Important information about your super

We are required to tell you about these changes to super and your fund

Our MySuper Lifecycle is about to get better

Super is important, but life can get in the way. From 10 June 2021 our new MySuper Lifecycle approach will tailor your investments more closely to your age. **Don't worry, you don't need to do anything unless you want to switch out of MySuper Lifecycle.**

Our new, enhanced MySuper Lifecycle will boost your potential to grow your retirement savings, while helping to better manage the impact of risk on your investments over time. We do this by adjusting your investments automatically as you get closer to retirement. That way you should have more money to retire on. **And the good news is, we do it all for you.**

MySuper Lifecycle – what it is

MySuper is the default investment option provided by our fund. Lifecycle is our active investment approach, which changes as you get closer to retirement.

If you didn't select an investment option when you joined Aware Super, or you chose Lifecycle, your super savings will have been put into MySuper Lifecycle – it's where more than 85% of our super (accumulation) members invest their money.

Why we're making this change

Your age can play a big part in how you invest your super. Typically when you're younger you may wish to invest your super in riskier, high growth investments as you generally have time to wait out the occasional market downturn. As you get closer to retirement it may be a good idea to start reducing your investment risk.

Our new progressive Lifecycle investment approach takes advantage of our investment expertise – we manage MySuper Lifecycle with the aim of helping members grow their retirement savings when they're younger and reduce their investment risk as they get closer to retirement.

To check if you're in MySuper Lifecycle

Log in online and look at your investment strategy under 'Investment allocation'.

You'll see 'MySuper Life Cycle strategy'. Otherwise you'll see 'Choice strategy'.

How MySuper Lifecycle works

If your money is invested in MySuper Lifecycle, your super balance and future contributions will be moved automatically between the relevant investment options for your age.

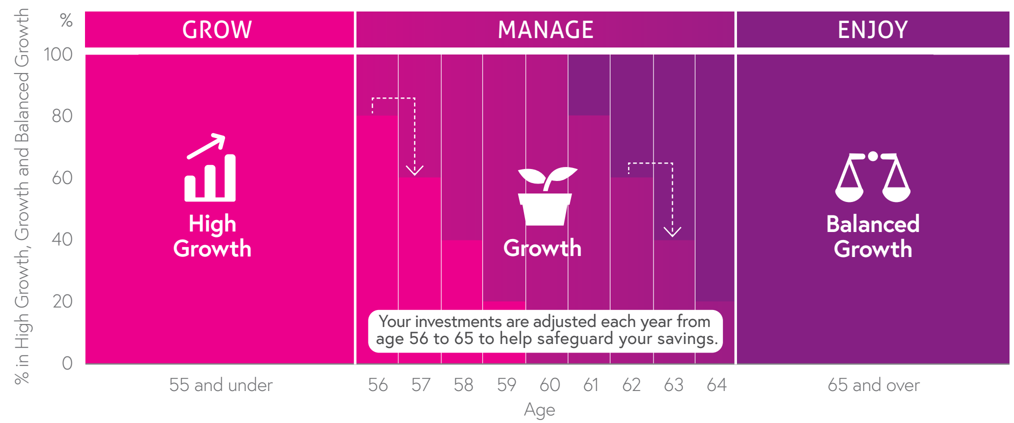
The current Lifecycle has two stages

Up to age 59	From age 60
All super is invested in Growth.	All super is switched automatically to Balanced Growth.

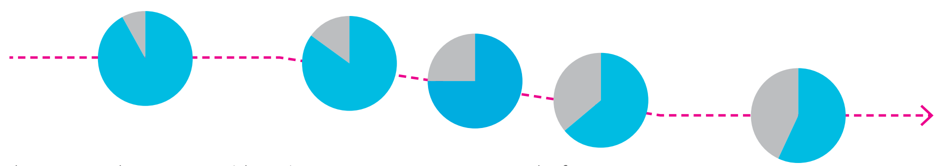
The new MySuper Lifecycle has 11 stages and now includes High Growth.

Up to age 55	From age 56-64	From age 65
Your balance and future contributions will be invested in High Growth. This investment is generally riskier than the current Growth investment (and could produce larger fluctuations in returns), but has the potential to generate stronger long-term returns.	You will be invested in a mix of High Growth, Growth and Balanced Growth. Small changes will be made automatically each year on your birthday to gradually reduce your exposure to growth assets. This will reduce your investment risk over time (see the chart below).	You'll be invested more conservatively, with 100% of your balance and future contributions invested in Balanced Growth. This investment is actively managed – it still takes advantage of growth opportunities but with less exposure to higher risk investments.

How we adjust your MySuper Lifecycle investments



The Lifecycle approach above means your investments gradually shift from higher risk (growth) assets to a more balanced mix of growth and income-generating assets.



- Growth assets such as equities (shares), property, private equity and infrastructure
- Income generating assets such as cash and bonds (less risky)

Your investments will be updated by changing your allocation between three of our diversified investment options – High Growth, Growth and Balanced Growth. For more information about these investment options, and the difference between growth and income assets, read the *Member Booklet Supplement: Investments* available at **aware.com.au/pds**

How our MySuper Lifecycle was created

Aware Super's team of 70 investment specialists have expertise in lifecycle investment design and retirement strategy (i.e. looking at which investments suit our members at different life stages). In the last 10 years 'lifecycle' investment approaches have been used widely, both in Australia and overseas.

When developing our new Lifecycle approach, our specialists benchmarked a number of other lifecycle products and made sure our new design reflects best practice and the most recent research. We then tested it over 18 months using data analytics and financial modelling, to make it more suitable for our members.

Being invested in MySuper Lifecycle means you benefit from our investment expertise as we adjust your investments to help you achieve a better retirement.

Fees and costs for MySuper Lifecycle

Our fees are some of the lowest in the market# and aren't changing. Your administration fee will remain the same. That said, any fees and costs that relate to your investments may increase or decrease when your investments change.

Investment options with more growth assets (such as equities and property) tend to have higher fees. Investment fees could range from 0.62%^ (Balanced Growth) up to 0.77%^ (High Growth). For example, at age 57 your investment fees would be a combination of 60% High Growth (at 0.77%^) and 40% Growth (at 0.74%^). So your total investment fee would be 0.758%^.

Investment fees are included in the unit price calculation, so the full value is reflected in the investment performance.

For more information go to **aware.com.au/lifecycle**

How this will affect Super members on 10 June 2021

If your super is already in MySuper Lifecycle your money will be switched into the new investment options in 'transition' stages over one to three months. This is to help manage any risk created by movements in the market.

Age	How your MySuper Lifecycle investment will be transitioned
55 or younger	Your money will be switched from Growth to High Growth in four stages over three months.
Age 56 - 59	Your money will be switched from Growth to a mix of High Growth, Growth and Balanced Growth in up to four stages over one to three months. Note: If you have a 60th birthday during the transition period (between 10 June and 5 September 2021 inclusive) your super will remain in Growth in line with the new MySuper Lifecycle.
Age 60+	Your investments won't change – your money will continue to be invested in Balanced Growth.

These changes will happen automatically, and we won't write to you to let you know they're happening.

To see how your investments will be transitioned view the table *How we adjust your MySuper Lifecycle investments* on page 19 or go to **aware.com.au/lifecycle**

How this will affect income stream members on 10 June 2021

The default investment choice for Transition to Retirement and Retirement income stream accounts will now be Balanced Growth. Balanced Growth already balances the need for strong long-term returns and helps guard against big market falls.

The total annual fee (inclusive of administration and investment fees) for our High Growth, Growth and Balanced Growth options is in the lowest quartile in each of their respective categories (Chant West Super Fund Fee Survey, September 2020, based on a $50,000 account balance).

^ These are an estimate of the fees and costs for the 12 months to 30 June 2020. Investment fees may vary from year to year and cannot be precisely calculated in advance. Past costs are not a reliable indicator of future costs. For more information read the *Member Booklet Supplement: Fees and costs* available at **aware.com.au/pds**

If you were born before 10 June 1961, you will have reached age 60 and be invested in Balanced Growth and your super will stay in this investment option.

If you were born after on or after 10 June 1961, the new MySuper Lifecycle stages will apply to you.

Lifecycle will no longer be available as an investment option for income stream members.

- If you're age 60 or over and invested in Lifecycle, your investments won't change – they'll stay in Balanced Growth.
- If you're under age 60 your money will be switched from Growth to Balanced Growth on 10 June 2021.

Changing your investments

You can switch your investments at any time. Go to 'Change your investment allocation' in the app or log in and select 'Investment switch' on your account overview page. You can also complete the *Choose your investment options* form (FSS009) and send it through to us.

- To keep your super in MySuper Lifecycle and have your investments change automatically, make sure the investment option you have selected for your account is 'MySuper Life Cycle'.
- If you would like help choosing your investments please contact us or go to **aware.com.au/advice** to request an appointment.

What will happen if you switch to MySuper between 10 June and 5 September 2021 inclusive

If you switch your super into MySuper Lifecycle during the transition period, your money will be allocated to the relevant investment(s) for your age, depending on the transition stage at the time.

Once the transition is complete your investments will then change on your birthday from age 56 until you reach age 65, as shown in the chart on page 19, *How we adjust your MySuper Lifecycle investments.*

We're here to help

You can find more information about our new MySuper Lifecycle at **aware.com.au/lifecycle**

If you have any questions, please give us a call on **1300 650 873** between 8.30am and 6pm Monday to Friday (AEDT) or 8:30am and 5pm (AWST), or email us at **enquiries@aware.com.au**

Important information

Changes for Tailored Super Plan, Flexible Income Plan, Transition to Retirement Pension, Personal Retirement Plan, Allocated Pension and Term Allocated Pension

The Fixed Term Fund investment option closed on 15 December 2020

Since 15 December 2020, the Fixed Term Fund investment option has been closed to new investments.

If your money is already invested in this option your money will continue to be invested with no change. But, when your investment matures or if you close your investment early, you won't be able to reinvest in this option.

The existing terms and conditions will continue to apply to investments retained in this option.

General and simple advice limited to your Aware Super account

As an Aware Super member you have access to general and simple advice. This advice is limited to your Aware Super account and only covers questions regarding investment choice, voluntary contributions and how to start an income stream (limited circumstances). The cost is covered in the administration fees paid by members.

Changes for Aware Super Investment Funds

The Fixed Term Fund investment option closed on 15 December 2020

Since 15 December 2020, the Fixed Term Fund investment option has been closed to new investments.

If your money is already invested in this option your money will continue to be invested with no change. But, when your investment matures or if you close your investment early, you won't be able to reinvest in this option.

The existing terms and conditions will continue to apply to investments retained in this option.

The asset allocation range for the Growth Fund (Class A & B) has changed

The asset allocation range for Liquid alternatives (Defensive) in the Growth Fund has changed from 0%-0% to 0%-23%.

The investment objective for the International Equities Fund (Class A & B) has changed

The investment objective has changed to: "To outperform the return of the Aware Super Custom Index on MSCI All Country World Index (ACWI) ex-Australia partially hedged to Australian dollars[1], over rolling five-year periods, before tax[2] and after taking into account fees and costs".

[1] A custom index calculated by MSCI based on the responsible ownership criteria and the hedging percentage provided by Aware Super.

[2] Before tax means prior to tax being taken out and with the value of franking credits added back in.

Important insurance changes

Transferring your existing insurance is now easier

It's now easier to transfer your existing insurance from another super fund or life policy to Aware Super. You don't need to have insurance with us to transfer your existing death only, death and total and permanent disablement or income protection insurance

It is important you don't cancel your existing insurance until we confirm your insurance transfer has been accepted.

Total and Permanent Disablement (TPD) – definition using plain language headings

Aware Super has adopted the 'Insurance in Superannuation Voluntary Code of Practice' (Code) and is committed to the industry's high standards when providing insurance to our members.

To comply with the Code, we have updated the TPD definition headings so they're consistent with the headings used by other super funds. (It is important to note there's no change to the TPD definitions themselves.

If you're eligible to transfer your existing insurance:

1. log in and select 'Insurance Express',
2. select 'transfer your insurance', then
3. answer a few questions to the insurer's satisfaction.

For more information

To find out how much insurance you need, go to **aware.com.au/insurancecalculator**

To apply to be occupationally rated, or to reduce or increase your insurance, just log in and select 'Insurance Express'.