

Important change notice

On 1 July 2021, LGIAsuper made some changes to how we invest in our MySuper investment option. These changes only impact members who have an Accumulation account and are invested in the MySuper option.

Changes to our MySuper investment option

On 1 July 2021, we made some changes to the Strategic Asset Allocation and the Standard Risk Measure of our MySuper option. The MySuper option is the default option for LGIAsuper members who have an Accumulation account and have not chosen another investment option for their superannuation. It is a diversified option which means it invests in a range of different asset classes.

Definitions for the two areas of MySuper that are being changed are:

- A **Strategic Asset Allocation** is the target percentage for each asset class that makes up a portfolio (investment option).
- The **Standard Risk Measure** is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any 20-year period.



What is changing?

The **Strategic Asset Allocation** of our MySuper option from 1 July 2021, is shown in the table.

It also shows the range of each asset class, which is the minimum and maximum amount that can be invested.

As a result of these changes, the **Standard Risk Measure** for the MySuper option has increased from 3.5 to 3.7 negative returns expected out of every 20 years.

Why have these changes been made?

Changes have been made for three reasons:

- To create a single MySuper option following the merger of LGIAsuper and Energy Super on 1 July 2021 that is available to all members.
- To align with changes in how the industry regulator Australian Prudential Regulation Authority (APRA) assesses the performance of all super funds.
- To adapt to changing investment market conditions, as we aim to generate the solid long-term returns that our members need.

These changes are expected to result in higher returns for the MySuper option and help meet our return objective of 3% per year above inflation (after fees and taxes) over the next ten years.

	SAA %	RANGES %
Australian shares	24.0	13 - 37
International shares	28.0	13 - 37
Private capital	5.0	0 - 10
Property	10.0	0 - 20
Infrastructure	10.0	0 - 20
Diversifying strategies	0.0	0 - 10
Diversified fixed interest	18.0	0 - 50
Cash	5.0	0 - 20

Growth assets 70%
Defensive assets 30%

Risk Medium to High



Negative returns expected 3.7 out of 20 years.

Return target¹

Return target of 3% per year above inflation after fees and taxes over the next ten financial years.

¹Investment markets are uncertain and future returns cannot be guaranteed

What do you need to do?

You do not need to do anything, but if you would like to change your investment option(s) you can do so by logging in to your Member Online account at lgiasuper.com.au or refer to the *Investment choice guide* for your account, for alternative ways to submit an investment switch.

We are here to help



If you would like to discuss the above changes and how they relate to your account, please contact us on **1800 444 396** or at info@lgiasuper.com.au.

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