

Media Release

CSC announces its Retirement Income Solution with Challenger

28 November 2023: Commonwealth Superannuation Corporation (CSC) will amplify its commitment to guiding customers to a comfortable retirement as it partners with Challenger, Australia's leading provider of annuities, to launch the next stage of its Retirement Income Strategy (RIS) in early 2024.

With more than 745,000 customers and \$63.3 billion¹ in Funds under Management (FUM), CSC provides super products designed specifically for current and former members of the Australian Public Service (APS) and Australian Defence Force (ADF).

Its retirement solutions have been developed for customers as part of its RIS. Leveraging qualitative and quantitative research, CSC selected Challenger to provide a longevity solution to help meet its customers' needs in retirement — that can be blended with its existing account-based pension, Commonwealth Superannuation Corporation retirement income (CSCri).

CSC CEO, Damian Hill, believes partnering with Challenger will be a boon for customers. "We are delighted to partner with Challenger, Australia's largest provider of annuities," he said.

"CSC has undertaken a detailed review of the options and providers available to help our customers address longevity risk in retirement, and Challenger is our selected industry leading provider."

As Australia's largest defined benefit pension provider, currently providing pensions to over 250,000 Australians, and a legacy of paying pensions for over 100 years, CSC's RIS is an exciting steppingstone into a new century of serving those who served and their beneficiaries.

The strategy aims to provide customers with innovative retirement solutions and support and guidance, regardless of the path they choose in their retirement. Customers are guided through the use of customer cohort-based retirement profiles, simplifying their journey to accessing retirement income.

"We've developed a number of retirement income solutions tailored to different customers' needs, based on grouping our customers into cohort-based retirement profiles," Mr Hill said.

"The creation of these profiles was informed and guided by our customer research and independently reviewed by an external specialist. When we launch in early 2024 we'll also provide customers with the support and guidance required to help them choose the retirement profile and solution that's right for them. One that suits their balance of stability and sustainability of income, retaining the purchasing power of their income, as well as continuing to be able to access their capital."

Challenger CEO and Managing Director, Nick Hamilton, said that he felt honoured that the partnership with CSC would support Australians who have served in the APS and ADF in their retirement.

"Like many older Australians, a significant cohort of CSC customers are worried their savings will run out, leading many to 'under retire' and unnecessarily reduce their quality of life. Leveraging our

¹ As at 30 June 2023, [CSC Annual Report 2022-23](#)

expertise in managing longevity risk, CSC can now offer their customers a solution that will provide guaranteed income in retirement, and the confidence to draw down their savings,” Mr Hamilton said.

“Through our partnership, Challenger’s longevity solution will form part of CSC’s broader retirement income strategy, ensuring that their customers can access a simple solution at scale.”

CSC customers who may benefit from an annuity as part of their retirement solution will be referred to a CSC representative before finalising their decision. This will help to ensure that they have the support and guidance they need to make a confident and informed retirement income solution decision.

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About Challenger

Challenger Limited (Challenger) is an investment management firm focused on providing customers with financial security for a better retirement. Challenger operates a fiduciary Funds Management division, an APRA-regulated Life division and an APRA-regulated authorised deposit-taking institution. Challenger Life Company Limited (Challenger Life) is Australia’s largest provider of annuities.

About CSC

We think our customers deserve more than the bare minimum. Much more. Investing your super with CSC means you benefit from extensive expertise, tailored solutions, and focused commitment to your financial wellbeing. As one of the first Australian super funds, we’ve been operating alongside the APS and ADF for over a century. We’ve grown over the years, but we’re still dedicated to providing personalised services to you. We’re here to stay. To serve. To support you for another hundred years. <https://www.csc.gov.au/Members/Why-CSC>

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