

How we invest your money – additional information

The information in this document forms part of the:

Product Disclosure Statements dated 30 March 2019:

- › AustralianSuper
- › AustralianSuper Select
- › GHD Superannuation Plan
- › Personal Plan
- › Public Sector Division
- › Super Options
- › Super Only

What type of investor are you?

There are many different ways to invest money, and they suit different people according to our ages, situations and personalities. Before choosing an investment option, it’s important to work out what type of investor you are – how you feel about investment risk, what your investment timeframe is and how involved you want to be in managing your super.

How long you’re investing for

Your investment timeframe is how long you plan to invest your super savings before you retire, as well as how long you want your savings to last once you do retire.

Take a look at the table below to see how long you might have your savings invested in super based on how old you are now and your current life expectancy. The timeframes shown are averages so you may well live beyond these ages.

Investment timeframe

Current age	Male	Female
20	61 years	65 years
30	51 years	55 years
40	42 years	45 years
50	33 years	36 years
60	24 years	27 years
65	20 years	22 years

Source: Australian Bureau of Statistics, Life tables, States, Territories and Australia - 2015-2017, October 2018.

Investment risks and how you feel about them

All investments have risks so it’s important to understand how you feel about risk. This will help you in your investment option decisions.

You’ll also need to weigh this up with your investment timeframe and your retirement goals, including how you want to use your money when you retire.

Short-term risks are different to long-term risks

In the short term, the key risk is investment market volatility and the risk your super savings will be reduced by the market’s ups and downs. The long-term key risk is inflation and the risk that your super savings won’t grow to meet it.

The risk of inflation over the long term

Inflation reduces the value of money over time. This means the money you’ve saved now will be worth less in the future. Inflation is something you need to think about when choosing your investment options, particularly if you’ve got a long-term investment timeframe.

Decide how hands on you want to be with your investments

Choosing the right investment is important. It can affect how much your savings grow and how long they last. You can decide to either leave your investment choice to us or choose and manage your own.

If you'd prefer us to automatically make the choice for you, your super savings will go into our Balanced investment option.

Risk levels of investment options

When choosing your investment options, the risks you need to consider will be different depending on how long you plan to invest for.

	Short-term	Medium-term	Long-term
Our investment options are split into short, medium and long-term risk levels.	If you plan to invest for under 5 years Investments may be reduced by market volatility and not have time to recover.	If you plan to invest for 5–20 years Investments may be reduced by market volatility and/or your savings might not keep up with inflation.	If you plan to invest for over 20 years Your savings may not keep up with inflation.
The way we work out the risk levels for each option is different depending on whether it's for the short, medium or long term.	The short-term risk level is the same as the Standard Risk Measure, which is used across the super industry to help members compare the risk levels of investment options. The short-term risk level classifies investment options according to their likelihood of negative returns in a given year.	The medium-term risk level is a combination of the short-term and long-term risk levels.	The long-term risk levels are calculated by estimating how likely it is that the investments within each option will perform worse than inflation.

Read more about how we calculate risk levels at australiansuper.com/RiskLevels



Risks and your investment timeframe

Here are just some of the things you could consider when looking at options for investment timeframes.

Short-term	Medium-term	Long-term
You may be more concerned with protecting your existing savings than taking chances to grow them. Consider the options that have a lower risk level in the short term like our Cash option.	Getting the balance right is the key: you may want to invest some money in lower-risk options, but you may need to look at how aggressively you invest the rest to keep your savings growing faster than inflation.	For strong returns over the long term, consider a more aggressive strategy. Look at options that have a higher short-term risk level but a lower risk level over the long term like our Balanced, High Growth, Australian Shares or International Shares options.

A snapshot of your investment options

Here's a high level overview of your investment options, including their risk levels over different investment time periods.

When looking at the snapshots on these pages, think about:

1. how long you plan to invest for (under 5 years? 5–20 years? or over 20 years?)
2. the overall risks of that investment timeframe
3. what level of risk you're comfortable taking with your investments.

Risk level of investment options	
Short-term	Under 5 years
Medium-term	5–20 years
Long-term	Over 20 years

PreMixed investment options

	Risk profile			See page
	Short-term	Medium-term	Long-term	
High Growth	High	Medium	Low to medium	4
Balanced	High	Medium	Low to medium	4
Socially Aware	High	Medium to high	Medium	4
Indexed Diversified	High	Medium	Low to medium	5
Conservative Balanced	High	Medium	Low to medium	5
Stable	Medium to high	Medium	Medium	5

DIY Mix investment options

	Risk profile			See page
	Short-term	Medium-term	Long-term	
Australian Shares	Very high	Medium to high	Medium	6
International Shares	Very high	Medium to high	Low to medium	6
Property	Medium to high	Medium to high	Medium	6
Diversified Fixed Interest	Medium	Medium to high	High	7
Cash	Very low	Medium to high	Very high	7

Member Direct

Self-managed option	You choose and manage your own investments. You can invest in a range of listed securities, including stocks in the S&P/ASX 300 index, exchange traded funds (ETFs) term deposits and cash.
----------------------------	---

	Shares and ETFs*	Term deposits	Cash
Risk levels for the time invested			
Short-term (< 5 years)	Very high	Very low	Very low
Medium-term (5 to 20 years)	Medium to high	Medium to high	Medium to high
Long-term (> 20 years)	Medium	Very high	Very high
Expected frequency of negative annual return	About 6 in every 20 years	Not expected [†]	Not expected [†]

* Risk measures are based on investment portfolios with broad market exposure to Australian shares, they may differ for the individual investments you choose and your investment time frame. Risk for concentrated portfolios could be very high. The time frame recommended for holding a broad portfolio of shares and ETFs is at least 12 years.

[†] Whilst cash and term deposits are not expected to have negative returns, investments remain exposed to the creditworthiness of the issuer.

PreMixed investment options

High Growth

Invests in a wide range of assets with a focus on Australian and international shares. Designed to have strong long-term returns with possible fluctuations in the short-term.

Investment aims

- › To beat CPI by more than 4.5% pa over the medium to longer term.
- › To beat the median growth fund over the medium to longer term.

Minimum investment timeframe:

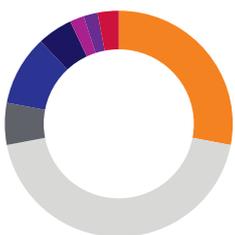
At least 12 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
High	Medium	Low to medium

Risk of negative return:

About 6 in every 20 years.



- Australian shares 28% (20–50%)
- International shares 44% (20–50%)
- Direct property 6% (0–30%)
- Infrastructure 10% (0–30%)
- Private equity 5% (0–10%)
- Credit 2% (0–20%)
- Fixed interest 2% (0–20%)
- Cash 3% (0–15%)
- Other assets 0% (0–5%)

Balanced

Invests in a wide range of assets. Designed to have medium to long-term growth with possible short-term fluctuations.

Investment aims

- › To beat CPI by more than 4% pa over the medium to longer term.
- › To beat the median balanced fund over the medium to longer term.

Minimum investment timeframe:

At least 10 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
High	Medium	Low to medium

Risk of negative return:

About 5 in every 20 years.



- Australian shares 22% (10–45%)
- International shares 34% (10–45%)
- Direct property 7% (0–30%)
- Infrastructure 12% (0–30%)
- Private equity 4% (0–10%)
- Credit 2% (0–20%)
- Fixed interest 11% (0–25%)
- Cash 8% (0–20%)
- Other assets 0% (0–5%)

Socially Aware*

Selects shares and fixed interest investments using strict screening based on environmental, social and governance standards, as well as investing in a wide range of other asset classes. Designed to have medium to long-term growth with possible short-term fluctuations.

Investment aims

- › To beat CPI by more than 4% pa over the medium to longer term.
- › To beat the median balanced fund over the medium to longer term.

Minimum investment timeframe:

At least 10 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
High	Medium to high	Medium

Risk of negative return:

About 5 in every 20 years.



- Australian shares 22% (10–45%)
- International shares 34% (10–45%)
- Direct property 7% (0–30%)
- Infrastructure 12% (0–30%)
- Private equity 4% (0–10%)
- Credit 2% (0–20%)
- Fixed interest 11% (0–25%)
- Cash 8% (0–20%)

*This investment option may use Exchange Traded Index Futures (up to 5% of the total assets) to efficiently manage cash flows and ensure this option is invested within the targeted asset allocation. This may include economic exposure to companies that are normally excluded by the option's investment screens.

PreMixed investment options

Indexed Diversified

Invests in a wide range of assets using indexing strategies. Designed to have medium to long-term growth with possible short-term fluctuations.

Investment aims

- › To achieve an average annual return of CPI + 3% pa over the medium to longer term.

Minimum investment timeframe:

At least 10 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
High	Medium	Low to medium

Risk of negative return:

About 5 in every 20 years.



- Australian shares 32% (20–50%)
- International shares 38% (20–50%)
- Listed property 0% (0–10%)
- Fixed interest 17% (0–30%)
- Cash 13% (0–30%)

Conservative Balanced

Includes a higher allocation to fixed interest and cash than the Balanced option. Designed to have medium-term growth with a balance between capital stability and capital growth. May also have some short-term fluctuations.

Investment aims

- › To beat CPI by more than 2.5% pa over the medium term.
- › To beat the median conservative balanced fund over the medium term.

Minimum investment timeframe:

At least 5 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
High	Medium	Low to medium

Risk of negative return:

About 4 in every 20 years.



- Australian shares 16% (5–35%)
- International shares 24% (5–35%)
- Direct property 5% (0–25%)
- Infrastructure 9% (0–25%)
- Private equity 2% (0–5%)
- Credit 2% (0–25%)
- Fixed interest 26% (0–40%)
- Cash 16% (0–30%)
- Other assets 0% (0–5%)

Stable

An emphasis on fixed interest and cash with a higher focus on stability than growth.

Investment aims

- › To beat CPI by more than 1.5% pa over the medium term.
- › To beat the median capital stable fund over the medium term.

Minimum investment timeframe:

At least 3 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
Medium to high	Medium	Medium

Risk of negative return:

About 3 in every 20 years.



- Australian shares 9% (0–20%)
- International shares 14% (0–20%)
- Direct property 5% (0–15%)
- Infrastructure 9% (0–20%)
- Private equity 0% (0–3%)
- Credit 2% (0–25%)
- Fixed interest 31% (0–45%)
- Cash 30% (0–50%)
- Other assets 0% (0–5%)

DIY Mix investment options

Australian Shares

Invests in a wide range of companies listed on the Australian Securities Exchange. Designed to have strong long-term capital growth with possible short-term fluctuations in returns.

Investment aims

- › To beat the S&P/ASX 300 Accumulation Index over the medium to longer term*.

Minimum investment timeframe:

At least 12 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
Very high	Medium to high	Medium

Risk of negative return:

About 6 in every 20 years.



- Australian shares 100% (90-100%)
- Cash 0% (0-10%)

International Shares

Invests in a wide range of companies listed on securities exchanges around the world. Designed to have strong long-term capital growth with possible short-term fluctuations in returns.

Investment aims

- › To beat the MSCI World All Countries (ex Australia) Unhedged Index over the medium to longer term*.

Minimum investment timeframe:

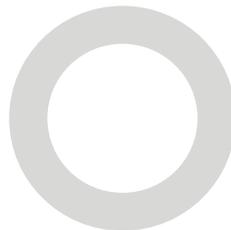
At least 12 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
Very high	Medium to high	Low to medium

Risk of negative return:

About 6 in every 20 years.



- International shares 100% (90-100%)
- Cash 0% (0-10%)

Property

Invests in Australian and overseas properties, including shopping centres and office buildings. Designed to have strong medium to long-term capital growth with lower volatility than shares.

Investment aims

- › To beat CPI by more than 3% pa
- › To beat a composite of Australian and international Property Indices over the medium term, gross of investment expenses and adjusted for tax†

Minimum investment timeframe:

At least 5 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
Medium to high	Medium to high	Medium

Risk of negative return:

About 4 in every 20 years.



- Property 100% (90-100%)
- Cash 0% (0-10%)

Important information about the Property option

There is a cap on how much you can invest in the Property option. AustralianSuper has the discretion to freeze switches, contributions and withdrawals into and out of the Property option for up to two years in response to a market stress event. We will notify you as soon as possible after a freeze has been imposed.

Please read the *Property option - additional information* at australiansuper.com/PropertyInfo for full details about the Property option.

* Index level returns, adjusted for implied superannuation tax.

† Composite consists of MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index (60%), MSCI/AREF UK Quarterly Property Fund Index (20%) hedged to AUD and NCREIF Fund Index - Open End Diversified Core Equity (20%) hedged to AUD.

DIY Mix investment options

Diversified Fixed Interest

Invests in a wide range of Australian and international bonds and loans. This is done through actively investing in the fixed interest and credit asset class sectors and aims for capital stability and higher returns than cash over the short to medium term.

Investment aims

- › To beat CPI by more than 0.5% pa over the short to medium term.

Minimum investment timeframe:

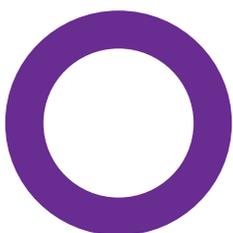
At least 3 years.

Risk level for the time invested

Short-term	Medium-term	Long-term
Medium	Medium to high	High

Risk of negative return:

About 3 in every 20 years.



- Fixed Interest 100% (50-100%)
- Credit 0% (0-25%)
- Cash 0% (0-30%)

Cash

Invests in short-term money market securities and some short-term bonds. Designed to have stable returns above the official cash rate.

Investment aims

- › To beat the return of the Bloomberg Ausbond Bank Bill Index each year*.
- › To beat the annual rate of inflation, as measured by CPI.

Minimum investment timeframe:

At least 1 year.

Risk level for the time invested

Short-term	Medium-term	Long-term
Very low	Medium to high	Very high

Risk of negative return:

Not expected.



- Cash 100% (100%)

Find out more about Member Direct

For more information about the Member Direct investment option, see the *Member Direct investment options* guide available at australiansuper.com/MemberDirect

* Index level returns adjusted for implied superannuation tax. Strategic asset allocations and other investment information are current as at the date of publication. The Strategic Asset Allocation, composition of individual asset classes and other investment information may change from time to time. Investment returns are not guaranteed. Updated information can be found at australiansuper.com/AssetAllocation

Environmental, social and governance management

Our priority is to achieve superior long-term investment returns for you. We believe companies with good environmental, social and governance (ESG) management are more likely to increase their value and provide better long-term returns for our members.

Active Owner Program

We're an active investor which means we assess and manage all investment risk factors, including ESG issues. Our approach applies to all our investment options. These fall into three areas:

Integration: consideration, integration and valuation of ESG issues when choosing and managing investments

Stewardship: actively engaging with companies to influence and improve ESG practices

Choice: considering our members' values in our our investment choices.

Managing risks and opportunities

As part of the investment process, we identify various ESG risks and opportunities across the portfolio and then integrate and value them so we have better informed decision making and improved investment outcomes.

Engagement with companies we invest in

We regularly talk with companies we invest in and the fund managers we use to invest for us. The aim is to ensure that the companies we invest in understand who we are and what is in our members' best interests.

Share voting

As part of making sure companies we invest in are well managed and focus on long-term value creation, we vote on matters relating to:

- › S&P ASX200 companies
- › any other Australian listed company that we're a large shareholder in
- › 500 global companies
- › all Australian companies held internally.

You can view our quarterly voting history online.

Read more about our Active Owner Program including ESG management at

australiansuper.com/InvestmentGovernance

Working with others

AustralianSuper is a signatory to the United Nation's Principles of Responsible Investment (UNPRI), and works collaboratively to address ESG issues with:

- › Carbon Disclosure Project
- › Investor Group on Climate Change
- › ESG Research Australia.

We also work with other big investors to make sure your money is invested in ways that appropriately consider and integrate ESG issues.

AustralianSuper has decided to exclude companies that manufacture tobacco products from its investment options by the end of 2019. Tobacco is a unique investment, due to its particular characteristics and the damage it causes. There is no safe level of consumption; it's highly addictive and it's the largest preventable cause of death in the world. These factors make investing in tobacco inconsistent with our purpose of helping members achieve their best possible retirement outcomes.

We will prudently divest tobacco holdings and reinvest them elsewhere with the continued aim of achieving the best possible investment outcomes for members. This exclusion doesn't apply to the use of derivatives that have an indirect exposure to tobacco, or ETFs in Member Direct.

More choice

For members who want more choice about what they invest in we have a range of investment options including Socially Aware and Member Direct.

About Socially Aware

Socially Aware invests using strict screening based on environmental, social and governance standards. It doesn't invest in shares or fixed interest of Australian or International companies that:

- › own fossil fuel reserves
- › produce tobacco, munitions or mines
- › have single gender boards
- › have human rights issues.

We will aim to apply these exclusions to other asset classes where possible.

*Reserves, in this context, are coal, oil, gas or uranium that can be extracted from known fields at an economical cost.

This investment option may use Exchange Traded Index Futures (up to 5% of the total assets) to efficiently manage cash flows and ensure this option is invested within the targeted asset allocation. This may include economic exposure to companies that are normally excluded by the option's investment screens.

You can find out more about the asset allocation and risk profile of our Socially Aware option on page 4.

Socially Aware removes investment in companies that own fossil fuel or uranium reserves regardless of the size of their ownership. We believe this is the simplest, most transparent way of removing these investments at their source while enabling the option to meet its investment return objectives.

It can still invest in companies that invest in, provide services to, or buy, process or sell products from the excluded companies. These might include companies that have shareholdings in or banks who lend money to a company, service providers like security, catering or office suppliers or petrol refiners and distributors.

How to make your choice

The easiest way to make your investment choice is online.

1. Log into your online account at australiansuper.com/login
2. If you can't make your choice online, that's fine, just call us on **1300 300 273** between 8am and 8pm AEST/AEDT weekdays.

When you join, if you don't make a choice at all, we invest your money in our Balanced option, which is our default option.

How to change your investment options

You can change how you invest your account up to once a day (except weekends and national public holidays*).

If we receive your request before 4pm AEST/AEDT weekdays, we'll invest your account in your new choice the next business day and it will show in your account the following business day. If we receive your request on or after 4pm AEST/AEDT weekdays, or on weekends or public holidays, the change will take an extra business day.

Find out more about choosing or changing your investment options at australiansuper.com/switching

* Plus Queen's birthday (all states, except Queensland and Western Australia).

Where to get help and advice

With the right advice, you can change your financial future and shape your life the way you want it to be. That's why we believe it's always a good idea to get some advice before you choose your options.

We have a mix of advice to help you every step of the way:

Online

Our series of online calculators can help you plan better for your future. Visit australiansuper.com/calculators

Over-the-phone[†]

Call us on **1300 300 273**, and we can help you with:

- › making an investment choice
- › adding extra to your super
- › transition to retirement options
- › sorting your insurance.

Face-to-face[†]

For more complex advice, meeting face-to-face with an accredited adviser can help when you want a detailed financial plan and have a number of financial matters to think about.

Seminars

Our free retirement and financial planning seminars are conducted Australia-wide and run for around an hour with time afterwards for questions.

Visit australiansuper.com/seminars

For more information about your advice options, visit australiansuper.com/advice

[†] The financial advice you receive will be provided under the Australian Financial Services Licence held by a third party and not by AustralianSuper Pty Ltd (AustralianSuper) and therefore isn't the responsibility of AustralianSuper. With your approval a fee may be charged if a Statement of Advice is provided.

Ready to make your choice?

The easiest way to make your investment choice is to log into your online account at australiansuper.com/login If you can't make your choice online, call us on **1300 300 273**.



Contact us

Call **1300 300 273**
(8am to 8pm AEST/AEDT weekdays)

Email australiansuper.com/email

Web australiansuper.com

Mail GPO Box 1901, Melbourne VIC 3001



From time to time, AustralianSuper may review its range of investment options. We will communicate details of any changes to members. This document was issued in March 2019 by AustralianSuper. This document is of a general nature and doesn't take into account your personal objectives, situation or needs. Before making a decision about AustralianSuper, consider your financial requirements and read our Product Disclosure Statement, available at australiansuper.com/pds or by calling **1300 300 273**. This information is current as at the date of publication, but may change. You should visit australiansuper.com for the most up-to-date information.

Issued by AustralianSuper Pty Ltd ABN 94 006 457 987 AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898 SPIN STA0100AU, 26/50 Lonsdale St, Melbourne VIC 3000. AustralianSuper MySuper Authorisation 65 714 394 898 856.