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Superannuation Fund Communications in Good and Bad Times

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Abstract

We examine the content and presentation of the first statement to members appearing in a Superannuation Fund's annual report (typically made by the Chairperson or the CEO). We reflect on the words and themes employed, and the clarity and readability of communication. Our focus is on the respective differences between statements made in the year prior to the global financial crisis (GFC) and those made during the GFC.

A content analysis of the CEO statement was conducted for 81 annual reports in each of the two years - respectively 'good news' and 'bad news' years.

The readability of statements (as measured by the FLESCH reading ease index) is surprisingly consistent. Readability scores for 'bad news' statements do not differ significantly from those for 'good news'. Although the themes appearing in the statements remain relatively constant, their ordering and the emphasis accorded them differs greatly. 'Good news' statements focus on fund investment performance, while 'bad news' statements are oriented more to 'market performance'. This is consistent with the literature which suggests that poor performance will be attributed to external factors. Compared with company annual reports, the superannuation fund statements tend to adopt a more 'folksy' style, reflecting both the different audience and purpose of the report.

If message consistency is an attribute of successful communication, then there is room for improvement in the writing of the statements. The role of the market performance and its impact on fund investment performance needs highlighting in good and bad return periods. Similarly the emphasis on investment time horizons, particularly descriptions of superannuation as a long-term investment, also needs reinforcing in good and bad times. This recommendation is consistent with ASIC's move in 2008 to ensure funds include medium to longer term performance data in annual reports and/or member periodic statements.

The paper contributes to the literature on readability in corporate communications by examining the annual reports of Superannuation Funds experiencing a 'bad news' year due to the GFC, and comparing them with the previous years' 'good news' reports.

Keywords Superannuation Fund Report, Good news/Bad news, Themes.

I. Introduction

Bad news is never easy to communicate and 2008 presented no shortage of bad investment news. Equity is the dominant asset class in Australian superannuation fund investment strategies with on average a 52 percent allocation to equity in default investment options (APRA, 2009). The Australian All Ordinaries Index dropped by 51 percent in the 12 months to November 2008, drawing parallels with 1987 and 1929. It is during such times that communications with, and messages to, members arguably have greater importance.

The magnitude of the bad news that funds had to deliver in the 2007/08 report is summarized in Table 1. The returns in the table are those of the default investment option or, where one is not identified, the fund's largest investment option for the sample included in this paper. The returns make no adjustment for risk and thus no relative performance assessment between fund types should be drawn.

The impact of the global financial crisis (GFC) has been more influential for fund members than previous poor financial market events given the larger investment portfolios members now hold, and demographic shifts in the economy. Vanderhei (2009) has identified the differential impact of the GFC by account balance and age for U.S. savers. In 1987, when financial markets experienced comparable downturns, a universal Australian mandatory retirement savings pillar was in its infancy with 40 percent employee coverage (APRA, 2007), and industry assets of $41 billion (Neilson and Harris, 2008). By 2008, assets totaled $1.1 trillion (APRA, 2008) with 91 percent of those employed with superannuation coverage, and an average balance of $70,670 (ABS, 2009).

Table 1 Returns in 2007 and 2008 of flagship investment options

	2007 Return (%)			2008 Return (%)		
Fund type	Mean	Max	Min	Mean	Max	Min
Corporate Funds (n=8)	16.3	18.2	13.9	-7.6	-2.7	-11.2
Industry Funds (n=42)	16.4	21.0	12.5	-6.1	-1.7	-14.4
Public Sector funds (n=13)	15.3	17.7	10.8	-4.6	2.3	-9.3
Retail Funds (n=14)	15.3	25.9	11.0	-11.2	-7.6	-21.7
Total (n=77)[1]	16.0	25.9	10.8	-6.9	2.3	-21.7

[1]. A return for both years could not be identified for four funds in the sample

This paper is concerned with the information and messages that retirement savings fund members received during the GFC[1], using Australian superannuation funds as a case study. At the broad level this represents a potentially extensive topic given the myriad communications members receive. These include direct print materials from the fund, the fund's online website, and also the various commentaries in the media (television, magazines, newspapers, and online). The communication that registers most directly, and also mandatorily, is arguably the annual report which, in the majority of cases, accompanies the member's annual balance statement. This paper focuses on the annual report and more specifically either the Chairperson's or CEO's statement which introduces the report. The analysis examines the words, language, and themes in these statements contained in the June 2006/07 and June 2007/08 annual reports.

The specific research questions to be investigated in this paper are:

- How have superannuation funds used the Chairperson's statement to communicate bad news and good news to their members?
- Is there a consistent structure to the Chairperson's statement?
- How readable are the statements?
- What language and key themes are evident in statements and are they consistent?
- Is there evidence that message style, construction, and consistency, is different in periods where superannuation funds experienced good (2007) versus bad (2008) market conditions?

I.1 Requirement for Periodic Statements and Annual Reports

The Corporations Act (S1017D) establishes the requirement for the issuer of a superannuation product to provide at least one periodic statement to fund members. The specific information required includes: opening and closing balances; transactions data; return on investment; termination value; and details of any changes in the circumstances affecting the investments. Beal (2008, p.50) notes that statements often include a range of additional general (investment strategy returns, insurance, and complaints mechanisms) and specific (insurance benefits, beneficiary details) information "in a fairly logical sequence" (Beal, 2008, p.50). Like periodic member statements, annual reports also appear to follow a "logical sequence" with a key feature the importance given to the statement from the Chairperson, CEO, or combination of the two.

The Corporations Act (S1017DA) establishes requirements for information in annual reports "relating to the management, financial condition and investment performance of the entity and/or of any relevant sub-plan". The Corporations Regulations (Subdivision 5.6 of 7.9) provides further information requirements.

I.2 Are Annual Statements and Reports Important for Members?

Several surveys have questioned how members utilize their fund's annual report and suggest somewhat contradictory results. The Association of Superannuation Funds Annual Superannuation Survey (Balogh, 2008) suggests 79 percent of respondents considered their superannuation fund communicated with them well and 86 percent could mostly or easily understand their transaction statements. The same survey found that 46 percent of respondents did not know the actual percentage return of their fund for the 2007/08 return. The Investment Trends (2007) survey also presents results suggesting satisfaction with the information provided by funds in superannuation statements. The sample focused on those who had switched superannuation funds in the previous 12 months. In separate assessments on information relating to performance, fees, risks, and the market the highest proportion of respondents reporting they considered the information poor, very poor or not used was 23 percent. When asked what could improve the statements, ten percent indicated more information, 11 percent indicated statements that were clearer or in plain and simple English, and 14 percent indicated nothing or that they were fine.

The Australian Securities and Investments Commission (ASIC) suggest periodic statements were "probably the most important bit of disclosure for ongoing members of a super fund" (Cooper, 2007, p. 4). The Investment Trends (2007) survey also confirms that the majority of members (65 percent) read the periodic statements and 67 percent indicated that they understood them well or very well.

I.3 Who is the Audience of a Superannuation Fund Report?

Who actually is the intended audience of the annual report is an important question as it goes to the heart of the issue of how members of funds are viewed and how the statements can be judged. Donald (2008) examines the different way funds and members are treated within the superannuation regulatory scheme which is of direct relevance to the question of the purpose of the annual report. At one extreme is the view of members as the "hapless and vulnerable beneficiary of Equity lore" and at the other is the "competent economic actor" (Donald, 2008, p.5). In the former traditional model, regulation seeks to ensure trustees administer as per the paramount trust instrument. Donald suggests that although some view this as anachronistic in the light of what modern superannuation funds have become, both the courts and system reviews have failed to overturn the trust law basis for superannuation funds as is applicable to general trusts.

The requirements placed on superannuation trustees from trust law have, however, been modified by employment and contract law. This reflects that for the majority of members, involvement in a superannuation fund is not voluntarily, as in the traditional trust, but rather a consequence of their employment and the Superannuation Guarantee legislation. Donald (2008) suggests however that the influence of this employment contractual context should not be overstated as many members still have the "'vulnerability' that attracts obligations in other fields" (Donald, 2008, p.7).

Given the compelling size of the superannuation industry a third "public model" is suggested by Donald (2008). Given the inter-relationship between pension entitlement and superannuation income as sources of retirement income, the public interest case can be mounted. Acknowledging this, the suggestion is that superannuation funds and trustees should also be subject to the principles governing public officials including administrative law. Whether this is

appropriate or not is not the focus of this paper, though it may be regarded as the least compelling model. However, it is within this framework that Donald (2008) suggests the requirements of the Corporations Act of certain prescribed information can be viewed. Importantly, "much discretion is left in the hands of the trustee" (Donald, 2008, p.12).
This is not to suggest that the three models are mutually exclusive. The Australian regulatory system incorporates aspects of each model. From the member perspective there is evidence both across fund categories and within a fund that they are populated by both the traditional model's beneficiaries and investors. The proportion of assets in the default investment option within each fund type provides an imperfect measure for each. Retail funds have the lowest proportion (23 percent) and industry funds the highest (74 percent) in default options (APRA, 2009) suggesting they are populated by a greater proportion of investors and members respectively. Industry funds, notwithstanding the increasing number attaining public offer status, remain populated with compulsory (beneficiary) members whereas retail funds could be reasonably characterized with more voluntary (investor) members. It should be noted that this need not infer anything about member sophistication.
Confounding the investor characterization, however, is the low proportion of members who exercise both investment choice and choice of fund. Sherry (2008) suggests that 80 percent of fund members do not exercise choice. This is comparable to overseas evidence. For example in the U.S., Mitchell, Mottola, Utkus and Yamaguchi (2006) show the majority of defined contribution plan participants do not trade and remain in the plan's default investment option.
It is here where the different constituents of superannuation funds, which may well align with the different categories of funds, may determine or influence the focus of member communications. This may be true generally and for the annual report, including the Chairperson's or CEO's statement, specifically. For example, a member by choice of a retail Master trust can be contrasted with the compulsory members of Industry or Corporate funds receiving the minimum contributions, who in the majority remain in the default option. The former, voluntary members of retail products, or members by choice of public offer industry funds for that matter, accord with the investor model. The latter, compulsory and largely passive member groups accord with the beneficiary model.
Putting aside the "public model", it is worthwhile to consider the different information sets that may be considered as necessary given the "member" and "investor" models. What assumptions can be made about member information requirements, knowledge levels, and to what extent are these reflected in the Chairperson's and CEO's message?

II. Review of the Literature

Readability definitions incorporate a number of dimensions. These dimensions include the ease in understanding a text, the degree to which the text is compelling and comprehensible, and the success of the reader in understanding the text (DuBay, 2004). Though the history of assessing readability is long, a single computational model for measuring all aspects of readability is not available (Pitler and Nenkova, 2008). Instead, most assessments choose a single factor of relevance for a particular audience (Pitler and Nenkova, 2008). This paper belongs to this latter approach with a focus on assessments of readability in corporate communications.
In an ideal world corporate communications will reflect financial reality. Unfortunately the use of jargon is commonplace, and goes well beyond that which is necessary for technical accuracy. Whether this matters or not will depend on the way in which the information is presented, because the means of conveyance will tell us something about the communicators and the well-being of their organizations.

Smith & Taffler (1992a, 2000) suggest that the readability of accounting narratives is linked to financial performance, and that the use of key standard words and phrases is predictive of poor performance; deteriorating financial conditions are often accompanied by increasingly opaque communications. Clear and transparent communications reflect well on both the communicators and the organizations that they front. Trust and respect can be fostered with such a device. On the contrary, if miscommunication is interpreted as a deliberate attempt to mislead, then that trust may be lost. The absence of clear messages may signal that there is something seriously wrong with both the management of the communication process and the management of performance.

Effective communication demands that the recipient interprets the message in the same way as the sender. The more trustworthy the sender then the more credible and reliable is the associated message. However, the communication process can break down if the reader cannot understand or misinterprets the content, or because the sender has deliberately constructed a misleading message. The message might contain misleading content (downright misinformation), or might be presented in a way which makes it more difficult to understand through poor readability and/or the overuse of jargon. Smith & Taffler (2000) show that 'bad news' is normally associated with references to 'losses', 'contraction', and 'resignation' while 'good news' is associated with talk of 'profits' and 'growth'.

The complexity of financial communications increases the potential for impenetrable narratives, full of technical terms, and if the user is not able to read, understand and interpret the content, then opportunities for communication breakdown will arise. Smith & Taffler (1992a) suggest that firms will want to signal their superiority to the market, both through excellence of performance and through transparent disclosures. But there may be differences in approach depending on whether 'good news' or 'bad news' is being imparted; if there is no 'good news' to be disclosed, then some firms might try to obscure the fact by conveying messages which are either unclear or incorrect. The implication is that organizations will signal their good performance while trying to obscure poor performance; this might be combined with attributions which suggest that 'good performance' is all down to brilliant management, while 'poor performance' can be blamed on economic and market conditions. Poor performance is normally accompanied by a gloomy, pessimistic narrative, while excellent financial numbers are complemented by self-congratulatory and optimistic words. Beattie, McInnes, and Fearnley (2004) provide a review of the analyses of annual report narratives and propose a metric to measure not only the quantity but also the quality of financial disclosures in annual reports.

The GFC presents a challenge not only in its direct impact on member accumulated savings, but also the retirement income planning system as a means to deliver member's desired standard of living in retirement. The existing literature focuses on firms' corporate performance rather than superannuation funds. This Analysis is therefore timely given that membership of such funds is compulsory for workers in Australia. Recent research from de Grip, Lindeboom, and Montizaan (2009) has demonstrated the negative impact of changes to pension system entitlements on the mental health of workers in the Netherlands. A parallel can be drawn with the GFC which has been an external shock to worker retirement entitlements which dependent upon member characteristics, age or time to retirement in particular, will have direct impacts. Thus an analysis of fund messages provided to members in the wake of the GFC, is opportune and will provide superannuation funds with an industry wide analysis for reflection.

II.1 Differences in Annual Report Purpose

The previous research into company annual reports is useful but it also highlights a major point of difference in the audience of the reports. For corporations, the reports are unambiguously for current or potential investors. They have been described as "platforms for preaching philosophies and touting themselves and their companies" (Ingram and Frazier, 1983, p.49). This highlights an inherent tension in the use of the annual report as a marketing tool rather than predominantly a disclosure or educative instrument. Given a fund membership dominated by "beneficiaries", it is arguably more beneficial to see the annual report role as primarily educative.

Australians have a comparatively high rate of share ownership with an estimated 38 percent owning shares directly. However, superannuation is held by a much larger proportion, 79 percent of households (Reserve Bank of Australia, 2009). Further, average household superannuation wealth, at 15 percent of total assets, is more than double the seven percent that direct equity comprises.

Direct equity ownership serves a variety of investment purposes for individual investors. Australian Stock Exchange (2006) identifies that 33 percent of investors invest in equity "to accumulate wealth", 12 percent for "diversification" and 15 percent of individual direct equity investors invest in equity for retirement. There is therefore an obvious overlap of superannuation members who are also direct equity investors, though the larger proportion of superannuation members do not have this experience. Even for those holding equity, 42 percent hold three or fewer companies in their portfolio.

There are other similarities and subtle differences between the two audiences. Both the fund and corporation aim to provide a return for members and owners respectively. As noted above, an equity investment may be for a variety of objectives and investors can access the return immediately. In contrast, a fund member's objective is retirement savings and importantly they can only access when they reach their preservation age, which for the largest proportion of workers is 60.[2]

II.2 Readability and Understandability

The survey evidence suggests two major areas of concern in the manner of the disclosure of superannuation information: clarity and understandability. This paper addresses issues of clarity in terms of the difficulty of text employed and the reading ease of the narrative.

Early research (e.g., Smith & Smith, 1971; Healy, 1977) focused on the comprehensibility of footnotes in annual reports, raising serious doubts about both their complexity and readability. Related research has sought to develop alternative measures of readability, based on the difficulty of the narrative, the length of the sentences and the length of the words employed. Smith and Taffler (1992b) note that all the measures combine two basic features:

- Word Length (W) – related to the speed of recognition and acting as a proxy for the difficulty and/or obscurity of the language;
- Sentence Length (S) – related to the recall of words in immediate memory, so that meaning and context allow the message to be conveyed.

Alternative measures arise because of the different possible ways of measuring average word length and average sentence length. The LIX index distinguishes between words which are greater than or smaller than six letters in length. The FOG index (Kwolek, 1973) focuses on words deemed to be 'hard' from a prescribed dictionary. The FLESCH index uses average number of syllables. Of the available measures the LIX measure (Anderson, 1983) is the easiest and most reliable to compute, but the FLESCH index (e.g., Still, 1972) remains the most popular in the literature, hence the use of the latter here.

The FLESCH index defines W (word length) as the number of syllables per 100 words, and S (sentence length) as the total number of words divided by the total number of sentences. The FLESCH readability formula is then computed as: FLESCH = 206.835 – 0.846W – 1.015S. The calculation thus represents a deduction from the base constant for both word and sentence complexity, so that the higher the score the easier the readability. A FLESCH score of less than 30 would signify a difficult technical narrative. Smith and Taffler (1992b) report FLESCH scores in the range 24.8 (Bad) to 49.3 (Good) for their sample of Chairperson's narratives, with a mean score of 34.2.

The LIX measure is calculated as LIX = W + S, where W is the percentage of words of seven or more letters, and S is average number of words per sentence. The lower the score the easier the readability, so that LIX scores in excess of 60 would signify difficult technical narratives. The resulting indices provide reliable reflections of the difficulty of the text, but ones that still have limitations, since word length and sentence length are both used as proxies for difficulty. For example, efforts to improve the understandability of the text, through the addition of subordinate explanatory clauses, would actually reduce the readability because the resulting sentences would be longer. Also, and importantly, the readability measure is a single score which makes no reference to the reader, nor to differing levels of experience, maturity or sophistication among the readership.

The development of a measure which reflects variations in the abilities of the readership requires a different approach. It must be interactive, and necessarily more time-consuming to construct and conduct. The CLOZE procedure (e.g., Taylor, 1953) is one such option which has been well researched. The CLOZE method seeks to predict the understandability of a complete narrative based on comprehension of parts of the whole. Subjects are provided with a mutilated text and asked to predict the missing components based on the surrounding context. In practice versions of the text are prepared with every nth word omitted (usually every fifth word or every tenth word). The easier the text is to comprehend the easier it will be to fill in the gaps, so that the percentage of correct insertions can easily be computed. Familiarity with the nature of the texts should allow subjects to record higher CLOZE scores, but groups of similar sophistication would be expected to record similar scores. Overall scores are generally low, since only exact insertions are counted as correct.

Limitations still exist; for example, the guessing of an exact response may not necessarily correspond with a complete understanding of the message. More recent alternatives in the area, notably the Sentence Verification Test (SVT) developed by Royer (2001), have sought to develop specific questions on the content of the narrative to determine the real level of understanding.

III. Sample Overview and Coding Methodology

A sample of funds covering each of the main superannuation fund types was constructed. While the peak of equity market declines occurred in March 2009 the impact of the GFC on fund returns was evident in June 2008 with the largest ever reported annual negative returns. Hence the 2008 report was taken as a source of bad news and the 2007 report a source of good news.

The sample breakdown is presented in Table 2. To be eligible for analysis the fund report must have been reporting for the June 30 financial year. The Chairperson or Chairperson/CEO statements were extracted for 2006/07 and 2007/08 from the electronic versions available from the fund website. In a small number of cases the fund was contacted using the "help centre" email address. In 26 cases a selected fund was dropped from the analysis because a report for both years was not available. The final sample of 162 statements, two for each of the 81 funds, was loaded into NVivo for text coding. A full list of the funds included in the sample is provided in the Appendix.

Table 2 Sample Overview

		Net Assets $ millions		
Fund Classification	n	Mean	Min	Max
Corporate	8	3131	139	10059
Industry	42	4197	139	28834
Public Sector	13	7114	1041	24539
Retail[1]	18	3750	47	23900
Total	81	4469	47	28833
Statement Completed by	2006/07	2007/08		
Chairperson	51	46		
Chairperson & CEO	9	12		
CEO	6	8		
Managing Director/Directors	8	8		
President/Trustee/Board	7	7		
Total	81	81		

[1] Asset value not established for one fund

III.1 Coding

The statements were coded to themes at the paragraph level. Rather than select the major theme for a particular paragraph, each paragraph was permitted multiple themes. The paragraph number was also coded, allowing an examination of theme sequencing. Two coders were utilized for the 162 statements.

The first round of coding involved reading the full statement from a sample of twelve funds. This helped establish the major themes and develop preliminary rules of classification. In the second round of coding each coder independently coded a share of the total sample. When all statements were coded, theme definitions were collectively refined with rules of theme classification revised. In the third round of coding each theme was checked to the established rules to ensure that each paragraph was appropriately classified.

III.2 Themes

The coding process identified four broad categories of themes and 16 more refined themes.

III.2.1 External References

The first category of themes refers to discussion of factors external to the fund itself. These themes refer to the broader environment in which a superannuation fund exists. Discussion of the performance of various financial markets was a major theme in this category. The **Market Performance** theme includes discussion of share, bond and property markets, either domestic or global. A common example in 2007 is:

"Domestic equity markets enjoyed a stellar year in 2006/2007, with the All Ordinaries Index gaining more than 25%" (The Bendigo Superannuation Plan, 2007).

In 2008 this had changed to:

"These results were mainly caused by negative returns from overseas share markets (-21%) and the Australian share market (-14%)" (AUST (Q), 2008).

In 2008 there was also reference to other markets or general economic factors related to the global financial crisis, such as:

"High oil prices and the US housing collapse have caused a flow-on effect in financial markets throughout the world" and "Inflationary concerns arose after world oil prices exceeded US$140 a barrel for the first time" (The Bendigo Superannuation Plan, 2008).

This theme specifically excludes general information or advice about share markets such as: 'equity markets generally outperform in the long run'. Such statements were coded to an 'Advice & Education' theme.

Many statements referred to the superannuation regulatory framework. The **Superannuation Environment** theme included references to legislative changes, notably 'Better Super' in the 2007 report, and references to the legislation governing superannuation. Common examples are:

"An important goal for the Trustee this year has been adapting the Fund's super products to ensure compliance with the Federal Government's Better Super System" (Accountants Super Fund, 2007), and

"The outcome of the recent review by the regulator, the Australian Prudential Regulation Authority (APRA), was very pleasing and members can be satisfied" (Catholic Superannuation Fund, 2008).

III.2.2 Fund

The second category of themes covers messages about the fund itself, including: how the fund is operated; how its investment options performed; the goals of the fund; discussion of the fund's profile; and the products and services of the fund. This is the largest category of themes.

The **Board** theme includes references to the composition of the Board of Directors; Board and senior staff changes, including new appointments; Board meetings; and the responsibilities of Trustee Directors. For example:

"As part of our Board's continuing efforts to improve our Fund, we made the decision during the year to create the position of Chief Executive Officer" (Club Plus Superannuation Scheme, 2007), and

"As at 30 June 2007, there were three new faces on the Trustee board" (IAG & NRMA Superannuation Plan, 2007).

The **External Endorsement** theme categorizes statements where the name of an external and independent body was used to show the Fund's performance and/or products in a good light. Most often this was in relation to ratings and awards, such as:

"We were also a Finalist in Super Ratings' Fund of the Year awards in November 2006 and received The Heron Partnership's Top Rated Retail Product award" (AGEST, 2007), and

"Our investment performance and the quality of our funds continues to be recognized publicly with BT being awarded Fund Manager of the Year at the 2006 Australian Financial Review Smart Investor Blue Ribbon Awards" (BT Lifetime Super, 2007).

Statements referring to fee levels or strategies focused on reducing cost levels were coded to the **Fees** theme. This includes specific reference to fees (low fees) or to 'low cost' and economies of scale. For example:

"This reflects our commitment to excellence and low cost for members across all our products, both before and after retirement" (AGEST, 2007), and

"Equally significantly, we've been able to implement these features while maintaining low fees. And its fees, coupled with investment returns that make the most difference to account balances" (AustralianSuper, 2007).

The **Investment Performance** theme complements 'Market Performance'. Here, the fund's investment option returns are specifically referred to, either in general terms, for example:

"On a positive note we have seen good returns over the past 12 months and we can thank our independent Investment Committee for keeping our Investment Managers performance to the maximum benefit of members" (Astarra Superannuation Plan, 2007),

or more specifically:

"I am pleased to confirm that investment returns for members have been excellent across all investment options with the default option, Managed Growth (70/30), achieving a return of 15.4%, p.a. to the year 30 June 2007" (Accountants Super Fund, 2007).

Discussion of the fund's overall investment strategy or the asset allocation of specific investment options was coded to the **Investment Strategy** theme. For example:

"On the subject of investments, the Board recently approved small changes to the target investment mix of three of our blended options - High Growth, Medium Growth and Stable Growth" (Asset Super, 2007).

In 2008, references to Investment Strategy could often be characterized as 'holding the line' on strategy. For example:

"I note that the Plan was (and remains) invested in appropriately diversified investment strategies. This includes a significant exposure to high quality, liquid assets, which help to minimize the risks associated with any particular investment strategy or investment manager." (Qantas Superannuation Plan, 2008).

The theme also included references to the outsourcing of investment management; investment advisors; strategic asset allocations; and the monitoring and review of investments.

The broadest theme in the Fund category was **Operations, Goals & Objectives**, including references to: the administration of the fund; member communications and research; staffing and management structure; overall operational strategy; fund focus, objectives and aims; and evaluation of products and services. A general example which addresses fund objectives is:

"Looking forward, we aim to be recognized as the "fund of choice" for those public sector employees who have choice in their workplace and to continue to seek default status from employers in the government sector and to take other complementary opportunities from outside the sector" (AGEST, 2007).

This theme also included references to 'quality service', or the ability, quality and dedication of the staff and management. For example:

"Lastly, but importantly, I also take this opportunity to express my appreciation to management and staff throughout all CSRF offices for their continued dedication in maintaining high standards of service to the Fund's members." (Catholic Superannuation and Retirement Fund, 2007).

The **Profile** theme covers statements which relate to the fund as an entity, including mention of experience (years of operation), size, strength, and growth. These statements often included statistics such as total assets under management, number of members, and contributions received. For example:

"After rapid growth last year, we received another record level of contributions and rollovers into the fund this year. The fund has $2.5 billion in assets and over 165,000 members at 30 June 2007." (AGEST, 2007).

This theme also included examples of fund branding using the fund logo or image, such as:

"QIEC Super is proud to be an Industry Fund. Being an Industry Super fund means we value our members and operate on a not-for-profit basis which means all our profit goes straight back to the members." (QIEC Super, 2008).

Specific references to the products and services offered by the Fund, especially new services, were coded to the **Products and Services** theme. This included references to insurance; the range of investment options offered; financial planning; member seminars; and website improvements. For example:

"Fund members now have an array of new choices such as personal online access, an insurance upgrade, additional contribution methods and new investment options" (ACCSF, 2007).

The **Commitment** theme captures statements which could broadly be characterized as conveying a 'trust us' message from the management or trustees. These statements were strong expressions of the Trustees' dedication or commitment to members, usually expressed in personal terms. For example:

"Our motto 'working just for you' provides a clear focus." (AustralianSuper, 2007); and

"Your superannuation investment is important to our team here at BT as well. We continue to work hard throughout the year to drive strong returns on your investment" (BT Lifetime Super, 2007); or

"You can be assured that your Trustee is dedicated to producing very competitive returns for you whilst minimizing the risk profile" (Managed Australian Retirement Fund, 2007).

Specific mention of trust was also included here, for example:

"It's good to know that workers in the electrical contracting and communications industries can now access high quality financial advice from a trusted source like CONNECT." (Connect Superannuation Plan, 2008).

References to where members' had identified their trust through a survey were coded to 'Member Satisfaction' rather than Commitment.

III.2.3 Member

The third category of themes covers those messages aimed more specifically at the member.

Statements which could be characterized as general **Advice and Education** were common. At one end of this theme was advice such as:

"The introduction of Simpler Super has made it very important to provide your tax file number (TFN) to the Fund. If the Fund does not have your TFN, your benefit may be taxed at a higher rate of tax" (First State Superannuation Scheme, 2007).

Other statements could be characterized as more avuncular. For example:

"Compare super with the value of your house: quarterly price statistics you'll read in newspapers show that house values move up and down. I wonder if you'll see too many people rushing to sell their home just because prices in their suburb have dropped marginally!" (ACCSF, 2007), and

"Stick to your strategy and make sure you get advice from your financial adviser to confirm you are invested in the right areas of the market, given your needs and the type of investor you are" (BT Lifetime Super, 2008).

Some statements were less qualified and more direct including:

"When markets turnaround from a low point, they often do so with amazing speed. We can never know what the year ahead will bring, but we do know that if you are out of the market you risk missing out on the best returns." (Asset Super, 2008), and

"The reality is that the market volatility we've seen over the last 12 months or so, looks set to continue into next year, and this will inevitably have an effect on investment returns in the short term, we have every reason to believe the outlook for the market is positive and we are confident that it will bounce back over the next 12 to 24 months." (BT Lifetime Super, 2008)

Related to the Advice & Education theme were statements which could be distinguished by an empathetic tone, expressing an understanding of members' feelings and circumstances, or their concerns about and confidence in their superannuation, again usually in personal terms. Such statements of **Empathy** included general messages of reassurance such as: "don't panic", "no need to worry", or "it's only natural to be concerned". For example:

"However, we understand that some members, especially those close to retirement, may be

anxious about this year's returns." (Construction & Building Unions Superannuation (Cbus, 2008).
Other statements, while empathetic, were more dismissive such as:
"The important thing to remember is that super is a long-term investment, so worrying about short term volatility makes no sense" (ACCSF, 2007).
Some statements were congratulatory and complementary such as:
"So, well done to those of you who have been chipping in extra" (WALGSP, 2007); and
"Cbus appreciates that you have worked hard to build your super." (Cbus, 2008)
The **Satisfaction** theme within the Member category of themes is the complement of the 'Commitment' theme within the Fund category. These statements highlighted positive member feedback from member survey, and made general reference to members' satisfaction, confidence or trust. Examples include:
"Our member survey in late 2007 found that nine out of 10 members were satisfied with the OSF and trust that their super is 'in good hands'." (Officers' Superannuation Fund, 2008), and
"During their research, Forethought found AUSCOAL Super members have the highest member satisfaction score in superannuation compared to all other super funds they have researched…" (Auscoal Superannuation Fund, 2008).
The **Goals and Objectives** theme is used where there was specific reference to members' investment objectives, financial or retirement goals, retirement lifestyle, retirement security, ensuring adequate income in retirement, or maximizing benefits and savings for retirement. Examples include
"We have now established a strong foundation to meet these challenges and move forward with our objective of maximizing the retirement savings of our members." (AustralianSuper, 2007), and
"The service is staffed by highly qualified salaried people who are committed to helping members maximize the amount of money they have to spend in retirement." (Cbus, 2007).
This theme excludes general or vague references to long-term objectives and goals, which were coded to 'Advice & Education'.

III.2.4 General

The final theme category is used for very general statements which in some cases were procedural. Such an example is:
"In this year's report, you will find information on the Fund's performance, financial statements, investment options, Trustee details, a message from the management and news on new products and services" (LUCRF, 2007).
Also included were general introductory statements, for example:
"I am pleased to present your Annual Report for the financial year ended 30 June 2007" (ING Masterfund, 2007); and concluding statements

IV. Results and Analysis

Chairperson or Chairperson/CEO statements are clearly viewed as important by superannuation funds as, in all but a handful of cases, they were placed as the first message that members read in the annual report. Of the sample of 81 funds and 162 reports, most often the statement appears on the second page of the report, with only one outlier case where the statement was closer to the end of the report.
The length and number of words in the statements is summarized in Table 3. There is a considerable spread in terms of word count and length (number of paragraphs) within each fund

classification. For example, in Retail funds the largest statement by word count has eight times as many words as the smallest in 2007. Corporate funds have the most words and paragraphs in both years, with Retail funds the least. The statements in Corporate funds, and to a lesser degree Retail funds, were longer in 2008, whereas Public Sector funds were shorter.

Table 3 Word and Paragraph Count

	Words						Paragraphs					
	2007			2008			2007			2008		
Fund Classification	Mean	Max	Min	Mean	Max	Min	Mean	Max	Min	Mean	Max	Min
Corporate Funds (n=8)	664	1567	252	784	1449	355	15	30	6	14	24	7
Industry Funds (n=42)	519	1036	201	516	1006	142	11	25	4	11	21	2
Public Sector Funds (n=13)	633	1970	308	563	1091	266	12	28	6	11	18	5
Retail Funds (n=18)	439	1216	144	473	1117	226	9	17	3	9	20	6
Total (n=81)	534	1970	144	541	1449	142	11	30	3	11	24	2

IV.1 Word Frequency

A word frequency analysis was conducted within each theme, rather than the whole statement. The corporate report literature (e.g., Smith & Taffler, 1992a) leads us to expect that:

- Bad news will be associated with an obfuscation of message and declining readability;
- Bigger companies will be associated with higher readability from their wish to signal their superior financial performance.

There are several confounding factors, however, that may distinguish the corporate narrative's literature and the current analysis. Firstly, in the studies that have focused on corporate statements, analysis of readability is linked to financial performance measures including return on equity and likelihood of default. In the context of superannuation funds it is less clear what this measure of performance should be. APRA (2008, p.3) has stated it "considers that fund net ROAs are the best starting point from which to assess trustee performance" though this is a disputed measure (Cheong and Zurbruegg, 2008).

A second confounding factor for the current analysis is that all funds experienced lower returns in 2008. Unlike in the corporate analyses, where there is typically a distribution of good and bad performance, all funds had poor returns in 2008. There is, however, still a distribution of poor returns, and it is true that while a fund had poor returns they will have performed better (or worse) than other funds.

This suggests a performance measure which focuses on the returns earned on individual investment options may be useful. However, not all members are in the same investment option. It is true, though, that the majority of members remain in fund default investment options which suggests that as an indicator of overall fund performance this default return is a possible measure. The difference or turnaround in default returns, or the percentage drop in returns in 2008, is one measure of the magnitude of the turnaround in performance and provides some measure of the context for a fund's statement. This measure, summarized for the sample in Table 4, ignores the risk of the default options but it provides some order of magnitude of the change in fortune of the funds.

Table 4 Change in Returns for Fund Default Options

	Change in ROR (%)		
Fund type	Mean	Max	Min
Corporate Funds (n=8)	-147.65	-116.98	-180.58
Industry Funds (n=42)	-137.35	-110.99	-110.99
Public Sector funds (n=13)	-129.76	-84.95	-156.75
Retail Funds (n=14)	-173.56	-155.77	-200.67
Total (n=77)[1]	-143.72	-84.95	-200.67

[1] A return for both years could not be identified for four funds in the sample

Before analyzing readability and performance, there is some word frequency evidence of obfuscation in the reporting of bad news. Some funds appear to use language which reflects their reluctance to employ words which convey weakness in bad news periods. Thus where 'strong' is used to describe performance in good years, 'negative' rather than 'weak' is used to describe poor performance. There is also evidence of a renewed emphasis on superannuation as a 'long-term' investment in bad times (e.g., 2008), even though this emphasis was not apparent in 2007.

IV.2 Readability

The readability analysis in this paper focuses on the FLESCH scores, summarized in Table 5. The readability scores are surprisingly consistent, both between years and between fund type. The accounting literature suggests scores will be lower when bad news is disclosed; this is not the case with the superannuation statements. Indeed mean readability scores are marginally higher in 2008. The improvement is most marked for Retail funds.

There is no significant correlation between the change in the rate of return measure, presented in Table 4, and the 2008 FLESCH scores. There is, therefore, no evidence to support the signaling hypothesis. The results suggest a weak inverse relationship between fund size (asset base) and readability. The combination of high assets and low FLESCH scores suggests that the statements of smaller funds have higher readability, though the evidence is more suggestive of no relationship.

Table 5 FLESCH Readability Scores

	Mean FLESCH Score	
Fund type	2007	2008
Corporate Funds (n=8)	37	40
Industry Funds (n=42)	40	42
Public Sector funds (n=13)	39	40
Retail Funds (n=14)	34	38

We have no reason to suspect that there will be readability differences between funds, though, there are some marginal differences in practice and the differences are minor when compared with the overall spread of scores recorded (20 to 60) which is beyond the range reported by Smith and Taffler (1992a) for corresponding accounting narratives. However, there does not appear to be any strong evidence of underlying characteristics (e.g., fund size or type) driving the differences, other than the writing style of the author.

IV.3 Themes

The average number of themes covered in the statements is eight, which varies little across the two years. To assess the importance given to a theme, a measure of its coverage in each statement was made. Each paragraph was coded to at least one theme. Given that the number of paragraphs varied across funds, relying on the number of coded paragraphs alone would provide an inadequate measure of coverage. Therefore both word counts and number of paragraphs were utilized. In the simplest case if one theme is coded to a single paragraph, the coverage percentage is calculated as the word count for the respective paragraph divided by the total word count for the statement. In the case where multiple themes were coded to a paragraph, coverage was calculated by dividing the paragraph word count among the number of themes for the paragraph. For example, if three themes were coded to a paragraph with a total of 60 words, each theme would be assessed as contributing 20 words to the total word count of the statement.

The average coverage devoted to each theme and across all funds in both years is indicated in Table 6. In both years the two themes which had the largest coverage were "Operations, Goals and Objectives" and "Fund Services". There was a degree of consistency in the level of coverage for three other themes across the years: "Investment Performance"; "Investment Strategy"; and "General". The aggregate level coverage of "Investment Performance" appears marginally higher in 2008.

Table 6 Theme Coverage

	Mean theme coverage (%)	
Theme category	2007	2008
External References		
Super Environment	12.66	2.20
Market Performance	5.30	11.84
Fund		
Operations Goals & Objectives	15.99	14.89
Investment Strategy	4.67	4.95
Investment Performance	9.61	10.01
Fund Services	12.94	13.00
Fund Profile	7.86	4.75
Fees	1.84	2.11
External Endorsement	2.49	3.50
Commitment	12.50	11.70
Board	5.37	5.84
Member		
Satisfaction	0.51	0.56
Goals & Objectives	2.70	2.10
Empathy	0.61	2.64
Advice & Education	6.99	12.70
General		
General	9.21	7.73

While there is consistency in a number of themes as discussed, there are areas of noticeable difference in coverage between the years. In 2007 the significance and impact of the federal government's "Better Super" changes is reflected in the large coverage of the "Super Environment" theme relative to 2008. This is common across each fund type. Similarly the larger "Fund Profile" coverage in 2007 is true for each fund type, with the exception of Corporate funds which had a lower coverage in 2007.

Looking at the themes in Table 6, three that had much larger coverage in 2008 stand out: "Market Performance", "Advice and Education", and "Empathy". This increased coverage by all fund types is understandable given the significant events of 2007/08. The increase in coverage of these themes collectively is in keeping with the superannuation trust structure and is a demonstration of the fund expressing an awareness of issues of concern for members. A feature of these themes in 2008 was the emphasis placed on superannuation being a long-term investment; this was less evident in 2007.

IV.4 Performance Attribution

In terms of "Market Performance", statements in 2007 describing performance typically use "strong" (for example: "delivered strong returns") or "strength" (for example: "strength of the share market"). In 2008 the description of performance had changed most commonly to it being "negative" or showing "volatility", not to "weak" or "poor". These are not equivalents with an apparent preference in 2008 for what can be classified as more dispassionate words.

This raises the issue of whether there is a degree of selective attribution occurring. Supporting this view is the fact that 15 funds in 2008 made reference to how external markets "affected" returns. Similarly the use of "impact", as in:

> "The impact of the share market correction is now being felt by all large Australian super funds" (Mastersuper 2008).

These words were used in 2007 but to a lesser extent and in all but one case these were references to early signs of share market falls after the 2006/07 financial year end. In all but one case in 2007, and in all cases in 2008, "impact" was used as a means of explaining lower returns, not as a means of describing good returns.

Further supporting an attribution case is that there is no increased coverage given to the discussion of the investment performance of the fund itself, as there is for market performance. The question is, if the market performance is worthy of discussion in terms of its relevance for considering the 2008 fund investment performance, isn't it also equally as worthy of discussion in 2007?

This is not to say that all reports display attempts at selective attribution. A relatively smaller number though acknowledged the link to good returns. For example:

> "And the good news for investors is that the strength in the local market over the last 12 months has fed through into the performance of many of our superannuation investment options" (BT Lifetime Super, 2007), and

Self-attribution biases have long been documented (see Miller and Ross (1975) for an early critical discussion). More recently, Choi and Dong (2007) provide evidence of self-attribution bias in the behavior of mutual fund managers who they argue "tend to take too much credit for successes but too little blame for failures" (Choi and Dong, 2007, p.1). This is not to suggest an overly manipulative view of statement framing. It is more to suggest consistency of message would more likely make it easier for the 2008 message of the GFC to be delivered and accepted. To some extent the die is cast for the funds. They are vehicles for taking the contributions and investing on members' behalf. The broad asset allocation decision will determine the vast majority of their investment portfolio's returns variability. Some will have different views as to the role of active and passive management, or the importance of the various services they offer members. Some may indeed have skills that consistently add value for their members. But 2008 highlights that while funds choose their own asset allocation, they don't influence the various markets' performance, rather they are influenced by them. Identifying this more consistently in good and bad return periods may be a better message approach.

IV.5 Benchmark Time Period

It has been suggested that in 2008 statements there was an increased emphasis on superannuation as a long-term investment. Corporations Regulations (reg 7.9.37(1)(j) require funds to publish average five-year return data in the annual report, though it doesn't prescribe where. In 2008 ASIC pursued means of having funds provide more personalized five-year average return data in the member periodic statement as a means of "improving investor engagement with the long-term nature of their investment in super" (ASIC, 2008a). ASIC further suggested "it is more useful to convey such information with periodic statements than in annual reports" (ASIC, 2008b).

A check of the time periods used supports a definite change in language. Using the "Investment Performance" and "Market Performance" themes a word count was undertaken of the period of reference in both years, excluding reference to the current year. In 2007 there were 16 references to a five year investment period in the two themes. In 2008 there were 49. In 2007 there were five references to 10 or 20 year periods, whereas in 2008 there were 13.

IV.6 Advice & Education

In view of the increased coverage of the "Advice and Education" theme in 2008 it is interesting to note that ASIC recently introduced a class order relief (CO 09/210) allowing superannuation fund trustees to provide limited personal advice without relying on compliance with the suitability rule of section 945A of the Corporations Act. The relief aims "to improve the access of working Australians to advice about their super fund" (ASIC, 2009, RG 200.7). Within the "Advice and Education" theme, some statements fit neatly within ASIC's definition of factual information as being "objectively ascertainable – its truth or accuracy cannot reasonably be questioned" (ASIC, 2007, RG 36.21).

Clearly no statements in the report offer personal advice as the statements are part of a report to all members. Many statements in the reports, 2008 in particular, provided what could be classified as opinion, with an arguable case that they carry implicit recommendations, which may be perceived as beyond general advice. The following two examples, made in different years, provide illustrations of this. The first example is more akin to general advice, whereas the second is closer to opinion and implicit recommendation.

> "As the value of your account gets larger, it's increasingly important to make sure you're invested in an option that's right for you. So it's worth taking the time to review your investment choice." (Asset Super, 2007).
>
> "We can never know what the year ahead will bring, but we do know that if you are out of the market you risk missing out on the best returns." (Asset Super, 2008).

IV.7 Style

The variation in the overall narrative style of fund statements is a further point of difference with corporate annual reports. Corporate reports have become more formulaic and ultimately less informative over the past two decades. Some fund statements share this and are very technical. These more technical statements are predominantly from Retail fund reports which appear quite different in intent and intended audience. This technical focus is reflected in lower FLESCH scores previously discussed.

The majority of funds however can be characterized as less formal with many presenting a more "folksy" style. The following examples illustrate the formal/informal contrast. The first is a more formal statement:

> "Figures as at the end of June 2008 show that in less than 9 months, the new TasPension product has attracted 46 new members with assets totaling $5.7 million. The Tasplan Board are extremely pleased with this higher than anticipated take up and look forward to further growth in 2009." (Tasplan, 2008).

An example of an informal style providing the same information is:

> "The Fund has again performed well this financial year with earnings of 13.3% and we now have over $66 million in assets under management and over 11,000 members nationally. You think children grow fast, what about this Fund!" (ACCSF, 2007).

In some instances this folksy style provides some interesting language such as the following example:

> "The US sub–prime mortgage woes and credit crunch crisis have been a thorn in everyone's side. Although, luckily, the Fund didn't have much direct exposure. And, because these issues are likely to be around for the foreseeable future, markets will continue to be volatile." (WALGSP, 2008) (underlining added).

This statement demonstrates some dangers inherent in the folksy approach. It is interesting to consider what role members consider luck plays in the management of their fund. Should members also consider it luck if fund returns are higher?

IV.8 Theme Grouping and Readability

The previous analysis has examined how much coverage was given to themes within the statements. It was noted that more than one theme could be coded to a single paragraph.

Readability is enhanced when a paragraph is focused on a single topic or theme. Most often one or two themes were discussed in a paragraph, with an overall average of 1.5. In some cases, however, a single paragraph covered up to five different themes, detracting from the overall readability.

In 2007 the "Investment performance" theme was discussed more frequently by itself than "Market Performance". "Investment performance" was also less frequently discussed with other themes, likewise "Market performance". In 2008 there was quite a marked change. "Market Performance" was now more frequently discussed by itself compared with "Investment performance". Further, the "Investment performance" theme was more frequently discussed with another theme in 2008. The fund's investment performance was discussed in context of the market performance, while discussing an external endorsement, or with "Advice and Education" which generally provides a historical context. This context may all be relevant in 2008, but it is equally relevant in 2007. If this is a message that needs delivering, it may be better accepted if it appears in good and bad periods.

V. Discussion and Recommendations

Superannuation represents an increasingly important financial asset for an increasing number of Australian workers. Since the introduction of the Superannuation Guarantee in 1992 most superannuation fund members have only experienced negative annual returns in 2002. The negative returns in 2008 and into 2009 were larger and lasted longer. Any market downturn brings concern. In 2008, however, in addition to the negative returns, the member experience was also framed by institutional collapse within capital markets, even if this was U.S. and

European based. It was a self-evidently bad experience and presented a challenge to funds in what they communicated with their members.

This paper has investigated how funds utilized one component of their communications to members. It is acknowledged that funds utilize other forms of communications including member magazines, newsletters, letters, and multimedia on their website. However, the chairperson's statement is clearly an important communication. This is reflected in how it is positioned in the fund's annual report. Further, the analysis of these statements allows consideration by funds as to whether the statement is consistent with the overall annual report and overarching communications strategy messages.

V.1 Fund Statement Readability

A methodology for analyzing these statements is available from the corporate annual report literature. Research in this area suggests unclear statements can be predictive of poor performance, and narratives may be constructed to obscure poor performance. A failure to establish a trusted relationship through the use of misleading or unclear statements may render statements ineffectual means of delivering messages. Whilst sharing much in structure with the annual reports of corporations, a fundamental difference is superannuation funds report to members, not shareholders. Further, in a majority of cases, they are compulsory members.

Analysis of a sample of 81 statements has identified many positive features. An analysis of readability suggests they improved when moving from a period describing the good news of 2007 to the bad news of 2008, contrary to evidence from corporate statement analysis. It remains to be established whether increased readability is associated with any increase in understanding of the statements.

An analysis of the major themes and coverage of these themes, in the statements identifies dominant messages. Three areas stand out with increased coverage in 2008: "Advice and Education", "Empathy", and "Market Performance". The first two are indicative of the different nature of fund statements when compared with corporate narratives and is more reflective of the "vulnerable member" rather than "competent" investor model (Donald, 2008).

The increased coverage of the market experience through 2008 is expected but its context provides a richer story. The performance of external markets had as big an influence on fund returns in 2007 as they did in 2008. In 2008 statements though, the discussion of the markets was substantially larger, earlier, and more in combination with discussion of the fund's own performance than it was in 2007. An increased coverage to discussion of funds' own "Investment Performance" was restricted to Industry funds in 2008. Further, in 2008 the terminology used in describing performance was more dispassionate and emphasized how the market "affected" or "impacted" the fund's return which was largely absent in 2007. Finally, the emphasis given to framing superannuation as a long-term investment supported by the increased description and use of longer benchmark periods is much higher in 2008.

V.2 Greater Consistency

Two overriding messages were delivered in the 2008 statements: superannuation should be considered as a long-term investment; and financial markets have a big impact on the fund's investment options. It is hard to argue with these statements. However, following from this is that these views equally apply in good as in bad times. By being selective about emphasizing them the funds potentially reduce the potency of the message. It is therefore recommended that consistency of themes or message needs to be given greater consideration when framing statements. In particular, where funds seek to use statements to address the "vulnerable member". It has been noted that there was an increase in the coverage of "Advice and

Education" themes in 2008. These themes can be undermined by opportunistic annual report statements which lack consistency. Consistent messages will strengthen advice and education messages and provide a basis for more avuncular statements suggesting that "worrying about short term volatility makes no sense". Short term volatility in annual statement message may in fact be a contributor to this worry.

Notes

1. The implication here is not that the global financial crisis is now a historical event and thus over. Rather, the project will examine 2008 as a sample of what is collectively referred to as the global financial crisis.
2. Those born before 1st July 1960 can access at age 55 which increases one year, each year, until those born from 1st July 1964 who can access at a preservation age of 60 years.

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Appendix : List of Funds in Sample

Corporate Funds
IAG & NRMA Superannuation Plan
MasterSuper
Officers' Superannuation Fund
Qantas Superannuation Plan
The Sisters of Mercy Staff Superannuation Scheme
Telstra Super Pty Ltd
Unilever Super
Water Corporation Superannuation Plan
Industry/Public Offer Funds
Australian Government Employees Superannuation Trust [AGEST]
Australian Superannuation Savings Employment Trust [Asset Super]
Auscoal Superannuation Fund
The Allied Unions Superannuation Trust (Queensland) [AUST (Q)]
AustralianSuper
Building Unions Superannuation Scheme (Queensland) [BUSS (Q)]
Care Super
Construction & Building Unions Superannuation [Cbus]
Club Plus Superannuation Scheme
Connect Superannuation Plan
Catholic Superannuation Fund
Catholic Superannuation and Retirement Fund
Cuesuper
Equipsuper
Electricity Supply Industry Superannuation Fund (Qld) [ESI Super]
First Super
Health Super Fund
Health Employees Superannuation Trust Australia [HESTA]
Health Industry Plan
HOSTPLUS Superannuation Fund
Intrust Super Fund
Media Super
legalsuper
Labour Union Co-Operative Retirement Fund [LUCRF]
Meat Industry Employees' Superannuation Fund [MIESF]
MTAA Superannuation Fund
Nationwide Superannuation Fund
National Catholic Superannuation Fund [NCSF]
New South Wales Electrical Superannuation Scheme [NESS]
Non Government Schools Superannuation Fund [NGS Super]
OAMPS Super Fund
Queensland Independent Education & Care Superannuation Trust [QIEC Super]
Rei Super

Retail Employees Superannuation Trust [REST]
Statewide Superannuation Trust
Stevedoring Employees Retirement Fund [SERF]
Sunsuper Superannuation Fund
Tasplan Superannuation Fund
TWU Superannuation Fund
UniSuper
Vision Superannuation Fund
Public Sector Funds
AvSuper Pty Ltd
Brisbane City Council Superannuation Plan [City Super]
CSS Fund
Emergency Services Superannuation Scheme [ESSSuper]
First State Superannuation Scheme
GESB Superannuation Fund
LG Super
Local Government Superannuation Scheme
Military Superannuation & Benefits Fund No 1
State Public Sector Superannuation Scheme [Qsuper]
Retirement Benefits Fund
Southern State Superannuation Scheme [Triple S]
WA Local Government Superannuation Plan [WALGSP]
Retail/Public Offer/Master Trust Funds
[Accountants Super Fund] Division of Professional Associations Superannuation Fund
Australian Child Care Super Fund [ACCSF]
Astarra Superannuation Plan
The Bendigo Superannuation Plan
BT Lifetime Super
FSP Super Fund
ING Masterfund
Map Superannuation Plan
Managed Australian Retirement Fund
Mercer Super Trust
The Universal Super Scheme
Perpetual Investor Choice Retirement Fund
Russell Supersolution Master Trust
Skandia Global Retirement Solutions
Spectrum Super
Summit Master Trust Personal Superannuation & Pension Fund
Macquarie Superannuation Plan
Netwealth Superannuation Master Fund