

IMPORTANT INFORMATION AND UPDATES

– AS AT 30 JUNE 2023

With so many things vying for your attention these days it's easy to forget your super. But like an old friend, your super will be with you for the long haul and ready for you when it's time for you to enjoy a bit more me-time. So why not take a short break now and catch up one-on-one with your super today? This brochure details the product and legislation updates impacting your super account over the past year, upcoming changes and some other resources we think you'll find useful.



REGULATORY UPDATES

Temporary reduction in minimum pension requirements ended 30 June 2023

The Government's temporary 50% reduction in minimum drawdown requirements for account-based (allocated) pensions and term allocated pensions over the 2019/20, 2020/21, 2021/22 and 2022/23 financial years ended on **30 June 2023**.

The measure was implemented to assist retirees by reducing their need to sell investments to meet minimum payment requirements over a period when market prices may have been under pressure.

If you had previously elected the minimum draw-down rate, we automatically applied the increased minimum to your account from **1 July 2023**. This meant from 1 July 2023, you've been receiving a higher pension payment.

To make a change to your pension payments, contact your adviser or call us.

Expansion of the Downsizer Scheme

The downsizer contribution is aimed at helping older Australians put part or all the proceeds of the sale of their home into super to boost retirement savings. From **1 January 2023**, the eligible age reduced from 60 years old or older to 55 years old or older.

For full eligibility criteria please speak to your financial adviser or refer to the ato.gov.au

Changes to contributions caps and thresholds

Caps and thresholds	Up to 30 June 2023	From 1 July 2023	Change
Concessional contributions cap	\$27,500	\$27,500	–
Non-concessional contributions cap	\$110,000	\$110,000	–
Low-rate cap threshold	\$230,000	\$235,000	↑
CGT small business cap	\$1.650 million	\$1.705 million	↑
Government co-contributions lower income threshold	\$42,016	\$43,445	↑
Government co-contributions upper income threshold	\$57,016	\$58,445	↑
General transfer balance cap	\$1.7 million	\$1.9 million	↑



INVESTMENTS

OnePath Capital Stable – Change to Strategic Asset Allocation (SAA) Cash range

(Applies to OneAnswer Term Allocated Pension only)

Each year the Investment Research Team reviews the strategic asset allocation benchmark and ranges of the OnePath Capital Stable investment option.

Following the latest annual review, we've decided to increase the SAA range for the cash asset class from 17%–39% to 0%–70%.

This change was made as it was considered that in the current market environment an increased SAA range for cash would permit better management of risks associated with fixed income investments by allowing greater flexibility in amount of funds that could be allocated to cash.

The table below sets out the investment option's new SAA ranges effective from **28 October 2022**.

OnePath Capital Stable*				
Asset Allocation [†] Asset Class	New investment SAA ranges (from 28 October 2022)		Previous investment SAA ranges	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	30	0–70	30	17–39
Australian fixed interest**	30	10–47	30	10–47
International fixed interest**	20	0–38	20	0–38
Australian property securities	1.5	0–5	1.5	0–5
Global property securities	1	0–5	1	0–5
Australian shares	10	2–15	10	2–15
International shares	2.5	0–7	2.5	0–7
Alternative investments [‡]	5	2–7	5	2–7

* The fund may occasionally move outside of these ranges, and in these circumstances, we will seek to rebalance the fund within a reasonable timeframe.

† The maximum allocation to growth assets for the OnePath Capital Stable Fund is 20%.

** Fixed interest may include exposure to government, corporate, inflation protected and/or other securities.

‡ The Alternative investments portfolio may include investments such as alternative credit, hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

Fund updates

Changes were made to the following funds:

Fund	Change	Date effective
OnePath Emerging Companies	The underlying investment manager of OnePath Emerging Companies Fund changed from Karara Capital to Acadian Asset Management.	August 2022
OnePath Alternatives Growth Fund	The underlying investment funds of the OnePath Alternatives Growth Fund changed with the removal of GMO Systematic Global Macro Trust and the Man AHL Alpha (AUD) Fund. These funds have been replaced with the addition of the following new funds: <ul style="list-style-type: none"> • Keynes Dynamic Beta Strategy (Offshore) Fund • One River Systematic Trend SP Fund • One River Systematic Alternative Markets Trend SP Fund. The fund will also allocate to cash, as appropriate, to a Cash fund managed by the Insignia Financial Group.	June 2023

OnePath and OptiMix Diversified Investment Option Changes

(Applies to ANZ OneAnswer Term Allocated Pension, OneAnswer Term Allocated Pension and Optimix Term Allocated Pension).

In **May 2023**, we made some changes to our OnePath and OptiMix diversified investment options offered through our Term Allocated Pension products. These include updates to the investment objective, investment strategy, asset allocation and Standard Risk Measure. Our aim in making these changes is to improve investment outcomes for our members. You can view the relevant Product Update for a side-by-side comparison showing the changes for each investment option.

For OneAnswer Term Allocated Pension and OptiMix Term Allocated Pension members visit onepathsuperinvest.com.au/performance/product-updates > **OneAnswer/OptiMix section (as applicable)**

For ANZ OneAnswer Term Allocated Pension members this is accessible under 'Product Updates – ANZ OneAnswer' at www.anz.com.au/personal/investing-super/superannuation-and-retirement > **Members > Resources > View All**

ANZ Prime Cash Management Account (ANZ Prime CMA) investment option has been terminated

(Applies to OneAnswer Frontier Pension)

In **November 2022** the ANZ Prime CMA investment option was terminated as an investment option due to limited amount of support.

MultiSeries 30, 50, 70 & 90 funds (MultiSeries Funds)

(Applies to OneAnswer Frontier Super and Pension)

In **April 2023**, the investment strategy of the MultiSeries Funds was updated. These funds will no longer directly invest their assets into the IOOF MultiSeries Trusts. Instead these funds will now replicate the investment strategy of the IOOF MultiSeries Trusts to the extent possible. Nothing else changed for the MultiSeries Funds.

OptiMix Global Emerging Markets Shares Ongoing Fee reduction

(Applies to OneAnswer Frontier Super and Pension)

As part of our ongoing commitment to improve outcomes for investors, we've reduced the Ongoing Fee* for the OptiMix Global Emerging Markets Shares investment option by 0.25% p.a from 1.50% p.a to 1.25% p.a. This change was effective from **1 November 2022**.

* Other fees and costs apply to investment options held through the above products.

Standard Risk Measure

For details on how Standard Risk Measure works, please refer to the relevant Product Disclosure Statement available at onepathsuperinvest.com.au

Updated Standard Risk Measures

Option Name*	Previous Risk Band	Previous Risk Label	Current Risk Band	Current Risk Label	Change
ANZ Cash Advantage	2	Low	1	Very Low	↓
SG Hiscock Property Fund	7	Very High	6	High	↓
Bentham Global Income Fund	6	High	5	Medium to high	↓
Schroder Real Return Fund	5	Medium to high	4	Medium	↓
T. Rowe Price Dynamic Global Bond Fund	6	High	5	Medium to high	↓
OnePath Geared Australian Shares Index	7	Very High	6	High	↓
OnePath Global Listed Infrastructure Index	7	Very High	6	High	↓
OnePath Australian Property Securities Index Fund	7	Very High	6	High	↓
OnePath Balanced Index Fund	6	High	5	Medium to high	↓
Investment options applicable Term Allocated Pension products only*					
OnePath Diversified Credit	4	Medium	6	High	↑
OnePath Stable	6	High	4	Medium	↓
OptiMix Conservative	5	Medium to high	4	Medium	↓
OnePath Conservative	5	Medium to high	4	Medium	↓
OnePath Income	6	High	5	Medium to high	↓

* Investment options in the above table may not be offered through all products.

Note: For Term Allocated Pension members, the table above is based on SRMs prior to recent OnePath and OptiMix diversified investment option changes and the current SRMs have been updated since this flyer was published in July 2023.



GENERAL

Changes to investment costs

The following fees and costs for each investment fund offered through your product for the year ending 30 June may have changed from those that applied in the previous year:

- Investment fees and costs – Performance Fees
- Investment fees and costs – Other Costs
- Transaction costs

These fees and costs that applied to your investment are shown in the 'Fees and costs deducted from your investment' section of your Annual Statement.

To view the latest estimates we have for these fees and costs as well as the latest estimates for those fees and costs for investment options you do not hold, please refer to the latest Product Disclosure Statement or OneAnswer Frontier Fees Guide (for all Super and Pension customers) available at onepathsuperinvest.com.au

We may also make updates to the information in these documents from time to time by publishing a notice under the Product Updates section of our website. For term allocated pension members equivalent information is provided below for investment options not included in the OneAnswer Frontier Fees Guide.

Please note the above fees and costs were previously referred to as 'indirect costs' however we have now updated our reporting of fees and costs charged to you in line with regulatory requirements.

Total annual contributions included in your Annual Statement

The total value of contributions made to your account for Australian Taxation Office (ATO) reporting purposes may not align to the total annual contributions included in this annual statement. Contributions received towards 30 June 2022 that couldn't be allocated to your account until 1 July 2022 or after, will appear in this statement. Similarly, contributions received towards 30 June 2023, that couldn't be allocated to your account until 1 July 2023 or after, will not appear in this statement.

We've correctly reported your contributions to the ATO, so you don't need to do anything. If you have any questions, please contact us.

SUPER AND/OR PENSION ONLY

Your Fund Annual Report

Your fund Annual Report will be available online in December.

For OneAnswer products, it will be available at onepathsuperinvest.com.au

If you would like to receive a printed copy call us on 133 665 and we'll mail one to you.

For ANZ OneAnswer products, it will be available at www.anz.com.au

If you would like to receive a printed copy, call us 13 38 63 and we'll mail one to you.

Term Allocated Pension members:

Investment Fund	Estimated Other Costs (% p.a)	Estimated Performance Fees (% p.a)	Estimated Transaction Costs (% p.a)
OnePath Active Growth	0.31	0.17	0.02
OnePath Balanced	0.31	0.15	0.02
OnePath Capital Guaranteed	0.00	0.00	0.00
OnePath Cash	0.00	0.00	0.00
OnePath Conservative	0.29	0.11	0.00
OnePath Diversified Credit	0.00	0.00	0.00
OnePath High Growth	0.16	0.09	0.05
OnePath Income	0.00	0.03	0.00
OnePath Managed Growth	0.31	0.17	0.04
OnePath Tax Effective Income	0.00	0.00	0.09
OptiMix Balanced	0.31	0.17	0.03
OptiMix Conservative	0.29	0.11	0.01
OptiMix Growth	0.22	0.14	0.04
OptiMix High Growth	0.16	0.09	0.05
OptiMix Moderate	0.31	0.15	0.02
AMP Capital Equity	0.02	0.00	0.03
OnePath Stable	0.10	0.07	0.01

Note: The table above provides estimated investment costs as at 30 June 2022.

Levies and expense recoveries

Where appropriate, levies and expense recoveries are deducted annually to recover some of the costs related to the running of the Retirement Portfolio Services super fund.

The cost of this levy for the 12 months to 30 June 2023 has been passed on by OnePath Custodians Pty Ltd (the Trustee) of the Retirement Portfolio Service superannuation fund (the Fund) to its members as a 0.007% p.a. charge applied against the investments of the Fund on 24 February 2023. This deduction did not include cash investment options and guaranteed products (which do not have a unit price).

To illustrate the impact of this deduction, for a member of the Fund with a \$50,000 balance, the cost of this deduction would be \$3.50.

Levies and expense recoveries are expected to increase to 0.02% p.a for the year ended 30 June 2024. The actual levy charged will be confirmed as part of next year's annual statement.

Insurance in super – opt-out process

If you currently have insurance that you no longer wish to keep, you will need to let us know in writing, by sending a signed and dated (which can be attached to an email) request to client@onepathsuperinvest.com.au

There are benefits and detriments for insurance through super that you may want to consider before cancelling your insurance:

Benefits:

- Convenient way to pay premiums.
- Potential tax benefits of paying for insurance through super.

Detriments:

- You won't be able to obtain cover through OneAnswer again as insurance is closed to new business. However, you can take up insurance through other super products e.g. OneCare Super.
- You won't be insured for injury/illness that occurs after the date you cancel cover.
- Make sure your insurance cover meets your needs at a cost that doesn't inappropriately reduce your super balance.

Also, if you have multiple insurance policies you may be paying premiums on insurance that you cannot claim against.

Changes to your personal circumstances and insurance

Remember to let us know when your personal circumstances change to ensure you're still insured and paying the right insurance fees for your cover.

Even if you continue to pay your insurance fees, a change in your personal circumstances, such as retiring permanently from the workforce or if you permanently depart from Australia, could mean that you're no longer covered.

To advise us of any changes to your circumstances, call Customer Services.

For OneAnswer products, call 133 665, or

For ANZ OneAnswer products, call 13 38 63.

Fees and costs deducted from your investment

The fees and costs that are shown under 'Fees and costs deducted from your investment' in your Annual Statement are explained below.

Investment Fee/Management Fee/Ongoing Fee – the cost of managing the investment fund and the underlying fund manager's Investment Management Fee (IMF). The IMF charged by the underlying fund manager includes the fees, charges and some estimated expense recoveries that relate specifically to the management of each investment fund.

Other investment related costs which include:

- **Performance Fees** – fees that the underlying fund manager are entitled to receive if the underlying investment fund outperforms an agreed investment benchmark.
- **Other Costs** – costs that are incurred by the underlying fund manager. Examples of these costs include expense recoveries and over the counter derivative management costs.
- **Transaction Costs** – costs that are incurred by the underlying fund manager related to the buying and selling of assets. These include costs such as brokerage costs, settlement costs and stamp duty. Transaction costs do not include buy-sell spreads.

Administration fees and costs (under Fees and costs deducted from your investment – applicable to super and pension members only) – includes any levies and expense recoveries that have been deducted from the assets of each investment fund. This includes the APRA levy charged to all super funds and some of the costs to comply with the Government's superannuation regulatory changes.

Buy-Sell Spread – an additional cost reflected in the daily unit prices of an investment fund that is not charged separately. It is used to allocate the costs of buying and selling assets in an investment fund to those investors who are transacting on that fund rather than to members who are not transacting. As your account is valued at the sell unit price, all investments into an investment fund are reduced by the buy-sell spread at the time of the investment.

If you have any questions about the fees and costs on your statement, please contact Customer Services. For OneAnswer products call 133 665 and ANZ OneAnswer products call 13 38 63.

KEY DEFINITIONS

Contributions tax

Contributions tax of 15% will apply to any personal contributions for which you claim a tax deduction or contributions made by your employer (including salary sacrifice contributions) or other concessional contributions which have not previously been subject to tax.

You can claim a tax deduction for personal contributions made in the Annual Statement period, if we received your 'Notice of intent to claim a tax deduction form' by the relevant date and the notice has been acknowledged by the Trustee.

A 15% tax rate also applies to the untaxed element of a roll-over superannuation benefit and certain foreign super fund transfers. The tax payable is shown on your Annual Statement.

Contributions tax will be deducted after the end of every month. As a result, the component relating to the month ending 30 June will not be deducted from your account until the next financial year. It will not appear on the current year's annual statement as a deduction. So you can review the tax for a financial year's contributions in the one statement, the tax for the final period of the financial year is shown on the next year's statement under the heading 'Payable and Received Amounts'. If you have made a withdrawal during the year, contributions tax will be deducted at the time of withdrawal.

The contributions tax applied may not equal 15% of concessional contributions received or a positive contributions tax amount may have been applied. This is because when calculating the amount of contributions tax payable, the tax deductions claimed by the Fund on transactions like insurance fees, administration fees and any adviser fees are passed onto the member as a tax benefit. If no contributions for the year were made, but the insurance and administration fees were paid, this may appear as a positive contributions tax (similar to a tax rebate).

No-TFN Contributions Tax

If you or your employer have not provided us with your TFN, No-TFN additional tax may be applied to your concessional contributions. The additional tax is applied at the end of the financial year or on withdrawal from your account. If we are provided with a valid TFN, the No-TFN tax will not be applied and you may be entitled to any No-TFN tax applied on up to the previous three financial years to be returned to your account, as a No-TFN Tax Offset.

Additional tax for high income earners

An additional 15% tax may apply to certain concessional contributions if your income for surcharge purposes plus your low tax contributions for a financial year exceeds \$250,000. For further information, visit ato.gov.au or speak to your financial adviser.

Withdrawal benefit

A withdrawal benefit is the sum you receive if you withdraw your super balance. Due to a legislative requirement, we must show how much your benefit would be worth on 30 June, but this does not mean you can access your super.

To withdraw your super, you must first meet a 'Condition of release' such as:

- you have reached your preservation age and have permanently retired.
- You have reached age 60 and subsequently ceased a gainful employment relationship.
- you are aged 65 or over.
- you are permanently incapacitated.

For full details of when you can access your super, contact your financial adviser or Customer Services.

Preservation status

Unrestricted Non-Preserved Benefit is the amount of the withdrawal benefit at the close of the reporting period that you can access at any time.

Restricted Non-Preserved Benefit is the amount of the withdrawal benefit at the close of the reporting period that you can access, if you leave an employer who has contributed to this fund on your behalf, or when preserved benefits are payable.

Preserved Benefit is the amount of withdrawal benefit at the close of the reporting period required to be preserved by the Trust Deed and super legislation governing your benefits. Generally, you cannot access this amount until age 65, or once you have reached your preservation age (between age 55 and 60, depending on your date of birth) or you have met another condition of release, such as retirement.

Super Guarantee Allocation

The Super Guarantee Allocation (SG Allocation) is the amount of employee entitlement paid by the ATO representing a superannuation guarantee shortfall and any interest for the shortfall.

The SG Allocation may appear on your Annual Statement as either an addition or deduction.

An addition is a payment from the ATO into your account and a deduction may be the correction of a payment received to your account or the recovery of an overpaid SG Allocation by the ATO. Speak to your financial adviser or contact the ATO for further details.

Government contributions

Government contributions can include the Government co-contribution and the Low Income Superannuation Tax Offset (LISTO). LISTO effectively returns the 15% contributions tax (up to \$500) on concessional (before-tax) contributions for low income earners.

The Government co-contribution helps eligible income earners boost their super through personal (after-tax) contributions. The maximum amount is \$500 and it depends on your income and how much you contribute.

The co-contribution may appear on your statement as either an addition or deduction. An addition is a payment from the ATO into your account and a deduction may be the correction of a payment received to your account or the recovery of an overpaid co-contribution by the ATO. Speak to your financial adviser or contact the ATO for further details.

Nomination of beneficiary

If you have nominated a beneficiary, it will appear on your statement. A valid non-lapsing beneficiary nomination ensures that in the event of your death, your superannuation benefit will be paid in accordance with your wishes. 'Non-lapsing' means it does not expire or need to be updated, but it must meet certain requirements to be valid.

See conditions below:

- We will ordinarily pay the benefits to the nominated beneficiaries in the proportions you have specified, if the requirements are met.
- If your circumstances change such as, if you marry, enter into a de facto relationship or become separated on a permanent basis, your nomination will become invalid.
- You can revoke or change your nomination by completing a valid Nomination of Beneficiary Form.
- For your Nomination of Beneficiary Form to be valid, you need to sign and date it in the presence of two witnesses, who are over 18 and not named as beneficiaries.

A will does not ordinarily control what happens to your super benefit upon death. Generally, if there is no valid non-lapsing beneficiary nomination in place, the Trustee will pay the benefit to your legal personal representative if your estate is solvent.

In addition, if you hold a pension account, your nomination may be a reversionary pensioner and/or a non-lapsing beneficiary. You can nominate your spouse as a reversionary pensioner when you set up your pension account. In the event of your death, your pension will continue to be paid to the reversionary pensioner. A valid reversionary pensioner nomination will override a valid non-lapsing nomination. If your nominated reversionary pensioner dies before you or is no longer your spouse, the Trustee will pay your benefit in accordance with any valid non-lapsing nomination. Please note: If you have nominated a reversionary pensioner on your pension account, this cannot be removed, revoked or changed.

PENSION ONLY

What is included in your annual statement pack?

Annual Review Letter – outlines three important pieces of information:

1. Your total pension or annuity (income stream) payment for this financial year
2. The amount you should expect to receive per payment, and
3. The number of payments that will be made in the 2023/24 financial year.

Annual Statement – includes all transactions that have been processed on your account during the 2022/23 financial year, and your account balance as at 30 June 2023.

Payment Alteration Form – can be used to change the amount or frequency of your income stream payments, the investment fund/s from which payments are drawn or the bank details to which your payments are credited. You can also change your income payments at any time using the Pension Update Form available from our website, or by calling Customer Services. Please note, payments can only be made via electronic funds transfer (EFT) and not cheque.

Centrelink Schedule – outlines the income you will receive from your pension or annuity account for the 2022/23 financial year. If you are applying for, or receive a means-tested Social Security entitlement, you may need to supply the information on the Schedule to Centrelink.

Why is the Centrelink schedule included in the annual statement pack?

When you are assessed by Centrelink for the Age Pension, you are assessed on income and assets over a full financial year. To facilitate this, Centrelink Schedules are issued with information needed for Centrelink to perform this assessment. Please note we provide twice-yearly reporting to Centrelink directly so you may not need to provide a schedule if your circumstances have not changed.

Centrelink Schedules display an annualised value of income stream payments being received, shown as the Gross Annual Payment. The annualised value may not equal the actual value of payments you will receive in the financial year, especially if you have commenced your income stream account part way through the financial year or have changed the payment amounts you receive.

Each time you change your nominated income stream payment amount for the year, a revised Centrelink Schedule can be downloaded from our website and provided to Centrelink if relevant to your circumstances. For further information contact your financial adviser or Centrelink.

How are annual payment amounts calculated?

Each financial year you must receive a legislated minimum payment from your pension or annuity account. Generally, you can choose to receive the legislated 'minimum' payment, the 'maximum' payment (if applicable) or nominate a specified amount. The minimum and maximum annual payment is recalculated each year on 1 July using your account balance and age at that date.

Please note, if you have nominated a reversionary beneficiary on your Term Allocated Pension account, their details may also be considered when calculating your annual payment amount.

If you choose to receive the minimum annual payment, we will make income stream payments from 1 July at the new minimum level. If your nominated annual payment is already higher than the new minimum, your pension or annuity payment will remain unchanged from that paid in the previous financial year, unless you have chosen to have your payments indexed.

If the income stream payments you received for the financial year do not add up to your legislated minimum payment amount, a 'catch-up' payment will be credited to your nominated bank account on or around 30 June.

Maximum payment

For 'Transition to Retirement' (TTR) pensions, a maximum annual pension payment equal to 10% of the account balance will apply each year.

Please note, if you have a TTR pension and have reached age 65, retired on or after your preservation age or are permanently incapacitated, the funds in your pension account will no longer be subject to the maximum 10% restriction on annual pension payments.

Term Allocated Pensions

If you are invested in a Term Allocated Pension (TAP), the standard income payment is a set amount calculated by dividing your account balance as at 1 July each year by the Term Allocated Payment Factor for the remaining term.

Contact us

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