

## MEETING OUR INVESTMENT OBJECTIVES & RESPONDING TO CLIMATE CHANGE

2017 has been another eventful year on many fronts, but one thing that has remained consistent for our fund is the commitment to meeting our investment objectives for our members.

An important part of our investment philosophy is delivering sustainable long-term returns that achieve the investment objective that we set for each option. As at 30 November 2017<sup>1</sup>, we had met or exceeded the objective set for each diversified option.

Focussing on consistently meeting objectives means we can aim to give you more certainty around your likely returns, which helps you choose the right investment options to suit your needs.

With this in mind, and remaining aware of challenges in today's lower return environment, we are comfortable that our investment beliefs and strategies will continue to deliver the right outcomes for our members over the long term.

**Important note:** – You should remember that past investment performance is not a reliable indicator of future performance.

<sup>1</sup> November 2017 figures were the most current results as at the date this information was prepared.

### Our climate change position statement

The following Climate Change Position Statement was approved by the Board in October 2017. Commonwealth Bank Group Super accepts the scientific consensus that climate change is occurring and that it is expected to have an impact on members' superannuation as the regulatory, environmental, economic and social impacts of climate change grow over time.

We believe we have a part to play in limiting climate change to below two degrees Celsius in line with the Paris Agreement, and support the global transition to net zero emissions by 2050.

We believe climate change and the transition to a low carbon global economy will lead to both risks and opportunities in relation to the fund's investments. We will build our understanding and capability of climate change implications in relation to the fund's investments to ensure we manage the associated risks and opportunities.

### To play our role in addressing climate change, we aim to:

- ♦ integrate climate change risks and opportunities into our investment decision-making
- ♦ integrate climate change into the management of our investment partners, including investment managers and consultants
- ♦ measure and monitor portfolio exposures including carbon emissions from our investments and analyse scenarios and stress test our investment portfolio resilience
- ♦ participate in public reporting such as the Asset Owners' Disclosure Project
- ♦ commit towards keeping members informed and enhance our disclosure regarding climate change.

We will keep you informed as we progress through our climate change-related capabilities.

### New chair to lead the fund

In November 2017 we farewelled our long-time board director and Chair, Neil Cochrane, who stepped down after eight plus years. We are immensely proud of, and grateful for, his strong and thoughtful leadership and dedicated service to our members and our fund.

We are delighted to welcome Rosemary Vilgan as our new Chair from November 2017. Rosemary has been an independent director on the Board since February 2017 and is an experienced executive and non-executive director with a clear focus on, and dedication to, our members. We look forward to Rosemary's leadership, and to her continuing Neil's legacy of commitment to great outcomes for members.



# PAYING IT FORWARD: HOW TO BE AN EFFECTIVE MENTOR

**At this stage of your life, you may be thinking about sharing your considerable knowledge and helping to guide others on their professional path. Your experience and skills are valuable assets to share with others, but mentoring is much more than just a one-way street.**

Passing on your wisdom to those less experienced can bring you rewards and benefits as well. Around two out of three mentors can expect to learn something from their mentee, according to research by the Australian Human Resources Institute (AHRI). In a survey of more than 1,000 professionals, 66% of mentors reported benefitting from the relationship.

AHRI National President Peter Wilson isn't surprised, he's seen it himself. He says a mentee may have experienced issues that cause their mentor to rethink their own approach.

Another benefit is for those who are mentoring 'digital natives'. While you may be handing over your know-how, your relationship gives you the chance to pick your mentee's brains on IT issues.

Similarly, mentoring younger people offers first-hand and valuable insights into the thoughts and challenges of a different generation. It's evidence that can help inform your decisions and reactions at work.

## **A mentor is not a coach**

The skills for mentoring are quite different and more subtle than coaching, according to Wilson.

Coaching is a direct intervention to fix a performance weakness. "For example, a specialist coach in a professional sporting team; getting a basketballer to go left as well as right. Once you've done that you've done your job," says Wilson.

"But a mentor is a confidential relationship with a mentee about their work, their life, their hopes and fears for as long as the two parties agree that there's value to add to that equation. That's a much broader canvas."

The nature of the relationship may mean that it may be better to mentor someone outside of their organisation to avoid internal politics getting in the way. If the mentor's outside the organisation the mentee could relate to them more freely.

## **Where do mentors go wrong?**

A good mentor spends 80% of their time listening and 20% talking and asking penetrating questions that get to the heart of the issues the mentee is confronting, according to Wilson. Bad mentors spend most of their time talking.

"Very good mentors make you feel responsible for the decision you take. They might give you very subtly the solution you should apply, but a good mentor knows that the mentee needs to own the decision they make".

## **Next steps to becoming a mentor**

One of the easiest ways to become a mentor is to **join a formal mentoring scheme with your professional body**, where you'll be matched with a mentee.

Alternatively, look around you, says Wilson. "You can't force yourself onto people as a mentor but there'll always be people close to you such as family or friends that you can help."

This is an excerpt from an article first published by Colonial First State in June 2016 and is reproduced with permission.

## **Regulatory changes to how fees are disclosed**

You may have noticed some changes to how fees are disclosed on our Product Disclosure Statements (PDS), and you will also see similar changes to fee disclosure on your benefit statement.

Superannuation funds were required to implement disclosure changes by 30 September 2017 to the fees and costs information provided to super and pension members.

Importantly, **these are not new or increased costs**, but simply changes to what needs to be disclosed.

You can find the Retirement Access Member Booklet (PDS) at [oursuperfund.com.au/memberbooklets](http://oursuperfund.com.au/memberbooklets).

## **Commonwealth Bank Group Super**

### **Accumulate Plus and Retirement Access members**

-  [oursuperfund.com.au](http://oursuperfund.com.au)
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**Our Super Fund**

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