



1300 436 374

energysuper.com.au

info@energysuper.com.au

Level 20, 333 Ann Street, Brisbane Qld 4000

PO Box 10530 Brisbane Adelaide Street Qld 4001

Changes to our products

I am writing to let you know that Energy Super (as part of LGIAsuper) is making some changes to some of our products, which are effective from 31 March 2022.

This notice explains the changes and what they could mean for you. You can also access this notice at energysuper.com.au/sen.

You are not required to do anything, but we recommend you review these changes in case you would like to update your account.

MySuper fees to be reduced

On 31 March 2022, we will be reducing the investment fee and Indirect Cost Ratio for our MySuper investment option.

Investment fees are paid directly to external providers for managing your investments and are deducted from investment earnings as they are applied to your account.

Indirect costs are expenses incurred by external providers in managing your investments, such as brokerage and stamp duty. Indirect costs are not charged to you as a fee but are reflected in your investment returns.

The upcoming reduction to the investment fee and Indirect Cost Ratio for our MySuper option is a result of improvements being made to our investment managers and asset class mix. It reflects our ongoing commitment to lowering costs and delivering better services.

Changes to our investment options

1. Changes to asset classes

An asset class is a group of investments with similar financial characteristics. Our investment options consist of one or more asset classes.

From 31 March 2022, we are making the following changes:

- The Private Capital and Alternatives asset classes will be merged and renamed Private Equity.
- The Diversified Income and Global Fixed Interest asset classes will be merged and renamed Diversified Fixed Interest.
- The Cash Enhanced asset class will be renamed Cash.

2. Changes to investment return targets

Every investment option has a return target, which is the desired investment outcome for the option, reflecting the current investment environment and investment mix.

From 31 March 2022, the investment return target will change for the Capital Managed investment option.

- Current return target: 2% per year above Consumer Price Index, over rolling 10-year periods, after fees and taxes.
- Return target from 31 March 2022: 2.5% per year above Consumer Price Index, over rolling 10-year periods, after fees and taxes.

Investment markets are uncertain and future returns cannot be guaranteed.

3. Changes to Strategic Asset Allocations and ranges

A Strategic Asset Allocation (SAA) is the target percentage for each asset class that makes up a portfolio (investment option). The range is the minimum and maximum amounts we invest in each asset class.

From 31 March 2022, the SAAs and allowable ranges for each of our diversified investment options will change.

The update to the SAAs and ranges is part of our commitment to continually review and monitor our investment options to help our members achieve their retirement goals.

MySuper				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian shares	24	13-37	27	13-37
International shares	28	13-37	33	13-37
Private equity	-	-	0	0-10
Private capital	5	0-10	-	-
Property	10	0-20	10	0-20
Infrastructure	10	0-20	10	0-20
Diversifying strategies	0	0-10	0	0-10
Diversified fixed interest	18	0-50	10	0-30
Cash	5	0-20	10	0-20

Growth				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian shares	29	15-45	32	15-45
International shares	34	15-45	37	15-45
Private equity	-	-	6	0-10
Private capital	-	-	-	-
Alternatives	7	0-15	-	-
Property	9	0-20	10	0-20
Infrastructure	11	0-20	10	0-20
Diversifying strategies	0	0	0	0-20
Diversified fixed interest	-	-	0	0-20
Diversified income	5	0-10	-	-
Global fixed interest	2	0-10	-	-
Cash	2	0-20	5	0-20

Balanced				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian shares	23	13-37	25	13-37
International shares	27	13-37	30	13-37
Private equity	-	-	5	0-10
Private capital	-	-	-	-
Alternatives	7	0-15	-	-
Property	9	0-20	10	0-20
Infrastructure	9	0-20	10	0-20
Diversifying strategies	0	0	0	0-10
Diversified fixed interest	-	-	10	0-30
Diversified income	8	0-15	-	-
Global fixed interest	12	0-15	-	-
Cash	5	0-20	10	0-20

Indexed Balanced				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian shares	35	20-60	35	20-60
International shares	40	20-60	40	20-60
Private equity	-	-	0	0
Private capital	-	-	-	-
Alternatives	0	0	-	-
Property	0	0-20	0	0-20
Infrastructure	0	0-20	0	0-20
Diversifying strategies	0	0	0	0
Diversified fixed interest	-	-	20	0-40
Diversified income	0	0	-	-
Global fixed interest	20	0-40	-	-
Cash	5	0-20	5	0-10

Capital Managed				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian shares	16	0-27	18	0-27
International shares	22	0-27	22	0-27
Private equity	-	-	4	0-10
Private capital	-	-	-	-
Alternatives	4	0-10	-	-
Property	7	0-20	10	0-20
Infrastructure	6	0-20	10	0-20
Diversifying strategies	0	0	0	0-10
Diversified fixed interest	-	-	20	0-50
Diversified income	25	10-40	-	-
Global fixed interest	10	0-25	-	-
Cash	10	0-25	16	0-30

Stable				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian shares	9	0-20	9	0-20
International shares	14	0-30	13	0-20
Private equity	-	-	3	0-10
Private capital	-	-	-	-
Alternatives	4	0-10	-	-
Property	7	0-20	9	0-20
Infrastructure	6	0-20	9	0-20
Diversifying strategies	0	0	0	0-10
Diversified fixed interest	-	-	32	20-60
Diversified income	35	20-50	-	-
Global fixed interest	10	0-25	-	-
Cash	15	0-25	25	0-40

SRI Balanced				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian shares	23	10-40	25	10-40
International shares	27	15-45	30	15-45
Private equity	-	-	5	0-15
Private capital	-	-	-	-
Alternatives	7	0-15	-	-
Property	9	0-20	10	0-20
Infrastructure	9	0-20	10	0-20
Diversifying strategies	0	0	0	0-20
Diversified fixed interest	-	-	10	0-30
Diversified income	8	0-15	-	-
Global fixed interest	12	0-15	-	-
Cash	5	0-20	10	0-20

4. Changes to the Standard Risk Measure

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. The Standard Risk Measure is not a complete assessment of all forms of investment risk. For more information, see the Investment Guide.

From 31 March 2022, the Standard Risk Measure will change for the below investment options.

Investment option	Standard Risk Measure		Estimated number of negative annual returns over any 20-year period	
	Current	From 31 March 2022	Current	From 31 March 2022
MySuper	Medium to High	High	3.7	4.8
Growth	High	High	4.3	5.1
Balanced	Medium to High	High	3.7	4.7
Indexed Balanced	High	High	4.4	5.2
Capital Managed	Medium	High	2.9	4.1
Stable	Low to Medium	Medium to High	1.8	3.1
SRI Balanced	Medium to High	High	3.7	4.7

Minimum account balance if making a lump sum withdrawal

From 31 March 2022 if you wish to make a partial lump sum withdrawal, you must leave a minimum balance of \$8,000 in your account. Previously, the minimum account balance was \$6,000.

Minimum opening balance

From 31 March 2022, the minimum opening balance required to start a new Energy Super Income Stream will increase from \$10,000 to \$50,000.


We're here to help

For further information about our investment options, please refer to the Product Disclosure Statement and the *Investment Guide*, both of which can be found at energysuper.com.au/PDS.

You can review or change your investment options online at any time by logging in to your Member Portal account at energysuper.com.au. We urge members to seek financial advice before making decisions about investment options.

If you have any questions, please contact us on **1300 436 374**.

Yours sincerely



Kate Farrar

Chief Executive Officer



LGIAsuper Trustee (ABN 94 085 088 484) (AFSL 230511) (the Trustee) as trustee for LGIAsuper (ABN 23 053 121 564) (RSE R1000160) (the Fund). Energy Super products are issued by the Trustee on behalf of the Fund.

Ratings are provided by SuperRatings Pty Ltd (ABN 95 100 192 283, AFSL 311880) and Rainmaker Information Pty Ltd (ABN 86 095 610 996). Ratings are only one factor to be considered when making investment decisions. Past performance is not a reliable indicator of future performance. Refer to energysuper.com.au/ratings for information about the rating and the rating scale. SuperRatings does not issue, sell, guarantee or underwrite this product.