

18 February 2022

## Changes to our products

I am writing to let you know that 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 [lgiasuper.com.au/sen](http://lgiasuper.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.

## Changes to our investment options

### 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, the Private Capital asset class will be renamed Private Equity.

### 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 below investment options. There are no objective changes to our other investment objectives.

Investment option	Current return target – above inflation, over rolling 10-year periods, after fees and taxes (% per year)	Return target from 31 March 2022 – above Consumer Price Index, over 10-year periods, after fees and taxes (% per year)
Pension Aggressive	3.75%	3.5%
Pension Diversified Growth	3.25%	3%
Pension Balanced	2.75%	2.5%
Pension Stable	1.75%	1.5%
Pension Defensive	1.25%	1%
Pension Socially Responsible (SR) Balanced	3.25%	3%

Investment markets are uncertain and future returns cannot be guaranteed.

## 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 for all of our diversified investment options will change. Additionally, the allowable ranges will change for some asset classes within the Balanced and Defensive options.

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.

Pension Aggressive				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	30	15-45	32	15-45
International Shares	30	15-45	37	15-45
Private Equity	3	0-10	6	0-10
Property	11.5	0-20	10	0-20
Infrastructure	13.5	0-20	10	0-20
Diversifying Strategies	10	0-20	0	0-20
Diversified Fixed Interest	0	0-20	0	0-20
Cash	2	0-20	5	0-20

Pension Diversified Growth				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	22.5	13-37	25	13-37
International Shares	22.5	13-37	30	13-37
Private Equity	3	0-10	5	0-10
Property	11.5	0-20	10	0-20
Infrastructure	13.5	0-20	10	0-20
Diversifying Strategies	5	0-10	0	0-10
Diversified Fixed Interest	18	0-30	10	0-30
Cash	4	0-20	10	0-20

Pension Balanced				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	13.5	0-27	18	0-27
International Shares	13.5	0-27	22	0-27
Private Equity	3	0-10	4	0-10
Property	11.5	0-20	10	0-20
Infrastructure	13.5	0-20	10	0-20
Diversifying Strategies	5	0-10	0	0-10
Diversified Fixed Interest	37	20-50	20	0-50
Cash	3	0-20	16	0-30

Pension Stable				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	8	0-20	9	0-20
International Shares	8	0-20	13	0-20
Private Equity	2	0-10	3	0-10
Property	10	0-20	9	0-20
Infrastructure	12	0-20	9	0-20
Diversifying Strategies	5	0-10	0	0-10
Diversified Fixed Interest	40	20-60	32	20-60
Cash	15	0-40	25	0-40

Pension Defensive				
Asset class	Current		From 31 March 2022	
	SAA %	Range %	SAA %	Range %
Australian Shares	3	0-15	5	0-15
International Shares	3	0-15	5	0-15
Private Equity	0	0-10	0	0-10
Property	5	0-15	5	0-20
Infrastructure	7	0-15	7	0-20
Diversifying Strategies	3	0-10	0	0-10
Diversified Fixed Interest	56	35-75	37	20-75
Cash	23	0-50	41	0-50

## 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 choice guide* for your account.

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

Investment option	Standard Risk Measure (SRM)		Estimated number of negative annual returns over any 20-year period	
	Current	From 31 March 2022	Current	From 31 March 2022
Pension Aggressive	High	High	4.3	5.1
Pension Diversified Growth	Medium to High	High	3.5	4.7
Pension Balanced	Medium	High	2.4	4.1
Pension Stable	Low to Medium	Medium to High	1.4	3.1
Pension Defensive	Very Low	Low to Medium	0.4	1.8

### We're here to help

For further information about our investment options, please refer to the *Product Disclosure Statement* and the *Investment choice guide* for your account which can be found at [lgiasuper.com.au/PDS](https://lgiasuper.com.au/PDS).

You can review or change your investment options online at any time by logging in to your Member Online account at [lgiasuper.com.au](https://lgiasuper.com.au). We urge members to seek financial advice before making decisions about investment options.

If you have any questions, please contact us on **1800 444 396**.

Yours sincerely,



**Kate Farrar**  
Chief Executive Officer