

Important information about your super, pension and investment funds

1 October 2020



A new brand for First State Super
and StatePlus

Aware Super is the new brand for StatePlus

On 14 September 2020 StatePlus changed its brand name to Aware Super. As part of this rebrand, we've made the following changes:

- The name State Super Financial Services Australia Limited has changed to Aware Financial Services Australia Limited.
- The name FSS Trustee Corporation has changed to Aware Super Pty Ltd.
- The name First State Superannuation Scheme has changed to Aware Super.
- The names of our products and services have changed to reflect the new brand. Our annual statements and correspondence will have the new brand look and logo, and former references to StatePlus on our direct debit facility will now appear as *Aware*.

You can read more
about our brand change
on page 8, or visit
aware.com.au/stateplus



Changes to superannuation from 1 July 2020

Work test

Older Australians will have more flexibility to make voluntary contributions to super. Previously, if you were aged 65 to 74 and wanted to make a voluntary contribution to super, you had to meet the work test or a work test exemption.

From 1 July 2020 you don't need to meet the work test or a work test exemption until age 67. This change aligns with the eligibility for the age pension, which is gradually increasing to age 67 by 1 July 2023.

Spouse contribution

From 1 July 2020 the Government increased the age that a spouse is eligible to receive a spouse contribution. You can now make a contribution into your spouse's super account if they are under 75 at the time of the contribution. The previous age limit was under 70.

Early access to super

Superannuation members who have been financially impacted by the coronavirus can apply for access of up to \$10,000 from their super, up until 31 December 2020. Any super that is released early will not be taxed and will not affect Centrelink and Veterans' Affairs payments or the JobKeeper payment. Applications need to be made via the Australian Taxation Office and you need to meet certain criteria to be eligible.

Super and Pension Products

Update on your products and investments

Responsible Ownership update

From 1 October 2020, we're strengthening and embedding our commitment to responsible ownership and will be excluding direct investments in:

- Companies deriving 10% or more of their revenues directly from mining thermal or energy coal.
- Companies deriving revenue from the manufacture and/or production of controversial weapons including chemical weapons, cluster munitions, land mines and depleted uranium.

Our updated Responsible Investment Policy and Product Disclosure Statement (PDS) are available on our website from 1 October 2020.

Due to liquidity constraints, it may take some time to divest unlisted thermal coal mining assets and there may be a small residual exposure. Such assets will be sold at fair value as soon as reasonably practicable, but no later than 30 June 2023.

Death benefit investments

From 1 October 2020, a member's account balance (other than pensions where there is a reversionary beneficiary nomination) will be switched to the Cash investment option when we receive satisfactory proof of a member's death. This change will only affect death benefits where the notification of death is received from 1 October 2020. Death benefits for notifications received before 1 October 2020 will remain invested as they are currently.

Your investment fees

We merged with Aware Super on 30 June 2019 to provide our members with access to a greater range of investment opportunities and drive stronger long-term returns.

As part of the merger we restructured our investment portfolios, resulting in greater diversification benefits including:

1. an increase in exposure to real assets, such as property and infrastructure
2. access to new asset classes, like private equity
3. exposure to a broader range of investment strategies.

We have also simplified the way we report our fees to make it easier for members to understand. Tables A and B show the fees for the Financial Year 2019-2020.

Investment fees may vary from year to year and cannot be precisely calculated in advance. The investment fees shown in Tables A and B reflect historical costs incurred over the 12 months to 30 June 2020 (including indirect costs) and the Management fee, which changed on 1 April 2020. Note that the estimated investment fees and costs reported in your annual statement reflect the *actual* fees and costs you incurred for the 12 months to 30 June 2020. As a result, they are slightly different from the fees shown below as fees were changed effective 1 April 2020.

Accumulation (Tailored Super Plan, Personal Retirement Plan, Transition to Retirement Pension)

Table A: Estimated investment fees (% per year)¹

Investment option	Investment-related fees and costs ²	Performance-related costs	Transaction and other costs	Total investment fees
Growth Plus Fund ³	0.47%	0.07%	0.31%	0.85%
Growth Fund	0.45%	0.10%	0.25%	0.80%
Balanced Fund	0.40%	0.10%	0.22%	0.72%
Moderate Fund	0.33%	0.04%	0.15%	0.52%
Capital Stable Fund	0.27%	0.01%	0.09%	0.37%
Australian Equities Fund	0.24%	0.00%	0.13%	0.37%
International Equities Fund	0.25%	0.00%	0.10%	0.35%
Fixed Interest Fund	0.10%	0.00%	0.12%	0.22%
Cash Fund	0.03%	0.00%	0.01%	0.04%
Fixed Term Fund	0.20%	0.00%	0.00%	0.20%

¹ Implicit transaction costs, borrowing costs and property operating costs are not included in these amounts. Estimates of these costs for the applicable options are shown in the relevant PDS dated 1 October 2020 and on our website at retire.aware.com.au/pds

² A management fee is payable for the management of your product. The management fee forms part of Investment-related fees and costs as reported here.

³ Growth Plus is only available in the Personal Retirement Plan.

Pension (Flexible Income Plan, Allocated Pension and Term Allocated Pension)

Table B: Estimated investment fees (% per year)¹

Investment option	Investment-related fees and costs ²	Performance-related costs	Transaction and other costs	Total investment fees
Growth Plus Fund ³	0.47%	0.07%	0.24%	0.78%
Growth Fund	0.45%	0.09%	0.23%	0.77%
Balanced Fund	0.40%	0.09%	0.21%	0.70%
Moderate Fund	0.32%	0.04%	0.14%	0.50%
Capital Stable Fund	0.27%	0.01%	0.08%	0.36%
Australian Equities Fund	0.25%	0.00%	0.09%	0.34%
International Equities Fund	0.26%	0.00%	0.06%	0.32%
Fixed Interest Fund	0.10%	0.00%	0.05%	0.15%
Cash Fund	0.02%	0.00%	0.01%	0.03%
Fixed Term Fund	0.20%	0.00%	0.00%	0.20%

¹ Implicit transaction costs, borrowing costs and property operating costs are not included in these amounts. Estimates of these costs for the applicable options are shown in the relevant PDS dated 1 October 2020 and on our website at retire.aware.com.au/pds

² A management fee is payable for the management of your product. The management fee forms part of Investment-related fees and costs as reported here.

³ Growth Plus is only available in the Allocated Pension Plan.

Important changes to your investment options

As part of our annual review there are changes that affect your investment options. These changes are effective 1 October 2020 and apply to the:

- Tailored Super Plan
- Personal Retirement Plan (closed to new members)
- Flexible Income Plan
- Allocated Pension and Term Allocated Pension (closed to new members)
- Transition to Retirement Pension.

Changes to the return objectives

The changes for the single-asset class option return objectives shown in the table below reflect a new benchmark to be managed to from 1 October 2020. The Aware Super Custom benchmarks incorporate our Responsible Ownership exclusions and reflect what we can invest in from this date. We have partnered with MSCI Limited to manage this index and provide reporting.

While our other single-asset class options do not have a change to their return objective, the same Responsible Ownership exclusions apply.

	Return objective before 1 October 2020	Return objective from 1 October 2020
Australian Equities	To track the S&P/ASX 300 Accumulation Index, before taking into account fees, costs and tax.	To track the return of the Aware Super Custom Index on MSCI Australia Shares 300*, before taking into account fees, costs and tax.
International Equities	To track the return of the MSCI World Index ex-Australia ex-Tobacco securities Accumulation Index (unhedged) in Australian dollars, before taking into account fees, costs and tax.	To track the return of the Aware Super Custom Index on MSCI World ex-Australia* (unhedged) in Australian dollars, before taking into account fees, costs and tax.
Fixed Interest	To track a blend of Australian and global fixed-income benchmarks (50% Bloomberg AusBond Composite 0 + Yr Index, 30% Bloomberg AusBond Bank Bill Index + 0.75% and 20% Bloomberg Barclays Global Aggregate Float Adjusted Index (100% hedged)) in Australian dollars, before taking into account fees, costs and tax.	To match or exceed the return of the Bloomberg AusBond Composite 0 + Yr Index, before taking into account fees, costs and tax.

* A custom index calculated by MSCI based on the responsible ownership criteria provided by Aware Super.

From 1 October 2020 these important changes will be incorporated into your relevant:

- Product Disclosure Statement
- Additional Information Booklet
- Investment and Fee Booklet
- Investment Booklet (Fixed Term Fund)

which are available on our website at retire.aware.com.au/pds



Changes to the Strategic Asset Allocations (SAA)

To give you a better understanding of how your savings are invested, we're providing a more detailed breakdown of the Alternatives asset class. Importantly, there's no change to the underlying asset classes or how we are managing your money.

Diversified options

	Growth Plus*		Growth		Balanced		Moderate		Capital Stable	
Growth Income Allocations										
	Target	Range	Target	Range	Target	Range	Target	Range	Target	Range
Growth	75%	55% – 95%	75%	55% – 95%	57%	37% – 77%	38%	18% – 58%	25%	5% – 45%
Income	25%	5% – 45%	25%	5% – 45%	43%	23% – 63%	62%	42% – 82%	75%	55% – 95%
Strategic Asset Allocations										
	SAA	Range	SAA	Range	SAA	Range	SAA	Range	SAA	Range
Australian Equities	23%	13% – 33%	24%	14% – 34%	16%	6% – 26%	9%	0% – 19%	6%	0% – 16%
International Equities	30%	20% – 40%	32%	22% – 42%	22.5%	12% – 33%	11.5%	0% – 22%	7%	0% – 17%
Private Equity	3%	0% – 23%	3%	0% – 23%	2.5%	0% – 23%	1.5%	0% – 20%	0%	0% – 20%
Infrastructure and real assets	9%	0% – 29%	8%	0% – 28%	8%	0% – 28%	8%	0% – 28%	6%	0% – 26%
Property	7%	0% – 27%	8%	0% – 28%	8%	0% – 28%	8%	0% – 28%	6%	0% – 26%
Liquid Alternatives – Growth	3%	0% – 23%	0%	–	0%	–	0%	–	0%	–
Liquid Alternatives – Defensive	0%	–	5%	0% – 20%	4%	0% – 24%	2%	0% – 22%	0%	0% – 20%
Credit Income	5%	0 – 25%	7%	0% – 27%	10%	0% – 30%	10%	0% – 30%	4%	0% – 24%
Fixed Income	10%	0 – 25%	5%	0% – 25%	17%	0% – 35%	25%	0% – 45%	25%	0% – 50%
Cash	10%	1 – 45%	8%	1% – 45%	12%	1% – 60%	25%	1% – 75%	46%	1% – 85%
Currency Exposure	21%	0% – 40%	23%	0% – 42%	16%	0% – 33%	8%	0% – 22%	5%	0% – 17%

*Currently only available for the Personal Retirement Plan and Allocated Pension.

Single Asset Class options

Fixed Interest

	Before 1 October 2020		From 1 October 2020	
	SAA	Range	SAA	Range
Australian Fixed Income	80%	60% – 100%	100%	80% – 100%
International Fixed Income	20%	0% – 40%	0%	0% – 20%
Currency Exposure	0%	0% – 20%	0%	0% – 5%

Standard Risk Measures and minimum suggested investment time frame

The Standard Risk Measure (SRM) is based on industry guidance and shows an investment option's risk band and label. This allows you to compare options that are expected to deliver a similar number of negative annual returns over any 20-year period.

The SRM and minimum suggested investment time frame changed for the below investment options following the latest annual review. There are no SRM or minimum suggested investment time frame changes to our other investment options.

	Previous SRM	SRM effective 1 October 2020	Previous minimum suggested investment time frame	Minimum suggested investment time frame effective 1 October 2020
Capital Stable	3: Low to medium	2: Low	No change	No change
Moderate	4: Medium	3: Low to medium	No change	No change
Balanced	5: Medium to high	4: Medium	No change	No change
Growth	6: High	5: Medium to high	No change	No change
International Equities	6: High	7: Very high	No change	No change
Fixed Interest	5: Medium to high	No change	Short term (2 years)	Medium term (4 years)

Investment Fund Products

Update on your products and investments

Responsible Ownership update

From 1 October 2020 we're strengthening and embedding our commitment to responsible ownership, and will be excluding direct investments in:

- Companies deriving 10% or more of their revenues directly from mining thermal or energy coal.
- Companies deriving revenue from the manufacture and/or production of controversial weapons including chemical weapons, cluster munitions, land mines and depleted uranium.

Our new Responsible Investment Policy for the Investment Funds and our Product Disclosure Statement (PDS) will be published on our website on 1 October 2020.

Due to liquidity constraints, it may take some time to divest unlisted thermal coal mining assets and there may be a small residual exposure. Such assets will be sold at fair value as soon as reasonably practicable, but no later than 30 June 2023.

Your management cost

Management costs may vary from year to year and cannot be precisely calculated in advance. The revised (1 October 2020) Management costs shown in Tables A and B reflect the Management fee and an estimate of any indirect costs for the 12 months to 30 June 2020. In future, the actual amount you'll pay will depend on the costs incurred by the trustee in managing the investment option.

Table A: Investment Funds Class A estimated management costs (% per year)¹

Investment option	Total management cost (% pa) 1 Apr 2020 PDS	Total management cost (% pa) ¹ 1 Oct 2020 PDS
Capital Stable	0.58%	0.56%
Moderate	0.64%	0.67%
Balanced	0.72%	0.81%
Growth	0.81%	0.92%
Australian Equities	0.75%	0.75%
International Equities	0.75%	0.75%
Fixed Interest	0.40%	0.40%
Cash	0.24%	0.24%
Fixed Term	0.40%	0.40%

¹ Implicit transaction costs, borrowing costs and property operating costs are not included in these amounts. Estimates of these costs for the applicable options are shown in the relevant PDS dated 1 October 2020 and on our website at retire.aware.com.au/pds

Table B: Investment Funds Class B estimated management costs (% per year)¹

Investment option	Total management cost (% pa)	
	1 Apr 2020 PDS	1 Oct 2020 PDS
Capital Stable	0.58%	0.56%
Moderate	0.64%	0.68%
Balanced	0.72%	0.82%
Growth	0.82%	0.93%
Australian Equities	0.75%	0.75%
International Equities	0.75%	0.75%
Fixed Interest	0.40%	0.40%
Cash	0.24%	0.24%
Fixed Term	0.40%	0.40%

¹ Implicit transaction costs, borrowing costs and property operating costs are not included in these amounts. Estimates of these costs for the applicable options are shown in the relevant PDS dated 1 October 2020 and on our website at retire.aware.com.au/pds

Important changes to your investment options

As part of our annual review there are changes that affect your investment options. The following changes are effective 1 October 2020 and apply to the Investment Funds - Class A (closed to new members) and Class B.

Changes to the return objectives

The changes for the below single-asset class option return objectives reflect a new benchmark to be managed to from 1 October 2020. The Aware Super Custom benchmarks incorporate our Responsible Ownership exclusions and reflect what we can invest in from this date. We have partnered with MSCI Limited to manage this index and provide reporting.

While our other single-asset class options do not have a change to their return objective, the same Responsible Ownership exclusions apply.

	Return objective before 1 October 2020	Return objective from 1 October 2020
Australian Equities	To outperform the return of the S&P/ASX 300 Accumulation Index over rolling five-year periods, before tax and after taking into account fees and costs.	To outperform the return of the Aware Super Custom Index on MSCI Australia Shares 300* over rolling five-year periods, before tax and after taking into account fees and costs.
International Equities	To outperform the return of the MSCI AC World ex-Australia Accumulation Index (partly hedged) in Australian dollars, over rolling five-year periods, before tax and after taking into account fees and costs.	To outperform the return of the Aware Super Custom Index on MSCI All Country World ex-Australia Index 25% hedged to Australian dollars*, over rolling five-year periods, before tax and after taking into account fees and costs.
Fixed Interest	To track a blend of fixed income benchmarks (70% Bloomberg AusBond Government 0 + Yr Index and 30% Bloomberg AusBond Bank Bill Index + 0.75%), before taking into account fees, costs and tax.	To match or exceed the return of the Bloomberg AusBond Government 0 + Yr Index, before taking into account fees, costs and tax.

*A custom index calculated by MSCI based on the responsible ownership criteria provided by Aware Super.

From 1 October 2020 these important changes will be incorporated into the Product Disclosure Statement available on our website at retire.aware.com.au/pds



Changes to the Strategic Asset Allocations (SAA)

To give you a better understanding of how your savings are invested, we're providing a more detailed breakdown of the Alternatives asset class. Importantly, there's no change to the underlying asset classes or how we are managing your money.

We've added Private Equity as an asset class for the Investment Funds. Private equity includes investments in Australian and overseas companies that are not listed on a stock exchange. The target SAA as at 1 October 2020 to Private Equity is 0%. We may allocate to Private Equity at some stage in the future.

Diversified options

	Growth		Balanced		Moderate		Capital Stable	
Growth Income Allocations								
	Target	Range	Target	Range	Target	Range	Target	Range
Growth	75%	55% – 95%	57%	37% – 77%	38%	18% – 58%	25%	5% – 45%
Income	25%	5% – 45%	43%	23% – 63%	62%	42% – 82%	75%	55% – 95%
Strategic Asset Allocations								
	SAA	Range	SAA	Range	SAA	Range	SAA	Range
Australian Equities	25%	15% – 35%	17%	7% – 27%	9%	0% – 19%	6%	0% – 16%
International Equities	34%	24% – 44%	24%	14% – 34%	13%	3% – 23%	7%	0% – 17%
Private Equity	0%	0% – 20%	0%	0% – 20%	0%	0% – 20%	0%	0% – 20%
Infrastructure and real assets	9%	0% – 29%	8%	0% – 28%	8%	0% – 28%	6%	0% – 26%
Property	7%	0% – 27%	8%	0% – 28%	8%	0% – 28%	6%	0% – 26%
Liquid Alternatives – Defensive	0%	0% – 23%	4%	0% – 24%	2%	0% – 22%	0%	0% – 20%
Credit Income	5%	0% – 25%	10%	0% – 30%	10%	0% – 30%	4%	0% – 24%
Fixed Income	10%	0% – 25%	17%	0% – 35%	25%	0% – 45%	25%	0% – 50%
Cash	10%	1% – 45%	12%	1% – 60%	25%	1% – 75%	46%	1% – 85%
Currency Exposure	24%	0% – 44%	17%	0% – 34%	9%	0% – 23%	5%	0% – 17%



Single Asset Class options

International Equities

	Before 1 October 2020		From 1 October 2020	
	SAA	Range	SAA	Range
International Equities	100%	n/a	100%	n/a
Currency Exposure	75%	50% – 100%	71%	0% – 100%

Fixed Interest

	Before 1 October 2020		From 1 October 2020	
	SAA	Range	SAA	Range
Australian Fixed Income	100%	80% – 100%	100%	80% – 100%
International Fixed Income	0%	0% – 20%	0%	0% – 20%
Currency Exposure	0%	0% – 20%	0%	0% – 5%

Standard Risk Measures and minimum suggested investment time frame

The Standard Risk Measure (SRM) is based on industry guidance and shows an investment option's risk band and label. This allows you to compare options that are expected to deliver a similar number of negative annual returns over any 20-year period.

The SRM and minimum suggested investment time frame changed for the investment option shown below following the latest annual review. There are no SRM or minimum suggested investment time frame changes to our other investment options.

	Previous SRM	SRM effective 1 October 2020	Previous minimum suggested investment time frame	Minimum suggested investment time frame effective 1 October 2020
International Equities	6: High	7: Very high	No change	No change
Fixed Interest	No change	No change	Short term (2 years)	Medium term (4 years)



A new brand for First State Super and StatePlus

We're here to help

Contact us

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Email: enquiries@aware.com.au



Get advice

Phone: 1800 620 305
8.15am to 8.15pm (AEST)
Monday to Friday
Web: aware.com.au/advice
Email: clientservicecentre@aware.com.au



Locate us

Visit over 40 offices around Australia for help with your super account, including setting up your account online.
aware.com.au/locations



Important information

This is general information only and does not take into account your specific objectives, financial situation or needs. Seek professional financial advice, consider your own circumstances and read our product disclosure statement before making a decision about Aware Super and Aware Financial Services Australia Limited. Call us or visit our website for a copy. Issued by Aware Financial Services Australia Limited 86 003 742 756, AFSL No. 238430 (in respect of the Aware Investment Funds A and B) and Aware Super Pty Ltd ABN 11 118 202 672, AFSL 293340, the trustee of Aware Super ABN 53 226 460 365 (for all other products). Financial planning services are provided by our financial planning business Aware Financial Services Australia Limited. Aware Financial Services Australia Limited is wholly owned by Aware Super.