



ASIC
Australian Securities &
Investments Commission

From superficial to super engaged: Better practices for trustee retirement communications

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About this report

This report summarises the observations and findings identified from ASIC's review of the retirement communications practices of 12 registrable superannuation entity licensees between 1 July 2022 and 11 December 2024. Our review is part of ASIC's oversight of the superannuation industry's implementation of the retirement income covenant since it commenced in July 2022. It focuses on how retirement communications are assisting members with maximising, managing and having flexible access to their retirement income.

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Examples in this report are purely for illustration; they are not exhaustive and are not intended to impose or imply particular rules or requirements.

Executive summary

This report represents the next phase of ASIC's oversight of Australia's retirement system, following the introduction of the retirement income covenant on 1 July 2022. Our review examined how, as part of their implementation of the retirement income covenant, various Registrable Superannuation Entity licensees (trustees) have been communicating to their members about retirement in the lead up to, and through retirement.

It provides detailed observations of good and poor retirement communications practices from 12 participants between 1 July 2022 and 11 December 2024.

The trustees we reviewed are collectively responsible for more than 9.3 million superannuation member accounts and \$1.14 trillion in member assets. Collectively, they represent 45% of APRA-regulated funds by member assets (see: [Australian Prudential Regulation Authority, Quarterly Fund-Level Statistics, March 2025 \(26 June 2025\)](#)).

Overall, our review found:

- › there is a lack of urgency in improving retirement communications
- › trustees are failing to adequately consider the needs of First Nations, vulnerable, and culturally and linguistically diverse members in their retirement communications, and
- › trustees with robust governance, strong data and research capabilities and effective benchmarking are delivering better retirement communications.

Background

The retirement income covenant

On 1 July 2022, the retirement income covenant (covenant) under the *Superannuation Industry (Supervision) Act 1993* (SIS Act) commenced. These reforms were introduced to improve the retirement outcomes of individuals by placing specific obligations on trustees to consider the needs of beneficiaries (i.e. their members) in retirement.

The covenant requires trustees to develop a retirement income strategy for members who are retired or are approaching retirement. The strategy must address how their members will be assisted in achieving and balancing three objectives:

- › maximising their expected retirement income
- › managing expected risks to the sustainability and stability of their expected retirement income, and
- › having flexible access to expected funds during retirement.

ASIC and APRA oversight

Since the introduction of the covenant, ASIC and APRA have jointly overseen its implementation by the superannuation industry.

2023 thematic review

In July 2023, ASIC and APRA jointly published Report 766 *Implementation of the retirement income covenant: Findings from the APRA and ASIC thematic review* ([REP 766](#)). This thematic review considered how a sample of 15 trustees were implementing the covenant.

REP 766 found that, overall, there was a lack of progress and insufficient urgency from trustees in embracing the covenant to improve members' retirement outcomes. One of the priorities ASIC identified was the need for trustees to tailor communications to cater for the diversity of member preferences and needs, such as the differences in their various member cohorts' understanding of superannuation and retirement planning.

2024 pulse check

Following the thematic review, ASIC and APRA published the findings of a voluntary self-assessment survey in Report 784 *Industry update: Pulse check on retirement income covenant implementation* ([REP 784](#)).

The survey was completed by 48 trustees and it identified that some progress had been made in implementing the covenant. More than half of the trustees were focusing on updating or expanding website content and member communications. These trustees expressed their intention to prioritise developing and delivering retirement-specific information to members through:

- › updating website content
- › sending targeted cohort communications
- › creating email nudge programs, and
- › publishing pre-retirement guidebooks and checklists.

ASIC's review of retirement communications

Given the widespread commitment from trustees to improve retirement communications, ASIC selected this topic as the next area of focus as part of our oversight of Australia's retirement system.

This report sets out ASIC's observations on current practices among selected trustees and illustrates practical examples of effective retirement communication practices. It progressively follows our previous thematic review on implementing the covenant (see [REP 766](#)).

Through this report, we encourage trustees to lift their performance of the superannuation industry's development and delivery of retirement communications, to improve member engagement. This, in turn, will help consumers make better decisions about retirement.

Defining 'retirement communications'

For this review, we consider a retirement communication to be:

A communication to members or non-members of a superannuation fund that relates to retirement.

Materials that can be regarded as a retirement communication include:

- › educational articles on retirement income and planning
- › targeted member communications about retirement options, and
- › advertisements for retirement products and services.

Retirement communications are an important component of the retirement income strategy of most trustees. They support members with navigating the complexity of superannuation and retirement, by providing relevant information to help them identify their desired retirement outcomes and make confident, informed decisions about their retirement at different stages of their lifetime.

Selection of trustees

Table 1 lists the 12 trustees we selected for our communications review. Our review sample consists of trustees of corporate, retail, industry and public sector superannuation funds. These trustees represent a diversity of funds, based on several factors including member demographics and fund size (by number of members and total assets). The sample also includes some larger funds to ensure the findings of the review are sufficiently representative of the superannuation industry.

Collectively, these trustees manage over 9.3 million member accounts and \$1.14 trillion in member assets. This represents 40% of total member accounts, and 45% of total member assets, across all APRA regulated superannuation funds with more than six members (see Australian Prudential Regulation Authority, *Quarterly Fund-Level Statistics - March 2025* (26 June 2025)).

Figure 1: Key insights from the retirement communications thematic review

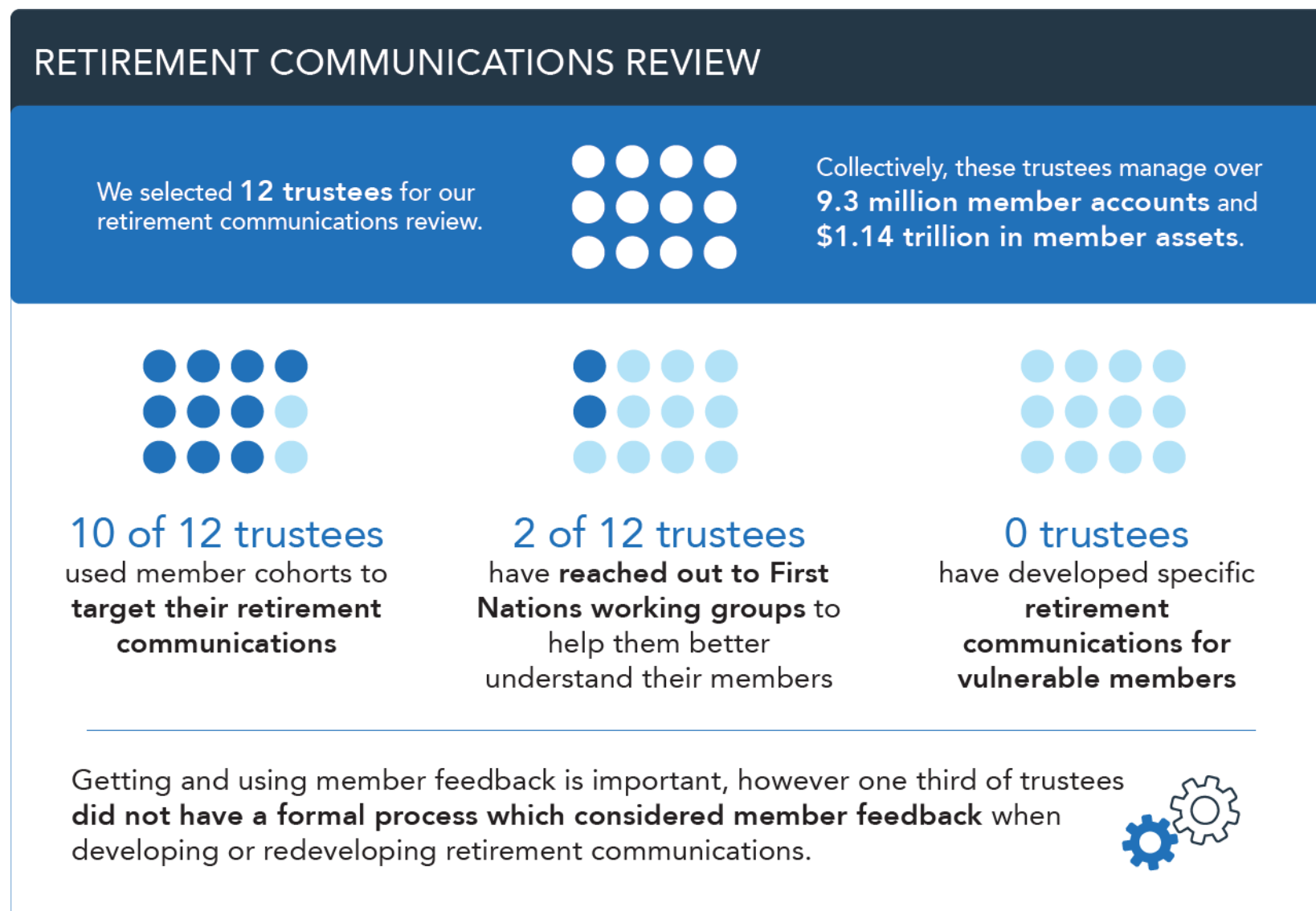


Table 1: Participating trustees

Trustee	Member accounts (‘000)	Member assets (\$M)
Australian Meat Industry Superannuation Pty Ltd	68	3,226
Aware Super Pty Ltd	1,237	188,425
Brighter Super Trustee	322	33,525
BT Funds Management Ltd	237	74,300
Commonwealth Superannuation Corporation	701	302,221
H.E.S.T. Australia Ltd	1,103	91,605
Host-Plus Pty Limited	1,926	125,872
Legal Super Pty Ltd	46	6,371
Nulis Nominees (Australia) Limited	769	88,106
Retail Employees Superannuation Pty Limited	2,155	92,777
UniSuper Limited	705	137,540
Vanguard Super Pty Ltd	31	2,616
Total	9,303	1,146,624

What we reviewed

We asked the participating trustees to respond to questions about their approach to retirement communications, including governance arrangements supporting the development, implementation and monitoring of these communications. Respondents were also asked about their implementation of the covenant, generally.

In addition, trustees provided ASIC with copies of retirement communications made since the covenant commenced in July 2022, as well as records documenting their governance arrangements and implementation of the covenant.

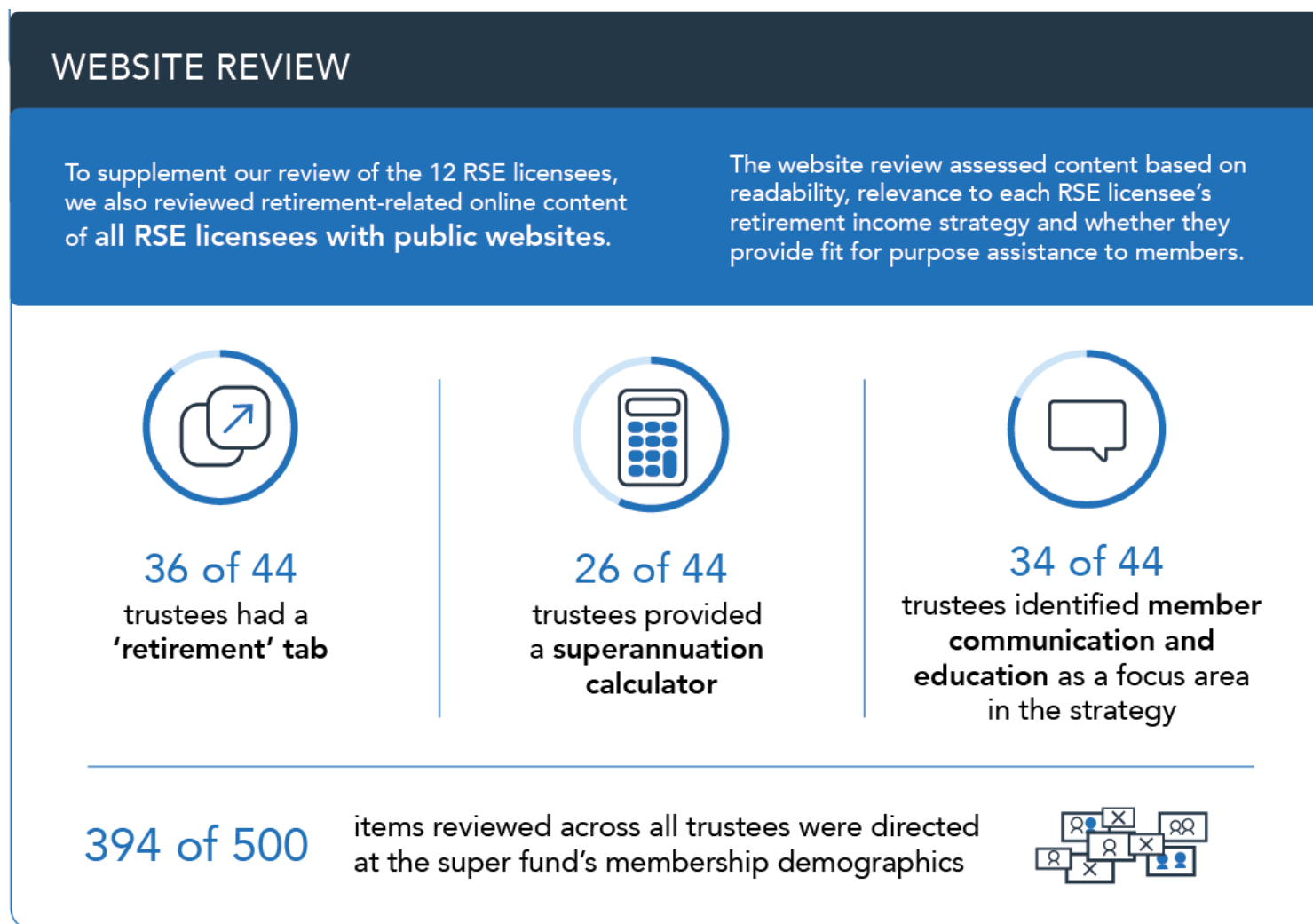
Individual trustees also met with ASIC to further clarify their approaches to implementation of the covenant and retirement communications.

Website review

To supplement our survey, we also reviewed the trustees' retirement-related online content.

The website review assessed content based on readability, relevance to each trustee's retirement income strategy, and whether they provided fit-for-purpose assistance to members.

Figure 2: Key insights from the retirement communications website review



Retirement communications

Call to action

Trustees should consider:

- › Routinely reviewing retirement communications to ensure they focus on informing members about retirement, instead of prioritising product promotion and member retention.
- › Developing retirement communications that are better tailored to member needs, using meaningful member cohorts and nudges.
- › Routinely evaluating retirement communications, including the formats they utilise, using success metrics and feedback loops.

We encourage trustees to develop and deliver informative and well-targeted retirement communications to support members in making decisions that best help them achieve and balance their retirement objectives.

In the 2024 pulse check survey, most trustees were focused on updating or expanding their retirement communications, by improving their direct member communications and website content – see Figure 1 of REP 784 *Industry update: Pulse check on retirement income covenant implementation* ([REP 784](#)).

Despite covenant obligations commencing on 1 July 2022, some of the trustees participating in the current review are yet to implement the changes to retirement communications indicated from the pulse check survey.

Our review identified areas for improvement in how trustees develop and deliver their retirement communications, particularly in their ability to tailor messaging effectively to member needs.

Fit for purpose communications

Some of the retirement communications we reviewed provided little substantive information about retirement-related topics and instead focused primarily on member retention and product promotion.

Retirement communications should be developed for the primary purpose of informing members (and the public where relevant) about retirement-related topics.

Case study: Informing members through 'retirement hubs'

Challenge

Providing members with relevant information about retirement-related topics without overwhelming them with updates.

Response

As an example of better practice, we observed that some trustees have developed online 'retirement hubs'. These centralised platforms provide a library of digital articles, for example about retirement-related topics, age pension eligibility information, estate planning and aged care.

Providing fit-for-purpose retirement communications can help members make informed decisions about their retirement during their working life, and as they approach and enter retirement. Member satisfaction with their superannuation fund can also be improved by trustees taking this approach.

It is reasonable for retirement communications to refer to the trustee's own product and service offerings in their messaging (e.g. a branded account-based pension) – all trustees except for one in our review reported doing so. However, trustees should carefully consider how to balance product promotion with their obligation under the covenant to help members achieve and balance their retirement objectives, through communications which inform members about retirement topics.

Targeting communications to member cohorts

Targeting retirement communications to specific member cohorts is part of an effective approach to making them fit for purpose. In our review, 10 out of 12 trustees used member cohorts to send targeted retirement communications.

Defining member cohorts

The member cohorts most commonly established by trustees when developing retirement communications were members:

- › in the accumulation phase
- › transitioning to retirement, and
- › who have recently retired.

Under the covenant, trustees are required to determine sub-classes of members who are retired or who are approaching retirement in a retirement income strategy. Trustees with better practice developed more meaningful member cohorts for retirement communications that better met member needs. Some of these trustees considered characteristics from their member data, such as:

- › ages
- › account balances, and
- › members' history of engagement with communications.

Underdeveloped communications for retired members

We observed that trustees developed significantly fewer communications targeted at retired members, than for the pre-retirement member cohorts. Additionally, most communications targeted at retired members were more relevant to members in the early, rather than later stages of retirement.

When developing targeted retirement communications, trustees should adequately cater to all member cohorts and their evolving needs. This includes developing campaigns targeted at members in the later stages of retirement, about topics such as aged care and estate planning. Having targeted retirement communications for all member cohorts is a way trustees can provide for member sub-classes under a retirement income strategy.

Role of data and research

Data and research have an important role in informing and influencing the design of member cohorts. Trustees with more

developed capabilities in these areas were better placed to derive meaningful insights and develop more meaningful member cohorts.

Some trustees noted how data limitations meant they did not know enough about their members, leading to establishing cohorts that were broader than originally intended.

Generally, there was a consensus among trustees that member cohorts needed to be better defined to improve the effectiveness of retirement communications. While many trustees noted that steps were being taken to refine their member cohorts, there were still gaps when it came to their consideration of vulnerable and culturally and linguistically diverse members (see [Identifying vulnerable and CALD members](#)).

Tailoring the format of communications

Better practice retirement communications are presented and distributed appropriately for each member cohort, and are published in multiple formats. For example, older members, or members in remote areas may need to receive printed retirement communications due to limited internet access.

Other cohorts may prefer digital access to the same information, including video or audio messages.

Case study: Refining communication channels by cohort

Challenge

Determining member cohorts' preferred formats for receiving retirement communications.

Response

As an example of better practice, one trustee studied member focus groups to understand which communications formats were most effective with the target audience, and then tailored the format of their materials to meet member preferences.

As a result of this research, some of the trustee's retirement communications used a multi-format strategy consisting of direct email, short video and online member portal prompts.

To effectively provide for member sub-classes under a trustee's retirement income strategy, retirement communications should be developed to meet the needs and characteristics of each member cohort. For example, members with lower financial literacy or retirement confidence may benefit from communications with clear, simple and reassuring language.

In contrast, financially-engaged members might value retirement communications with detailed information and in-depth guidance.

Nudges

'Nudges' are an approach trustees can use to deliver targeted retirement communications to member cohorts. We understand a nudge to be a message prompting the recipient to consider taking a certain action, or series of actions.

An example of a retirement communication nudge is a short, targeted message encouraging members approaching retirement to access retirement planning resources or seek financial advice.

All of the participating trustees reported having a program for sending nudges to members.

Trigger events for sending nudges

Most nudges we observed were age-based, and sent to members upon reaching a certain age (e.g. 55 or 60). Some nudges were sent based on behavioural or transactional triggers including opening an account, attending an event or accessing a resource.

Better nudges have trigger events which are appropriate, so that the message sent is likely to be relevant to the member receiving it. Trustees may leverage their data and research capabilities to develop appropriate trigger events.

Nudge delivery options

We observed most trustees sent nudges to members through email or SMS message. Trustees also sent retirement related nudges alongside other member communications – for example, three-quarters of trustees sent nudge-style messages with their periodic member statements.

More sophisticated nudges were delivered through member platforms, such as online member portals or apps. For example, one trustee leveraged data such as recent member activity or interests to personalise content on their platform for that member. Another trustee promoted its retirement calculator to members who had previously used it, to encourage further use of this resource for their retirement planning.

Regulatory boundaries for nudge communications

Trustees must ensure their retirement communications comply with relevant legislation and regulations, including the *Spam Act 2003*, which imposes requirements on the sending of commercial electronic messages.

At the same time, we encourage trustees to prioritise developing and delivering effective, relevant and clear retirement communications.

We note the upcoming Tranche 3 of the *Delivering Better Financial Outcomes* reforms could provide an opportunity for trustees to expand the use and content of their nudges.

Evaluating retirement communications

Routinely evaluating the effectiveness of retirement communications helps to determine their benefit to members. Most trustees evaluated their retirement communications using basic engagement metrics, such as the open and click-through rates of emails.

Measuring success

The more effective approaches to evaluating retirement communications that we observed involved the use of:

- › outcome-based metrics – for example, monitoring whether a member has acted on a retirement communication
- › metrics tailored to the type of communication – for example, measuring seminar attendance
- › dashboards – to aggregate success metrics and feedback
- › metrics measuring value for money – for example, the click-through rates of a retirement communication, adjusted by the cost of developing and delivering the communication
- › data and research capabilities – for example, tracking the engagement of individual members with retirement matters based on their interactions with the trustee, and
- › feedback collected from multiple sources – for example, member surveys, focus groups and reviews of the retirement communications campaigns.

In our review, the less effective approaches by trustees to measuring communication success relied on metrics with little connection to retirement outcomes and the effectiveness of the communication. Some examples include:

- › measuring overall member retention or financial advice uptake after a retirement communication campaign, and
- › monitoring basic engagement metrics but not using this data to improve future retirement communications.

We also found that seven out of 12 trustees did not use success metrics specific to the format of the retirement communication. This meant these trustees did not adequately consider whether the delivery format of their retirement communications was appropriate.

Case study: Using outcome-based metrics

Challenge

How to evaluate retirement communications based on their impact to the retirement outcomes of members.

Response

One trustee tracked the success of its retirement related nudges by tracking more than 40 different member behaviours and actions related to retirement outcomes including:

- › completing a retirement health check
- › promoting an account-based pension product, and
- › accessing the online advice portal.

The results of these outcome-based metrics were then used by the trustee to inform the development of future nudges and other retirement communications.

Alignment with retirement income strategy

In addition to measuring the success of individual communications, trustees need to evaluate whether their overall retirement communications align with their retirement income strategy.

Trustees that demonstrated stronger alignment often used a communications strategy that was well integrated with their retirement income strategy. For example, some trustees would consider both strategies before making changes to either strategy. Others took their retirement income strategy into account when developing communication campaigns.

Feedback loops

Better evaluation practices involve the use of a feedback loop to develop and improve their retirement communications which involves:

- › having a documented and regular process for collecting metrics
- › evaluating the effectiveness of retirement communications by analysing these metrics, and
- › applying knowledge gained from feedback to the development of future retirement communications.

Our review found that two-thirds of trustees had a formal process for considering member feedback, as part of evaluating retirement communications.

We observed different approaches to implementing feedback loops across trustees. Some conducted A/B testing of retirement communications with member focus groups to determine which formats, channels, or messages were most effective for particular

member cohorts. One trustee also encouraged members to provide feedback on a regular basis, and another tracked member sentiment and confidence over time to gauge the quality and impact of their retirement communications.

However, there were missed opportunities – one trustee collected member feedback on retirement communications for the purpose of reporting on member satisfaction, but is yet to apply this feedback when developing or adjusting its retirement communications.

Innovative communication approaches

Several trustees demonstrated innovative approaches to retirement communications to engage their members. This included webinars, in-person seminars, TV programs (featuring 'retirement advocates'), radio, and social media.

In-person communications – including workplace visits and seminars – continue to be valuable strategies for directly engaging members who are less responsive to digital channels. Some trustees also made strategic use of traditional media to 'meet members where they are'.

Case study: Re-purposing video content for new campaigns

Challenge

Investing in retirement communications that represent good value for money.

Response

One trustee developed a segment on retirement preparedness for a finance television program. The segment provided a strong return on investment because it could be broadcast multiple times and reach a large audience.

In subsequent campaigns, video excerpts from the segment were used in social media posts and member emails to achieve ongoing use of the original material.

The trustee evaluated the retirement communication campaign as representing good value for money and supporting the responsible use of member funds.

Effective retirement communications and innovative strategies were observed across trustees of all sizes – not just those with large budgets. This highlighted that creativity and value for money could be achieved regardless of scale.

By innovating with retirement communications, trustees can provide meaningful support for their members to make informed and confident decisions about their future.

Supporting First Nations, vulnerable, and culturally and linguistically diverse members

Call to action

Trustees should consider:

- › The specific challenges faced by First Nations members when developing and delivering retirement communications.
- › Improving processes for identifying and supporting vulnerable and culturally and linguistically diverse (CALD) members.
- › Measures that ensure retirement communications are accessible to culturally and linguistically diverse members and members with a disability or impairment.

Our review found the retirement communications practices of participating trustees largely overlooked the specific needs of First Nations members, vulnerable members, and culturally and linguistically diverse members.

Some trustees demonstrated how individual retirement communications were tailored to some of these groups. However, we received little evidence of wider processes in place to identify members in these groups, and adequately support them through retirement communications.

First Nations members

Our review found that most participating trustees have failed to adequately consider their First Nations members. None of the trustees

developed retirement communications tailored for First Nations members, and only two out of 12 trustees are proactively engaging with First Nations communities to improve their retirement communications.

Case study: Engaging with First Nations communities

Challenge

One trustee identified that their First Nations members belonged to 17 First Nations councils, reflecting the various characteristics, circumstances and likely objectives of these members.

Response

The trustee established a First Nations working group to:

- › improve the identification of First Nations members using data capabilities, and
- › develop identification requirements for First Nations members who may not have conventional identification documents

The trustee has also started asking members whether they identify as a First Nations person.

As a result, the trustee is better placed to identify their First Nations members, and provide them with tailored support through retirement communications.

The remaining trustees provided little or no evidence of measures to identify and support their First Nations members through retirement communications. While two of these trustees reported liaison initiatives with First Nations officers, they were unable to demonstrate how these initiatives influenced or led to changes to retirement communications for First Nations members.

Challenges to First Nations retirement outcomes

First Nations members, especially those in rural and remote areas, may face specific challenges which affect their retirement outcomes such as:

- › barriers to communicating with trustees due to languages spoken and poor phone and internet access
- › obstacles to accessing retirement savings due to inflexible identification requirements
- › superannuation beneficiary rules that may not accommodate family and kinship structures, and
- › poorer access to services such as health and aged care.

When developing and delivering retirement communications, we encourage trustees to consider the specific challenges to retirement outcomes faced by First Nations members.

Retirement communications for First Nations members are more effective when they are delivered through appropriate channels. This is especially the case for remotely located First Nations members with limited online access. Trustees may consider delivering retirement communications in person or through members' employers.

We encourage trustees to address any rigid policies or service challenges that may disadvantage First Nations members.

Identifying vulnerable and CALD members

We observed that trustees' processes for identifying vulnerable and culturally and linguistically diverse members were inadequate and, in some cases, non-existent. Some trustees considered member demographics, using industry knowledge or socio-economic data, to identify member groups who were prone to vulnerability. For example, one trustee acknowledged that younger female members were more vulnerable to domestic violence compared to other members. However, these trustees did not have measures in place to better understand when an individual member transitions into and out of vulnerability, and instead solely relied on members to self-identify as being vulnerable.

Trustees need to identify their vulnerable and culturally and linguistically diverse members to effectively support them. To do this effectively, we encourage trustees to develop and implement processes for identifying these members. Better processes leverage member data and are linked to the process for developing member cohorts.

Supporting vulnerable and CALD members

Disappointingly, we observed that one trustee excluded members who were flagged as vulnerable from retirement-focused communication campaigns entirely, without considering whether exclusion from these retirement-focused campaigns supported their individual needs and preferences. Instead, the trustee directed

members to a dedicated contact centre team to communicate with these members.

Some other trustees were still drafting policies for supporting vulnerable and culturally and linguistically diverse members at the time of our review. They therefore provided little evidence of whether these members were being specifically supported by receiving tailored retirement communications.

Once a trustee identifies a vulnerable or culturally and linguistically diverse member, we encourage them to consider how they can provide them with appropriate support, which may include tailored communications to better help them understand potential impacts to their retirement outcomes. For example, trustees could develop tailored retirement communications for retired members addressing their increased vulnerability to scams and elder abuse.

Language and cultural barriers

We observed that the needs of culturally and linguistically diverse members were often overlooked when trustees developed retirement communications. Some trustees provided limited translation services or tools alongside their retirement communications, such as auto-translated captions in videos.

However, most trustees were not collecting information about the cultural and linguistic diversity of their members. Instead, they often relied on general industry demographic research. This meant that trustees had a limited ability to assess whether retirement communications met the needs of members in these groups.

Trustees with better practices have measures in place to ensure their culturally and linguistically diverse members can effectively understand their retirement communications. This may include:

- › providing access to translation services or tools
- › translating retirement communications into commonly understood languages, and
- › developing retirement communications tailored to members who may have limited knowledge of the Australian retirement system.

Case study: Translating content for foreign workers

Challenge

One trustee was aware that a substantial number of their members were foreign workers on temporary visas and, in some cases, had limited understanding of the English language.

Response

The trustee's brochures were translated into the languages most commonly spoken by these members, with auto-translated captions provided for video communications.

This trustee also prepared a brochure explaining Australia's superannuation system in plain English that was also translated into other languages.

Accessibility

Some trustees considered the needs of members with a disability or impairment when developing or delivering retirement communications.

One trustee provided accessibility features to its website for users with vision and cognitive impairments, including text scaling and colour adjustments. They also considered the needs of neurodiverse users in the user experience aspects of their web design, by allowing users to focus on visual elements of the website.

Trustees should consider whether their retirement communications are accessible to members with a disability or impairment, through measures such as:

- › considering accessibility standards for developing and delivering retirement communications
- › providing access to support from external service providers such as accessibility tools and staff training, and
- › drawing on data and research to understand the accessibility needs of members when accessing retirement communications.

Governance arrangements and implementation

Call to action

Trustees should consider:

- › Improving governance arrangements for their retirement income strategy reviews to better support the development and delivery of retirement communications.
- › Ensuring governance structures are adequately resourced to execute their retirement income strategy and support their retirement communications, with appropriate oversight by executive and management-level staff.
- › Strengthening oversight of external service providers to ensure retirement communications meet quality, compliance and strategic expectations.
- › Expanding data and research capabilities to enable more informed decision making and improve retirement communications.

Strong governance arrangements are crucial to the development and delivery of retirement communications that give effect to the retirement income strategy of trustees.

We observed mixed practices in the governance arrangements supporting trustees' implementation of the covenant and their retirement income strategies, many of which included an intention to

prioritise developing and delivering retirement-specific information to members.

Some trustees committed staff, resources, and data and research capabilities to support their development and delivery of retirement communications. However, we also observed weaknesses in the oversight of external service providers used to support the development and delivery of retirement communications.

Retirement income strategy reviews

Under APRA's [*Prudential Standard SPS 515 Strategic Planning and Member Outcomes*](#), trustees are required to conduct annual outcomes reviews and reviews of the strategy itself every three years.

A trustee's retirement income strategy is not a 'set and forget' exercise. Better governance arrangements provide for the continuous improvement and ongoing review of a retirement income strategy, to ensure it supports the development and delivery of retirement communications which promote the retirement outcomes of members.

Review cadence

Between 1 July 2022 and 11 December 2024, all trustees except one reviewed the effectiveness and appropriateness of their retirement income strategy, which resulted in changes to their strategy monitoring and implementation.

However, only seven out of 12 trustees had revised their retirement income strategy in response to these internal reviews, and only half of participating trustees updated their public summaries of the retirement income strategy. This indicates a lack of urgency among some trustees to refine and improve their retirement income strategy, despite the covenant's introduction in 2022.

More effective retirement income strategy reviews can produce tangible benefits to members, such as improved retirement communications which promote the retirement outcomes of members. On the other hand, less effective reviews merely set future goals and plans without producing outcomes which benefit members.

Better practice for reviews

Trustees should have governance arrangements in place for their retirement income strategy and outcomes reviews setting out:

- › roles and responsibilities – for example, data collection, conducting reviews and approving changes
- › assessment criteria and metrics, including triggers and thresholds which require a response,
- › timing and frequency of review responsibilities, and
- › where relevant, how initiatives and approaches within the retirement income strategy align with other strategies, such as how the approach to retirement communications interacts and aligns with the trustee's overall communications or member engagement strategies.

We observed that most trustees had active arrangements for retirement income strategy reviews. Half of the trustees had

documented the triggers and thresholds that would result in a review, and seven out of 12 trustees had updated their assessment criteria and metrics used for reviews.

Governance arrangements for retirement communications involving executive and management level staff can be more effective in supporting improvements to initiatives and approaches in a trustee's retirement income strategy. Such arrangements are often better placed to identify and drive alignment between the retirement income strategy and retirement communications, and influence strategic decision making.

Trustees are encouraged to review how their retirement income strategy aligns with other relevant strategies, such as for overall communications or member engagement. A stronger alignment between strategies and embedded governance arrangements will better support the development and delivery of effective, relevant and engagement retirement communications to members.

Dedicated resources

ASIC and APRA's 2024 pulse check survey on the implementation of the covenant indicated that trustees were actively engaged in improving their governance arrangements (see [REP 784](#)). Their responsibilities included establishing retirement-focused leadership roles and teams responsible for executing the trustee's retirement income strategy.

Our observations indicate that several trustees have made progress in strengthening their governance arrangements, in relation to retirement communications. Some of the ways these arrangements have been enhanced include:

- › elevating retirement as its own strategic priority, with dedicated time to consider and make decisions on retirement related matters, rather than as a sub-set of other priorities or processes, such as the overall business planning process
- › hiring executive or management-level staff whose responsibilities mostly relate to executing initiatives that support the trustee's retirement income strategy, such as development and delivery of retirement communications to relevant member cohorts, and
- › establishing committees and working groups that meet regularly and have clearly defined responsibilities, such as setting strategy for retirement communications or coordinating retirement communication activities and campaigns across the trustee's business.

We observed that all trustees have implemented governance arrangements to report progress of actions and initiatives within their retirement income strategy to senior executives, relevant delegated committees and the trustee board.

The trustees that have dedicated resources to their governance arrangements typically demonstrated stronger integration between their retirement income and retirement communications strategies, with the result of providing a more disciplined approach to their obligations for overseeing members' retirement outcomes.

Impact of governance under-resourcing

While all trustees have a retirement income strategy, those with fewer resources dedicated to retirement tended to manage that strategy and their retirement communications alongside other governance arrangements. For example, some trustees developed retirement communications as part of their business performance management or member retention initiatives.

This approach to governance may have resulted in these trustees placing less focus and priority on ensuring their retirement communications align with their retirement income strategy. In our review, this was evidenced by a limited ability to accurately measure the success and effectiveness of their retirement income strategy and retirement communications.

Case study: A structured approach to governance

Challenge

One trustee demonstrated to ASIC how they met the challenge of improving retirement governance to ensure they met their responsibilities under the covenant.

Response

The trustee created a structured approach to improving retirement governance by creating three in-house forums focused on:

1. Forum A – working-group level forum, meeting fortnightly about progress updates, risks and proposed activity changes.
2. Forum B – meeting monthly for planning, metrics monitoring and devising innovations.
3. Forum C – meeting quarterly about strategic oversight, resourcing and funding.

This governance structure demonstrates clear reporting lines to the executive leadership teams. In addition, the board received regular progress updates from all three forums. Reports to the board included updates about retirement-related initiatives, such as the development and delivery of specific and targeted retirement communications, and other actions taken to support their retirement income strategy.

Oversight of external service providers

All but one of the 12 trustees we reviewed used external service providers for their retirement communications, such as:

- › marketing agencies – to develop the messaging and design of retirement communications
- › financial advisers – to provide retirement-related advice and information to members, and
- › research agencies – to collect data used to develop retirement communications, such as member feedback.

Most trustees reported they had some oversight measures in place and maintained accountability for retirement communications containing external input. However, trustees had mixed success in substantiating their governance arrangements over these external service providers. Some referred to service level agreements, while others could not provide any documented monitoring processes.

Trustees with better oversight of external service providers had documented governance arrangements, such as:

- › processes for the internal review and approval by the trustee of retirement communications containing external input
- › having designated contacts responsible for managing the relationship between the trustee and each external service provider
- › record-keeping requirements ensuring review and approval processes are followed for all retirement communications, and
- › periodical review of the outputs of external service providers for consistency with the trustee's retirement income strategy.

Data and research

Under the retirement covenant obligations, trustees must take reasonable steps to gather the information necessary to inform the formulation and review of their retirement income strategy. They must also determine the class of beneficiaries who are retired, or who are approaching retirement for the purposes of this strategy.

It follows that trustees need to have well-developed data and research capabilities to understand the characteristics, circumstances and likely objectives of their members (and non-member beneficiaries). These capabilities support the development and delivery of retirement communications which are best placed to improve the retirement outcomes of members.

Information sources

Most trustees considered information from multiple sources to inform their retirement income strategy, including:

- › member data, such as age and employment status
- › research conducted by industry, government, academic and community sectors, and
- › data from reputable external sources, such as census data from the Australian Bureau of Statistics.

We encourage trustees to develop their data and research capabilities to learn more about their members and improve their retirement communications. For example, one trustee is developing analytics techniques using member data, to understand how individual members are engaging with retirement matters.

Applying data and research

As part of gathering information to inform a retirement income strategy, trustees should consider how data and research can provide meaningful insights into the characteristics, circumstances and likely objectives of their members. For example, one trustee collected data about members' spending in retirement to help them better understand their members' financial planning needs and respond to these needs through tailored retirement communications.

Relevant data should play an important role in supporting the implementation of the retirement income strategies of trustees. For example, we found that some member data is being used to tailor retirement communications, develop specific member engagement journeys and review member cohorts. This allows trustees to produce more relevant, timely, and effective retirement communications that better support members who are planning for, or already in retirement.

Looking ahead

Progress remains uneven across the industry three years on from the introduction of the retirement income covenant, which was designed to improve the retirement outcomes of superannuation fund members through initiatives such as well-targeted retirement communications.

While some trustees have taken meaningful steps to update their retirement communications, others are yet to follow through on stated intentions.

In particular, trustees are failing to adequately consider the needs of First Nations, vulnerable, and culturally and linguistically diverse members in their retirement communications.

Better practice was evident where trustees demonstrated a strong understanding of their membership base, supported by robust data and research capabilities, and clear governance frameworks.

Trustees have a responsibility and opportunity to lift their practices to deliver meaningful and fit-for-purpose retirement communications for all their members, especially those at risk of poorer retirement outcomes.

ASIC will continue to monitor and drive industry progress in improving the retirement outcomes and customer experience of members of the Australian community.

Key terms and related information

Key terms

APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
covenant	Retirement income covenant
member	A member of an RSE
member cohort	A sub-class of beneficiaries of an RSE who are retired or who are approaching retirement under subsection s52AA(4) of the SIS Act
nudge	A communication which is intended to prompt the recipient to consider taking one or more actions
retirement communication	A communication to members or non-members of a superannuation fund, which relates to retirement
retirement income covenant	The covenants by trustees under subsection 52(8A) of the SIS Act
retirement income strategy	The strategy formulated for an RSE by a trustee for the purposes of subsection 52(8A) of the SIS Act
RSE	Registrable Superannuation Entity

SIS Act	<i>Superannuation Industry (Supervision) Act 1993</i>
trustee	An RSE licensee

Related information

Headnotes

Advice, nudge, governance, retirement communication, retirement income covenant, registrable superannuation entity, retirement income strategy, superannuation, trustee

Legislation

Prudential Standard SPS 515 Strategic Planning and Member Outcomes

Spam Act 2003

Superannuation Industry (Supervision) Act 1993

ASIC documents

[REP 766](#) *Implementation of the retirement income covenant: Findings from the APRA and ASIC thematic review*

[REP 784](#) *Industry update: Pulse check on retirement income covenant implementation*