

MEDIA RELEASES

APRA releases 2023 superannuation performance test results

The Australian Prudential Regulation Authority (APRA) has released the results of the 2023 superannuation performance test.

The annual test is designed to improve member outcomes by assessing the long-term performance of superannuation products against tailored benchmarks, with consequences for those that fail.

This year's test was expanded to evaluate the performance of 805 "trustee directed products", a subset of the choice sector¹. MySuper products were tested for the third year in a row, with 64 MySuper products assessed.

The 2023 performance test results showed:

- **96 trustee directed products failed to meet the test benchmarks.** This included 20 of 500 non-platform products and 76 of 305 platform products²
- **75 per cent of failed trustee directed products are concentrated in products offered by just four trustees:** N. M. Superannuation Proprietary Limited, Nulis Nominees (Australia) Limited, Oasis Fund Management Limited, and OnePath Custodians Pty Limited
- **one MySuper product failed to meet the test benchmarks**, compared with five failed products in 2022 and 13 in 2021. It is the third consecutive year that this product – AMG MySuper – has failed the test. It has been closed to new members since 2022 and the trustee has plans to cease this product
- **the median administration fees and costs for platform trustee directed products were the highest at 0.54 per cent of assets**, compared to 0.27 per cent for non-platform trustee directed products and 0.26 per cent for MySuper products

Trustees of products that failed to pass the benchmarks must notify their members of the test outcomes by 28 September 2023. Trustees cannot accept new members into products that have failed for two consecutive years.

APRA Deputy Chair Margaret Cole said the expanded scope of this year's test had significantly enhanced transparency over a wider range of super investment options.

"The annual performance test remains a powerful tool to help APRA hold trustees to account for product performance, fees and costs. Since its introduction in 2021, nine underperforming MySuper products have exited the market and a total of 800,000 members, with combined assets of \$39 billion, have moved to better performing products."

Ms Cole noted that evaluating choice product performance was more nuanced than for default MySuper products.

"Members in trustee directed products make active decisions about their investment options and some might select products for reasons beyond performance. Nevertheless, all trustees must take responsibility for the products they make available and ensure the products they offer are in their members' best financial interests."

"We acknowledge that some trustees with multiple failed products have rationalisation programs underway to improve member outcomes. APRA expects heightened focus on these underperforming products and will be monitoring the progress of product consolidation programs closely," she said.

Copies of the publication/s are available on APRA's website at: [Annual superannuation performance test](#).

Footnotes

¹ Broadly, trustee-directed products are multi-asset products where the trustee has control over the design of the investment strategy of the product.

² A platform TDP is a trustee directed product that is offered through one or more investment menus of the platform type.

Your Future, Your Super

Media enquiries

Contact APRA Media Unit, on [+61 2 9210 3636](#)

All other enquiries

For more information contact APRA on [1300 558 849](tel:1300558849).

The Australian Prudential Regulation Authority (APRA) is the prudential regulator of the financial services industry. It oversees banks, mutuals, general insurance and reinsurance companies, life insurance, private health insurers, friendly societies, and most members of the superannuation industry. APRA currently supervises institutions holding around \$9 trillion in assets for Australian depositors, policyholders and superannuation fund members.