

SC13QW

Question

Could you please indicate how you supervise the indirect costs associated with vertically integrated retail funds, including what the costs are for (brokerage etcetera) and how you ensure they are not eroding members' accounts?

Answer

Investment performance of investment options within the SMT (whether externally or internally managed) is measured using the same benchmarks. This provide insight as to the extent investment costs impact returns when compared to the asset class benchmark. Supervision is also facilitated through the periodic review and update of the required product disclosure as it relates to the external investment service provider relationships.

These costs are reflected in the PDS to the extent they are applicable for an investment option, see example below:

Investment option	Investment fees (% pa)	Performance fees (% pa)	Indirect cost ratio		
			Estimated explicit transactional and operational costs not recovered through buy-sell spread (% pa)	Estimated derivative costs not included in the investment fee (% pa)	Indirect cost ratio total (% pa) ³
Lifestage - Super					
Suncorp Lifestage Fund 1949 or earlier	0.21	0.00	0.00	0.01	0.01