

# Group Super News

Your member update

Retirement Access | December 2019

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Talk to our friendly contact centre

Retirement  
Access  
members

 [oursuperfund.com.au](https://oursuperfund.com.au)  
 1800 023 928 between 8am and 7pm (AEST/AEDT) Mon-Fri  
 [oursuperfund@cba.com.au](mailto:oursuperfund@cba.com.au)  
 GPO Box 4758, Sydney NSW 2001

 CommonwealthBank  
**Group Super**

# Our commitment to delivering quality and performance to our members.

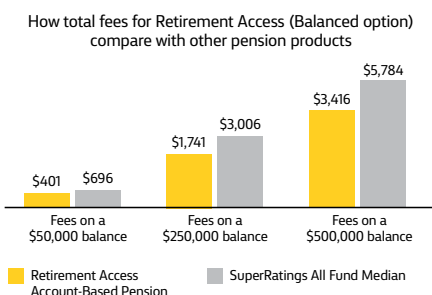


As a Group Super member, you deserve to be in a fund you can trust and take value from, and importantly, a fund that appreciates your membership by working hard to deliver on our commitments.

We remain committed to offering value-for-money products, managing your investments to meet long-term objectives, and providing you with services to support your retirement journey with us, all supported by a strong governance framework.

## Focused on giving you the value you deserve

We strive to ensure that Retirement Access consistently offers a competitive overall fee experience, and our fees remain among some of the lowest in Australia. The graph below illustrates SuperRatings industry research comparing the total investment fees, administration fees and indirect costs quoted in the PDSs of around 170 account-based pension products from industry, corporate and retail master trust super funds. Source: SuperRatings Pension Benchmark Report 2019 – please contact us for more details if required.



## Focused on considered investments

When it comes to investing your pension account, we are committed to setting realistic objectives and targeting a

smoother return experience for members over the long term. Our aim is to consistently meet the objective we set for each of our investment options, with reduced volatility. This is to help give you a better understanding of your likely outcomes and therefore make informed decisions for your savings now and in the future.

## Focused on services to support your retirement journey

Member servicing and ongoing communication are an important part of helping you manage your pension account. Our regular communications and newsletters, 24/7 online access, and twice-yearly benefit statements are just some of the ways we do this. We are increasingly getting to know our members better and tailoring communications to personalise experiences with us.

## Focused on good governance and operational management

Good fund governance is important in appropriately overseeing and managing our fund. Our trustee board brings a diverse range of experience, skills and knowledge to help carry out its duties and responsibilities, including investment management, superannuation, insurance, compliance and risk management, strategy, and legal counsel. We also have a comprehensive governance and risk management framework to ensure we are well-positioned to consider issues within a complex and changing industry and regulatory environment, and to deliver on our commitment to protecting members' best interests.



## How have we performed?

As well as monitoring our own performance, we also regularly engage with external benchmarking through industry rating agencies to help us review and assess our performance for the benefit of members and to identify opportunities where we can continue to improve and develop.

For 2020, and for the 12th consecutive year, we have been awarded SuperRatings' highest 'Platinum' rating, recognising us as a 'best value for money' fund across key criteria such as investments, fees, product flexibility, member servicing, administration and governance.

Source: SuperRatings Pension Benchmark Report 2019.

We've also held Chant West's highest '5 Apples' rating since our first year of participating in 2015.

Visit [oursuperfund.com.au/ratings](https://oursuperfund.com.au/ratings) to find out more.

It is a genuine privilege to look after your pension account, and we remain committed to our mission of enhancing your financial wellbeing and savings for retirement.



## Member notices.



### Introducing consistency of investment objective timeframes from 1 April 2020

The timeframes we currently include for the investment return objectives for our Retirement Access investment options vary between 1 and 7 years. We believe super should be viewed as a long-term investment and our goal is to provide members with sustainable returns over longer time horizons.

To better reflect this view and to allow for easier comparison of the overall objective we target for each option, from 1 April 2020

each investment return objective will be measured over a 10-year period, as shown below. These changes reflect a change in measurement period only, not a change in our underlying investment philosophy, strategy or assets.

These changes will be updated in a new Member Guide (PDS) and *Reference Guide: Investments* from 1 April 2020.

Investment option	Current investment objective until 31 March 2020	New investment objective from 1 April 2020
<b>Conservative / Conservative TRIS</b>	To achieve an average return <sup>1</sup> over a 3-year period of: <ul style="list-style-type: none"> <li>TRIS: CPI + 1% p.a.</li> <li>Account-Based Pension: CPI + 2% p.a.</li> </ul>	To achieve an average return <sup>1</sup> over a 10-year period of: <ul style="list-style-type: none"> <li>TRIS: CPI + 1% p.a.</li> <li>Account-Based Pension: CPI + 2% p.a.</li> </ul>
<b>Moderate / Moderate TRIS</b>	To achieve an average return <sup>1</sup> over a 5-year period of: <ul style="list-style-type: none"> <li>TRIS: CPI + 1.5% p.a.</li> <li>Account-Based Pension: CPI + 2.5% p.a.</li> </ul>	To achieve an average return <sup>1</sup> over a 10-year period of: <ul style="list-style-type: none"> <li>TRIS: CPI + 1.5% p.a.</li> <li>Account-Based Pension: CPI + 2.5% p.a.</li> </ul>
<b>Balanced / Balanced TRIS</b>	To achieve an average return <sup>1</sup> over a 5-year period of: <ul style="list-style-type: none"> <li>TRIS: CPI + 2.5% p.a.</li> <li>Account-Based Pension: CPI + 3.5% p.a.</li> </ul>	To achieve an average return <sup>1</sup> over a 10-year period of: <ul style="list-style-type: none"> <li>TRIS: CPI + 2.5% p.a.</li> <li>Account-Based Pension: CPI + 3.5% p.a.</li> </ul>
<b>Growth / Growth TRIS</b>	To achieve an average return <sup>1</sup> over a 7-year period of: <ul style="list-style-type: none"> <li>TRIS: CPI + 3% p.a.</li> <li>Account-Based Pension: CPI + 4% p.a.</li> </ul>	To achieve an average return <sup>1</sup> over a 10-year period of: <ul style="list-style-type: none"> <li>TRIS: CPI + 3% p.a.</li> <li>Account-Based Pension: CPI + 4% p.a.</li> </ul>
<b>Cash / Cash TRIS</b>	To achieve an average return <sup>2</sup> over a 1-year period that exceeds that of the Bloomberg AusBond Bank Bill Index.	To achieve an average return <sup>2</sup> over a 10-year period that exceeds that of the Bloomberg AusBond Bank Bill Index.

1. Return calculated **after** the deduction of investment fees, asset-based administration fees and any applicable taxes.

2. Return calculated **before** the deduction of investment fees, asset-based administration fees and any applicable taxes.

### Updating standard risk measure for investment options from 1 April 2020

From 1 April 2020, the Standard Risk Measure (SRM) is changing for a number of our Retirement Access investment options.

Investment option	Current until 31 March 2020		New from 1 April 2020	
	SRM band/label	Estimated number of years with a negative annual return over any 20-year period	SRM band/label	Estimated number of years with a negative annual return over any 20-year period
<b>Conservative / Conservative TRIS</b>	1 2 3 4 5 6 7 Medium	2 to less than 3	1 2 3 4 5 6 7 Low	0.5 to less than 1
<b>Moderate / Moderate TRIS</b>	1 2 3 4 5 6 7 Medium-High	3 to less than 4	1 2 3 4 5 6 7 Medium	2 to less than 3
<b>Balanced / Balanced TRIS</b>	1 2 3 4 5 6 7 High	4 to less than 6	1 2 3 4 5 6 7 Medium-High	3 to less than 4
<b>Growth / Growth TRIS</b>	1 2 3 4 5 6 7 High	4 to less than 6	1 2 3 4 5 6 7 Medium-High	3 to less than 4
<b>Cash / Cash TRIS</b>	1 2 3 4 5 6 7 Very low	Less than 0.5	No change	No change

The 7-point SRM scale provides a forward-looking estimate of how many years a negative annual return may be expected for that option over any 20-year period. SRMs are one common risk descriptor used by super funds to help members compare the potential level of investment risk of investment options. This is calculated based on each option's asset allocation, as well as capital market assumptions about the likely returns and volatility of those asset classes over the longer term.

The changes in our SRMs reflect amendments to the underlying methodology of the return assumptions used to calculate our estimates. This better facilitates comparison of investment options and will be more consistent with longer-term expectations, rather than

having assumptions reflect current market pricing, which fluctuate more frequently.

You should ensure you are comfortable with all of the features, including the risks and potential losses, associated with your chosen investment option(s) or the default option if applicable to you.

An SRM is not a complete assessment of all forms of investment risk. For example, it doesn't detail what the size of a negative return could be, or the potential for a positive return to be less than what you may require to meet your financial objectives. An SRM estimate is based on gross returns, so it also doesn't take into account the impact of deducting administration fees and tax on the likelihood of a negative return. When comparing products across super funds, you should also keep in mind that

funds may have different investment views and assumptions, which may produce different SRMs.

Importantly, although the methodology change has generally resulted in lower SRMs, this is not a reflection of our view of the current market environment. We expect markets to remain challenging with some further volatility in the shorter term.

These changes will be updated in a new Member Guide (PDS) and *Reference Guide: Investments* from 1 April 2020.

#### 2018-19 Annual Report now available

Our 2018-19 Annual Report is available to view or download from our website [oursuperfund.com.au](http://oursuperfund.com.au), or please contact us for a printed copy.

# Maximising your retirement benefits.

Working out your retirement budget can sometimes be tricky. But there are government payments and other benefits you may be eligible for that may help your nest egg stretch further.

If you've been putting money into super during your working years, this is likely to be your main source of income when you retire. However, you might also be able to access other allowances and concessions that can help you reduce your living costs.

Some examples and general information are provided below – this is not intended to be a complete list of benefits or entitlements and details may change.

## Age Pension

Once you reach the federal government's Age Pension age (between 65 and 67 depending on your date of birth), you can apply for the [Age Pension](#) if your income and assets are within certain eligibility ranges. Depending on your financial situation, you could be eligible to receive a full or partial pension.

There are different income and assets test thresholds for singles and couples, as well as for homeowners and non-homeowners. Under the assets test, if the value of your assets excluding your home is below the lower threshold (below), you could receive a full pension; if it's between the two thresholds, you may be eligible for a partial pension. If your assets are above the upper threshold, you won't receive a pension payment.

As at 1 July 2019, some of the more common assets test thresholds range from:

- Single homeowner: \$263,250 to \$574,500
- Single non-homeowner: \$473,750 to \$785,000
- Couple (combined) homeowner: \$394,500 to \$863,500
- Couple (combined) non-homeowner: \$605,000 to \$1,074,000

Read more about the Age Pension on the Department of Human Services website at [www.humanservices.gov.au/individuals/services/centrelink/age-pension](http://www.humanservices.gov.au/individuals/services/centrelink/age-pension).

## Other allowances

On top of the Age Pension, you may also be able to access additional government payments, such as:

- **Carer allowance** – if you give daily care to an elderly person or someone with a disability or serious illness.
- **Rent assistance** – to help cover your rent if you receive an eligible government benefit and are renting privately.
- **Energy supplement** – to help manage household costs if you receive an eligible income support payment.

## Making health care more affordable

Even if you're not eligible for the Age Pension, you can still get a [Commonwealth Seniors Health Card](#)<sup>1</sup> – as long as your annual income is less than \$55,808 for singles and \$89,290 for couples (as at September 2019). This card offers reduced-cost medicines under the Pharmaceutical Benefits Scheme, bulk billing for doctor's appointments and cheaper out of hospital medical expenses through the Medicare safety net.

## Other discounts and concessions for seniors

You can apply for a Seniors Card once you reach 60 (or 65 for Queenslanders), as long as you're working the required number of hours a week and you're a permanent resident of your state. With your Seniors Card, you may get exclusive offers and significant discounts on a range



of different services, as well as holidays and entertainment.

Different businesses in each state offer Seniors Card discounts. To find out what you're eligible for, check the government website for your state or territory, or look for the Seniors Card sign in stores.

If you're receiving the Age Pension or another government allowance, you may also qualify for a Pensioner Concession Card. This card provides many of the same benefits as the Commonwealth Seniors Health Card. In addition, this card allows you to access many state-based concessions.

For more details on the above benefits, visit [www.humanservices.gov.au](http://www.humanservices.gov.au), or your state government's website for details on other discounts and concessions for seniors.



Content from Colonial First State, first published 5 March 2018.

<sup>1</sup>[www.humanservices.gov.au/individuals/services/centrelink/commonwealth-seniors-health-card](http://www.humanservices.gov.au/individuals/services/centrelink/commonwealth-seniors-health-card); Australian Department of Human Services, Commonwealth Seniors Health Card, 2017.



## Want to talk about your account?

Talking to our friendly contact centre team about your Retirement Access account and getting the answers you're looking for can go a long way in helping you take control of your account. They're available to discuss your account Monday to Friday, 8am-7pm (AEST/AEDT).

Simply call **1800 023 928** to get started!

You also have the option to speak to a phone-based team of financial advisers\*, who can provide advice on certain options for your Retirement Access account at no additional cost to you.

Visit [oursuperfund.com.au/advice](http://oursuperfund.com.au/advice) for more information including terms and conditions, or call **1800 023 928** and ask to speak with the Advice Essentials team.

\*Advice relating to Retirement Access is provided by the Advice Essentials team, operating under Commonwealth Financial Planning Limited (ABN 65 003 900 169, AFSL 231139).