	3	3	3
Other	4	4	3	4
Total	100	100	100	100
Currency (%)				
AUD	71	70	71	71
Foreign currency	29	30	29	29
Total	100	100	100	100

Investment mix¹

	Effective Asset allocation (%)²			
	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Australian Shares	33.7	33.4	33.8	33.8
International Shares	31.9	31.9	31.5	31.6
Private Capital	10.0	10.0	10.0	10.0
Property	8.0	8.0	8.0	8.0
Infrastructure	10.0	10.0	10.0	10.0
Fixed Income	1.6	1.9	1.9	1.9
Alternative Strategies	4.8	4.8	4.8	4.7
Cash	0.0	0.0	0.0	0.0
Total	100	100	100	100

¹ For additional information on these asset classes, strategic asset allocations and allowable ranges refer to the Super Savings Investment Guide.

² Note that the effective asset allocation in the above table takes into account both the physical exposures to assets along with the effective market exposure from derivative instruments such as futures. These instruments are used by the Fund to bring effective market exposures closer to those represented by each option's strategic asset allocation.

Investments

Diversified options

Balanced

This investment option is designed for members who want to generate wealth over the long term, while being sensitive to the relative performance of other large Australian superannuation funds.

Option size

Super assets \$14.4 billion

Pension assets \$3.1 billion

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	4.0	4.5
1 Year	10.2	11.4
3 Years	7.8	8.5
5 Years	8.3	9.1
7 Years	7.9	8.6
10 Years	7.9	8.7
Calendar Year-by-year investment returns (%)		
2023	10.2	11.4
2022	-2.6	-2.8
2021	16.5	17.9
2020	3.1	3.5
2019	15.5	17.2
2018	1.9	2.1

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Balanced option for Super-savings accounts produced a return of 4.0% for the December quarter and 10.2% over the year to December 2023. The ten-year return of 7.9% p.a. remains above the option's return objective of CPI plus 3.5% p.a.

Over the final quarter of 2023, financial markets were buoyed by better news on inflation across a range of economies as well as signs that official interest rates were at or close to a peak and likely to fall over the coming year.

Share and bond returns – both Australian and international – were very strong, although a rise in the Australian dollar against a range of developed and emerging market currencies detracted from the returns of unhedged international shares over the quarter.

In the SuperRatings survey for December 2023, the performance of Australian Retirement Trust's Balanced option was ahead of the median fund over one, three, five, seven and ten years to the end of December 2023.

Outlook and Strategy

We do not design portfolios based on our own or anyone else's short-term economic, market or geopolitical forecasts. However, our investment team and our external investment managers do seek to capitalise on opportunities that inevitably emerge during times of heightened market volatility.

At the end of 2023, our asset allocation slightly favoured shares over bonds. Within our shares allocation, we preferred Japanese, UK and European shares over shares in the US and Australia. In fixed income, we remain underweight European and Japanese bonds; we are broadly neutral on US bonds and remain modestly overweight UK and Australian bonds.

ART continues to hold a substantial allocation to the key unlisted asset classes – real estate, infrastructure, private equity and private debt. We have well-diversified portfolios of these assets that we expect will deliver strong, long-term returns, while reducing our members' exposure to share market volatility – particularly during challenging market environments.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia	50	48	49	52
Emerging markets	4	5	4	4
Europe	6	6	6	7
North America	33	34	33	30
UK	3	3	3	3
Other	4	4	5	4
Total	100	100	100	100
Currency (%)				
AUD	78	77	78	78
Foreign currency	22	23	22	22
Total	100	100	100	100

Investment mix¹

	Effective Asset allocation (%)²			
	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Australian Shares	26.2	26.2	26.2	26.4
International Shares	27.0	26.8	26.4	26.3
Private Capital	6.5	6.5	6.5	6.5
Property	8.5	8.5	8.5	8.5
Infrastructure	10.5	10.5	10.5	10.5
Fixed Income	14.0	13.7	14.0	14.0
Alternative Strategies	5.5	5.5	5.5	5.5
Cash	1.8	2.3	2.4	2.3
Total	100	100	100	100

¹ For additional information on these asset classes, strategic asset allocations and allowable ranges refer to the Super Savings Investment Guide.

² Note that the effective asset allocation in the above table takes into account both the physical exposures to assets along with the effective market exposure from derivative instruments such as futures. These instruments are used by the Fund to bring effective market exposures closer to those represented by each option's strategic asset allocation.

Diversified options

Balanced – Index

This investment option is designed for members who want to accumulate wealth over the long term and who want exposure to a range of publicly traded assets invested in line with standard market indices, with a focus on Australian and international shares.

Option size

Super assets	\$1.2 billion
Pension assets	481.3 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	6.6	7.1
1 Year	12.9	13.9
3 Years	5.3	5.7
5 Years	7.9	8.7
7 Years	6.7	7.4
10 Years	7.1	7.9
Calendar Year-by-year investment returns (%)		
2023	12.9	13.9
2022	-8.4	-9.0
2021	12.9	14.0
2020	6.2	6.7
2019	18.3	20.1
2018	-1.0	-0.7

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.
Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Balanced – Index option for Super-savings accounts produced returns of 6.6% in the December quarter and 12.9% for the year to December 2023. The ten-year return of 7.9% p.a. is well above the option's return objective of CPI plus 3.0% p.a.

Over the final quarter of 2023, financial markets were buoyed by better news on inflation across a range of economies as well as signs that official interest rates were at or close to a peak and likely to fall over the coming year.

Share and bond returns – both Australian and international - were very strong, although a rise in the Australian dollar against a range of developed and emerging market currencies detracted from the returns of unhedged international shares over the quarter.

Benchmark Indices

Australian Shares: MSCI Australia 300 Index

International Shares: Strategically weighted combination of: MSCI World ex Australia Index , MSCI World ex Australia Index (hedged to AUD) and MSCI Emerging Markets Index

Fixed interest: Strategically weighted combination of: Bloomberg Barclays Global Aggregate Bond Index (hedged to AUD) and Bloomberg AusBond Composite Bond Index

Cash: Bloomberg AusBond Bank Bill Index

Investment mix¹

	Effective Asset allocation (%) ²			
	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Australian Shares	30.6	30.3	33.9	33.2
International Shares	39.1	39.6	41.0	42.1
Property	0.0	0.0	0.0	0.0
Fixed Income	30.3	30.1	25.1	24.7
Cash	0.0	0.0	0.0	0.0
Total	100	100	100	100

¹ For additional information on these asset classes, strategic asset allocations and allowable ranges refer to the Super Savings Investment Guide.

² Note that the effective asset allocation in the above table takes into account both the physical exposures to assets along with the effective market exposure from derivative instruments such as futures. These instruments are used by the Fund to bring effective market exposures closer to those represented by each option's strategic asset allocation.

Diversified options

Socially Conscious Balanced

This investment option¹ is designed for members who are seeking to accumulate wealth over the long term and who want to ensure that their investments are made in line with an extended set of environmental, social and governance principles than those considered across our other available investment options.

Option size

Super assets \$377.7 million

Pension assets \$90.2 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	4.6	5.1
1 Year	9.6	10.7
3 Years	6.5	7.2
5 Years	8.1	8.8
7 Years	7.0	7.7
10 Years	6.6	7.4
Calendar Year-by-year investment returns (%)		
2023	9.6	10.7
2022	-4.7	-5.2
2021	15.7	17.3
2020	4.8	5.4
2019	16.5	17.7
2018	-0.6	-0.2

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

¹ This option employs multiple responsible investment approaches, including negative (exclusionary) screening for shares, ESG integration, sustainability-themed investing, and stewardship. Further details including a table summarising the exclusions applied to the option's Australian and International shares asset classes, and exceptions to these exclusions are set out on pages 17 and 18 of our [Super Savings Investment Guide](#).

Performance Commentary

The Socially Conscious Balanced (SCB) option for Super-savings accounts produced a return of 4.6% for the December quarter and 9.6% over the year to December 2023.

Over the final quarter of 2023, financial markets were buoyed by better news on inflation across a range of economies as well as signs that official interest rates were at or close to a peak and likely to fall over the coming year.

Share and bond returns – both Australian and international – were very strong, although a rise in the Australian dollar against a range of developed and emerging market currencies detracted from the returns of unhedged international shares over the quarter.

For the Socially Conscious Balanced option's listed shares portfolio over the quarter, stocks that were excluded as a result of screens that apply to this option tended to underperform the broader market. Accordingly, these exclusions contributed to returns.

Exposure

	31 Dec 2023
Geographic (%)	
Australia	41%
North America	37%
Europe	13%
Other	4%
Emerging Markets	3%
United Kingdom	2%
Total	100%

Investment mix¹

	Effective Asset allocation (%) ²
	31 Dec 2023
International Shares	26.2%
Australian Shares	25.5%
Fixed Income	15.9%
Infrastructure	5.2%
Real Estate	14.6%
Private Capital	5.4%
Alternative Strategies	4.8%
Cash	2.4%
Total	100%

¹ For additional information on these asset classes, strategic asset allocations and allowable ranges refer to the Super Savings Investment Guide.

² Note that the effective asset allocation in the above table takes into account both the physical exposures to assets along with the effective market exposure from derivative instruments such as futures. These instruments are used by the Fund to bring effective market exposures closer to those represented by each option's strategic asset allocation.

Outlook and Strategy

We do not design portfolios based on our own or anyone else's short-term economic, market or geopolitical forecasts. However, our investment team and our external investment managers do seek to capitalise on opportunities that inevitably emerge during times of heightened market volatility.

The SCB option continues to hold a substantial allocation to unlisted asset classes, particularly real estate, infrastructure and private equity. We have diversified portfolios of these assets that we expect will deliver strong, long-term returns, while reducing our members' exposure to share market volatility.

At the end of 2023, our asset allocation slightly favoured shares over bonds. Within our shares allocation, we preferred Japanese, UK and European shares over shares in the US and Australia. In fixed income, we remain underweight European and Japanese bonds; we are broadly neutral on US bonds and remain modestly overweight UK and Australian bonds.

Diversified options

Diversified Alternatives

The Diversified Alternatives investment option is designed for members who want to generate wealth over the medium to long term, but with reduced fluctuations in returns compared to those of equity markets.

Option size

Super assets	\$355.5 million
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Pension assets	\$167.2 million
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Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	0.4	0.5
1 Year	5.1	5.5
3 Years	9.8	10.8
5 Years	8.2	9.0
7 Years	NA	NA
10 Years	NA	NA
Calendar Year-by-year investment returns (%)		
2023	5.1	5.5
2022	4.5	5.1
2021	20.5	22.7
2020	2.5	2.4
2019	9.2	10.3
2018	9.3	10.3

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.
Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Diversified Alternatives option for super savings accounts produced a return of 0.4% for the quarter and 5.1% over the year to December 2023.

The option has delivered solid returns despite challenging conditions in financial markets. The portfolio invests in private equity, infrastructure as well as private debt. Over the year to December 2023, all three asset classes contributed positively to the option's performance, with infrastructure the best performing. Over the quarter however, private equity and credit investments detracted from performance.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Currency (%)				
AUD	100	100	100	99
Foreign currency	0	0	0	1
Total	100	100	100	100

Investment mix¹

	Effective Asset allocation (%)²			
	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Private Capital	36.0	35.0	35.0	34.6
Infrastructure	33.0	35.0	35.0	35.5
Alternative Strategies	25.8	25.0	25.0	24.9
Fixed Income	0.0	0.2	0.0	0.0
Cash	5.2	4.8	5.0	5.0
Total	100	100	100	100

¹ For additional information on these asset classes and their underlying investments, refer to the Investment Guide.

² Note that the effective asset allocation in the above table takes into account both the physical exposures to assets along with the effective market exposure from derivative instruments such as futures. These instruments are used by the Fund to bring effective market exposures closer to those represented by each option's strategic asset allocation.

Outlook and Strategy

We are maintaining a cautious and disciplined approach to making new investments across all three components of the portfolio.

During the quarter, our infrastructure team made an additional investment in AirTrunk, a leading provider of data centre facilities across the Asia Pacific region.

Our private equity team made an investment in LMS Energy, an Australian provider of bioenergy and methane abatement solutions.

In our private debt portfolios, we continue to source attractive opportunities in private direct lending to middle market corporates in Europe, providing debt funding to: a leading insurance broker; a manufacturer and distributor of dental prosthetics and orthodontic products across Western Europe; and a solar energy company. We also partnered with a new investment manager to allow us to expand our corporate direct lending in Europe.

Diversified options

Retirement

This investment option is designed for members who are close to, or have reached retirement. It is structured to generate wealth over the medium to long term, while providing some reduction to the fluctuation of returns in the short term.

Option size

Super assets	\$3.4 billion
Pension assets	\$4.6 billion

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	3.4	3.9
1 Year	8.1	9.2
3 Years	5.8	6.5
5 Years	6.3	7.1
7 Years	6.1	6.9
10 Years	6.1	6.9
Calendar Year-by-year investment returns (%)		
2023	8.1	9.2
2022	-2.2	-2.4
2021	12.1	13.3
2020	2.2	2.6
2019	12.1	13.7
2018	2.2	2.5

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Retirement option for Super-savings accounts produced a 3.4% return for the December quarter and an 8.1% return over the year to December 2023. The ten-year return of 6.1% p.a. remains above the option's return objective of CPI plus 2.5% p.a.

Over the final quarter of 2023, financial markets were buoyed by better news on inflation across a range of economies as well as signs that official interest rates were at or close to a peak and likely to fall over the coming year.

Share and bond returns – both Australian and international – were very strong, although a rise in the Australian dollar against a range of developed and emerging market currencies detracted from the returns of unhedged international shares over the quarter.

In the SuperRatings survey for December 2023, the performance of Australian Retirement Trust's Retirement option was in line with the median fund over one year and ahead of the median fund over three, five, seven and ten years to the end of December 2023.

Outlook and Strategy

We do not design portfolios based on our own or anyone else's short-term economic, market or geopolitical forecasts. However, our investment team and our external investment managers do seek to capitalise on opportunities that inevitably emerge during times of heightened market volatility.

At the end of 2023, our asset allocation slightly favoured shares over bonds. Within our shares allocation, we preferred Japanese, UK and European shares over shares in the US and Australia. In fixed income, we remain underweight European and Japanese bonds; we are broadly neutral on US bonds and remain modestly overweight UK and Australian bonds.

ART continues to hold a substantial allocation to the key unlisted asset classes – real estate, infrastructure, private equity and private debt. We have well-diversified portfolios of these assets that we expect will deliver strong, long-term returns, while reducing our members' exposure to share market volatility – particularly during challenging market environments.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia	50	48	49	53
Emerging markets	4	5	4	5
Europe	6	6	7	7
North America	33	33	32	28
UK	2	3	3	3
Other	5	5	5	4
Total	100	100	100	100
Currency (%)				
AUD	84	83	84	84
Foreign currency	16	17	16	16
Total	100	100	100	100

Investment mix¹

	Effective Asset allocation (%)²			
	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Australian Shares	18.8	18.8	18.7	18.9
International Shares	15.7	15.2	15.1	15.1
Private Capital	5.5	5.5	5.5	5.5
Property	8.0	8.0	8.0	8.0
Infrastructure	10.5	10.5	10.5	10.5
Fixed Income	28.0	28.0	28.0	28.0
Alternative Strategies	7.0	7.0	7.0	7.0
Cash	6.5	7.0	7.2	7.0
Total	100	100	100	100

¹ For additional information on these asset classes, strategic asset allocations and allowable ranges refer to the Super Savings Investment Guide.

² Note that the effective asset allocation in the above table takes into account both the physical exposures to assets along with the effective market exposure from derivative instruments such as futures. These instruments are used by the Fund to bring effective market exposures closer to those represented by each option's strategic asset allocation.

Diversified options

Conservative

This investment option is designed for members who seek less volatile returns for their super while maintaining some growth exposure. Using your money in the short term is likely to be your main purpose.

Option size

Super assets	\$3.0 billion
Pension assets	\$1.6 billion

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	2.6	2.9
1 Year	6.1	7.0
3 Years	3.8	4.2
5 Years	4.4	5.0
7 Years	4.5	5.0
10 Years	4.7	5.3
Calendar Year-by-year investment returns (%)		
2023	6.1	7.0
2022	-2.1	-2.3
2021	7.5	8.4
2020	1.9	2.0
2019	9.0	10.3
2018	2.3	2.6

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.
Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Conservative option for Super-savings accounts produced a 2.6% return for the December quarter and a 6.1% return over the year to December 2023. Longer term returns are above the option's CPI plus 1.5% return objective, with the Conservative option posting returns of 4.7% p.a. over the ten years to the end of December 2023.

Over the final quarter of 2023, financial markets were buoyed by better news on inflation across a range of economies as well as signs that official interest rates were at or close to a peak and likely to fall over the coming year.

Share and bond returns – both Australian and international – were very strong, although a rise in the Australian dollar against a range of developed and emerging market currencies detracted from the returns of unhedged international shares over the quarter.

In the SuperRatings survey for December 2023, the performance of Australian Retirement Trust's Conservative option was behind the median fund over one year, and ahead of the median fund over three, five, seven and ten years to the end of December 2023.

Outlook and Strategy

We do not design portfolios based on our own or anyone else's short-term economic, market or geopolitical forecasts. However, our investment team and our external investment managers do seek to capitalise on opportunities that inevitably emerge during times of heightened market volatility.

At the end of 2023, our asset allocation slightly favoured shares over bonds. Within our shares allocation, we preferred Japanese, UK and European shares over shares in the US and Australia. In fixed income, we remain underweight European and Japanese bonds; we are broadly neutral on US bonds and remain modestly overweight UK and Australian bonds.

ART continues to hold a substantial allocation to the key unlisted asset classes – real estate, infrastructure, private equity and private debt. We have well-diversified portfolios of these assets that we expect will deliver strong, long-term returns, while reducing our members' exposure to share market volatility – particularly during challenging market environments.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia	54	51	53	56
Emerging markets	3	4	4	4
Europe	6	7	7	8
North America	31	31	29	26
UK	2	2	2	2
Other	4	5	5	4
Total	100	100	100	100
Currency (%)				
AUD	89	89	90	91
Foreign currency	11	11	10	9
Total	100	100	100	100

Investment mix¹

	Effective Asset allocation (%)²			
	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Australian Shares	9.3	9.2	9.2	9.3
International Shares	8.0	7.7	7.7	7.7
Private Capital	4.5	4.5	4.5	4.5
Property	7.5	7.5	7.5	7.5
Infrastructure	8.0	8.0	8.0	8.0
Fixed Income	34.0	34.0	34.0	34.0
Alternative Strategies	8.0	8.0	8.0	8.0
Cash	20.7	21.1	21.1	21.0
Total	100	100	100	100

¹ For additional information on these asset classes, strategic asset allocations and allowable ranges refer to the Super Savings Investment Guide.

² Note that the effective asset allocation in the above table takes into account both the physical exposures to assets along with the effective market exposure from derivative instruments such as futures. These instruments are used by the Fund to bring effective market exposures closer to those represented by each option's strategic asset allocation.

Investments

Single asset options

Shares

This investment option is designed for members who are seeking to accumulate wealth over the long term and who can accept full exposure to the ups and downs of share markets.

Option size

Super assets	\$1.7 billion
Pension assets	\$85.5 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	7.1	7.7
1 Year	16.0	17.2
3 Years	8.5	9.2
5 Years	10.9	11.7
7 Years	9.6	10.2
10 Years	8.8	9.4
Calendar Year-by-year investment returns (%)		
2023	16.0	17.2
2022	-7.9	-8.4
2021	19.6	21.1
2020	6.5	6.6
2019	23.4	25.4
2018	-2.8	-3.0

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Shares portfolio for Super-savings accounts produced returns of 7.1% for the quarter and 16.0% for the year to 31 December 2023. Longer-term, the Shares option has posted strong returns of 8.5% p.a. over the last three years and 10.9% p.a. over the five years to the end of December 2023.

Performance for this option is driven by its globally diversified portfolio, which utilizes a combination of passive and active management. ART's Australian Shares underperformed its benchmark over the December quarter while the International Shares outperformed. Over the year to December, both portfolios have outperformed their benchmarks.

Within Australian Shares, the stock selection in Industrials and Energy contributed positively over the quarter. However, this was offset by negative stock selection in Financials, Health Care and Materials.

Within International Shares, the portfolio's overweight position and stock selection in Financials were a key contributor to the outperformance over the quarter. The underweight exposure and stock selection in Consumer Staples also contributed. Key detractors include stock selection in Industrials and Materials. From a country perspective, the US was a main contributor to performance through stock selection, while Finland, Canada and Japan detracted due to negative stock selection.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia	49	48	48	48
Emerging markets	6	6	6	5
Europe	8	8	8	9
North America	29	30	30	31
UK	3	3	3	3
Other	5	5	5	4
Total	100	100	100	100
Currency (%)				
AUD	75	74	74	72
Foreign currency	25	26	26	28
Total	100	100	100	100

Investment mix¹

	Effective Asset allocation (%)²			
	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Australian Shares	49.8	49.1	50.6	49.5
International Shares	50.2	50.9	49.4	50.5
Total	100	100	100	100

¹ For additional information on these asset classes, strategic asset allocations and allowable ranges refer to the Super Savings Investment Guide.

² Note that the effective asset allocation in the above table takes into account both the physical exposures to assets along with the effective market exposure from derivative instruments such as futures. These instruments are used by the Fund to bring effective market exposures closer to those represented by each option's strategic asset allocation.

Outlook and Strategy

The Australian Shares portfolio is currently overweight Consumer Discretionary, Communication Services and Energy, and underweight Financials, Materials and Real Estate. The International Shares portfolio is overweight Financials, Consumer Discretionary and Materials, and underweight IT, Consumer Staple and Communication Services.

At a country/region level, the International Shares portfolio is overweight the UK, Netherlands and France and underweight the US, Japan and Switzerland.

Single asset options

Australian Shares

This investment option is designed for members who are seeking to earn returns from investment in the Australian shares asset class employing active management aiming to achieve better long-term returns than available in a standard market index for this sector.

Option size

Super assets	\$1.2 billion
Pension assets	\$144.5 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	7.1	7.8
1 Year	12.2	13.3
3 Years	9.5	10.3
5 Years	10.2	11.2
7 Years	8.6	9.4
10 Years	8.1	8.9
Calendar Year-by-year investment returns (%)		
2023	12.2	13.3
2022	-1.9	-2.0
2021	19.2	20.9
2020	1.5	2.1
2019	22.1	24.2
2018	-2.8	-3.1

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Australian Shares portfolio for Super-savings accounts, returned 7.1% over the quarter and 12.2% for the year ended 31 December 2023.

Real Estate, Materials and Health Care posted strong positive returns. However, Energy together with Utilities and Consumer Staples underperformed.

ART's Australian Shares portfolio underperformed its benchmark over the quarter but outperformed over the year to December 2023. Over the quarter, the stock selection in Industrials and Energy contributed positively. However, this was offset by negative stock selection in Financials, Health Care and Materials.

Outlook and Strategy

The Australian Shares portfolio is currently overweight Consumer Discretionary, Communication Services and Energy, and underweight Financials, Materials and Real Estate.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Sector (%)				
Consumer Discretionary	7	7	8	8
Consumer Staples	5	5	5	4
Energy	6	6	7	6
Financials	30	30	31	31
Healthcare	12	11	10	11
Industrials	7	8	7	7
Materials	24	24	24	24
Technology	3	3	3	3
Communication Services	5	5	4	5
Utilities	1	1	1	1
Total	100	100	100	100

10 Largest holdings

	%
BHP Group Ltd	9.0
CSL Ltd	5.3
Commonwealth Bank Of Australia	4.6
National Australia Bank Ltd	3.5
ANZ Group Holdings Ltd	3.3
Westpac Banking Corporation Corp	2.8
Rio Tinto Ltd	2.6
Woodside Energy Group Ltd	2.2
Telstra Group Ltd	2.2
Macquarie Group Ltd	2.0
Total	37.5

Managers¹

	%
Vinva	34
Maple-Brown Abbott	14
Wavestone	12
Acadian	12
Tribeca	6
Other	21
Total	100

¹ Refer to page 46 for information about the Managers listed above.

Single asset options

Australian Shares – Index

This investment option is designed for members who are seeking to earn returns from investment in the Australian shares asset class with passive management aiming to achieve long term returns that are close to the returns of a standard market index for this sector.

Option size

Super assets	\$1.7 billion
Pension assets	\$456.8 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	7.8	8.6
1 Year	12.3	13.5
3 Years	9.6	10.6
5 Years	10.4	11.6
7 Years	8.8	9.9
10 Years	8.3	9.4
Calendar Year-by-year investment returns (%)		
2023	12.3	13.5
2022	-0.1	0.2
2021	17.2	18.8
2020	2.1	2.6
2019	22.1	24.8
2018	-1.0	-1.1

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.
Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Australian Shares – Index portfolio for Super-savings accounts produced returns of 7.8% over the quarter and 12.3% for the year ended 31 December 2023.

Real Estate, Materials and Health Care posted strong positive returns. However, Energy, together with Utilities and Consumer Staples underperformed.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Sector (%)				
Consumer Discretionary	7	6	7	7
Consumer Staples	5	5	5	4
Energy	5	6	6	5
Financials	27	27	29	28
Health Care	10	10	9	10
Industrials	6	7	7	7
Information Technology	3	3	2	3
Materials	26	25	24	25
Property Trusts	6	6	6	6
Communication Services	4	4	4	4
Utilities	1	1	1	1
Total	100	100	100	100

Managers¹

	%
State Street Global Advisors (SSGA)	100
Total	100

¹ Refer to 46 for information about the Managers listed above.

Single asset options

International Shares – Index (hedged)

This investment option is designed for members who are seeking to earn returns from investment in the international share asset class with currency exposure being hedged back to the Australian dollar and passive management aiming to achieve longterm returns that are close to the returns of a standard market index for this sector.

Option size

Super assets	\$948.0 million
Pension assets	\$258.7 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	8.2	8.9
1 Year	19.1	20.7
3 Years	6.5	7.2
5 Years	10.7	11.6
7 Years	9.0	9.7
10 Years	8.8	9.6
Calendar Year-by-year investment returns (%)		
2023	19.1	20.7
2022	-16.4	-17.7
2021	21.5	23.9
2020	10.3	10.9
2019	24.7	26.6
2018	-7.2	-7.8

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's International Shares – Index (Hedged) portfolio, for Super-savings accounts generated returns of 8.2% for the quarter and 19.1% for the year to 31 December 2023.

The Australian dollar strengthened against foreign currencies over the quarter, resulting in the outperformance of the International Shares – Index (Hedged) option compared to the International Shares – Index (Unhedged) option.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Emerging markets	0	0	11	11
Europe	15	14	12	12
Japan	7	7	6	6
North America	71	73	65	65
UK	4	4	4	4
Other	3	2	2	2
Total	100	100	100	100
Currency (%)				
AUD	100	100	100	100
Foreign currency	0	0	0	0
Total	100	100	100	100
Sector (%)				
Consumer Discretionary	11	11	11	11
Consumer Staples	7	7	7	7
Energy	5	5	5	4
Financials	16	17	19	19
Healthcare	13	13	12	11
Industrials	12	12	12	12
Materials	4	4	4	4
Technology	22	21	21	22
Communication Services	7	7	7	7
Utilities	3	3	2	3
Total	100	100	100	100

Managers¹

	%
State Street Global Advisors (SSGA)	100
Total	100

¹ Refer to 46 for information about the Managers listed above.

Single asset options

International Shares – Index (unhedged)

This investment option is designed for members who are seeking to earn returns from investment in the international share asset class with currency exposure unhedged and passive management aiming to achieve long-term returns that are close to the returns of a standard market index for this sector.

Option size

Super assets	\$1.8 billion
Pension assets	\$274.5 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	4.8	5.2
1 Year	20.6	22.5
3 Years	10.5	11.4
5 Years	12.2	13.3
7 Years	10.6	11.5
10 Years	10.9	11.7
Calendar Year-by-year investment returns (%)		
2023	20.6	22.5
2022	-11.6	-12.5
2021	26.7	28.9
2020	4.9	5.4
2019	25.6	27.8
2018	1.2	1.3

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's International Shares – Index (Unhedged) portfolio, for Super-savings accounts generated returns of 4.8% for the quarter and 20.6% for the year to 31 December 2023.

The Australian dollar strengthened against foreign currencies over the quarter, resulting in the outperformance of the International Shares – Index (Hedged) option compared to the International Shares – Index (Unhedged) option.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Emerging markets	0	0	11	11
Europe	15	14	12	12
Japan	7	7	6	6
North America	71	73	65	65
UK	4	4	4	4
Other	3	2	2	2
Total	100	100	100	100
Currency (%)				
AUD	0	0	0	0
Foreign currency	100	100	100	100
Total	100	100	100	100
Sector (%)				
Consumer Discretionary	11	11	11	11
Consumer Staples	7	7	7	7
Energy	5	5	5	4
Financials	16	17	19	19
Healthcare	13	13	12	11
Industrials	12	12	12	12
Materials	4	4	4	4
Technology	22	21	21	22
Communication Services	7	7	7	7
Utilities	3	3	2	3
Total	100	100	100	100

Managers¹

	%
State Street Global Advisors (SSGA)	100
Total	100

¹ Refer to 46 for information about the Managers listed above.

Single asset options

Emerging Markets Shares

This investment option is designed for members who are seeking to earn returns from investment in the emerging markets shares with passive management aiming to achieve long-term returns that are close to the returns of a standard market index for this sector.

Option size

Super assets \$151.9 million

Pension assets \$26.4 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	2.0	2.2
1 Year	11.2	12.3
3 Years	0.9	0.9
5 Years	5.1	5.5
7 Years	6.2	6.7
10 Years	4.7	5.1
Calendar Year-by-year investment returns (%)		
2023	11.2	12.3
2022	-12.7	-14.0
2021	5.8	6.2
2020	7.5	7.9
2019	16.1	18.0
2018	-5.2	-5.6

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts. Past performance is not a reliable indicator of future performance.

Performance Commentary

Australian Retirement Trust's Emerging Markets shares portfolio for Super-savings accounts returned 2.0% over the quarter and 11.2% over the year ended 31 December 2023.

Over the quarter, the best performers were smaller markets such as Argentina, Egypt, Pakistan and Peru. However, the larger Asian markets, including India and the technology heavy markets of Taiwan and Korea made a greater impact on portfolio returns.

Chinese shares continued to struggle as concerns over the health of China's property market persist. Those concerns also detracted from Emerging market returns for the calendar year despite some very strong returns among the smaller markets.

From a sector perspective, IT, Utilities and Financials outperformed over the quarter, while Communication Services, Consumer Discretionary and Real Estate have underperformed.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Americas	8	9	9	9
Asia	77	77	75	76
Europe, Middle East and Africa	12	13	13	13
Other	3	1	3	2
Total	100	100	100	100
Sector (%)				
Consumer Discretionary	14	13	14	13
Consumer Staples	6	6	6	6
Energy	4	4	4	5
Financials	22	23	23	24
Healthcare	5	5	5	5
Industrials	8	8	8	8
Materials	9	9	8	8
Technology	20	21	21	21
Communication Services	10	9	9	8
Utilities	2	2	2	2
Total	100	100	100	100

10 Largest holdings

	%
Taiwan Semiconductor Manufacturing Co., Ltd.	5.7
Samsung Electronics Co., Ltd.	3.5
Tencent Holdings Ltd.	3.0
Alibaba Group Holding Limited	1.9
Reliance Industries Limited	1.2
PDD Holdings Inc. Sponsored ADR Class A	1.1
Infosys Limited	0.8
ICICI Bank Limited	0.7
SK hynix Inc.	0.7
HDFC Bank Limited	0.7
Total	19.3

Managers¹

	%
State Street Global Advisors (SSGA)	100
Total	100

¹ Refer to 46 for information about the Managers listed above.

Investments

Single asset options

Property

This option is designed for members who are seeking to earn returns from investment in the property asset class with active management aiming to achieve better long term returns than available in a standard market index for this sector.

Option size

Super assets	\$197.2 million
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Pension assets	\$47 million
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Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	1.6	1.8
1 Year	0.5	0.6
3 Years	5.8	6.3
5 Years	5.5	6.0
7 Years	6.2	6.8
10 Years	7.3	8.0
Calendar Year-by-year investment returns (%)		
2023	0.5	0.6
2022	-0.1	-0.3
2021	18.0	19.7
2020	0.9	0.7
2019	9.5	10.8
2018	5.6	6.3

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

Performance Commentary

The Property option for Super Savings generated returns of 1.6% for the quarter and 0.5% over the year to December 2023. Listed REITs generated a positive return over the year, offset by a modest negative return from the unlisted property portfolio.

Outlook and Strategy

Property valuations continue to face headwinds as the impacts of higher interest rates and market uncertainty flow into valuations. US multifamily asset valuations fell over the quarter as near-term rental growth expectations began to moderate. Office values continue to face significant pressures due to hybrid working practices leading to weaker tenant demand and therefore higher vacancy rates. There are signs of recovery in retail markets globally as retail sales improve, particularly towards the holiday season. Despite increasing capitalisation rates, industrial asset valuations remained stable due to the rental growth driven by positive supply and demand dynamics.

Given current macroeconomic dynamics, we remain selective of investment opportunities and seek opportunities that are accretive from a risk-adjusted return perspective and contribute positively to portfolio diversification.

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia	39	38	38	40
North America	44	44	44	43
Europe	9	10	10	10
Asia	8	8	8	7
Other	0	0	0	0
Total	100	100	100	100
Sector (%)				
Office	11	10	10	12
Retail	10	11	11	10
Industrial	17	17	17	16
REITs	25	25	25	25
Other	37	37	37	37
Total	100	100	100	100

5 Largest holdings

	%
Discovery Parks Holding, Australia	8.5
Sunbridge Investments, LLC, US	3.3
Hulk Logistic Investments Holdings Ltd, China	3.1
South Eveleigh, NSW	2.4
Teays River Investments, LLC, Multinational	2.4
Total	19.7

Single asset options

Australian Property – Index

This option is designed for members who are seeking to earn returns from investment in the Australian property asset class with passive management aiming to achieve long term returns that are close to the returns of a standard market index for this sector.

Option size

Super assets	\$317.1 million
Pension assets	\$89.6 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	14.2	16.5
1 Year	14.6	16.9
3 Years	5.2	5.8
5 Years	5.8	6.4
7 Years	5.4	6.0
10 Years	8.5	9.4
Calendar Year-by-year investment returns (%)		
2023	14.6	16.9
2022	-18.2	-20.1
2021	24.0	26.9
2020	-3.3	-3.8
2019	17.7	19.4
2018	2.9	3.2

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.
Past performance is not a reliable indicator of future performance.

Performance Commentary

The Australian Property Index option for Super Savings recorded returns of 14.2% over the quarter and 14.6% over the year to December 2023, relative to the broader Australian share market index which returned 7.8% over the quarter and 12.3% over the year.

AREIT valuations appreciated over the quarter as long-term bond yields fell. Returns were positive across all sectors, as AREIT valuations rebounded following weakness experienced in previous periods.

10 Largest holdings

	%
Goodman Group	31.2
Scentre Group	11.1
Stockland	7.6
GPT Group	6.4
Dexus AU	5.9
Mirvac Group	5.9
Vicinity Centres	5.6
Charter Hall Group	4.1
National Storage REIT	2.1
Region Group	1.9
Total	81.8

Single asset options

Diversified Bonds

This investment option is designed for members who are seeking to earn returns from investment in the fixed interest asset class with active management aiming to achieve better long term returns than available in a standard market index for this sector.

The characteristics of the fixed interest asset class for the Growth, Balanced, Retirement and Conservative options differ from those of the Diversified Bonds option. The information below relates to the option and should be used as a guide only in relation to the asset class.

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	3.7	4.5
1 Year	4.5	5.4
3 Years	-2.1	-2.5
5 Years	0.9	0.9
7 Years	1.5	1.6
10 Years	2.1	2.4
Calendar Year-by-year investment returns (%)		
2023	4.5	5.4
2022	-8.9	-10.7
2021	-1.4	-1.6
2020	4.7	5.4
2019	6.5	7.4
2018	1.5	1.8

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.
Past performance is not a reliable indicator of future performance.

Option size

Super assets	\$287.0 million
Pension assets	\$211.0 million

Performance Commentary

The Diversified Bonds option for Super-savings accounts returned 3.7% after tax and fees over the December quarter of 2023. Net returns were positive over the year at 4.5%. Over three, five, and seven years, the option has achieved net returns of -2.1%, 0.9%, and 1.5% p.a., respectively. The option's performance aligned with the SuperRatings Index of comparable investment options over three years.

Fixed income markets delivered a positive return over the quarter, driven by better news on inflation across a range of economies as well as signs that official interest rates were at, or close to, a peak and likely to fall over the coming year. Prices of both government and corporate bonds rose over the period, and as a result, most sectors within the fixed income market delivered positive returns for the quarter.

Exposure

	Government Bonds	Corporates	Securitised	Cash	Grand Total
Currency Denomination					
Australia	40	6	-	-	46
US	11	8	9	-	28
Europe	7	2	1	-	10
Japan	4	-	-	-	4
UK	1	-	-	-	1
Canada	1	-	-	-	1
Other	8	-	-	2	10
Total	72	16	10	2	100

Interest Rate Risk

	Duration
AUD	2.3
USD	1.4
EUR	0.6
GBP	0.1
JPY	0.4
Other	0.6
Total	5.4
S&P Rating	AA-

Managers¹

	%
State Street Global Advisors (SSGA)	85
TCW	2
Bain	3
Payden and Rygel	3
Barings	2
Other	5
Total	100

¹ Refer to 46 for information about the Managers listed above.

Single asset options

Diversified Bonds – Index

This option is designed for members who are seeking to earn returns from investment in the fixed interest asset class with passive management aiming to achieve long term returns that are close to the returns of a standard market index for this sector.

Option size

Super assets	\$405.6 million
Pension assets	\$291.2 million

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	3.8	4.5
1 Year	4.1	4.9
3 Years	-2.7	-3.1
5 Years	0.4	0.4
7 Years	1.1	1.2
10 Years	2.4	2.7
Calendar Year-by-year investment returns (%)		
2023	4.1	4.9
2022	-9.3	-11.2
2021	-2.6	-2.5
2020	4.4	4.8
2019	6.2	7.3
2018	2.5	3.0

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.
Past performance is not a reliable indicator of future performance.

Performance Commentary

The Diversified Bonds Index option invests in a mix of global and Australian government bonds and non-government securities. Over the December quarter of 2023, the option returned 3.8% for Super-savings accounts, after tax and fees. Both Australian and global bond markets delivered positive returns over the quarter. Over one, three and five years, the option has achieved net returns of 4.1%, -2.7% and 0.4% p.a., respectively.

Interest Rate Risk

	Duration
AUD	2.6
USD	1.4
EUR	0.7
GBP	0.2
JPY	0.5
Other	0.5
Total	5.9
S&P Rating	AA

Exposure

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia	44	43	44	44
United States	21	22	21	21
Japan	6	6	6	6
Germany	3	3	3	3
Supranational	4	4	4	3
France	3	3	3	3
Canada	2	2	2	2
United Kingdom	2	2	2	2
Italy	2	2	1	2
Spain	1	1	1	1
Other	12	12	13	13
Total	100	100	100	100

	Government Bonds	Corporates	Securitised	Cash	Grand Total
Currency Denomination					
Australia	45	4	-	-	49
US	11	6	6	-	23
Europe	8	2	1	-	11
Japan	6	-	-	-	6
UK	2	-	-	-	2
Canada	1	-	-	-	1
Other	7	-	-	1	8
Total	80	12	7	1	100

Quality

	%
AAA	41
AA	33
A	11
A- and Below	15
Total	100

Managers¹

	%
State Street Global Advisors (SSGA)	100
Total	100

¹ Refer to 46 for information about the Managers listed above.

Investments

Single asset options

Cash

This investment option is designed for members who are seeking to accumulate a lump sum or derive income over time by earning returns that are close to the level of short term interest rates in the Australian economy.

The characteristics of the cash asset class for the Growth, Balanced, Retirement and Conservative options differ from those of the Cash option. The information below relates to the option and should be used as a guide only in relation to the asset class.

Performance to 31 December 2023

	Accumulation accounts	Retirement Income accounts
Investment returns (% p.a.)		
3 months	1.0	1.2
1 Year	3.8	4.4
3 Years	1.8	2.1
5 Years	1.6	1.9
7 Years	1.7	2.0
10 Years	1.9	2.2
Calendar Year-by-year investment returns (%)		
2023	3.8	4.4
2022	1.4	1.6
2021	0.3	0.3
2020	0.8	0.9
2019	1.8	2.1
2018	2.0	2.3

Returns shown are after Investment fees, indirect costs and investment taxes (where applicable) but before Administration fees. Investment tax does not apply to Income accounts.

Past performance is not a reliable indicator of future performance.

Option size

Super assets	\$3.2 billion
Pension assets	\$892.2 million

Performance Commentary

ART's Cash option for Super-savings accounts returned 1.02% after tax and fees over the December quarter of 2023. Over one, three and five years the option has returned 3.75%, 1.78% and 1.58% p.a. respectively. In the December 2023 SuperRatings survey of options with a similar asset allocation, the Cash option has exceeded the median return over all time periods.

Managers¹

	%
Australian Retirement Trust	100
Total	100

¹ Refer to 46 for information about the Managers listed above.

Outlook and Strategy

The Cash option's primary objective is to invest with a focus on maintaining liquidity and a good credit quality and is expected to continue to deliver very stable returns at a margin above the Bloomberg AusBond Bank Bill Index. The Cash option's returns are derived from bank deposits and short-term money market securities. We will continue to allocate a substantial portion of the Cash option to term deposits with approved deposit-taking institutions across a range of maturities up to one year, thus enhancing returns to members while ensuring reliable liquidity and flexibility to take advantage of opportunities in a judicious fashion.

The RBA continues to signal that it is willing to be data dependent and may increase interest rates from their current levels if inflation pressures persist. Longer-term money market rates have continued to rise but remain relatively subdued in the longer term as markets continue speculate on the sequencing, number and size of anticipated rate moves.

Diversified option Asset Classes

i The Diversified option Asset Classes are not available as a stand-alone option, instead forming part of our Growth, Balanced, Retirement, Conservative and Diversified Alternatives options.

Private Equity

Super Savings Private Equity portfolio invests in a range of assets where we expect to extract a premium return relative to listed equity markets resulting from various forms of private ownership.

Investments are made into mostly illiquid assets on an opportunistic basis across the following broad categories, including domestic and offshore investments in:

- Buyout
- Venture Capital
- Special situations
- Distressed debt
- Natural resources
- Opportunistic property
- Other.

How this Asset Class is Managed

Assets are diversified across both regions and industries, and include consumer discretionary, industrials, materials, financials, consumer staples, energy, health care, technology and telecommunications.

- The portfolio includes investments in buyouts, venture capital, special situations, distressed debt, natural resources, opportunistic property and listed assets.
- Various experts are engaged to assist with the implementation of the investment strategy, including consultants, asset managers and specialists.
- A formal portfolio and strategy review and on-site manager visits are undertaken annually.
- Given the illiquid nature of the asset class, valuations are undertaken periodically, typically every 3 months.

Allocation

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia/NZ	9	9	9	9
Europe	14	14	14	14
North America	65	66	66	66
Other	12	11	11	11
Total	100	100	100	100
Sector (%)				
Buyout	85	86	86	86
Natural Resources	0	0	0	0
Special Situations / Distressed	6	5	5	5
Venture	0	0	0	0
Opportunistic Property	0	0	0	0
Other	9	9	9	9
Total	100	100	100	100

Outlook and Strategy

During the fourth quarter of 2023, the number and value of completed deals continued to decline, marking 2023 as the lowest year in activity for PE since 2016. Large deals with the highest dependency on leverage suffered the most, with smaller deals that avoid costly debt continuing to win favour in a higher interest rate environment. Quarterly exit activity was the weakest for the year, as buyers and sellers remain apart on valuations and the median investment hold time of 6.4 years rose to record levels. While PE-backed initial public offerings remain scarce, a growing pipeline of companies looking to go public is sparking optimism that the IPO market may improve in the second half of 2024. PE managers approaching alternative sources of capital led to robust fundraising activity, despite a scarcity of capital from traditional sources. Combining this trend with reduced investment activity resulted in total capital available to deploy at record levels, further increasing optimism for an impending turnaround in market conditions. Across PE sectors, tech and healthcare valuations declined in-line with the broader market. Encouragingly, a few high-value healthcare deals completed during the quarter signalled improving confidence in the sector.

Australian Retirement Trust seeks to maintain a diversified private equity portfolio on both a geographical and investment strategy basis. We remain active in the market and maintain a cautious approach when making new investments, with commitments to selected co-investments in the September quarter. These have been with high-quality existing managers across different geographies and strategies where we believe there is limited downside risk under the current market environment but significant potential upside in the medium-to-long term.

Infrastructure

Infrastructure refers to the fundamental assets of a society that are required to provide essential services to its population and are accessible by most people.

Infrastructure investments are characterised by several key features including:

- Typically long duration;
- Large initial capital outlays;
- Monopolistic qualities;
- Stable income;
- Inflation linked earnings; and
- Returns dominated by income, once mature.

How this Asset Class is Managed

The infrastructure portfolio is constructed to provide a diverse portfolio of assets across a number of sectors and geographic regions. Assets include airports, ports, toll roads, water utilities, transmission assets, distribution assets and land registries.

- The infrastructure investments have been made through both direct investments in assets and pooled funds. Australian Retirement Trust Super Savings currently does not invest in listed infrastructure in this asset class, though we may do so in the future.
- Various experts are engaged to assist with the implementation of the investment strategy including consultants, asset managers and specialists.
- A formal portfolio and strategy review and on-site manager visits are undertaken annually.
- Given the illiquid nature of the asset class, independent valuations are undertaken periodically, typically every 3 to 6 months.

Allocation

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Geographic (%)				
Australia	56	52	51	52
Emerging Markets	5	5	4	4
Europe	8	11	11	12
North America	22	25	26	25
UK	4	6	6	6
Other	5	1	2	1
Total	100	100	100	100
Sector (%)				
Transport	29	29	29	29
Utilities	26	28	27	26
Renewables/Energy	7	6	6	7
Digital	16	20	21	21
Other	22	17	17	17
Total	100	100	100	100

Performance Commentary

In the December quarter of 2023, the performance of assets varied across the Infrastructure portfolio but the majority of the portfolio contributed positively to returns.

Overall, the Infrastructure portfolio continues to perform in line with long-term expectations, despite slower economic growth and the higher interest rate and inflation environment. This is largely driven by infrastructure's essential nature, portfolio diversification and in-built inflation protections in many of the portfolio investments.

In the airports sector, domestic flights in Australia have generally recovered to pre Covid-19 levels driven by the demand for leisure travel, notwithstanding capacity constraints including workforce and aircraft availability challenges. International flights are approaching pre Covid-19 levels, supported by the return of Chinese passengers and major Chinese airlines resuming services in Australia.

Australian Retirement Trust remains disciplined and selective in the search for assets that are supported by long term cash flows and stable regulatory environments. We continue to consider opportunities to sell assets for portfolio construction reasons or where attractive pricing is available.

Largest holdings

	%
AusNet	10.5
Puget	6.3
Victorian Motor Registries	5.6
Brisbane Airport	5.2
Bristol & Birmingham Airports	5.0
Other	67.4
Total	100

Outlook and Strategy

As anticipated in a high inflationary environment, the Infrastructure asset class continues to prove resilient, reflecting the essential nature of the assets and in-built inflation protections in many of the portfolio investments. Consequently, despite evidence of increasing discount rates, the portfolio continues to perform in line with long-term expectations.

There are signs of a softening market with tighter liquidity, plateauing of pricing and a slowdown in transaction activity. Over the past quarter there was a 54% decrease in global infrastructure M&A activity when compared to Q4 2022, attributable to macro-economic headwinds and a mismatch between buyer and seller expectations on pricing.

In May 2023, the 2023-2024 Australian federal government budget was published and included substantial commitments to commercialising green hydrogen, enhancing household energy efficiency and social housing initiatives. In the transport sector, airports continue to see strong recovery in passenger numbers, supported by the re-opening of China services during the quarter.

Australian Retirement Trust remains disciplined and selective in the search for assets that are supported by long term cash flows and stable regulatory environments. We will also consider opportunities to sell assets for portfolio construction reasons or where attractive pricing is available. During the quarter we divested a minority interest in Melbourne and Launceston airports and an interest in a global diversified infrastructure fund.

Alternative Strategies

This is a globally diversified alternatives program, with flexibility to opportunistically invest in public and private markets, asset classes, and capital structures with a focus on private and alternative credit.

Underlying investments includes credit strategies such as private corporate direct lending and asset backed credit (including real estate, infrastructure), as well as more return seeking credit strategies such as mezzanine lending and distressed debt or special situations credit.

How this Asset Class is Managed

The portfolio invests via distinct sub-portfolios:

- Private Fixed Income: 29.4%
- Private Alternative Credit : 70.6%

Alternative Strategies investments are used in portfolios to improve total portfolio risk and return characteristics.

Private Fixed Income – top 5 Managers¹

	%
PAG	30.0
EIG	17.8
Stafford	14.9
Neuberger Berman	11.6
Varde	8.1
Others	17.6
TOTAL	100

¹ Refer to 46 for information about the Managers listed above.

Outlook and Strategy

The Private Fixed Income portfolio commenced in the December 2022 quarter under the new ART Private Debt policy. The purpose of the portfolio is to deliver a return premium in excess of public fixed income while providing strong cash yield and downside protection.

The return outlook on an absolute basis for the portfolio is strong with the predominately floating rate nature of the portfolio benefitting from higher base interest rates. During the quarter, we saw increased competition from financiers resulting in modest yield compression, albeit from elevated levels.

The opportunity set remains attractive on a risk adjusted return basis and we continue to see strong performance from both corporate direct lending and asset backed credit strategies.

While the return outlook is positive, it is likely that default rates will increase over the coming periods as borrowers come under pressure due to the combination of higher cost of debt and pressure on earnings from macroeconomic headwinds.

Private Alternative Credit – top 5 Managers¹

	%
EIG	13.1
Neuberger Berman	13.0
Hayfin	11.6
SC Lowy	10.6
Blackrock	9.7
Others	42.0
TOTAL	100

¹ Refer to 46 for information about the Managers listed above.

Outlook and Strategy

The Private Alternative Credit portfolio commenced in the December 2022 quarter under the new ART Private Debt policy. The purpose of the portfolio is to capture higher returns from opportunistic private credit investments and to provide an element of downside protection compared to equity investments.

During the quarter, junior debt, special situations and other opportunistic credit investment strategies performed strongly across the portfolio. This trend was consistent across public and private exposures, driven by the yield profile and structural protections that benefit credit investments.

Managers' investment focus remains defensive while uncertainty is high but, subject to how market conditions evolve, may seek to capitalise on stress and on being a liquidity provider in areas where markets become inefficient.

Property

Institutional quality property investments typically include office buildings, retail centres and industrial warehouses however can also include residential, hotels, retirement villages, health care, education, leisure, storage, data centres, development land and rural exposures.

The objective of the Property portfolio is to provide returns between that of listed equity and fixed income whilst being positively correlated to inflation. Its performance target is to exceed the benchmark index comprised of MSCI/Mercer Australia Core Wholesale Property Fund Index and the MSCI Global Property Fund Index over rolling ten year periods.

A diversified Property portfolio should provide exposure to a portfolio of risks that differ from the risks found elsewhere in the Fund thus also providing diversification benefits to the Fund.

Allocation

	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023
Sector (%)				
Office	15	14	14	16
Retail	14	14	15	13
Industrial	22	23	22	21
Residential	26	29	29	28
Other	23	20	20	22
Total	100	100	100	100

How this Asset Class is Managed

The Property portfolio is constructed to provide a diverse portfolio of property assets and includes exposure to:

- Direct investments in property,
- Investment in unlisted pooled funds, and
- Investments are largely held in commercial, retail, and industrial assets and are diversified by geography, tenant mix, asset strategies and lease expires.
- Our exposure to property includes investments in both equity and debt and generally targets lower levels of leverage to reduce correlation to equities and increase the income portion of returns.
- Various experts are engaged to assist with the implementation of the investment strategy including consultants, asset managers and specialists.
- A formal portfolio and strategy review and on-site manager visits are undertaken annually.

Top 5 holdings

	%
Discovery Parks Holding, Australia	11.3
Sunbridge Investments, LLC, US	4.4
Hulk Logistic Investments Holdings Ltd, China	4.2
South Eveleigh, NSW	3.3
Teays River Investments, LLC, Multinational	3.2

Managers¹

	%
Berkshire	14.0
Allegro Funds	11.0
Steptone RE	11.0
Heitman LLC	10.0
Mirvac	9.0
Other managers	45.0
Total	100

¹ Refer to 46 for information about the Managers listed above.

Outlook and Strategy

Global property generated mixed returns over the past quarter and year, with returns varying significantly across sectors and regions. Broadly, higher interest rates, elevated inflation and economic uncertainty continue to weigh on property markets. Valuations, liquidity, and financing were all impacted by rising interest rates and capital market conditions became more restrictive. The Property asset class performance over the quarter was impacted by weakness in the performance of commercial office globally and US multifamily properties. However, our historical focus on diversifying into alternative property sectors helped offset the negative performance from office and multifamily.

Commercial office values continued to face downward pressure as hybrid working practices and economic uncertainty weigh on investor sentiment. This is particularly evident in lower quality offices in contrast to well-located, higher quality office spaces that continue to benefit from robust tenant demand. Retail property values have appeared to stabilise as consumer spending ticked up towards the holiday season although assets more dependent on discretionary spending may be impacted over the medium term as higher interest rates and inflationary pressures weigh on consumer sentiment. US multifamily asset values fell over the quarter as near-term rental growth expectations moderated.

Other alternative property sectors such as self-storage, aged care and holiday parks continue to provide diversification benefits to the portfolio due to the resilience of their cashflows and therefore, valuations.

Given current market dynamics we remain selective of investment opportunities and seek opportunities that are accretive from a risk-adjusted return perspective and contribute positively to portfolio diversification.

Managers appendix

Name	Description
Acadian	Acadian is a quantitative equity fund manager that is based in Sydney and has its headquarters in Boston. Acadian invests based on systematic analysis of company fundamentals and implements through a highly structured and disciplined investment process. The Sydney based team benefits from the firm's global research on investment factors and implementation insights to construct their Australian equity portfolios.
Allegro Funds	Allegro Funds is an independently owned Australian fund manager that manages Australian Retirement Trust's investment in Discovery Parks.
Australian Retirement Trust	Super Savings manages a portfolio of Australian term deposits placed with high quality banks regulated by APRA.
Bain	Bain Credit primarily invests in below investment grade senior loans with the ability to dynamically allocate to high yield bonds and structured credit. The Manager has a strong emphasis on bottom-up fundamentally driven security research and may invest in both private and public transactions. The Manager may use hedges to mitigate volatility.
Barings	The Barings Emerging Markets Sovereign strategy invests primarily in a diversified portfolio of hard currency investment grade and high yield sovereign debt of EM countries seeking to provide maximum total return consisting of both income and capital appreciation. The investment process is predicated on fundamental analysis. Portfolios are constructed with high conviction positions, where their view of economic fundamentals outweighs market volatility and sentiment.
Berkshire	Berkshire Residential Investments is a privately held US real estate investment management firm that focusses on debt and equity investments in the multifamily sector in the US.
Blackrock	BlackRock Alternative Advisors (BAA), BlackRock's external hedge fund investment team, has been building and managing portfolios of hedge funds for over 20 years. As of 31 December 2019, BAA's assets under management totaled more than \$21.5 billion USD, making it one of the world's largest allocators to hedge funds. In 2006, BAA launched its first dedicated co-investment fund to pursue intermediate-term opportunities; since then, BAA has raised and closed four vintages of the co-investment fund, most recently in 2017.
Caspian Capital	Caspian is a New York based alternative asset manager that focuses on secured corporate credit opportunities primarily in the US middle market. Caspian trade credit positions based on fundamentals and relative value with a relatively defensive approach to portfolio construction.
EIG Partners	EIG Global Energy Partners is a leading provider of institutional capital to the global energy industry, providing financing for companies and projects in the oil & gas, midstream, infrastructure, power and renewables sectors globally. The firm's deep sector expertise and internal technical capabilities permit EIG to structure creative solutions for our industry partners in complex situations, ranging across the balance sheet, including originated senior debt, hybrid debt, structured equity, and private equity.
Goodman	Goodman is an Australian based property group that develops and manages industrial real estate assets including warehouses, large scale logistics facilities, business and office parks.

Managers appendix

Name	Description
GPT Group	The GPT Group is a vertically integrated diversified property group that owns and actively manages a portfolio of high-quality Australian office, logistics and retail assets. The Group leverages its real estate management platform to enhance returns through property development and funds management.
Hayfin	Hayfin is an alternative asset management firm focused primarily on credit-related strategies across western Europe.
Heitman LLC	Heitman is a global real estate investment management firm with investments across all property types and strategies in North America, Europe and Asia.
Maple-Brown Abbott	MBA invest in companies that are priced at an attractive discount to their assessment of their underlying value. MBA's investment philosophy can also be described as contrarian in that it tends to be buying investments that have fallen out of favour in the market and selling or avoiding investments that are market favourites.
Neuberger Berman	Neuberger Berman is a private, independent, employee-owned global investment manager mandated to manage private equity, private credit and alternatives strategies.
PAG	PAG is one of Asia's leading investment firms, offering a world-class platform and an unparalleled network of local, experienced investment professionals. PAG manages US\$40 billion in capital across strategies including private equity, real estate and absolute returns.
Payden and Rygel	This is a global multi asset credit strategy, which primarily invests in government/government related securities, corporate credits, and securitised assets. It is a best ideas strategy that reflects the most attractive risk-adjusted opportunities globally and seeks to provide diversified sources of return.
Platypus	Platypus are an Australian boutique investment manager specialising in Australian Equities. They manage a concentrated portfolio of 20-30 Australian shares spanning large, midcap and small cap companies and tilt towards fast growing companies. Platypus believe that the growth in a company's profitability, and paying a sensible price for that growth, will ultimately determine total shareholder returns. They identify the drivers of a company's history of earnings growth and then assess whether the future will see a deviation from the company's long term historic earnings growth trend. Their process leads them towards companies that have a long history of earnings and transparent forecastable earnings.
SC Lowy	SC Lowy Asset Management is an Asia and Europe focused public and private credit manager. Founded in 2009, the firm has historically been focused on trading secondary high yield & distressed bonds and loans from its flagship hedge fund. With increasing opportunities in primary lending origination to stressed & distressed local corporates mainly in the SME segment, SC Lowy has expanded its strategies to include closed-end private credit funds for illiquid private credit investments.
Stafford Capital Partners	Stafford Capital Partners is an international private markets investment and advisory group covering Agriculture & Food, Private Credit, Infrastructure, Private Equity, Sustainable Capital, Timberland and Venture Capital investments.

Managers appendix

Name	Description
State Street Global Advisors (SSGA)	State Street Global Advisors (SSGA) is one of the world's largest asset managers specialising in passive management. The Manager uses index replication to provide returns that very closely match the benchmark, and by doing so State Street Global Advisors (SSGA) provides market returns in an efficient, scalable and cost effective way with minimal risk.
StepStone Real Estate	StepStone Real Estate is a global real estate investment firm with experience in investing across a range of real estate strategies within the US and Europe.
Stockbridge	Stockbridge Capital Group is a US real estate investment management firm that invests in a range of real estate sectors and strategies across the US.
Tribeca	The fund employs both a top-down and bottom-up process. The top-down process uses a proprietary quantitative framework to select between different segments in the market. The bottom-up process involves a rigorous framework of analysis and valuation which leverages off proven expertise in stock selection.
Trust Company of the West (TCW)	TCW is a Los Angeles based manager and this portfolio invests in a range of U.S. collateralised securities. TCW manages to a style which combines a top down macro-economic view with security selection and sector allocation across a range of collateralised securities. Specialised modeling is used to help identify relative value and market trends. TCW structures the portfolio using a combination of security types that behave differently in a range of market environments, delivering good overall returns with low volatility. The portfolio is hedged back to the Australian dollar.
Varde Partners	Varde is a large global alternative asset manager with a focus on credit. Varde has broad investment mandates which include corporate credit, structured credit, financial services/ platform/specialty finance, real estate/mortgages and real assets/infrastructure.
Vinva	Vinva is mandated to run an enhanced index portfolio for Super Savings, taking very marginal bets around the benchmark. The manager employs a quantitative approach looking to exploit valuation-based and behavioural mis-pricings in Australian shares.
Wavestone	Wavestone is one of our largest idiosyncratic managers in the Australian shares portfolio. Wavestone is a fundamental Australian investment manager that believes that over the long term winning companies have to exhibit a sustainable competitive advantages and researches companies with above average earnings growth. They are a quality growth manager with a secondary valuation discipline.



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