

Group Super News

Your member update

Defined Benefits | September 2021

In this issue

Chair's message

Our investment outlook

Shining a (sustainable) spotlight on ESG

Member notices

Quick tips to help keep your super cyber-safe

Have you seen our refreshed Defined Benefits online member portal?

A note from Rosemary Vilgan
Chair,
Trustee
Board



“Resilience is key as we all move forward, and our focus firmly remains on your best interests and positive outcomes for your future financial wellbeing.”

We are now well into the second year of the COVID-19 pandemic. The word ‘unprecedented’ is frequently used when considering the global health and economic impacts of COVID-19 and its influence on the lives of every Australian. We understand that the year has been challenging for many of our members and their families and communities, and our thoughts are with those who have suffered loss and hardship, and the many who continue to do so.

It has been a challenging year in many ways, and while the pandemic has had an impact on our priorities for the year, the fund’s commitment to our members’ best interests and financial wellbeing for the future remains steadfast. I thank you for your trust in us to manage your superannuation and helping you work towards achieving your retirement goals.

It is with this core focus that we successfully managed the challenges of the past year. We continue to build on our strengths and manage implementation of changes happening within our fund.

With a growing focus on environmental, social and governance (ESG) factors, we are constantly building for our collective future together. We have developed a whole-of-fund ESG policy, which continues our focus on managing climate risks. This includes a commitment to net zero carbon emissions across our investment portfolio and operations by 2050. Our policy provides a road map for interim targets towards the 2050 goal, greater measurement and transparency of carbon intensity, and how we can pursue opportunities in the transition to a low carbon economy. You can read more about our ESG considerations on page 2.

Thank you

I would like to offer my sincere gratitude to all whose work allows our fund to continue our commitment to members. I thank my fellow directors for their dedication. In particular, I thank and farewell the directors who resigned from the Board during the course of the year, Kylie Macfarlane, John Atkin and Chris Loong. I’m pleased to welcome Susan Allen, Cara Botha and Magda West as our newest directors.

My fellow directors and I thank you, our members, for your support. We appreciate your ongoing trust in us to manage your super – it is our privilege to look after your savings for retirement.

Chair's message

1

Shining a (sustainable) spotlight on ESG

2

Our investment outlook

2

Have you seen our refreshed Defined Benefits online member portal?

2

Quick tips to help keep your super cyber-safe

3

Member notices

3

Shining a (sustainable) spotlight on ESG.

We are committed to embedding ESG considerations into the selection and monitoring of our service providers and our investment decision-making.

We consider ESG and increasingly, climate change related risks, when determining our investment strategies, and are committed to net zero emissions across our investment portfolio and operations by 2050.

We continue to develop our framework and approach to climate change including current work on a climate change action plan, which will consider further how we can improve the resilience of the fund's

assets, monitor and mitigate against climate change-related risks and invest in opportunities that make a positive difference in this area.



Visit oursuperfund.com.au/esg for additional information on how we're integrating ESG and climate change-related issues.

Our investment outlook.

It was a challenging year for investment markets and global populations alike in 2020. The onset of COVID-19 saw sharemarkets in Australia and major global economies experience sharp falls, the likes of which had not been seen since the 2008 Global Financial Crisis. This was met with unprecedented fiscal and policy action to help support markets and the economy.

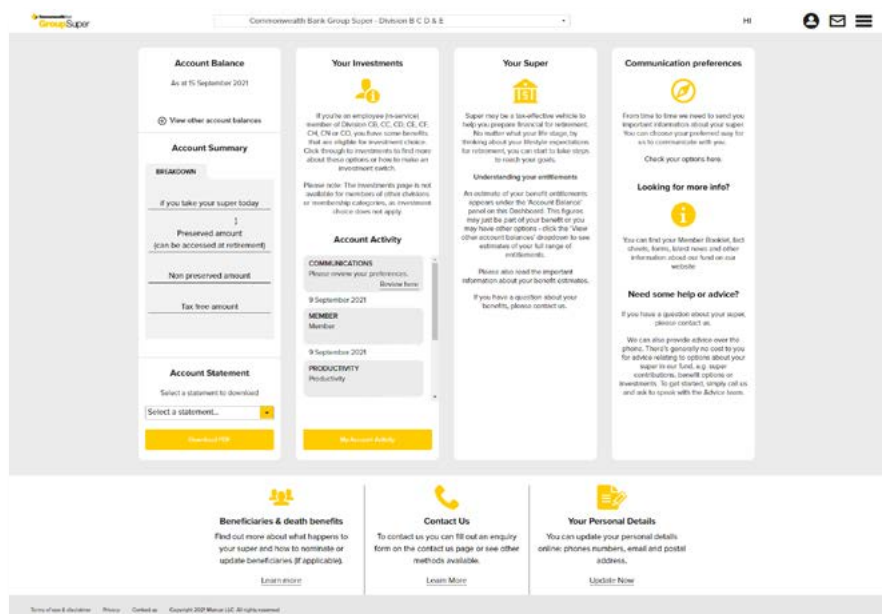
Markets have since seen a steady recovery through the latter half of 2020, buoyed by the fiscal and policy support, and have continued to rebound remarkably in 2021. Rapid advancements in pharmaceutical research to combat COVID-19, including the development of several vaccines, provided further optimism for markets. Noting these circumstances, we remain cautiously optimistic.

Some uncertainty remains over how the impact of the more infectious strains of COVID-19 and the continuing restrictions will unfold in the coming months and the potential for further economic disruption on the horizon. The full effect of changes to workplace practices, supply and demand dynamics, and supply-chain logistics also remains to be seen. The possibility for sustained higher levels of consumer price inflation is another area that warrants consideration.



Have you seen our refreshed Defined Benefits online member portal?

In June 2021, we refreshed our online portal for Defined Benefit members to provide a more streamlined and user-friendly experience accessing member account details. Have a look at some of the new features below!



Quick tips to help keep your super cyber-safe.



The super industry is home to nearly \$3 trillion¹ and many members may not be checking their super or viewing statements regularly – meaning that the time between a fraud event occurring and an account holder realising it can be significant.

There are some simple actions you can take to help protect your super from cyber crime:

- 1. Track your super regularly**
Know the details of your super. Check your statements and log into your online account to monitor details and spot irregularities sooner.
- 2. Keep your personal details up to date**
Super funds use details like your address, phone or mobile to send you the most up to date information about your account and the fund. Keeping details current may also help deter those who might try to use older details to fraudulently access your account.
- 3. Be alert**
Be suspicious of emails requesting personal information. Phishing emails trick people into sharing sensitive information such as online logins or passwords. And don't access your online account using public computers or public wi-fi.
- 4. Report a suspicious event**
If you think you have been targeted by a scam, phishing email or identity theft, report it to your fund. Act quickly and change your passwords.
- 5. Create a strong password**
Use a strong unique password that only you will remember, change it regularly and don't share it with others.

It's also helpful to get to know the features and functionality of your super division – you'll develop good super habits and help avert cyber crime at the same time!

¹ <https://www.superannuation.asn.au/resources/superannuation-statistics>

Member notices.

Changes to strategic asset allocations for diversified investment options effective 1 July 2021

This notice only applies if you're an in-service (employee) member of Division CB, CC, CD, CE, CF, CH, CN or CO and you have an accumulation-style account(s) that's eligible for investment choice within that division.

Effective 1 July 2021, the strategic asset allocation (SAA) for some asset classes within our diversified (pre-mixed) investment options has changed. The following table includes the benchmark SAA percentage for each asset class within the investment option, as well as the minimum and maximum percentages that we may hold, together with the previous SAAs for comparison.

The updated SAAs, as well as more information about our investment options and asset classes, are provided in our **Defined Benefit Supplement: Investments and fees** issued on 17 August 2021 available from oursuperfund.com.au/memberbooklets, or call us for a copy.

Table: Changes to SAAs for diversified investment options from 1 July 2021.

Investment option		Asset class				
		Fixed Interest & Cash	Alternatives	Real Assets	Multi-Assets	Shares
Conservative	Old	67% (62-72%)	5% (2-8%)	8% (3-13%)	10% (7-13%)	10% (7-13%)
	New	67% (62-72%)	7% (4-10%)	8% (3-13%)	8% (5-11%)	10% (7-13%)
Moderate	Old	42% (37-47%)	7% (3-11%)	13% (6-20%)	18% (14-22%)	20% (16-24%)
	New	42% (37-47%)	10% (6-14%)	14% (7-21%)	14% (10-18%)	20% (16-24%)
Balanced (MySuper)	Old	17% (13-21%)	10% (5-15%)	18% (9-27%)	25% (20-30%)	30% (25-35%)
	New	17% (13-21%)	15% (10-20%)	18% (9-27%)	20% (15-25%)	30% (25-35%)
Growth	Old	5% (2-8%)	10% (5-15%)	20% (9-31%)	25% (20-30%)	40% (35-45%)
	New	8% (5-11%)	15% (10-20%)	19% (8-30%)	18% (13-23%)	40% (33-47%)

(continued on page 4)

Changes to investment-related fees and costs

This notice only applies if you're an in-service (employee) member of Division CB, CC, CD, CE, CF, CH, CN or CO and you have an accumulation-style account(s) that's eligible for investment choice within that division.

Super funds are required to disclose certain information about fees and costs based on fees and costs incurred in the previous financial year. This means disclosure of investment-related fee and cost estimates is likely to change each year. The updated estimates of investment fees and costs and transaction costs for the 12 months to 30 June 2021 are outlined in the following table, together with the prior year estimates for comparison. Changes to disclosure requirements mean that investment fees and costs and transaction costs are disclosed separately for the 12 months to 30 June 2021, compared with a single investment fee (total) for the prior period.

Fees and costs have also been updated in our **Defined Benefit Supplement: Investments and fees** issued on 17 August 2021 and available from oursuperfund.com.au/memberbooklets or call us for a copy.

Important notes to keep in mind:

- Past costs are not a reliable indicator of future costs. Investment fees and costs and transaction costs include components that vary from year to year and can't be calculated precisely in advance. The amount you pay in future years depends on the actual fees and costs we incur in managing the investment options in those years.
- There are no changes to other fee types or amounts at this time. For further details of the fees and costs that may apply to your accumulation-style account, you should read our **Defined Benefit Supplement: Investments and fees**.

Table: Changes to estimates of investment fees and costs and transaction costs for the 12 months to 30 June 2021.

Investment option	OLD	NEW		Estimated annual effect of these changes to fees and costs for a \$50,000 account balance
	Estimated investment fee (total) for 12 months to 30 June 2020 (% of balance p.a.)	Estimated investment fees and costs for 12 months to 30 June 2021 (% of balance p.a.)	Estimated transaction costs for 12 months to 30 June 2021 (% of balance p.a.)	
Cash	0.06	0.06	0	—
Conservative	0.33	0.25	0.05	-\$15
Moderate	0.44	0.34	0.07	-\$15
Balanced	0.55	0.43	0.09	-\$15
Growth	0.58	0.45	0.09	-\$24

Changes to rates, caps and thresholds

From 1 July 2021 the following super changes came into effect.

- The total superannuation balance cap was increased due to indexation, from \$1.6 million to \$1.7 million. Your total super balance determines your non-concessional contribution cap, as well as your eligibility to access features such as the super co-contribution.
- The concessional cap increased from \$25,000 to \$27,500 per financial year, while the non-concessional cap increased from \$100,000 to \$110,000 per financial year.

Your Future, Your Super reforms

The government's new 'Your Future, Your Super' reforms package came into effect on 1 July 2021. A part of these changes is the introduction of the Your Future, Your Super (YFYS) annual performance test. This test requires the Australian Prudential Regulation Authority (APRA) to conduct an annual assessment of the net returns of certain superannuation products. Please note that the YFYS annual performance test does not apply to Defined Benefits accounts.

Defined Benefit members and pensioners

- 🌐 oursuperfund.com.au
- 📞 1800 135 970 between 8am and 7pm (AEST/AEDT) Monday-Friday
- ✉️ via online member login, oursuperfund.com.au/login
- 📬 GPO Box 4303, Melbourne VIC 3001
- 📠 (03) 9245 5827

Group Super's first Annual Member Meeting

In March 2021, we held our first Annual Member Meeting (AMM) via online livestream, providing all members with an opportunity to hear from our board and executive team on our fund's performance, outlook and strategy, and ask questions.

If you weren't able to attend, a video and transcript of the event, together with minutes and published questions/answers are available from oursuperfund.com.au/member-meeting.

2020-21 Annual Report online

Our 2020-21 Annual Report will be available from our website oursuperfund.com.au from November. Please contact us if you require a printed copy. Note: if you requested a printed copy of last year's report, we will automatically send you this year's report once available.

This newsletter was prepared on 24 September 2021 by Commonwealth Bank Officers Superannuation Corporation Pty Limited (the trustee) (ABN 76 074 519 798, AFSL 246418), trustee of Commonwealth Bank Group Super (the fund) (ABN 24 248 426 878). The information is prepared for members for general information only and does not take into account your individual objectives, financial situation or needs. You should consider the information and how appropriate it is having regard to your own objectives, financial situation and needs. You should consider the Product Disclosure Statement (PDS), Reference Guides and Update Notices relating to the product from our website oursuperfund.com.au/pds before making any decision about whether to acquire or continue to hold the product. You should also consider seeking professional financial advice tailored to your personal circumstances from an authorised financial adviser. The target markets for our products can be found within the product's Target Market Determination, available at oursuperfund.com.au/tmd. GroupSuper/1700/0921