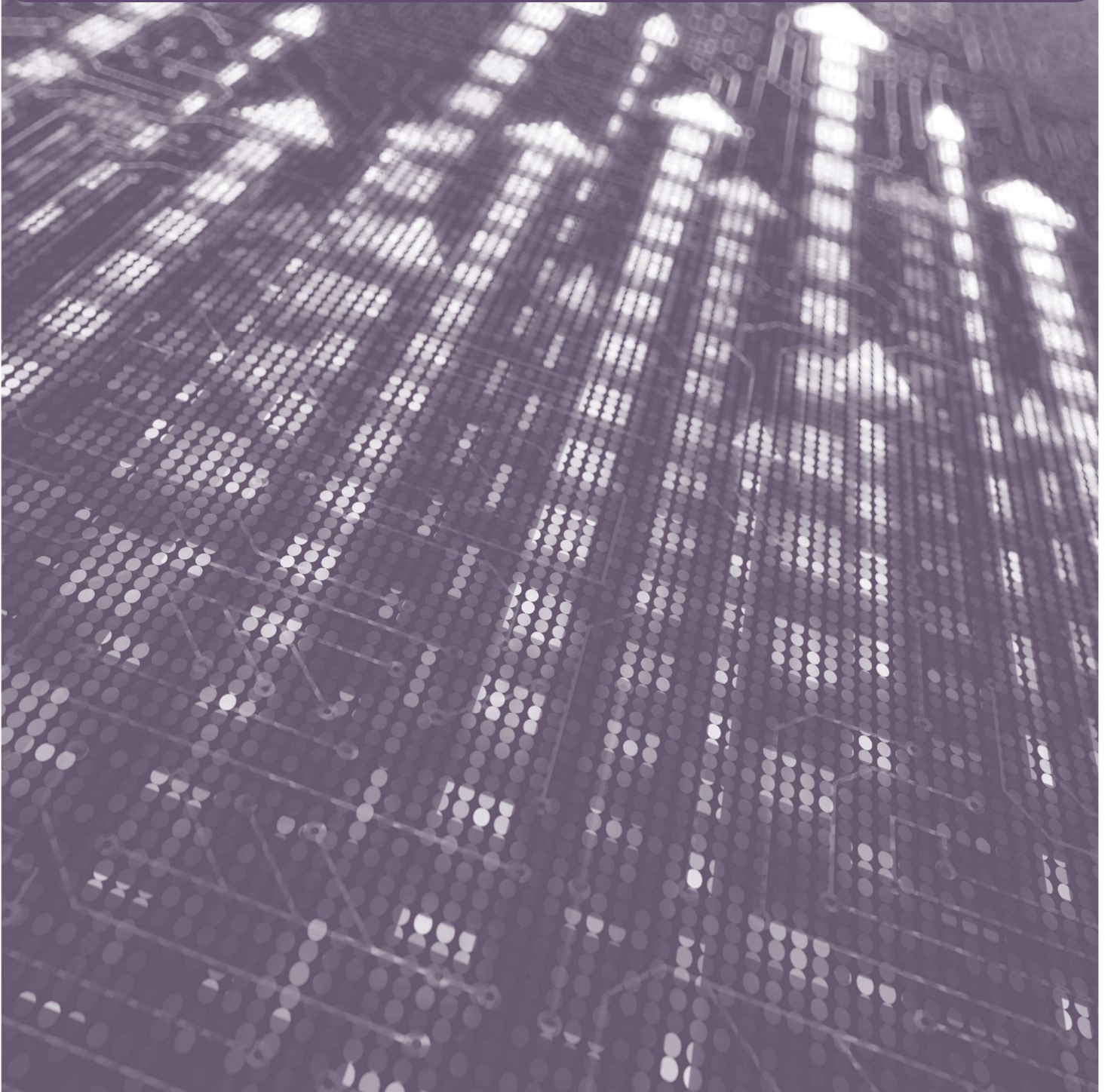


The Super Retirement Approach





Contents

Introduction	3
Attitudes towards retirement	4
Attitudes towards Supers	6
Choice of Super	6
Funding the Super	7
Approaches towards DIY and financial advice	8
The gender gap	9
Attitudes by generation	10
Attitudes towards gold	11
Summary	12



Introduction

Over two thirds (69%) of Australians with a superannuation fund (“Super”) feel optimistic about their future, though almost half (44%) acknowledge that they might need to make sacrifices to meet their desired retirement lifestyle.

These were the findings of a survey commissioned by World Gold Council (WGC) to gain greater insight of Australians’ approach to, understanding of, and sentiment towards, financial planning for retirement.

Most people recognise the importance of having a Super, which makes them feel more secure about their future, but acknowledge that it should not be the only source of funding for a comfortable retirement. Most people know their financial situation well, and only 7% of Super investors don't know their balance.

While the results of this survey suggest that Australians are taking action to ensure they will be comfortable when giving up work. Like all retirement systems, the Australian system is not without certain challenges. This survey found four areas:

1. A gender gap exists in education and actual value of Super balances.
2. Gen-Xers are the least active and knowledgeable around their Supers.
3. People who do not leverage a financial advisor are less optimistic about retirement.
4. People assume their default/managed super has exposure to gold given its importance to the local economy, but in most cases, it is not true.

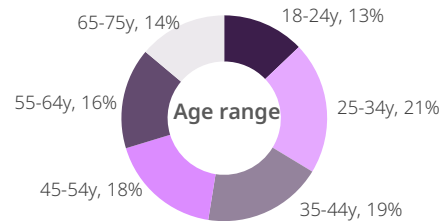
Methodology

World Gold Council received responses from 1,000 nationally representative adults in Australia aged between 18-75 years. The online survey was carried out by Toluna in August 2023. The original intention of the survey was to gain a deeper insight into how Australians approach their retirement and long-term savings, and what their sentiments was towards gold as part of their investment allocation.

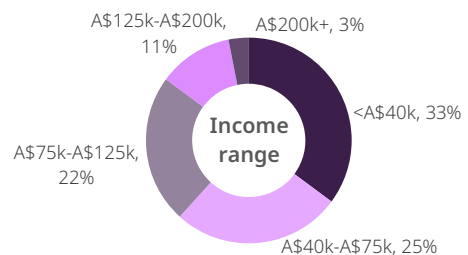
Response breakdown

Gender:

- 50% Male,
- 50% Female



Income range:





Attitudes towards retirement

More than two thirds (69%) of Australians feel financially optimistic about retirement. Though only half are confident (53%) they will have the standard of living they would like when retired.

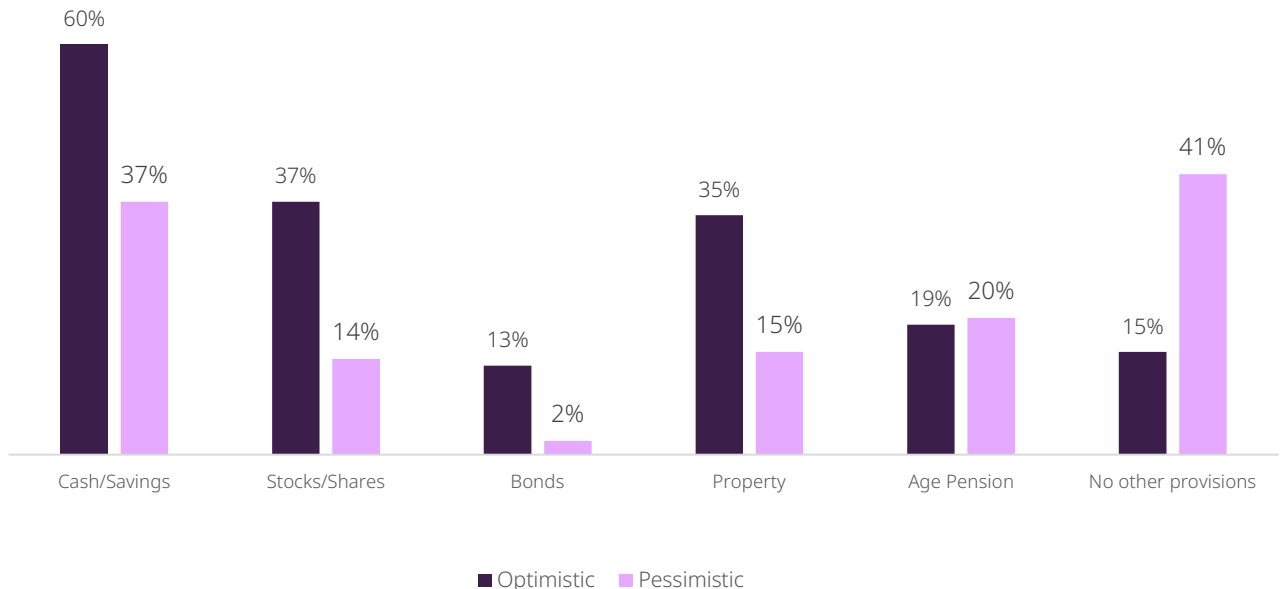
The majority have a practical mindset, with only a third (35%) of overall respondents expressing the desire to live well today at the expense of retirement. That figure increases to 46% when asking people aged below 36 years.

Almost two thirds (61%) claim that having a Super makes them feel more secure about retirement than other investments of the same value.

Those with a financial adviser are much more optimistic about their future standard of living. Whereas people without alternative provisions for their retirement are unsurprisingly likely to be more pessimistic towards their future lifestyle.

Cash/savings is the most popular source of additional retirement funding with both stocks/shares and property following. Optimistic future retirees have a range of alternatives to rely on beyond their Super, while 41% of pessimists have no other provisions (Chart 1).

Chart 1: Alternate provisions to fund retirement (optimism)



Source: Toluna, World Gold Council:
Questions: Do you have any other provisions to finance your retirement? | Which of the following best describes the way you feel about your retirement in the near or far future.
Base: Respondents who have a Super (786)



Risk appetite

While 69% of people may feel optimistic about retirement finances, that optimism rises to 86% among those with a higher risk appetite. Confidence among the risk takers may be due to professional advice received. Only a third (34%) of risk takers make investment decisions before seeking professional counsel. Whereas in contrast, that figure doubles to 62% among non-risk takers relying on their own investment judgement. As a potential consequence, 57% with a low risk tolerance are as optimistic as their counterparts.

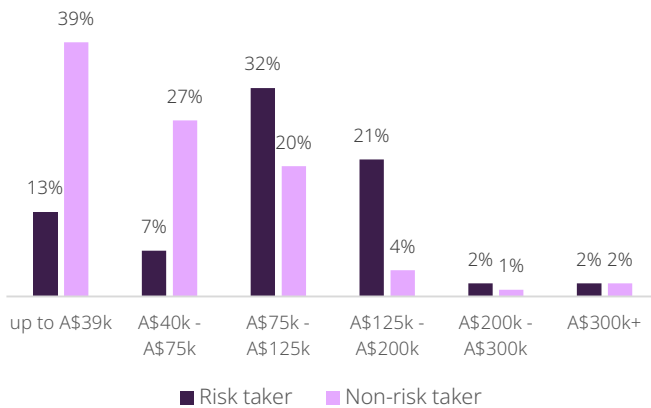
73% of risk takers believe that they are knowledgeable about their Super investments, compared to only 19% of non-risk takers.

Risk takers tend to be at an earlier stage of their Super investment journey too, and a vast majority are male. Three out of four (76%) actively manage their Super(s) compared to just 40% of non-risk takers.

They (the risk takers), are three times more likely to be investing into an SMSF, but this could be due to their higher income and existing wealth.

More than half of the risk takers earn over \$75k a year compared to just one in four of their non-risk counterparts.

Chart 2: Personal Income



Sources: Toluna, World Gold Council;

Questions: Which of the following income categories best describes your total annual personal income from all sources, before tax and other deductions? | How willing are you to take risks when it comes to your Super(s), on a scale of 0-5 where 0 is not at all and 5 is very? Base: Respondents who have a Super (786)

Confidence that their Super will give the desired standard of living



70%
Risk takers



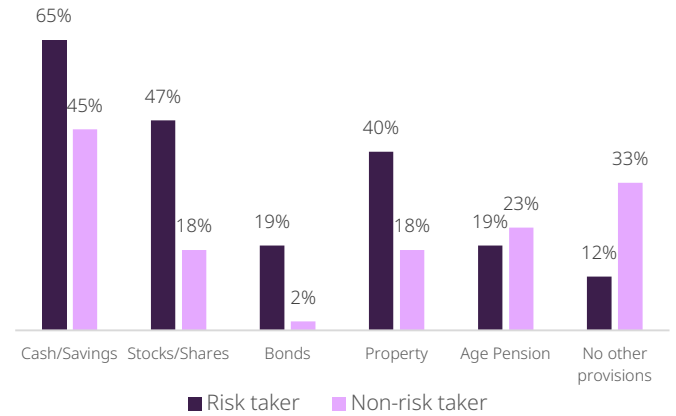
42%
Non-risk takers

Source: Toluna, World Gold Council
Q14 Are you confident that your super will give you the standard of living you would like in retirement (Y/N) Q22b Which of the following best describes the way you feel about your retirement in the near or far future? Base: T2B willing to take risk (169), B2B willing to take risk (213)

Consequently, risk-takers have more money in their Super pot too. 44% have a Super currently valued between A\$100k and A\$500k, and half of them contribute more than A\$10k a year, compared to 28% and 10% of non-risk takers respectively.

Finally, risk takers are far more likely to have alternative provisions for their retirement (Chart 3), most notably in cash, shares and property. A third of non-risk takers have no other provisions outside of their Super.

Chart 3: Alternative provisions for funding retirement



Source: Toluna, World Gold Council

Questions: Do you have other provisions to fund your retirement? Base: T2B willing to take risk (169) , B2B willing to take risk (213)



Attitudes towards Supers

More than half (58%) of respondents with a Super expressed confidence that they understood the details and how it works, with 54% preferring to take an active role.

Almost two thirds (61%) claim that having a Super makes them feel more secure about retirement than other investments of the same value.

<p>71%</p> <p>feel that their Super(s) should not be the only thing funding retirement.</p>	<p>58%</p> <p>feel that they know and understand the details of their Super(s) and how it works.</p>	<p>54%</p> <p>feel that they know what their Super(s) is invested in.</p>
--	---	--

Source: Toluna, World Gold Council
Q22a To what extent do you agree/ disagree with the following. Base: Have a super (786)

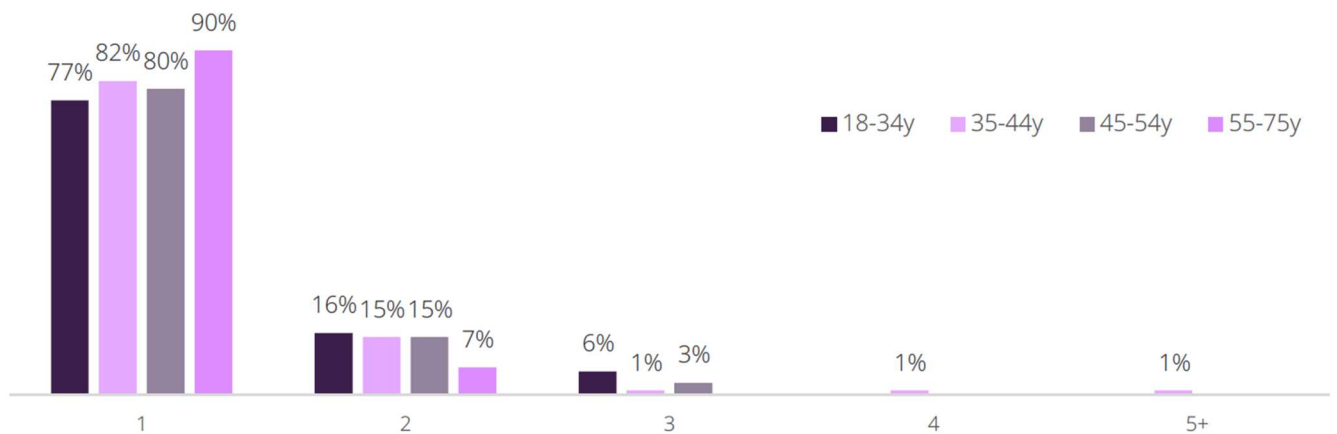
Choice of Super

Overall, four out of five (82%) people with a Super have just the one fund. 18-34 year olds are more likely to have more (22%), followed by people aged 45-54 (18%).

52% have consolidated their Supers in the past with a further 18% planning to do so at some point in the future.

The survey additionally found that 15% of respondents have changed from a managed Super to self-directed. 82% of them doing so in the past three years. The rationale for that change was that they wanted more control and independence as well as better performance. 30% of those taking the self-directed route feel that fund performance has exceeded their expectations, while the majority (62%) felt it had performed as expected.

Chart 4: Number of Super accounts



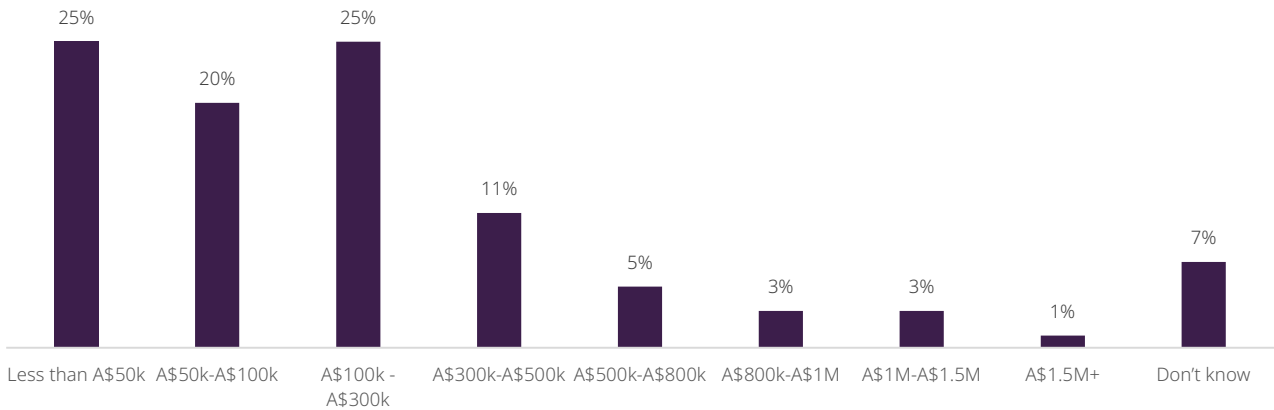
Source: Toluna, World Gold Council. Questions: How old are you? | How many Supers do you have? Base: Respondents with a Super (786)



Funding the Super

Half (45%) of those with a Super, have a balance currently less than A\$100k. Two out of five people contribute less than A\$10k a year, which is consistent with their income profiles if they are relying on the minimum 11% contribution threshold (at the time of survey).

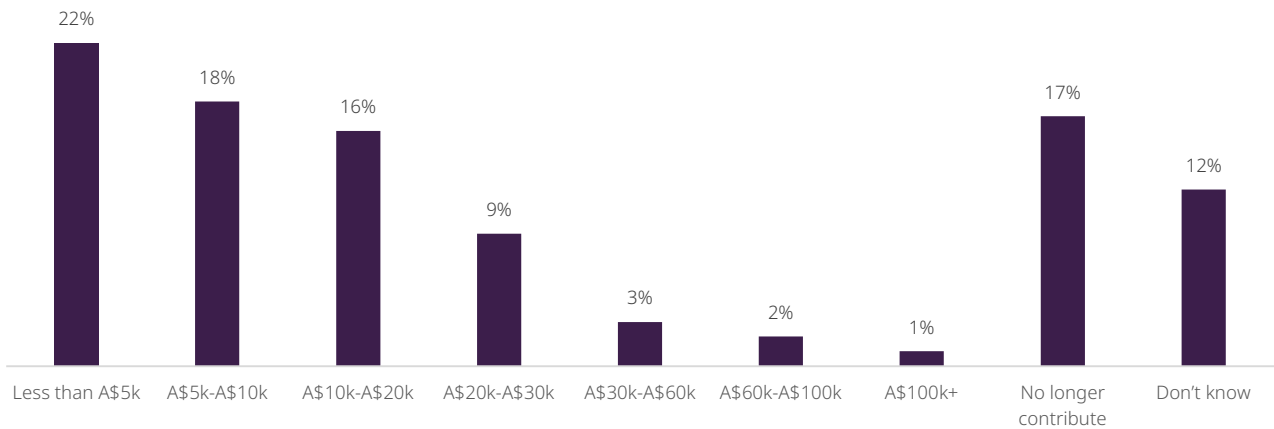
Chart 5: Current Super Value



Source: Toluna, World Gold Council.

Questions: What is the current value of your Super(s) based on your last statement(s)? Base: Respondents with a Super (786)

Chart 6: Annual Super Contributions



Source: Toluna, World Gold Council.

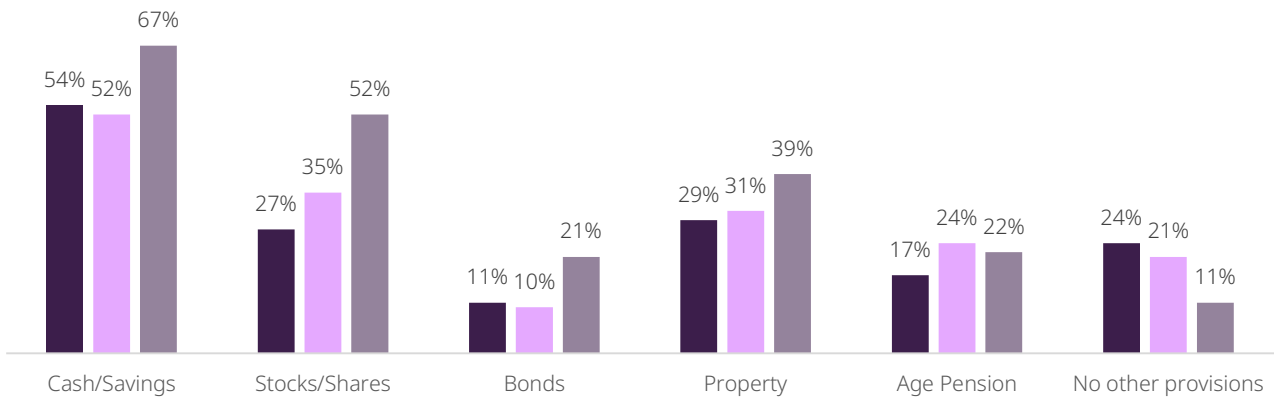
Questions: On average, how much do you contribute to your Super(s) each year? Base: Respondents with a Super (786)



Approaches towards DIY and financial advice

People investing into an SMSF are much more likely to have a broader range of investments with which to fund their retirement.

Chart 7: Other provisions for funding retirement (by type of Super)



Source: Toluna, World Gold Council
Questions: Do you have any other provisions to finance your retirement? | You said you have a Super fund, what type(s) do you have? Base: Respondents who have a Super (786)

For retirement planning, SMSF investors leverage professional advice more actively – in particular for monitoring their retirement fund and to decide when to make withdrawals. Whereas those with other types of Supers are using them for making sure there is enough money for retirement, understanding how much is needed, and help to set up and invest into their retirement.

Top 3 reasons why financial advisers are used (by type of Super)

Default Super	Other managed Super	SMSF
<p>37% Understanding how much money is needed to comfortably retire and making sure there enough money for retirement.</p>	<p>45% Making sure there is enough money for retirement.</p>	<p>46% Understanding how much money is needed to comfortably retire.</p>
<p>33% Setting up / investing into retirement fund(s).</p>	<p>42% Setting up / investing into retirement funds.</p>	<p>45% Deciding when to make withdrawals and understanding tax implications.</p>
<p>32% Monitoring my retirement fund(s) on an ongoing basis.</p>	<p>40% Understanding how much money is needed to comfortably retire.</p>	<p>35% Setting up / investing into retirement fund(s) and budgeting cash flow ahead of retirement.</p>

Source: Toluna; World Gold Council.
Questions: You said you have a Super fund, what type(s) do you have? | What do you use financial advisors for? Base: Respondents who have a Super (786)

Three out of four (78%) of SMSF investors feel confident that their retirement will give them the standard of living they desire versus half of people either with their employer’s default fund (54%), or another Super (51%).



The gender gap

Women tend to have smaller Super balances and contribute less towards them. The survey also discovered that only 22% of women add at least A\$10k per year and that one in ten do not know what the current value of their Super is, compared to 40% and 3% of men respectively.

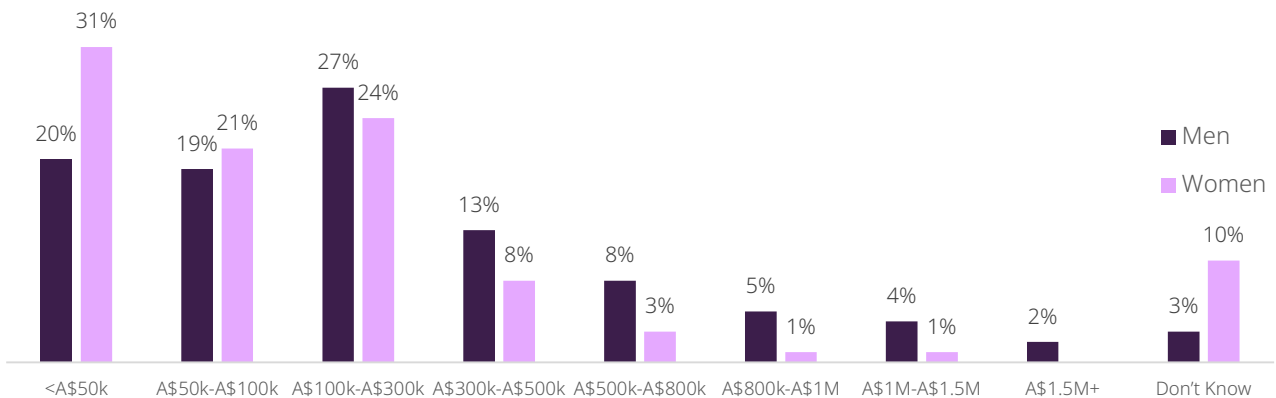
Almost two thirds of men (64%) actively manage their Super(s) compared to half of women. Men also feel more

knowledgeable about their Super(s), although curiously more women (49% vs 42%) are willing to make their own financial decisions.

Confidence and alternative provisions

Twice as many men are willing to take more risk. And only 17% of them have a low risk tolerance compared to a significant 37% of women. Although both genders agree that their Super should not be their only source for funding retirement (71% women, 70% men), twice as many women (31%) have no other funding provisions, compared to just 15% of men.

Chart 8: Current Value of Super (by Gender)



Source: Toluna, World Gold Council.

Question: What is the current value of your Super(s) based on your last statement(s)? Base: Respondents who have a Super (786)

There are additionally some gender differences in both confidence and knowledge of Supers. Two out of three men feel confident that they understand the details of their Super and how it works. When posing the question to women, only half the respondents felt the same.

Likewise, 61% of men declared they had a good understanding of what their Super investments in, while just 47% of women were able to do the same.

while there is a range of reasons that contribute to unequal superannuation retirement balances, the leading factor is time out of the workforce to be the primary carer of young children. Additionally, according to the Workplace Gender Equality Agency, at no age is more than 50% of women working full-time² which would naturally reduce any Super contribution.

Plugging the gap

The survey revealed a gender gap exists both in actual Super value as well as confidence and optimism for future retirement. A report published by KPMG¹ suggested that

1. The Gender Superannuation gap: Addressing the options (kpmg.com)

2. New data reveals that at every age less than 50% of women in the workforce work full-time | WGEA



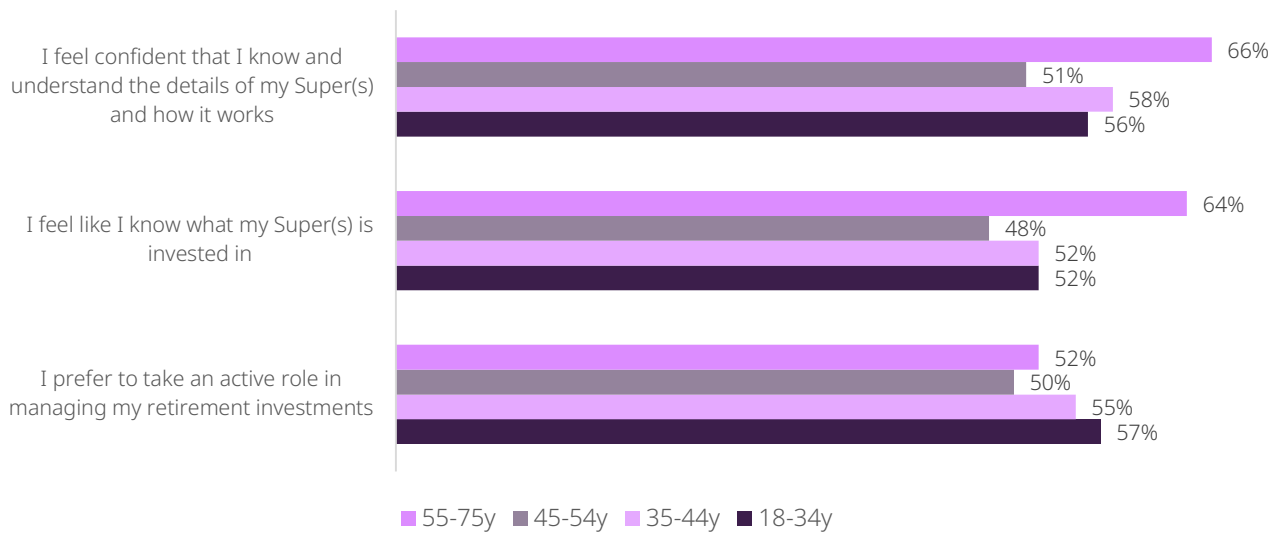
Attitudes by generation

While not surprising that the largest population by age group who know and understand the details of how their Super works are over 55 years, the next generation (45-54y) had the least knowledge among all age groups.

Gen-Xers were the first generation to enter the labour market during the shift from Defined Benefit (final salary schemes) to Defined Contribution in the 1990's. The United Kingdom has a similar story, with many having entered the job market too late to benefit from final salary pensions, yet too early to benefit from schemes such as auto-enrolment. The International Longevity Centre concluded that Gen-Xers are expected to 'face significant challenges in retirement, if [UK] policymakers fail to respond urgently'.⁴

There was a similar pattern among the same age group (Gen-Xers), when asking how active people are with their Super as well as understanding what it was invested in. This is not unique to Australia; for example, a report commissioned by the National Institute on Retirement Security³ found that Gen-Xers in the United States, who are often referred to as the forgotten generation, have a 'dismal retirement outlook'.

Chart 9: Attitudes by generation



Source: Toluna, World Gold Council; Disclaimer

Question: To what extent do you agree or disagree with the following about your Super(s) and your plans for retirement: 'I prefer to take an active role in managing my retirement fund'? Base: Respondents who have a Super (786). 'I feel like I know what my Super(s) is invested in?' 'I feel confident that I know and understand the details of my Super(s) and how it works?' Base: Respondents who have a Super (786)

3. The Forgotten Generation: Generation X Approaches Retirement - National Institute on Retirement Security (nirsonline.org)

4. The forgotten generation? Understanding retirement income prospects of Gen X - ILCUK



Attitudes towards gold

In addition to gaining a deeper understanding of general attitudes and behaviours towards long-term savings and retirement, the survey explored people’s knowledge and attitudes towards gold. The precious metal is richly ingrained in Australia’s history and is still among its five largest exports of goods and services contributing A\$23 billion+ to the economy.¹

The survey found that Australians have a positive attitude towards gold as an investment. But only one third of those not invested in gold, were aware that Supers can buy the precious metal. This might be due to very few providers having any allocations within their default/accumulation funds.

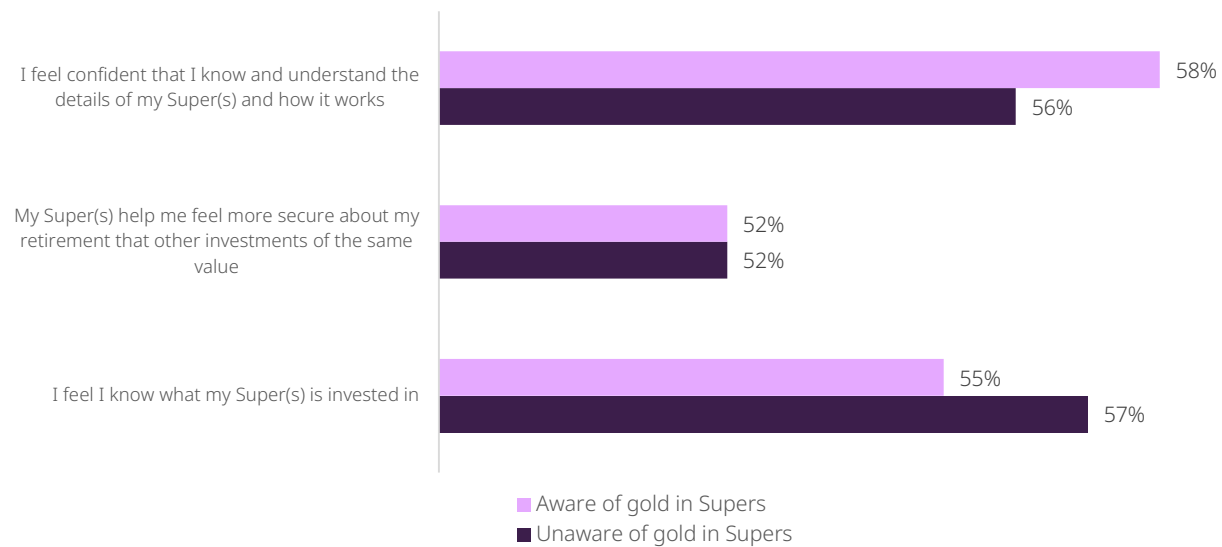
Awareness is far higher among those who invest into an SMSF, have taken the self-directed option that providers offer, and/or have other forms of investments.

Interestingly, awareness and investment in gold suggested higher levels of optimism: 79% of people aware of gold in their Supers are optimistic about retirement compared to 62% of those unaware, with 34% feeling they will be able to afford the lifestyle they want compared to 19% of those unaware. Those high optimists tend to have higher valued Supers. 33% of them have a Super worth more than A\$300k, compared with just 11% of those who were unaware that Supers could invest in gold.

Overall, 37% of respondents stated that they would expect a better return from an investment in gold compared with other types of investments, while only 6% would expect gold to generate a worse return. Additionally, 70% of those with a Super say they would be likely to choose gold, if given the option, in their investment allocation.

Those that hold a gold allocation tend to be more optimistic and informed around their retirement investments. However, there is an education gap, as some people are potentially making the (incorrect) assumption that they have exposure to the precious metal in their default Super given its importance to the Australian economy.

Chart 10: The gold difference



Source: Toluna, World Gold Council.

Questions: To what extent do you agree or disagree with the following about your Super(s) and your plans for retirement: 'I feel confident that I know and understand the details of my Super(s) and how it works?' | Are you aware that Supers can invest in gold? Base: Respondents with a Super, not invested in gold and did not answer "don't know" (base with super and not invested in gold = 690. Of these 132 said don't know which gives the 558).



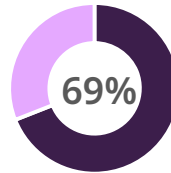
Summary

The results of the survey suggest that many Australians are taking action to ensure they will be reasonably comfortable when giving up work. Australia is viewed as one of the best retirement income systems in the world (fifth out of forty seven countries)⁵, but like all retirement systems, it is not without some challenges.

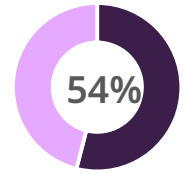
Our survey found:

- **A gender gap exists** in education and actual value of Super balances (especially at the higher level). Therefore it is not surprising that optimism towards retirement is lower among women. These findings are consistent with a report published by KPMG.⁶
- **Gen-Xers are the least active and knowledgeable** around their Supers, which is possibly due to the transition from DB to DC early in their working lives.
- **People who leverage a financial adviser** are not only much more likely to understand what their Super is invested in, but are far more optimistic about retirement. Two thirds of people willing to take risk in their investments receive professional advice, and 86% of risk takers feel optimistic, that number lowers significantly to 57% among risk avoiders, of which only a third receive any advice.
- **With more than two thirds of Australians who currently hold a Super likely to choose gold**, sentiment towards the precious metal is high. However, there is a possible education gap, with some possibly making an incorrect assumptions that they have exposure to gold in their default and/or managed Super, which in the vast majority of cases, is not true.

Attitudes:

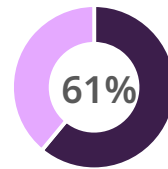


feel financially optimistic about retirement.

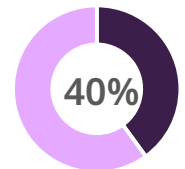


know what their Super(s) is invested in.

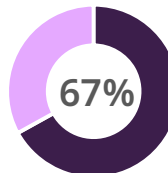
Differences:



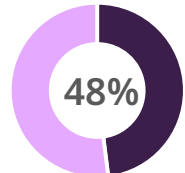
women are optimistic towards retirement versus 78% of men.



men add at least A\$10k to their Super annually versus 22% of women.

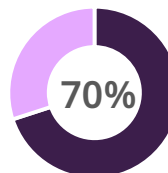


18-34y use a financial advisor versus 48% of 35y+.

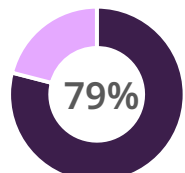


45-54y know what their Super(s) is invested in. The lowest in all age groups.

Gold in Supers:



would likely choose an allocation to gold if given the choice.



aware of gold in their Super are optimistic about retirement versus 69% overall.

5. Mercer Cfa Global Pension Index Report 2023

6. KPMG The Gender Superannuation Gap



World Gold Council

We are a membership organisation that champions the role gold plays as a strategic asset, shaping the future of a responsible and accessible gold supply chain. Our team of experts builds understanding of the use case and possibilities of gold through trusted research, analysis, commentary and insights.

We drive industry progress, shaping policy and setting the standards for a perpetual and sustainable gold market.

Report Author

Phil Sanday
Head of Institutional Investor Strategy

Research

Jeremy De Pessemer, CFA
Asset Allocation Strategist

Johan Palmberg
Senior Quantitative Analyst

Kavita Chacko
Research Head, India

Krishan Gopaul
Senior Analyst, EMEA

Louise Street
Senior Markets Analyst

Ray Jia
Research Head, China

Taylor Burnette
Research Lead, Americas

Juan Carlos Artigas
Global Head of Research

Market Strategy

John Reade
Senior Market Strategist,
Europe and Asia

Joseph Cavatoni
Senior Market Strategist,
Americas

Further information:

Data sets and methodology visit:
www.gold.org/goldhub

Contact:
research@gold.org



Important information and disclaimers

© 2024 World Gold Council. All rights reserved. World Gold Council and the Circle device are trademarks of the World Gold Council or its affiliates.

All references to LBMA Gold Price are used with the permission of ICE Benchmark Administration Limited and have been provided for informational purposes only. ICE Benchmark Administration Limited accepts no liability or responsibility for the accuracy of the prices or the underlying product to which the prices may be referenced. Other content is the intellectual property of the respective third party and all rights are reserved to them.

Reproduction or redistribution of any of this information is expressly prohibited without the prior written consent of World Gold Council or the appropriate copyright owners, except as specifically provided below. Information and statistics are copyright © and/or other intellectual property of the World Gold Council or its affiliates or third-party providers identified herein. All rights of the respective owners are reserved.

The use of the statistics in this information is permitted for the purposes of review and commentary (including media commentary) in line with fair industry practice, subject to the following two pre-conditions: (i) only limited extracts of data or analysis be used; and (ii) any and all use of these statistics is accompanied by a citation to World Gold Council and, where appropriate, to Metals Focus or other identified copyright owners as their source. World Gold Council is affiliated with Metals Focus.

The World Gold Council and its affiliates do not guarantee the accuracy or completeness of any information nor accept responsibility for any losses or damages arising directly or indirectly from the use of this information.

This information is for educational purposes only and by receiving this information, you agree with its intended purpose. Nothing contained herein is intended to constitute a recommendation, investment advice, or offer for the purchase or sale of gold, any gold-related products or services or any other products, services, securities or financial instruments (collectively, "Services"). This information does not take into account any investment objectives, financial situation or particular needs of any particular person.

Diversification does not guarantee any investment returns and does not eliminate the risk of loss. Past performance is not necessarily indicative of future results. The resulting performance of any investment outcomes that can be generated through allocation to gold are hypothetical in nature, may not reflect actual investment results and are not guarantees of future results. The World Gold Council and its affiliates do not guarantee or warranty any calculations and models used in any hypothetical portfolios or any outcomes resulting from any such use. Investors should discuss their individual circumstances with their appropriate investment professionals before making any decision regarding any Services or investments.

This information may contain forward-looking statements, such as statements which use the words "believes", "expects", "may", or "suggests", or similar terminology, which are based on current expectations and are subject to change. Forward-looking statements involve a number of risks and uncertainties. There can be no assurance that any forward-looking statements will be achieved. World Gold Council and its affiliates assume no responsibility for updating any forward-looking statements.

Information regarding QaurumSM and the Gold Valuation Framework

Note that the resulting performance of various investment outcomes that can be generated through use of Qaurum, the Gold Valuation Framework and other information are hypothetical in nature, may not reflect actual investment results and are not guarantees of future results. Neither World Gold Council (including its affiliates) nor Oxford Economics provides any warranty or guarantee regarding the functionality of the tool, including without limitation any projections, estimates or calculations.



World Gold Council

7th Floor, 15 Fetter Lane,
London EC4A 1BW
United Kingdom

T +44 20 7826 4700

W www.gold.org

Published: May 2024