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Understanding your investment in super doesn't have to be hard. You don't need to be a financial whiz to make it work for you!

You just need to understand your options and how you can make the most of them.

This fact sheet is designed as an overview to help you on your way. Super is a long term investment and it's important that you know how it works so that you can make the right investment choices.

Your super in the Lump Sum Scheme is made up of an Employer Component and a Member Component.

Your Member Component is made up of your Member Account and Rollover Account (if any) and you have a choice of eight different investment options for your Member Component. The investment choice option will apply to the balance of your Member Component and all your future member contributions.

If you do not choose an option, the balance of your Member Component will be invested in the Growth option.

Your Employer Component will, in most cases, continue to be defined and calculated according to the following criteria:

- age at joining and exiting
- number of months of contributory membership
- elected Contribution Rate
- proportion of time worked during your contributory membership.

If you have a PSESS and/or SG Account, it is invested in the Defined Benefit High Growth option, which is the investment for employer funded entitlements. This is because it forms part of your Employer Component and investment choice is not available for the Employer Component.

Unlike money you have saved in your bank account, your super is invested across a range of assets which includes cash, fixed interest, property and shares and can be affected by factors including interest rates, inflation and global financial markets.

The Lump Sum Scheme's investment manager, Funds SA, constantly reviews the investment strategies for each of the options. Most of the day to day management of the individual investments is out sourced to specialist investment management firms.

Your job is to understand the basics so you can tailor your super to meet your needs and review your investment strategy as your needs change.

General information and financial advice

Getting good financial planning advice is an essential part of making the right investment choices. As a Lump Sum Scheme member, you have the option of calling Super SA's Member Services team for general information or for personal financial planning advice, speaking with an independent financial planner.

Member Services

Member Services is a good place to start when you're looking for ways to make the most of your investment in super. And it's free!

Member Services can't give you personal financial advice but can help you make informed decisions about your super, including:

- helping you consider your investment profile.
- explaining the investment options available to you and resources to help you choose an investment option.

To speak to Member Services, call (08) 8207 2094 or 1300 369 315 (for regional callers).

Personal financial planning advice

If you're looking for detailed personal advice, you can choose your own financial planner or you can take advantage of the commission-free financial planning service available through Industry Fund Services. Call 1300 162 348 to make an appointment.

To choose your own financial planner, contact the Financial Planning Association of Australia.

FYI

Unit prices are generally posted on the Super SA website twice weekly.

IN THIS FACT SHEET

What happens to the funds that come into your account?

When funds go into your Member Account, or you roll in funds from another super fund, the money is used to purchase units.

The number of units purchased will depend on the value of the units on the date they're purchased. This value, or unit price, is generally determined twice weekly, in line with how your investment option is performing.

Therefore, the value of your Member Component depends on the current unit price.

Units represent a share of the underlying investments in the investment option of your choice and provide an efficient system for administering contributions and switching between the different investment options. Super SA, through Funds SA, purchases units on your behalf at the prevailing unit price.

Your individual Member Account and Rollover Account (if any) balances are calculated by multiplying the number of units you hold in each account by the prevailing unit price. A change in the unit price reflects changes in the value of the underlying investments.

While unit prices are generally determined twice weekly, investment options have been framed for investment time horizons of up to ten years and beyond. It is important to keep this in mind when looking at returns over shorter periods.

If you haven't chosen an investment option your funds will automatically be invested in the Growth option. (See page 9 for further information.)

Let's simplify the jargon

Yes, it may sound like a foreign language at times, but you can't talk about investments without using at least some investment jargon. So, let's start by looking at some important investment terms and their meanings:

Return	This is the amount of money your super earns. Returns may not always be positive. Depending on a number of factors, your investment can sometimes go down in value, just as it can go up.
Investment objective	The investment objectives state what each option aims to achieve. Unfortunately, there are no guarantees with investment so the objective should only be used as a guide when making a decision about your investment. Each of the Lump Sum's investment options has a different investment objective expressed over a particular investment time horizon. The investment objective is expressed as a target return above the inflation rate, or Consumer Price Index (CPI), which is a measure of inflation based on the prices of selected goods and services at various times.
Investment time horizon	This is the expected length of time it may take for an investment option to achieve its investment objective with a reasonable likelihood.
Risk and volatility	This is the possibility that your super may fall in value or earn less than you expected. All investing involves trade-offs between risk and return. Typically the more risk, the higher the potential returns. The less risk, the lower the potential returns. There is also a risk that your super may fall in value, earn less than expected or experience a negative return. Volatility relates to fluctuations in returns. For riskier investment options, returns may fluctuate greatly.
Standard risk measure[1]	This is a measure of risk that allows investors to compare investment options. The risk measure expresses risk as the number of negative annual returns likely over any 20 year period.
Asset classes	These are the types of investments that make up the option your super is invested in. Each asset class has its own particular risk and return characteristics. See page 8 for more information.

[1] The Standard Risk Measure is based on industry guidance to allow members to compare investment options that are expected to deliver a similar number of negative annual returns over any twenty year period. The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance, it does not detail the likely size of a negative return or the potential for a positive return to be less than a member may require to meet their financial goals. It also does not take into account the impact of administration fees and tax on a negative return. Members should ensure they are comfortable with the risks and potential losses associated with chosen investment options.

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IN THIS FACT SHEET

Risk and return

One of the most important concepts to consider when making an investment decision is that of risk and return.

All investments, including super, have some level of risk.

As a Lump Sum Scheme member you should be aware that capital losses are possible, depending on the investment options you choose and their performance over time. This is due to the volatility of investment markets.

This volatility is a normal part of investing and can occur with monies you may have in other super funds, the share market and other types of investment.

Strategies have been developed for each option targeting the best balance of risk versus return.

Each option has its own:

- *Objective.* What does the option aim to achieve?
- *Investment Time Horizon.* What is the length of time needed to reach the earning potential of your investment?
- *Risk.* What is the relative risk involved in the option?
- *Asset Class Mix.* What mix of investments makes up the option?

Each of the Lump Sum Scheme's investment options has a different level of risk and return, as shown in the table below.

Risk and return of the eight Lump Sum Scheme Member Component investment options

Investment options	Target rate of return	Investment time horizon	Risk of negative return	Growth asset allocation ranges[1]
Cash	RBA cash rate	0+ years	On average less than 0.5 years in 20	0%
Capital Defensive	Inflation + 1.5%	2+ years	On average between 0.5 and one year in 20	10 – 40%
Conservative	Inflation + 2.0%	4+ years	On average two to three years in 20	25 – 55%
Moderate	Inflation + 3.0%	6+ years	On average three to four years in 20	40 – 70%
Balanced	Inflation + 3.5%	10+ years	On average four to six years in 20	60 – 90%
Growth	Inflation + 4.0%	10+ years	On average four to six years in 20	70 – 100%
Socially Responsible	The Socially Responsible option is structured to provide investors with risk and return characteristics likely to be similar to that of an industry growth fund. The risk of a negative return is on average four to six years in 20.			
High Growth	Inflation + 4.5%	10+ years	On average four to six years in 20	70 – 100%

[1] Growth assets include shares, certain types of property, private equity and other growth opportunities. The remainder of the funds are invested in defensive assets, such as cash and fixed interest.

Risk and return of the Lump Sum Scheme Employer Component investment option

Investment options	Target rate of return	Investment time horizon	Risk of negative return	Growth asset allocation ranges
Defined Benefit High Growth	Inflation + 4.5%	10+ years	On average four to six years in 20	70–100%

INVESTMENT CHOICE

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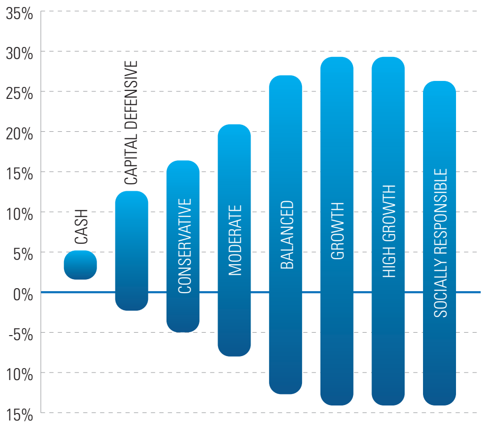
IN THIS FACT SHEET

The investment objectives state what each option aims to achieve and are designed to help members with their investment decisions. The objectives have been developed having regard for the long-term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor, JANA. There is no guarantee, however, that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with a high exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

Expected range of return outcomes for the Lump Sum Scheme (Member Component investment option)

For each investment option there is an expected range of annual returns. This varies between the options.

The expected range of annual returns[1] for the investment options are shown in this graph.



Generally, the options that offer the highest potential long-term returns also come with the widest range of returns including the possibility of negative returns. Options that offer the lowest potential long-term returns come with the narrowest range of returns and greatest likelihood of positive returns.

[1] There is approximately a 5% chance that the return in any given year could lie outside of this range.

When choosing the investment option right for you, consider:

- your current financial position
- your age
- your estimated time of retirement
- how long your super will need to last
- your attitude to accepting additional risk in seeking higher returns.

Risk of investment

Some important risks are:

- *Inflation.* Inflation may exceed the return you receive on your investment.
- *Market.* Economic, technological, political or legal conditions may affect the value of investments. Market sentiment may also alter the value.
- *Manager performance.* The risk that individual investment managers underperform.
- *Interest rates.* Changes in interest rates may also affect investment returns positively or negatively.
- *Foreign currency.* For overseas investments there is a risk that the value of other currencies may change in relation to the Australian dollar and reduce the value of the investment.
- *Derivatives.* Derivatives are financial contracts used in the management of investments whose value depends on the value of specific underlying investments. Their value can fluctuate, sometimes away from the expected value, and they are also subject to counterparty risk.
- *Counterparty risk.* Counterparty risk is the risk that an organisation contracted to provide an investment service is not able to do so. This may result in loss of value.
- *Underlying investments.* The value of each option's underlying investments can rise as well as fall.

To keep track of how your option is doing, you can check its investment performance on the Super SA website.

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Some of the most common influences on underlying investments include:

- *Australian shares.* Individual shares are affected by factors affecting the share market generally but also by the profits and expected profits of individual companies.
- *International shares.* There are similar risks as for Australian shares. Additionally, they are affected by political factors and the currency exchange rate of the country where the shares are held.
- *Property.* Economic factors such as inflation and unemployment will affect the return on property, as well as the location and quality of the property itself.
- *Fixed interest investments.* Changes in interest rates, as well as the risk of loan repayment default, will result in a change in value of this investment.

Other risks specific to super investments include changes to super laws or taxation laws, which may affect the accessibility or value of your investment.

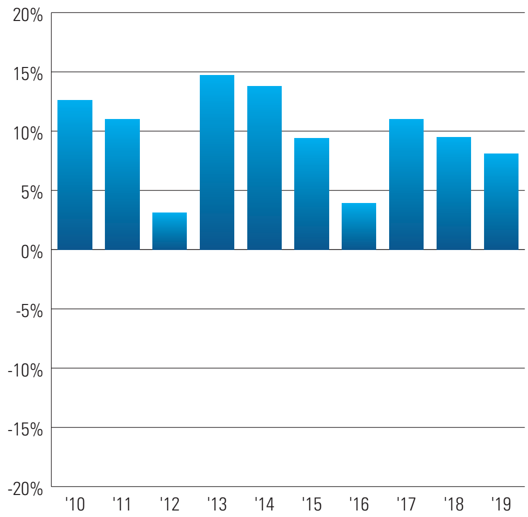
Investment Performance

Performance and risk are closely linked when talking about investments. Generally, the investment options that offer the highest long term performance may also carry the highest level of short term risk, and vice versa.

How your investment option performs

A rate of return is the amount of money your super earns or loses over a specified period. Remember, returns may not always be positive. Depending on a number of factors, your investment can sometimes go down in value, just as it can go up. Volatility is a normal part of investment.

As an example, let's look at the rates of return achieved for the Lump Sum Scheme option[1] in the chart following.



You can see from the chart that since 2010, annual returns for the growth option have ranged from a high of 14.7% to a low of 3.1%. These fluctuations can be expected from an investment option with a high allocation to Growth assets, like the Growth option.

The investment objectives provide a guide to what each option aims to achieve. The Lump Sum Scheme Growth option is expected to return 4.0% above inflation over an investment time horizon of at least eight years. It is important to remember that past performance should not be taken as an indication of future performance.

[1] Keep in mind that the Lump Sum Scheme is an untaxed scheme, which means returns are reported without taking tax into account. Most other funds are taxed funds and report their investment earnings after tax.

INVESTMENT CHOICE

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IN THIS FACT SHEET

What type of investor are you?

Now you're familiar with 'risk and return' and 'investment performance' the next step is to understand how much risk you're prepared to take in order to get the return you want. This is called your risk tolerance. You can find out what yours is by working out your individual investor profile. Get started by answering these questions;

What are your goals for retirement?

This will help you work out how much money you'll need when you retire. For example, if you plan to spend your time travelling overseas, you'll need to factor in that extra expense.

What's your current financial position?

Look at how much super you have, your sources of income and your ongoing expenses, such as mortgage payments. This will give you a good idea of where you are now and how much you'll need to achieve your goals for retirement.

How long until your planned retirement date?

This will help you determine your investment time horizon so you can select an investment option that suits it best.

For example, if you're 55 and plan to retire at age 60, your investment time horizon is five years.

As you continue reading, you'll see that some investment options are better suited to different time horizons.

How much risk are you prepared to take to get a potentially higher return?

This is an important question. Even if you have years before you retire, investing in a high risk investment option might not be worth the potential returns if it's going to keep you awake at night with worry.

In the Lump Sum Scheme you have a choice of eight investment options for your Member Component:

Investment options	Your investor profile
Cash **Capital Defensive**	– Not comfortable taking risks – Prepared to accept lower returns for less risk – Investing for the short-term: 0 –2+ years
Conservative	– Prepared to accept moderate to low returns – Comfortable with a low possibility of negative returns – Investing for the short to medium term: 4+ years
Moderate	– Prepared to accept a moderate risk to potentially achieve moderate long-term returns – Comfortable with a possibility of negative returns – Investing for the medium to long term: 6+ years
Balanced	– Prepared to accept a moderate to high risk to potentially achieve moderate to high long-term returns – Comfortable with a possibility of negative returns – Investing for the medium to long term: 10+ years
Socially Responsible	– Prepared to accept a higher risk to potentially achieve higher long-term returns – Comfortable with a significant possibility of negative returns – Investing for the long term: 10+ years
High Growth **Growth – default**	– Prepared to accept a higher risk to potentially achieve higher long-term returns – Comfortable with a significant possibility of negative returns – Investing for the long term: 10+ years

!

You can see from the table that knowing your investor profile can help you to choose the investment option that's right for you.

To help you work out your risk tolerance and investor profile, use the What type of investor am I? calculator at www.supersa.sa.gov.au.

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Your attitude to risk may change over time. You may wish to periodically review your investment strategy to make sure it still meets your needs.

What are asset classes?

Each investment option is made up of asset classes. An asset class can be something tangible like property or it can be something intangible like shares or fixed interest.

Funds SA manages the asset classes comprising the following investment options: High Growth, Growth, Balanced, Moderate, Conservative, Capital Defensive and Cash.

The asset classes comprising the Socially Responsible investment option are managed by the product provider, AMP Capital.

Growth asset classes

These include assets that aim to achieve higher returns over the long term but also carry higher risk. Returns may fluctuate widely and can sometimes be negative. Examples of growth assets include shares and certain types of property.

Defensive asset classes

These tend to deliver lower returns over the long term but carry less risk. While a negative return is possible, defensive asset classes typically provide a more stable series of lower positive returns. Examples of defensive assets include cash and fixed interest.

Mixed asset classes

Some asset classes such as property, diversified strategies income and diversified strategies growth can have both growth and defensive characteristics. Their classification depends on the underlying investment strategy.

Why is it important to have a mix of assets?

Having all your eggs in one basket is not ideal, right? Well, the same applies to asset classes.

By diversifying, or having your super invested in a number of asset classes, you reduce the risk of your investment losing value because poor performance in one asset class can potentially be offset by better performance in another.

Spreading your super investment over a number of asset classes helps manage risk.

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IN THIS FACT SHEET

Lump Sum Scheme Investment options

The eight investment options available in the Lump Sum Scheme each have a different mix of asset classes because they each have different investment objectives.

The table below lists the six main types of asset classes that you need to know about and the different levels of risk and return of each.

Asset class	Description	Asset type	Risk	Return
Cash (eg. 11am cash, bank bills, term deposits and floating rate notes)	These are investments in assets that can be cashed in quickly. A stable investment suitable for investors with a low risk tolerance.	Defensive	Low	Low
Fixed Interest (eg. Government bonds, corporate bonds and inflation linked securities)	These investments are usually in the form of loans to governments or companies who pay a fixed rate of interest for the term of the loan. Returns tend to be better than cash over the long term, but lower than property and shares. Inflation linked securities have the additional feature of being linked to a measure of the general level of prices in Australia, such as CPI.	Defensive	Low – Mod	Low – Mod
Diversified Strategies – Income (eg. Corporate bonds)	These are investments in domestic and international corporate bonds, emerging markets debt and absolute return products. Returns tend to fluctuate and can be negative.	Mixed	Mod	Mod
Property (eg. Retail, commercial and industrial property)	These are investments in unlisted property trusts and shares in listed property trusts on the sharemarket. There's potential for these property assets to provide moderate returns over the long term, however the value of the assets can fluctuate and returns can be negative.	Mixed	Mod	Mod
Shares (equities) (A stake or financial interest in an Australian or international company)	These are investments in companies listed or about to be listed on the Australian or international stock exchanges. Dividends provide income although they can't be guaranteed. Share prices can fluctuate dramatically and can be frequently negative, which makes them high risk but there's potential for high capital growth over the long term.	Growth	High	High
Diversified Strategies – Growth (eg. infrastructure)	These are investments in a diverse range of assets, for example, private companies and infrastructure. Returns tend to fluctuate and can be negative. These assets carry a high level of risk.	Mixed	High	High

Growth assets aim to achieve higher returns over the long term but also carry higher risk.

Defensive assets usually deliver lower returns over the long term but tend to carry less risk.

Mixed assets have both growth and defensive characteristics to varying degrees.

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HIGH GROWTH

This option is structured for investors with an investment time horizon of at least 10 years. Annual returns may be volatile.		
Investment return objective[1]	Inflation + 4.5%	
Asset allocation		
This option is invested in the range of 70 – 100% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).		
Strategic Asset Allocation[2]		
Asset	**%**	**Range %**
Australian Equities	24	10-40
International Equities	36	20-50
Property	16	5-30
Diversified Strategies Growth	10	0-20
Diversified Strategies Income	12	0-25
Inflation Linked Securities	0	0-10
Fixed Interest	0	0-15
Cash 2%	2	0-20
Minimum suggested time frame	10 years	
Summary risk level[3]	It is likely that a negative return might be expected to occur between four and six years in 20.	
Risk classification	High risk (Risk Band 6)	

SOCIALLY RESPONSIBLE

This option is structured to provide investors with risk and return characteristics likely to be similar to those of a growth fund. Annual returns may be volatile.		
Investment return objective[1]	Similar to those of an industry growth fund.	
Asset allocation		
The strategic asset allocation for the SRI option is determined by the underlying fund manager, AMP Capital Investors.		
Strategic Asset Allocation[4]		
Asset	**%**	**Range %**
Australian Equities	25	15-40
International Equities	33	15-40
Property	9	0-20
Alternatives	6	0-13
Fixed Interest	25	0-45
Cash	2	0-20
Minimum suggested time frame	Similar to those of a growth fund.	
Summary risk level[3]	It is likely that a negative return might be expected to occur between four and six years in 20.	
Risk classification	High risk (Risk Band 6)	

GROWTH (default)

This option is structured for investors with an investment time horizon of at least 10 years. Annual returns may be volatile.		
Investment return objective[1]	Inflation + 4.0%	
Asset allocation		
This option is invested in the range of 70 – 100% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).		
Strategic Asset Allocation[2]		
Asset	**%**	**Range %**
Australian Equities	24	10-40
International Equities	36	20-50
Property	16	5-30
Diversified Strategies Growth	10	0-20
Diversified Strategies Income	12	0-25
Inflation Linked Securities	0	0-10
Fixed Interest	0	0-15
Cash	2	0-20
Minimum suggested time frame	10 years	
Summary risk level[3]	It is likely that a negative return might be expected to occur between four and six years in 20.	
Risk classification	High risk (Risk Band 6)	

[1] The investment objectives state what each option aims to achieve and are designed to help investors with their investment decisions. The objectives have been developed having regard for the long term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor, JANA. There is no guarantee, however that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

[2] Strategic asset allocations current at 22 August 2019.

[3] See page 2 for more information about the Standard Risk Measure.

[4] Effective 1 October 2018

IN THIS FACT SHEET

BALANCED

This option is structured for investors with an investment time horizon of at least 10 years. Annual returns may be volatile.

Investment return objective[1]: Inflation + 3.5%

Asset allocation

This option is invested in the range of 60 – 90% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).

Strategic Asset Allocation[2]

Asset	%	Range %
Australian Equities	23	10-40
International Equities	33	20-45
Property	12	0-25
Diversified Strategies Growth	8	0-20
Diversified Strategies Income	8	0-20
Inflation Linked Securities	5	0-15
Fixed Interest	8	0-25
Cash	3	0-20

Minimum suggested time frame	10 years
Summary risk level[3]	It is likely that a negative return might be expected to occur between four and six years in 20.
Risk classification	High risk (Risk Band 6)

MODERATE

This option is structured for investors with an investment time horizon of at least six years. Annual returns may be volatile.

Investment return objective[1]: Inflation + 3.0%

Asset allocation

This option is invested in the range of 40 – 70% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash and fixed interest).

Strategic Asset Allocation[2]

Asset	%	Range %
Australian Equities	16	5-30
International Equities	22	10-35
Property	10	0-20
Diversified Strategies Growth	5	0-15
Diversified Strategies Income	12	0-25
Inflation Linked Securities	11	0-25
Fixed Interest	16	0-30
Cash	8	0-20

Minimum suggested time frame	6 years
Summary risk level[3]	It is likely that a negative return might be expected to occur between three and four years in 20.
Risk classification	Medium to high risk (Risk Band 5)

CONSERVATIVE

This option is structured for investors with an investment time horizon of at least four years. Annual returns may be volatile.

Investment return objective[1]: Inflation + 2.0%

Asset allocation

This option is invested in the range of 25 – 55% in growth assets (shares and certain types of property) and the balance in defensive assets (such as cash and fixed interest).

Strategic Asset Allocation[2]

Asset	%	Range %
Australian Equities	10	0-20
International Equities	15	5-25
Property	9	0-20
Diversified Strategies Income	18	5-30
Inflation Linked Securities	15	5-25
Fixed Interest	23	10-45
Cash	10	0-20

Minimum suggested time frame	4 years
Summary risk level[3]	It is likely that a negative return might be expected to occur between two and three years in 20.
Risk classification	Medium risk (Risk Band 4)

[1] The investment objectives state what each option aims to achieve and are designed to help investors with their investment decisions. The objectives have been developed having regard for the long term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor, JANA. There is no guarantee, however that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

[2] Strategic asset allocations current at 22 August 2019.

[3] See page 2 for more information about the Standard Risk Measure.

INVESTMENT CHOICE

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IN THIS FACT SHEET

[1] Strategic asset allocations commenced on 1 January 2016. Members with a PSESS and/or SG account have this component invested in the Defined Benefit High Growth option. This cannot be changed.

[2] The investment objectives state what each option aims to achieve and are designed to help investors with their investment decisions. The objectives have been developed having regard for the long term performance and characteristics of financial markets and taking into account expert advice provided by specialist investment advisor, JANA. There is no guarantee, however that the objectives will be met. This is because financial markets are volatile and future returns may vary from returns earned in the past. Indeed, for funds with exposure to growth assets there is a material likelihood that returns may be negative in any particular year.

[3] Strategic asset allocations current at 22 August 2019.

[4] See page 2 for more information about the Standard Risk Measure.

CAPITAL DEFENSIVE

Description

This option is structured for investors with an investment time horizon of at least two years. Annual returns may be volatile.

Investment return objective[2]	Inflation + 1.5%

Asset allocation

This option is invested in the range of 10% – 40% in growth assets (shares and certain types of property) and the balance in defensive assets (such as cash and fixed interest).

Strategic Asset Allocation[3]

Asset	%	Range %
Australian Equities	5	0-15
International Equities	7	0-20
Property	6	0-20
Diversified Strategies Income	17	5-30
Inflation Linked Securities	15	5-25
Fixed Interest	35	20-55
Cash	15	0-25

Minimum suggested time frame	2 years
Summary risk level[4]	It is likely that a negative return might be expected to occur between 0.5 and one year in 20.
Risk classification	Low risk (Risk Band 2)

CASH

Description

A stable investment for investors with a low risk tolerance.

Investment return objective[2]	RBA cash rate

Asset allocation

This option is invested in 100% cash.

Strategic Asset Allocation[3]

Asset	%
Cash	Cash

Minimum suggested time frame	0 years
Summary risk level[4]	It is likely that a negative return be expected to might occur less than 0.5 years in 20.
Risk classification	Very low risk (Risk Band 1)

DEFINED BENEFIT HIGH GROWTH

Employer component only[1]

Description

This option is structured for investors with an investment time horizon of at least 10 years. Annual returns may be volatile.

Investment return objective[2]	Inflation + 4.5%
Asset allocation	This option is invested in the range of 70 – 100% in growth assets (shares, certain types of property, private equity and other growth opportunities) and the balance in defensive assets (such as cash).

Strategic Asset Allocation[3]

Asset	%	Range %
Australian Equities	20	15-25
International Equities	30	25-35
Property	18	13-23
Diversified Strategies Growth	16	11-21
Diversified Strategies Income	14	9-19
Cash	2	0-20

Minimum suggested time frame	10 years
Summary risk level[4]	It is likely that a negative return might be expected to occur between four and six years in 20.
Risk classification	High risk (Risk Band 6)

INVESTMENT CHOICE

SUPER SA
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IN THIS FACT SHEET

Responsible investing

Responsible investment "is an approach to investment that explicitly acknowledges the relevance to the investor of environmental, social and governance factors, and of the long-term health and stability of the market as a whole. It recognises that the generation of long-term sustainable returns is dependent on stable, well-functioning and well governed social, environmental and economic systems."[1]

Across all Lump Sum Scheme investment options, the managers appointed are required to follow thorough and well developed investment processes which aim to identify companies that will generate the best financial performance resulting in the best investment returns for stakeholders.

Wherever possible, Lump Sum Scheme options exclude investments in manufacturers of tobacco products.

In evaluating investment opportunities, managers will consider the many risks inherent in each investment. In most cases this includes environmental, social and governance (ESG) factors, where relevant, as managers acknowledge that such issues may impact performance.

For example, the impact of carbon pricing on individual investments is a common risk related to the "Environmental" factor, and in relation to the "Governance" factor, managers consider that a successful company requires good corporate governance practices, remuneration policies and a strong management team.

All managers appointed are active and diligent representatives of members' interests as shareholders in companies in the portfolio. Many of the managers adopt a positive engagement approach, working directly with the management of companies in order to achieve any change necessary to improve the financial performance and risk management of the company.

All managers are active in exercising their right to vote at general meetings of companies in which Lump Sum Scheme members are invested. The managers' guiding principle is to vote in the best financial interests of members on the numerous issues raised at general meetings of companies.

The majority of managers are members of specific groups that promote the inclusion of ESG factors in investment decisions or provide information to assist in monitoring such factors. Examples of such groups include: the UN Principles for Responsible Investment, The Investor Group on Climate Change, the Carbon Disclosure Project (CDP) and the International Corporate Governance Network.

While all options have this approach, the managers in the Socially Responsible option actively incorporate the consideration of environmental, social and governance factors in their investment decisions and avoid investments in areas of high negative social impact. More information on this option can be found in the Socially Responsible Investment Option fact sheet available on the Super SA website.

The use of socially responsible investment criteria in the construction of an investment portfolio may not necessarily result in higher investment returns as particular opportunities are excluded by the responsible investment process.

[1] From the UN Principles of Responsible Investment on www.unpri.org

INVESTMENT CHOICE

SUPER SA contributing to your future

IN THIS FACT SHEET

Changes to investment options

The South Australian Superannuation Board may add, close or make changes to investment options at any time following consultation with Funds SA. Super SA will notify you of any significant changes.

Switching options

When you've done your homework changing, or switching, to an investment option that better matches your investment profile is important.

Your member component is automatically invested in the default investment option, Growth, where it remains unless you choose to switch it to one of the other seven investment options.

You need to make sure that your option suits your investor profile.

To switch your investment option, complete and sign the Lump Sum *Investment Choice* form available to download from the Super SA website, and return it to Super SA.

Investment switches are generally processed twice weekly as follows:

Form received by:	Unit price applied:
5pm Monday	Unit price effective the following Thursday
5pm Thursday	Unit price effective the following Tuesday

These times may be varied for operational reasons, such as public holidays. Prior to variations members will be notified via the Super SA website.

The unit price applied to a switch will represent the market value of an investment option calculated **after** the published deadline for the receipt of Investment Choice forms.

Other things you need to know when you switch:

- If you switch from one investment option to another, the unit price applied to the switch could be higher or lower than the current unit price of both the option you're currently invested in and your new investment option.
- As a Lump Sum Scheme member you can invest your funds in only one investment option.
- The first switch in any financial year is free and there's a $20 fee for every subsequent switch in the same financial year. This fee is payable via direct bank transfer, cheque or money order and must accompany your Investment Choice form. The bank transfer details are provided on the *Investment Choice* form available on the Super SA website.

Variations to switching

In the event of a significant variation in the value of the fund, the Chief Executive may freeze the administration processing of exits and switches until such time as the South Australian Superannuation Board determines an appropriate course of action. The new unit price is to operate with effect from midnight of the day before the freeze was invoked.

Where a member's election to change investment options results in an advantage to that member to the detriment of the other members of the product, the South Australian Superannuation Board's delegate may withhold processing of that member's election.

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Please note that any change to your investment option may not be reflected in quotes performed in the secure member area of the Super SA website until Super SA confirms the completion of this change to you in writing.

INVESTMENT CHOICE

SUPER SA
contributing to your future

IN THIS FACT SHEET

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